



RESOLVING RENTAL DISPUTES:

A PRACTICAL APPROACH

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ABSTRACT

Resolving rental disputes is a critical aspect of maintaining harmonious landlord-tenant relationships and ensuring legal compliance. This abstract outlines a practical approach to effectively manage and resolve such conflicts, drawing upon legal frameworks, negotiation tactics, and communication strategies. Firstly, it examines the foundational principles of rental agreements, highlighting key clauses and legal obligations for both parties. Secondly, it explores proactive measures for preventing disputes, including clear communication, thorough documentation, and regular property inspections.



Additionally, the abstract delves into the importance of understanding tenant rights and landlord responsibilities, fostering transparency and trust. Furthermore, it discusses common sources of disputes such as rent arrears, property damage, and lease violations, offering step-by-step guidance on addressing each issue. Finally, the abstract underscores the significance of alternative dispute resolution methods, such as mediation and arbitration, in achieving timely and amicable resolutions. By adopting a pragmatic approach rooted in legal awareness and effective communication, stakeholders can navigate rental disputes with confidence and integrity, preserving the integrity of the landlord-tenant relationship and promoting a conducive rental environment.

LET'S GET STARTED

"Resolving Rental Disputes: A Practical Approach" offers a comprehensive overview of effectively managing and resolving conflicts between landlords and tenants. The approach outlined in this overview combines legal insights, negotiation strategies, and communication techniques to address various issues that may arise during a tenancy. Beginning with a discussion on the fundamentals of rental agreements and legal obligations, the overview emphasizes the importance of proactive measures to prevent disputes. It explores key aspects such as clear communication, thorough documentation, and regular property inspections as essential components of dispute prevention. Additionally, the overview highlights the significance of understanding tenant rights and landlord responsibilities to foster transparency and trust.



By adopting a pragmatic approach rooted in legal awareness and effective communication, stakeholders can navigate rental disputes with confidence and integrity, thereby preserving the integrity of the landlord-tenant relationship and promoting a conducive rental environment.

INTRODUCTION TO RENTING

Renting is a ubiquitous aspect of modern living, providing individuals and families with flexibility, mobility, and access to a diverse range of housing options. Whether it's an apartment in the heart of the city, a cozy suburban townhouse, or a

rural cottage surrounded by nature, renting offers a pathway to secure shelter without the long-term commitment of homeownership. However, within the realm of renting lies a complex web of rights, responsibilities, and potential conflicts that both tenants and landlords must navigate. This introduction serves as a primer to the multifaceted world of renting, shedding light on the dynamics that shape tenant-landlord relationships and the essential principles that underpin them.



At its core, renting involves a contractual agreement between two parties: the landlord, who owns the property, and the tenant, who pays rent for the right to occupy the premises. This contractual relationship is typically formalized through a lease or rental agreement, which outlines the terms and conditions governing the tenancy. These terms may include the duration of the lease, the amount of rent payable, rules regarding property maintenance, and provisions for dispute resolution. Understanding the contents of the lease and adhering to its stipulations are essential for both parties to ensure a smooth and mutually beneficial tenancy.

One of the fundamental aspects of renting is the concept of tenancy rights. Tenants enjoy certain legal protections that safeguard their interests and ensure dignified living conditions. These rights may vary depending on jurisdiction but commonly include the right to a habitable dwelling, privacy, and freedom from discrimination. Landlords, on the other hand, have the right to receive rent

payments on time, access the property for maintenance and inspection purposes (with proper notice), and enforce lease terms.

Despite best efforts to maintain a harmonious tenancy, disputes may arise between tenants and landlords. Common sources of conflict include rent arrears, property damage, lease violations, and disagreements over repairs or maintenance. Resolving these disputes requires patience, cooperation, and, in some cases, legal intervention. Alternative dispute resolution methods such as mediation or arbitration can offer a less adversarial means of reaching a resolution outside of the courtroom.

WHAT ARE RENTAL AGREEMENTS?

