



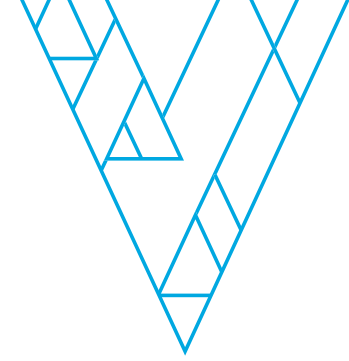
Residential tenancy matters to CAV

An overview of past trends in residential tenancy matters and emerging trends from the new Residential Tenancies Dispute Resolution Scheme

30 September 2020



Past trends in residential tenancy matters

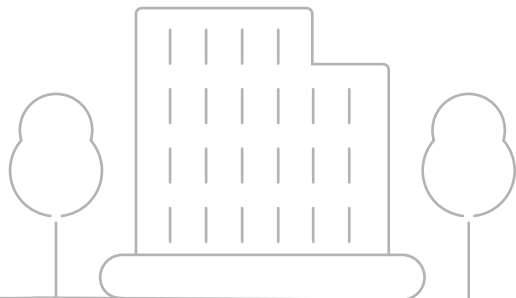


Before the introduction of the [Residential Tenancies Dispute Resolution Scheme \(RTDRS\)](#), CAV received around 50-60,000 contacts (enquiries and complaints) about residential tenancy matters per year.

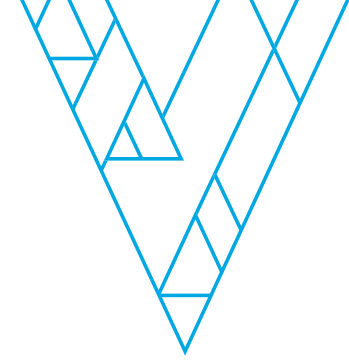
More than **90%** of contacts were about private rentals, as opposed to rooming houses, residential parks, public housing and other forms of accommodation.

The contacts were usually approximately:

- **83%** enquiries (which are generally received via CAV's phone enquiry service and managed through the provision of information and advice)
- **17%** complaints (which tend to involve documentation submitted online).



Past trends in residential tenancy matters



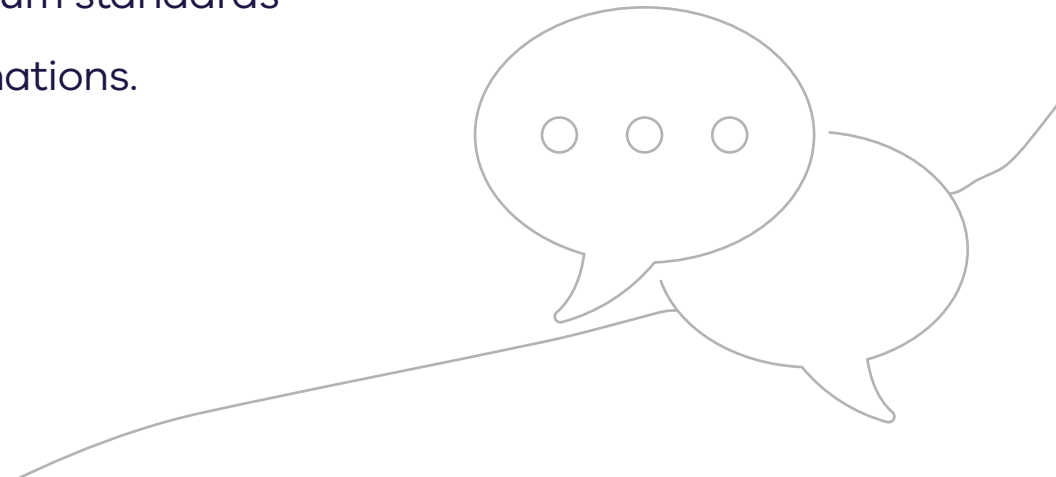
Where recorded, around **70%** of contacts came from tenants, **20%** from agents, and **10%** from private landlords.

The most common enquiries typically related to:

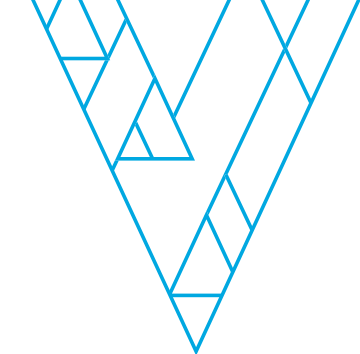
- terminations
- repairs and maintenance
- general requirements
- rent and receipts
- bonds.

The most common complaints generally related to:

- inspection requests
- repairs and maintenance
- bonds
- minimum standards
- terminations.



Emerging trends in residential tenancy matters



The introduction of the RTDRS has seen a large increase in RT matters to CAV and a shift in the nature of the issues, as demonstrated by the September quarter figures.

From July–September 2020, CAV recorded an approximate increase in RT matters of **360%** from the same period last year. This represents an increase in enquiries and complaints and also includes contacts about the new RTDRS.

