# Detailed Reference Guide 16: New rules for renters making modifications to rented premises

This reform starts on 29 March 2021.

## New requirements

### New rules for general renters

#### Modifications that can be made without seeking the rental provider’s consent

Renters may make certain prescribed modifications to the rented premises without needing to see the rental provider’s consent. These minor modifications will be prescribed in the Regulations.

#### Modifications that require the rental provider’s consent

The renter requires the rental provider’s consent to make modifications to install a fixture or make any alterations, renovations or additions to the rented premises (which are not prescribed as modifications that can be made without seeking consent).

For some types of modifications which require the rental provider’s consent, the rental provider must not unreasonably withhold their consent. These types of modifications are modifications:

* that do not penetrate or permanently modify surfaces, fixtures or the structure of the property,
* that are required for health and safety purposes,
* that are reasonable alterations under the *Equal Opportunity Act 2010* and where an occupational therapist or other prescribed practitioner has determined they are required (these are ‘disability-related modifications’),
* that ensure access to telecommunications services,
* that are reasonable security measures,
* that are necessary to ensure the safety of a renter who has been or is being subjected to family violence by another party to the rental agreement (including a protected person under a family violence safety notice, family violence intervention order or recognised non-local DVO),
* that are necessary to ensure the safety of a renter who is a protected person under a personal safety intervention order made against another party to the rental agreement,
* that are necessary to increase the thermal comfort, or reduce the energy and water usage costs, for the premises, or
* any other types of modifications prescribed by the Regulations that the rental provider must not unreasonably withhold their consent for the renter to make.

The Act specifically provides the rental provider with the right to refuse consent in the following circumstances (except where the modifications also are reasonable alterations under the *Equal Opportunity Act 2010* and where an occupational therapist or other prescribed practitioner has determined they are required):

* if a valid notice to vacate has been given to the renter on the grounds of an upcoming change of possession, use or ownership of the rented premises,
* if the modification would significantly change the premises or require modifications to other premises or common areas,
* if the modification would result in non-compliance with any other Act or law (for example, the *Building Act 1993*),
* if the modification will result in additional maintenance costs for the rental provider if it is not reversed by the renter at the end of the rental agreement, or
* if reversing the modifications would not be reasonably practicable in the circumstances.

As a condition of their consent, the rental provider may require that the modification be completed by a suitably qualified person.

### Reversing modifications

Before the end of the rental agreement, a renter who has installed fixtures, renovated, altered or added to a rental premises (whether or not with the rental provider’s permission) must restore the premises to the condition immediately before the modification (fair wear and tear excepted).

If not they must pay the rental provider an amount equal to the cost of reversing the modifications.

This does not apply if the renter and rental provider agree, in the rental agreement or otherwise.

### Modification bond

Before consenting to a modification, the rental provider may require that the renter pay an additional bond amount to cover the cost of reversing the modification at the end of the rental agreement, unless:

* the additional bond amount would be less than $500
* the additional bond amount is not proportionate to the reasonable cost of reversing the modification at the end of the rental agreement
* the modification is not required to be reversed at the end of the rental agreement, or
* the rental provider has agreed that the modification is funded by a scheme under a condition that the rented premises does not need to be restored.

The renter may apply to VCAT to determine if the rental provider has unreasonably withheld their consent for a modification. VCAT must hear the application within five days of it being made.

### New rules for modifications in rooming houses, caravan parks and residential parks

For residents in these types of accommodation, the operator’s consent is required for any modification to the rented accommodation.

The rental provider cannot unreasonably withhold consent for modifications that are reasonable alterations under the *Equal Opportunity Act 2010* and where an occupational therapist or other prescribed practitioner has determined they are required (these are ‘disability-related modifications’).

## Previous requirement

Previously, the rental provider’s consent was required for any modification to the rented premises and the rental provider could withhold their consent for any reason even if it was unreasonable in the circumstances.

Also, the rental provider could not require the renter to pay additional bond money to cover the cost of reversing a modification.

## Requiring further specification

* Prescribed modifications a renter can make without seeking the rental provider’s consent.
* Prescribed practitioners for determining reasonable alterations under the *Equal Opportunity Act 2010*.
* Prescribed modifications for which a provider must not unreasonably refuse consent.

## Relevant legislation in the *Residential Tenancies Act 1997*

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| 34 | Not more than 1 bond is payable in respect of continuous occupation |
| 64 | Modifications to rented premises |
| 115 | Resident must not make modifications without consent (rooming house resident) |
| 171B | Resident must not make site or caravan modifications without consent |
| 206ZMB | Site tenant must not make Part 4A site modifications without consent |

**Note:** The definition of ‘suitably qualified person’ is contained in section 3.