The rental agreement between you and the rental provider (landlord) sets out what each of you will do, or not do, while you rent the property. There are laws about what can be included in a rental agreement (lease). We recommend you read this page and any rental agreement you are given carefully before signing or agreeing to anything. A rental agreement, also known as a lease agreement or tenancy agreement, is a legally binding contract between a landlord and a tenant that outlines the terms and conditions of renting a property. Typically written, this document serves as a crucial reference point for both parties throughout the duration of the tenancy.

- **Fixed-term or periodic Agreements**

A rental agreement, also often referred to as a lease, may be for a fixed term, for example for a period of 12 months, or periodic, for example month to month.

Fixed-term agreements are more secure because they make it harder for the landlord to evict you, but can be expensive if you want to move out before the end of the fixed term. Only commit yourself to a fixed-term agreement if you are reasonably sure that you want to stay for the full term of the agreement.

- **Verbal Rental Agreements**

If you have a verbal agreement or an agreement that is only partly in writing, you can apply to the Victorian Civil and Administrative Tribunal (VCAT),

which can make an order that the rental provider (landlord) must enter into a written rental agreement with you [section 29B].

A written rental agreement can help you protect your rights as there are laws about what can and cannot be in a written rental agreement.

- **Written Rental Agreements**

If the rental agreement is in writing, it must be on the form prescribed by Consumer Affairs Victoria [section 26]. This is the template form for all properties rented out from 29 March 2021, when new rental laws started.

It is against the law for a rental provider, or their agent, to prepare a written rental agreement that is not on Consumer Affairs Victoria's form.

You must be given a copy of the agreement to review before you are asked to sign it [section 29].



What must be in a written agreement?

The rental agreement must include:

- When the agreement starts
- The address of the property
- The length and type of agreement (fixed term or periodic)
- Details, including contact details, for you and the rental provider, and their agent if they have one

- The amount of rent and how it is to be paid – for limits on rent in advance and ways to pay, see our page, [Starting a tenancy](#)
- The amount of the bond –for limits on bond amounts and other laws about bonds, see our page, [Bonds](#)
- Details of who to contact for urgent repairs
- An option for you and the rental provider to say how notices and documents can be delivered – for information on receiving and giving notices and documents, see our page, [Starting a tenancy](#)
- A summary of your and the rental provider’s rights and obligations
- Other terms you or the rental provider need to follow

Prohibited Items

From 29 March 2021, when the new rental laws started, some terms are prohibited, or banned. They cannot be included in new rental agreements [section 27B, regulation 11].

It is against the law and an offence for a rental provider, or their agent, to include a prohibited term in a rental agreement [section 26A]. You can report offences to Consumer Affairs Victoria, which can issue an infringement notice on the rental provider or agent if they failed to follow the law. If a prohibited term is included in the rental agreement it will be invalid and cannot be enforced by the rental provider [section 27].

If the rental provider refuses to remove any prohibited terms you can apply to the Victorian Civil and Administrative Tribunal (VCAT), which can order that a term is invalid [section 28, section 472].

The prohibited terms include any that:

- Stop you claiming compensation because the property was not available at the start of the rental agreement
- Require you to pay rent in a way that forces you to pay fees
- Require you to take out any form of insurance. However, we recommend you get home contents or renter’s contents insurance, as the rental provider’s insurance will not cover your personal belongings.

- Require you to indemnify the rental provider: for example, a term requiring you to protect or compensate the rental provider if something goes wrong
- Say the rental provider or their agent are not responsible for their actions or the actions of anyone acting on their behalf while you are renting the property
- Make you pay for an insurance excess paid by the rental provider for a landlord insurance policy
- Require you to use a third-party service provider, except for an ‘embedded energy network provider’ where power is supplied jointly, such as to all apartments in a building
- Make you responsible for, or make you pay for, any safety-related maintenance that is the rental provider’s responsibility
- Make you responsible for, or make you pay for, professional cleaning at the end of your agreement, unless this can be requested under the standard terms of the agreement (see standard term 11 on professional cleaning in Consumer Affairs Victoria’s prescribed written rental agreement form)
- Make you pay for the rental provider’s costs of applying to the Victorian Civil and Administrative Tribunal (VCAT)
- Make you pay fixed fees to end your agreement, unless the way these are calculated are in the rental agreement
- Make you responsible for, or make you pay for, any fees, costs or charges for the preparation of the rental agreement
- Make you responsible for, or make you pay for, all or part of the remaining rent for the length of the agreement, or increased rent, or a penalty or damages if you breach the rental agreement
- Say that if you do not breach the rental agreement your rent will, or may, be reduced or that you will, or may, be paid a rebate or other benefit
- Bind you to something you did not agree to in writing before entering into a rental agreement

