

**SUBMISSION TO THE STANDING COMMITTEE ON  
LEGISLATION**

**INQUIRY INTO RESIDENTIAL PARKS (LONG-  
STAY TENANTS) AMENDMENT BILL 2018**

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## Executive Summary

Shelter WA welcomes the opportunity to provide a submission in response to the Inquiry into the Residential Parks (Long-stay Tenants) Amendment Bill 2018 (the Inquiry) by the Standing Committee on Legislation of the Legislative Council.

The Economics and Industry Standing Committee terms of reference require that they inquire into and report on matters relating to the policy, scope, purpose, and structure of the Bill.

Shelter WA welcomes the Inquiry into this issue and in this submission will provide insight into the importance of residential parks as a viable and often alternative means to access affordable housing for a variety of Western Australians. This is particularly important for those on fixed and low incomes.

## Shelter WA

Shelter WA is the independent peak body, based in Perth, Western Australia, that advocates for social and affordable housing and ending homelessness.

Our vision is that all people living in Western Australia have housing that enables them to thrive.

Shelter WA brings together a strong coalition committed to diverse and affordable housing choice for all. With a focus on housing for people on low to moderate incomes and groups that experience housing insecurity.

Shelter WA undertakes research and policy development, engagement, and advocacy to drive solutions to build an effective housing system and alleviate housing-related poverty.

Housing unlocks opportunity, enhances health and well-being, provides access to education and employment options. It enables people to fully participate in community life. We believe housing is a basic human right. Everybody has a right to a place to call home.

**Our Vision:** All people living in Western Australia have housing that enables them to thrive.

## Introduction

Shelter WA would like to take the opportunity to reiterate issues that are of utmost importance regarding the Residential Parks (Long-stay Tenants) Amendment Bill 2018 (the Bill).

Shelter WA recognises the importance of protecting existing affordable housing stock in Western Australia, which includes caravans and park homes.

Furthermore, Shelter WA acknowledges that some people choose to live in this type of housing, for various reasons, such as lifestyle or location. However, residential parks are also increasingly being used as an affordable housing option for low to moderate income households and those on fixed incomes, such as seniors and people on a disability support pension.

According to the 2016 Census, 16,042 people in Western Australia lived in caravan/residential parks or camping grounds. In addition to this, according to the 2011 Census, 1,237 people in WA were marginally housed in caravan parks, or at risk of homelessness.

Shelter WA is concerned more broadly for those seniors and others living in residential parks in Western Australia, many of whom have limited housing options.

It is crucial, from Shelter WA's perspective, that the Bill addresses the following key issues:

- Ensuring that changes to the RLPT Act do not discourage park operators from offering fixed-term agreements.
- Abolishment of the termination of tenancy without grounds.
- Improved disclosure requirements to ensure prospective tenants are provided with necessary information to make a fully informed decision before entering into a lease.
- Greater security of tenure for residents, including providing adequate notice if a fixed term lease will not be renewed.
- Inclusion of renters of site and dwellings under the RPLT Act.
- Requiring the method of rent review to be stipulated in lease agreements, similar to amendments of the *Residential Tenancies Act 1987*.

## Recommendations

### 1. Fixed-term lease agreements

The impact of insecure housing is far reaching, and the emotional and financial costs associated with moving to a new house are well recognised and form one of the most stressful life events.

Stability of tenure is especially important for the most vulnerable people within our community, as stability of tenure leads to a sense of safety, belonging and home.

Many people see residential parks as a long-term accommodation option and therefore there should be adequate measures in place that facilitate and enhance fixed-term lease agreements.

It is of utmost importance that, there are no loopholes within the Bill that would discourage park operators to issue fixed-term lease agreements in order to avoid the application of the *Residential Parks (Long-stay Tenants) Act 2006* (the Act). For example, anecdotally it is understood that some park operators offer fixed-term lease agreements for less than 90 days, which makes them unenforceable under the current provisions of the Act. This means that tenants are disadvantaged and don't have the same protections as a 90 day or 3 month fixed-term lease holder.