Nearly **20%** of contacts related to the RTDRS, as shown in the table below. Contacts about ‘new rental agreement’ represent new agreements lodged with CAV under the RTDRS, and ‘rent relief process’ captures contacts querying any aspect of the scheme.

Table 1: RT contacts, July-Sept 2020, by most common issue

Issue (where recorded)	No. of contacts	% of total
New rental agreement*	8,205	13
Termination	3,661	6
Rent relief process*	3,066	5
Lease breaking	2,826	4
Other	2,458	4
Repairs & maintenance	2,386	4
Tribunal hearings & applications	2,236	4
Bonds	1,937	3

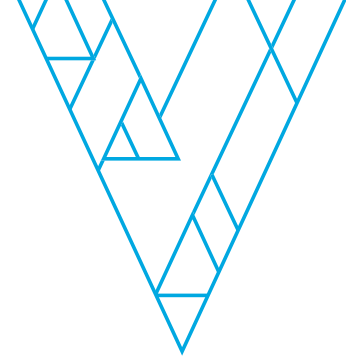
*

*These categories were added to the system with the introduction of the RTDRS.

Lease breaking has become a more prominent issue in 2020 compared to previous years.

The breakdown of who is contacting CAV remains roughly the same, with two thirds being tenants.

Contacts about the RTDRS



Since the introduction of the RTDRS in April 2020, CAV has received more than **6,000 enquiries** about the rent relief process (as at 30 September 2020).

A sample of 16% of these shows the approximate breakdown of the issues¹:

- Enquiries about the process for entering a new rental agreement – **40%**
- Enquiries relating to disputes about rental agreements – **23%**
- Other (including enquiries about renewing agreements) – **23%**
- Enquiries about terminating a rental agreement or Notice to Vacate – **7%**
- Enquiries about non-payment of rent – **7%**

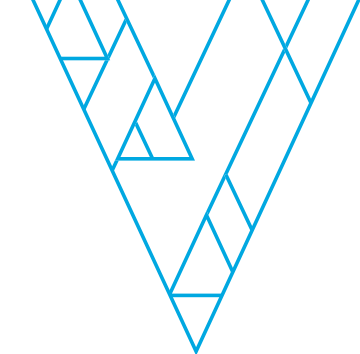
In addition to enquiries about the rent relief process, under the RTDRS CAV has also received:

- new agreements between tenants and rental providers lodged with CAV via webform (more detail on next slide), and
- applications for assistance in negotiating an agreement (also via webform - more detail on next slide).

*

¹The sample was analysed manually. CAV cannot extract this data automatically.

Agreements and applications registered with CAV



As at 30 September 2020, CAV has reported more than **66,160 webforms**, consisting of **approximately**:

- **70%** registered agreements between tenants and rental providers (where tenants and rental providers have come to an agreement on a reduced rent between themselves)
- **30%** applications for assistance in negotiating an agreement (where tenants and providers have been unable to negotiate a rent reduction).

Of the **47,510 registered agreements** at 30 September 2020:

- The average old rent was **\$493** per week
- The average new rent is **\$364** per week
- The average rent reduction is **\$132** per week
- The number of agreements with a rent reduction of **50%** or more is **6,725**.

Some matters are directly submitted to VCAT:

- For example, contacts that relate to criminal behaviour, failure to comply with a VCAT order, serious damage to the property, or violence, are submitted directly to VCAT.
- More than **7,000** matters have been directly submitted to VCAT (at 30 September 2020), with approximately **63%** lodged by tenants.
- CAV has also referred more than **4,000** matters to VCAT.



Our information is recorded based on how tenants complete a webform, so the quality of the data depends on how it was entered.

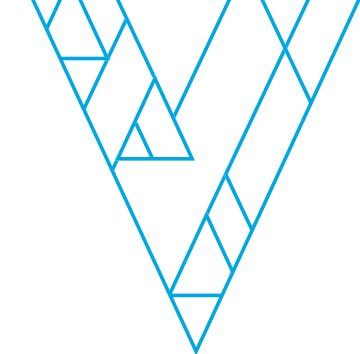
Geographic snapshot

As at 30 September 2020, the webforms received by CAV relate most often to rental properties in the following **ten Local Government Areas (LGAs)**.

LGA of rental property	No. of rented properties (according to 2016 Census)	Ranking of LGA by no. of rented properties (according to 2016 Census)
Melbourne	37,592	1
Port Phillip	24,411	2
Brimbank	16,016	15
Moreland	23,169	4
Glen Eira	17,658	12
Monash	18,326	10
Stonnington	20,611	6
Wyndham	19,120	9
Darebin	20,983	5
Whitehorse	16,120	14



Conditions or clauses in registered agreements



Three random samples of registered agreements have been analysed for the presence of conditions attached to the rent reduction. The findings show:

	Sample 1	Sample 2	Sample 3
Number of agreements	100	100	192
Time Period	Late April-mid May	Mid-late May	Late June – early September
% rent reduction only	67%	81%	88%
% rent deferral and payment plan	16%	8%	7%
% no rent reduction	9%	6%	4%
% rent deferral and other conditions	-	3%	0.5%
% conditional on other factors	7%	2%	-

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