TYPES OF RENTAL AGREEMENTS

A rental agreement used to be called a lease or a residential tenancy agreement. It is a contract between the renter (tenant) and rental provider (landlord).

There are 3 types of rental agreements for residential properties such as houses, units and apartments. There are different agreements for rooming houses, caravan parks, and site tenants in residential parks and villages.

❖ **Short fixed-term agreements:**

Most fixed-term agreements are short-term. They might be for 6 or 12 months, but they can be up to 5 years.

Short-term agreements can be written or verbal, but we recommended using written agreements.

If a short fixed-term agreement ends, and you stay in the rented premises without signing a further agreement, it will automatically turn into a periodic (month to month) agreement.



❖ **Long fixed-term agreements**

Long fixed-term agreements are for more than 5 years. People might choose a long-term agreement because it offers more security and stability. It also

lets people agree before they sign the agreement about things like how rent increases will be calculated and making changes to the property.

There are some different laws for long-term agreements. These include:

- **Bond top ups.** Rental providers can ask for additional bond after the renter has been living in the property for 5 years and there is a long-term agreement for another 5 or more years.
- **Renters installing fixtures and altering the property.** A rental provider and renter can agree on some changes before signing a long-term agreement. If those changes are written into the agreement, the renter does not need to get any other permission from the rental provider before making them.
- **Breaking the agreement.** Renters who leave early may have to pay one month's rent for every full year remaining on the agreement up to a maximum of 6 months.
- **Long-term agreements must be in writing.** If not, the renter can end the agreement at any time by giving the rental provider 28 days' notice. The renter will not have to pay a penalty.

If a long fixed-term agreement ends, and you stay in the rented premises without signing a further agreement, it will automatically turn into a periodic (month to month) agreement. The rules of that periodic agreement will be the standard fixed term agreement of 5 years or less at the time the agreement ends.

❖ **Periodic (month to month) agreements**

Month to month agreements do not have an end date.

When a fixed-term rental agreement ends, it will automatically turn into a periodic agreement, unless either the rental provider or the renter gives notice to end the agreement or chooses to start a new fixed-term agreement.

Usually, the renter does not sign a new agreement when a fixed-term agreement becomes a month to month agreement. However, if a rental provider or renter wish to enter into a written period agreement.

If the fixed-term agreement was for 5 years or less, the terms and conditions of the original agreement still apply to the new periodic agreement.

If a long fixed-term agreement ends, and it rolls over into a periodic agreement, the rules of that periodic agreement will be the standard fixed term agreement of 5 years or less at the time the lease ends.

HOW DOES RENTING WORK IN AUSTRALIA?

Housing in Australia can be expensive, especially in capital cities. Nevertheless, there are many different types of houses to choose from in the country, including single-family homes, apartments, units, and more depending on your and your family's needs and budget.

Before you settle on a house or apartment for rent and sign a long-term lease, it is recommended you book a short-term rental, to start. This will allow you to explore various neighborhoods in your new city.

If you choose to buy a house in the Commonwealth country, be prepared to jump through a few hoops to do so successfully. It can be challenging to purchase property in Australia as a non-resident or even a temporary resident. Housing options are limited, and conditions apply.

The first quarter of 2019, the average rent in Australia was 436 AUD (304 USD) per week. The minimum house rent you will need to live in Australia's most affordable capital city (Perth) is 385 AUD (269 USD) per week. The following is an overview of Australia's rent prices per week across its main cities.

Sydney 580 AUD 410 USD Canberra 560 AUD 390 USD Melbourne 455 AUD 320 USD Brisbane 440 AUD 300 USD Perth 385 AUD 270 USD Adelaide 390 AUD 270 USD Hobart 450 AUD 320 USD Darwin 460 AUD 320 USD.

