

Tips When RENTING in Tasmania



Background

The Residential Tenancy Act (RTA) 1997 became law on 1st July 1998. The Act sets out the rules which apply to residential tenancies in Tasmania. Shelter, along with a number of other organisations, wrote a formal submission and lobbied for changes to the Act, especially in relation to the raft of fees and charges some Owners and Real Estate agents were charging prospective tenants due to loopholes in the Act.

Then last year the Residential Tenancy Amendment Act 2003 made a number of changes to the Act, and were consolidated into the RTA. These amendments commenced at different times throughout 2004 but are now all operational in law. In response to queries from members Shelter would like to restate what can and cannot be charged to prospective tenants.

Entry Costs

The **only up-front** costs which a tenant may be required to pay when entering into a tenancy are:

- A security deposit
- Rent in advance for the payment period; and
- A holding fee

It is an offence for an owner to require or receive more than:

- Rent in advance for the relevant payment period
- A holding fee; or
- A security deposit which is more than the equivalent of 4 weeks rent
- Security for an application fee
- Security for providing keys for inspection of premises (* advice from CAFT was that a **refundable** key deposit can be charged, to be refunded on return of the key)
- Payment to supply details of available rental premises

Other — Credit & Police Checks

Members have notified Shelter that some Real Estate Agents are requiring private rental applicants to supply credit, and in some cases police checks. Shelter is currently looking into the legality of this practise and will report back in more detail. To this end, Shelter is working with the Tenants Union and the Hobart Community Legal service to produce a rental fact sheet for the next ShelTashortz. **TIP- The Commonwealth Privacy Act gives consumers the right to obtain a copy of their own credit file free of charge if they have been refused credit or where it is required to assist in the management of their individual credit arrangements.**

Proposed Rental Deposit Authority (RDA) for Tasmanian

Consumer Affairs and Fair Trading (CAFT) are currently seeking comment from the public on a proposal to establish a RDA.

The Regulatory Impact Statement for the proposed RDA outlines: the identified need to promote fair and equitable dealing of bonds between owners and tenants, likely impact of the RDA and proposed legislation.

As Shelter Tas has been calling for a Bond Board for Tasmania over several years now, we will be working with our members on a submission on the proposed RDA. Submission due by 3rd June 2005.

For a copy of the paper go to: www.justice.tas.gov.au/newca/index.htm or call CAFT on 1300 65 44 99

or contact

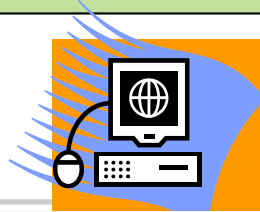
pc@shelertas.org.au at Shelter Tas and we will email you a copy.

RED SHIELD'S GARDEN COMPETITION FOR TENANTS

Community housing provide Red Shield Housing Association have just held a garden contest for their tenants. **The aim of the competition was to promote tenant and community participation.** Photographs were taken earlier in the year to allow a comparison with regard to the work undertaken until May 05. Several gardens were transformed and all of the tenants who participated not only enjoyed the experience but also gained an increased sense of pride in their home.

The response was very positive from both tenants and neighbours and generated improved interaction between RSHA tenants and the wider community. If you would like more information, contact Shelter.

Shelter's Executive Officer Pattie Chugg was invited (as a keen gardener) to judge the competition. Winners for 1st, 2nd and 3rd places will be announced this month.



If you do not have access to the internet and would like a copy of a document, please contact Shelter on (03) 6224 5488 and we will gladly provide the document for you.



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The Ongoing Problem of the Tasmanian Housing Debt

Since 1945 the Commonwealth State Housing Agreement (CSHA) has been the main source of funding for public housing, as well as other housing programs for people on low incomes such as bond assistance, community housing and assisting people into homeownership. Between 1945-1989 CSHA funding to States and Territories was provided in the form of a repayable loan from the Commonwealth. This has caused a legacy of a large historical debt for Tasmania and our State Housing Authority, Housing Tasmania. Unless there is some strategies for the reduction of the CSHA debt, Housing Tasmania will continue to face serious viability and ongoing sustainability problems. Such a strategy has not been to date part of the Affordable Housing Strategy.

Back in December 2002 Shelter wrote about the debt problem and called for its reduction. For instance:

- 2002/3 CSHA debt \$ 273 Million, of the \$21 M in Commonwealth grant \$16.9 needed for debt repayment.
- 2004/5 CSHA debt \$ 252 Million, of the \$24 M in Commonwealth grant \$ 17.4 needed for debt repayment.

This means that each year 70% of the total Commonwealth's contribution to the CHSA is taken up in debt repayment. On top of this. Tasmania has the highest level of debt of any State and at this rate it would take 50 years to clear.

As State debt is reduced ahead of schedule across a range of targets the gross CSHA debt remains. Shelter calls on the State Government to look at ways to reduce the CSHA debt and/or offset the burden placed on Housing Tasmania in debt repayment, which is currently unsustainable at \$17 Million per year, thus freeing up much needed money to create a healthy and sustainable social and affordable housing system.

FREE TRAINING OFFER

Shelter is pleased to promote The Tasmanian Environment Centre's *Train the Trainer in Home Energy Saving for Community Housing Providers.*

The one day courses will be:

1. Hobart 9.30-5.00 Wed 25 May 2005 at the Shelter Office
2. Launceston 9.30-5.00 Wed 1 June 2005 Launceston City Mission

Contact Shelter for more details.