Shelter WA recommends, that the Bill removes the timeframe from three months to an indefinite period. Currently, the Bill does this, however, Shelter WA strenuously recommends this reform remain in the Bill.

## **2. Terminating of tenancy without grounds**

Shelter WA fully supports the repeal of 'without grounds' terminations and is pleased to see that the feedback and comments from the sector and community on abolishing the termination of a tenancy without grounds has been incorporated in the Bill. Currently, the Bill retains the right of a park operator to terminate a site-only agreement only under specific provisions. Importantly, the 'without grounds' option must be removed from the Act and the Bill must maintain this policy reform.

Further strengthening the protections available to tenants from wrongful, retaliatory or without grounds evictions will improve tenant confidence in enforcing their rights and prevent park operators from seeking termination on unjust grounds.

In addition to this, the proposed changes in the Bill are a good foundation and provides much needed guidance in the protection of tenants. This will be important as the current Review of the *Residential Tenancies Act 1987* (the RTA) is underway.

## **3. Improved disclosure requirements to ensure prospective tenants are provided with necessary information**

Shelter WA supports the efforts made regarding the inclusion of stronger regulation on disclosure, especially in regard to contractual issues, such as exit fees, as well as the continuing disclosure obligations of the park operator in regard to any material changes.

It is important that long-stay park residents and tenants are given mandatory minimum information about the agreement that they are entering into with the park operators.

Tenants and park residents should not be burdened with any financial losses that might be potentially incurred by misinformation in regard to non-disclosure of their rights and responsibilities.

It is also important to reiterate that long-stay park residents and tenants should be given enough time in order to review disclosure information before entering a long-stay agreement, which guarantees that park residents and tenants will have adequate time to make an informed decision.

This will in turn reduce the risk of potential disputes and the risk of information asymmetry between parties.

#### **4. Greater security of tenure for residents, including providing adequate notice if a fixed term lease will not be renewed**

Shelter WA recommends that amendments that were made to the Act should remain within the Act, as firstly they are consistent with the RTA and secondly, because they give long-stay tenants the chance to plan for relocation or negotiation of a new lease agreement.

The concept of security of tenure needs to be re-characterised as a measure which has positive outcomes for both the renter and park operator.

#### **5. Inclusion of renters of site and dwellings under the RPLT Amendment Bill**

Shelter WA supports the inclusion of provisional measures for an individual to apply to the State Administrative Tribunal (SAT) for an order to be recognised as a tenant, such as for a relative or de facto partner.

Having this provision within the Bill is guaranteeing further consistency with the RTA.

#### **6. Rent stability**

Increasing rent is a major concern for park residents, especially if they are on low to moderate income or fixed incomes, such as seniors and people on disability support pension.

Park residents should be protected from excessive rent increases in a similar way as tenants in the RTA. Shelter WA welcomes the inclusion of provisions in regard to reviewing and varying rent under a long-stay lease agreement.

It is crucial that a rent review will no longer be permitted based on current market rent, which is consistent with the RTA. This will provide greater certainty for tenants and make it easier for tenants to assess the ongoing affordability of a tenancy.

Regarding this, it is important that the time between rent reviews is long enough to not burden park residents with too many potential rent increases.

## **Conclusion**

Residential parks in Western Australia are an important and viable housing option for a number of people within our community, particularly those on fixed incomes, such as pensioners.

Having concise and clear legislative measures in place regarding long-stay tenants in residential parks is crucial due to a variety of reasons. Many of the residents are elderly and retired, and they either choose to live in a residential park due to their lifestyle or affordability, as it provides them with a safe and comfortable home.

This highlights the importance of security around accommodation arrangements.

There needs to be a fair balance between protecting the rights of the tenants and ensuring that the viability of the residential parks sector is maintained, as they are a source of affordable, safe and comfortable homes to many within our community.

Hence, careful consideration will be required to ensure that increased protections for tenants do not contribute to park closures, further disadvantaging residents.

**This submission and recommendations are further supported by:**

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