Renting a house or apartment in Australia

If you are wondering how to rent houses or apartments in Australia, the first thing you will have to become familiar with is Australia's 100 point check. This is a

personal identification system adopted by the Australian Government and utilized by many landlords before renting out a place to tenants.

Different pieces of ID that an individual can produce (such as a driver's license, passport, previous tenancy agreement, utility account, etc.) are worth a certain number of points. Essentially, you need to satisfy a minimum of 100 points for a rental application to be considered.

Renting in Australia as a foreigner

Renting in Australia as an expat is possible—it may just require a bit more paperwork and preparation. For example, Australian landlords may ask for references from previous landlords, but may not be willing to call internationally if your previous landlords are all abroad. There are ways around this, though, so read on to learn more about the rental process for foreigners.



RENTING PROCESS AND RULES:-

Step 1—Learn the Terminology

Expats should make an effort to learn the local lingo to facilitate their search. For example, apartments are known as “flats” in Australia, while “house” is used for large houses with outdoor spaces. Apartments with one room are known as “studio

flats” or “studios,” and a “unit” is used to describe large apartments that are separated but built into blocks.

Step 2—Choose Your Location

Once in Australia, take time to explore different neighborhoods in your new city. Different areas may change drastically with regard to rental price, so it is worth exploring your options upon arrival.

Step 3—Start Your Search

You can use the internet, newspapers, or even real estate agents to help you in your rental search. Be aware, though, that in Australia, real estate agents may not be so helpful. Therefore, if you do require professional assistance, it is best to hire an experienced destinations service provider to help you with your home search.

Step 4—Set Up a Viewing

Once you have found a few places you are interested in, it is time to reach out and set up a viewing. In Australia, you will find that real estate agencies often manage rental properties. Reach out to the agent via telephone and leave a message if you get no answer. Also, do not be shy about reaching out via e-mail too—you may need to chase an agent as the market can be quite competitive.

Agents in Australia will not rent out a property without a tenant having viewed it in person first; therefore, this is an important step. Agents often hold open houses where more than one person can visit a space at a time. Therefore, make sure you show up prepared with all your documents ready to put in an application on the spot.

Step 5—Put in your Rental Application

Requirements and documents for renting that may be asked of you by the agent/landlord can include:

- ❖ proof of identity (must satisfy 100 point check);
- ❖ proof of income / bank statements for the last three months;
- ❖ references (if you do not have a previous landlord or they are overseas, sometimes an employer is an acceptable alternative);

- ❖ employment details;
- ❖ prior rental agreements, and
- ❖ down payment (will be returned to you if you fail to get the property).

Step 5—Rental Contract and Deposit

In Australia, there is no rule for how much rent you need to pay in advance to secure a space. However, you will be required to put down your security deposit, known as a bond. This is typically for the amount of four to six weeks' rent.

The bond is to protect the property owner from any damages to the space or unpaid rent/bills. For this reason, it is crucial to inspect the property for any damage before moving in. An unfurnished apartment may have some appliances, such as a washer, dryer, and refrigerator but usually nothing more than this. Make sure these appliances are in working order. If the rental is a furnished apartment, an inventory list should be kept. If anything is missing at the end of the lease, costs may be taken from the bond. Unlike in some countries, the bond is held by an independent government-owned body.

A standard, long-term lease in Australia will usually be for six to 12 months. Before signing your rental contract, be sure to inspect it thoroughly. Both you and the landlord should sign it, and both parties must keep a copy. A tenancy agreement must include:

- ❖ name, address, phone number, and registration number of the agent (if applicable);
- ❖ landlord's name, address, and phone number (number only needed if an agent is not used);
- ❖ name of all tenants in the agreement;
- ❖ address of the rental;
- ❖ rent amount plus how and when it is to be paid;
- ❖ bond amount;
- ❖ leasing period;
- ❖ who pays for water supply and use;
- ❖ list of all domestic appliances;
- ❖ additional terms such as a pet clause, and
- ❖ date and signature of all parties.

COST OF LIVING IN AUSTRALIA

It's no secret that Australian consumers are struggling under the weight of inflation, which peaked at 7.8% last year, but remains stubbornly high at an average of 7% for the year to March.

The most recent Australian Bureau of Statistics (ABS) data reveals that over the past 12 months, food and non-alcoholic beverages are up 8%, travel and accommodation has risen by 25%, and medical services are up 6.7%. Electricity has risen by a whopping 15.5%, the largest annual rise since 2013.

What these figures translate to in real terms is higher prices at the supermarket, petrol prices nudging the \$2-a-litre mark, and airfares that are above pre-pandemic levels. It means that renters are paying over 20% more each week compared to a year ago, and many consumers will be faced with bill shock over winter, with electricity prices expected to rise again by around 20% due to new maximum retailer charges set by the energy regulator.

To put that into context: the RBA aims for an inflation target of between 2 to 3%. So if you're feeling that things are getting more expensive, you're not wrong. The good news is, paying less for living expenses and building financial resilience is possible. Here is our Forbes Advisor guide to the cost of living in Australia: what you can expect to pay, how to budget better, and ways to blitz your winter bills.

WHAT IS RENTAL DISPUTES?

Rental disputes refer to disagreements or conflicts that arise between landlords and tenants regarding various aspects of their rental agreement or tenancy. These disputes can encompass a wide range of issues, including but not limited to:

1. **Non-Payment of Rent:** One of the most common rental disputes occurs when tenants fail to pay rent on time or in full, leading to financial strain on the landlord-tenant relationship.
2. **Property Damage:** Disputes may arise over responsibility for damages to the rental property, whether caused by negligence, accidents, or normal wear and tear.

3. **Lease Violations:** Instances where either party breaches the terms of the rental agreement, such as unauthorized subletting, failure to maintain the property, or violating noise ordinances, can lead to disputes.



4. **Security Deposit:** Disputes may occur regarding the withholding or return of the security deposit at the end of the tenancy, particularly concerning deductions for damages or unpaid rent.

5. **Repairs and Maintenance:** Disagreements may arise regarding the responsibility for repairs and maintenance of the rental property, including the timeliness and quality of repairs performed.

6. **Tenant Rights:** Disputes may involve disputes over tenants' rights, such as privacy violations, discrimination, or harassment by the landlord.

Resolving rental disputes often requires open communication, negotiation, and sometimes legal intervention to reach a fair and satisfactory resolution for both parties. Alternative dispute resolution methods such as mediation or arbitration may also be employed to resolve disputes efficiently outside of the courtroom.

HOW TO RESOLVE BOND CLEANING DISPUTES?

Rental disputes over bond cleaning are common in Melbourne, Victoria these days. Many landlords or property managers strictly inspect the property to find reasons to deduct the bond. The Victorian Civil and Administrative Tribunal heard more than 8,000 bond claims and around 1,300 were related to cleaning in 2021-22. The best thing is that VCAT made orders in favour of 70 per cent of tenants in getting their full bond back. However, for that, you need to keep a few things in mind and think optimistically if you get into a dispute. Here is a complete guide to help you resolve bond-cleaning disputes in the most organised way. Make sure you follow these tips carefully and make the right decision. Let's Get Started!

Who is responsible for Bond Cleaning?

Whether you are a tenant or a landlord, you should know your rights and responsibilities related to bond cleaning. According to the lease agreement or RTA in Victoria, tenants or renters must leave the property in a reasonably clean condition or in the same state as it was at the start of a tenancy. Being a tenant, make sure you remove accumulated dust from all surfaces, wash windows, vacuum carpets, floors and blinds, de-grease kitchen appliances, remove stubborn bathroom stains, sanitising the entire property and much more before the final rental inspection. If the property is not spruced up to the set standard, the landlord may deduct your bond money to cover the cleaning costs.



What are the main reasons for bond cleaning disputes?

Many tenants don't understand the main reason behind the dispute and end up losing their hard-earned deposited security. So, here are some of the key reasons that every tenant should consider:



- **Not fulfilling the cleaning expectations**

Landlords usually expect the property to be in a spic and span condition that can match the highest cleaning standards. This means streaks on windows, stains on carpets or dust accumulation on skirting boards can also hold back your bond money. So, it is good to hire a company that specialises in an expert end of lease cleaning Melbourne because professionals follow the pre-approved checklist and adhere to the highest standards.

- **Lack of Communication**

This is one of the most common reasons for rental disputes. It is important to discuss everything about the cleaning expectations with each other. In such a situation, you should check a property condition report and rental agreement and ask your doubts if any.

- **Unreasonable Inspections**

This could also be the major reasons because many landlords get strict when it comes to the final inspections. The main purpose is to hold back the bond money, especially when they have any issue with the tenant. In such a situation, keep a copy of entry condition report and rental agreement handy and show it as a proof to the VCAT. If you are sprucing up your premises, know the inclusions in a cleaning checklist and cover all nooks and crannies to get your bond back.

How to resolve bond cleaning disputes?

Keep the following tips in mind and move out of your rental property in the most seamless way without losing your bond money.

- **Communicate with your landlord**

In order to resolve the dispute, you must have a word with your landlord. Don't hesitate to ask the reason behind the disagreement and know what they exactly want. You can write them a letter or email them regarding the cleaning issue. Make sure your message is crisp and clear. If there are areas of concern related to cleaning, provide evidence, such as written descriptions or photos and support your claim. Tip: It is always good to book professional end of lease cleaners Melbourne who can also offer re-clean service if the tenant or landlord is not happy with the work. They bring all the latest tools, the best vacuum cleaners and other supplies to help tackle all types of stains and grime.

- **Mediate the Rental Disputes**

If you can't reach the landlord or he denies your email or letters, you can opt for mediation. It is one of the most reliable processes where a third party (neutral) helps both parties to reach an agreement. Let's find out the mediation procedure:

- Both parties meet the mediator to discuss the issue. The mediator will also explore the entire process and answer your questions if any.
- You and the landlord will get an opportunity to present their view
- The mediator has to listen to each party's story before making the final decision.

- They will help you identify the main cause of the dispute and resolve it depending on the circumstances.
- The mediator will help both the parties to negotiate and resolve the dispute.



- **Apply to VCAT**

If you fail to resolve the dispute through mediation, you may need to apply to Victoria Civil and Administrative Tribunal. It is an independent tribunal that hears and makes decisions on various rental disputes in Victoria. They consider all proofs and inspect rental agreements and other binding documents before reaching the final verdict. After applying to VCAT, you will be assigned a case manager to help you prepare for the hearing. They will also help you negotiate with your property manager to resolve the dispute. If nothing works, your case will go to a hearing, and both parties will have the last opportunity to show their evidence to support their claims. After analyzing everything, the member of VCAT will make a final decision about the dispute, and if everything goes well, you can get your full bond back within 14 days. However, to support your claim, you need to show the evidence, such as a signed copy of the entry condition report, photos, videos, and rental agreement. Make sure you comply with all the orders made by the VCAT member. If cleaning is the main issue for rental disputes, hire professionals for a quality end of lease cleaning Melbourne and secure your full bond money.

WRAPPING UP!

There are multiple ways to resolve bond-cleaning disputes in Melbourne, Victoria. Follow these simple yet effective tips and secure your full bond money at the end of your tenancy.

CONCLUSION

In conclusion, effectively resolving rental disputes necessitates a pragmatic approach anchored in communication, documentation, and legal comprehension. Open and respectful dialogue between tenants and landlords serves as the bedrock of conflict resolution, fostering understanding and cooperation. This entails active listening, empathy, and a willingness to compromise to reach mutually acceptable solutions.



Understanding the legal framework governing rental agreements is paramount. Both parties should acquaint themselves with relevant laws and regulations to ensure compliance with rights and responsibilities.

Ultimately, while many disputes can be resolved through dialogue and compromise, some may require external intervention. Mediation or legal counsel may be necessary in such instances. Nonetheless, the emphasis should always be on finding practical and fair resolutions that uphold the

interests of both tenants and landlords, fostering harmonious and sustainable rental relationships.

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