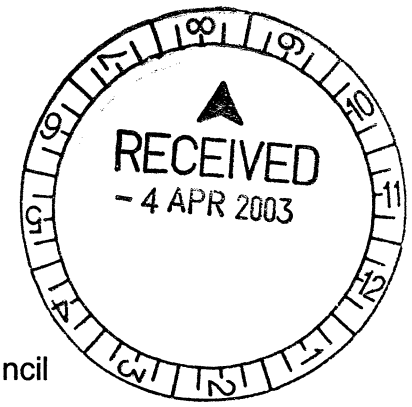
Jeffrey Karykowski
41 Chermside Street
Highgate Hill Qld 4101



2 April 2003

Deborah Cope
Acting Executive Director
National Competition Council
GPO Box 250B
Melbourne VIC 3001

Dear Madam,

I am making a formal submission as part of the National Competition Council's (NCC) 2003 assessment of the Queensland Governments' and Brisbane Waters' progress with National Competition Policy (NCP) water reform implementations. In particular matters dealing with urban consumption based pricing and cross-subsidies.

I understand that governments have endorsed the principle that prices should reflect the volume of water supplied to encourage more economical water use and to defer the need for costly investments in water infrastructure. It follows that free water allowances should be progressively removed as, in most cases, they lead to nontransparent cross-subsidisation, inhibit incentives for economical water use and undermine the principle of consumption-based pricing.

My specific issue where at present under Queensland Government legislation and Brisbane Water policy, landlords are paying for tenanted residential property water consumption does not comply with NCP urban consumption based pricing commitments. Present Brisbane Water arrangements allow tenants residing in separately water metered properties to receive free water allowance of 275 kilolitres per year. This is cross-subsidisation, where the tenant is being subsidised by the landlord and should be removed inline with National Competition Policy. This arrangement also inhibits incentives for economical water use by tenants and undermines the principle of consumption-based pricing. Clearly tenants are the users of water and wastewater and therefore should be directly charged for this use, as is the case for electricity and gas.

In light of this Brisbane Water should review its water and wastewater charging policy inline with National Competition Policy. I understand that Brisbane Water is currently developing a comprehensive demand management strategy that will include a recommendation to directly bill tenants for water and wastewater use. The successful implementation of this recommendation will also depend on the co-operation and support from the Queensland Government, as there will be a need for legislative change. At present the Queensland Government is hesitant in supporting this issue. It would be appreciated if it made its intent clear on this issue in its annual

progress report to the NCC to be delivered by 31 March 2003. This will facilitate the bilateral discussions the NCC may hold with the Queensland Government on matters raised in my submission.

Further, I have been verbally informed on 31 March 2003 by Queensland Treasury (Gary Ward, Director Ph:07 3238 3358) that this issue is not relevant to the annual progress report to the NCC and as such will not be included. He stated that this matter be referred to the Honourable Nita Cunningham, Minister for Local Government and the Honourable Robert Schwarten, Minister for Housing. As correspondence has been exchanged between myself and these ministers regarding this issue, I shall attach these and other relevant letters with my submission for consideration by the NCC. I was also hoping to have included Brisbane Water's recommendations to the Brisbane City Council in my submission, I am still waiting for these and will forward them to you on receipt.

Yours Sincerely,

Jeff Karykowski

Jeff Karykowski
41 Chermside Street
Highgate Hill Qld 4101

27 January 2003

Gerard Bradley
Under Treasurer
Queensland Treasury
GPO Box 611
BRISBANE 4001

CC: Paul Nelson

Dear Sir,

I refer to the correspondence I received from the National Competition Council [copy attached] regarding consumption-based water charging arrangements being practised by Brisbane Water.

Firstly, under the National Competition Policy, governments endorsed the principle that prices should reflect the volume of water supplied so prices encourage more efficient water use. Brisbane Water which charges the owner of a separately metered leased residential property for water usage rather than the water user has not adhered to this principle, and hence, the consumer does not face a price signal to conserve water. It follows that this policy would also give customers more control of the size of their water bill. Under present arrangements this is not possible, as the customer is not the user, hence has no control on the water bill.

Under the user-pays model the tenant is the user of water and therefore should be directly charged for this use. Billing the user directly would abolish cross-subsidy of water by the owner to the tenant and send a price signal to tenants to conserve water. This would be in line with the National Competition Policy requirements, which aim to introduce consumption-based (user-pays system), pricing reflecting full cost recovery and, desirably removing cross-subsidies.

Secondly, I believe Brisbane Water is trading under non-commercial business principles. Brisbane Water has a user pays system for its water service charges. This system is a good system in that if you use something, you pay for what you use. That's fair as it's unreasonable to expect people to pay for something they do not use. However, this does not apply to separately metered leased residential properties where the landlord, who is not the user pays for the water usage. It is also prudent to note that, water charges are not factored into the rent revenue, the rent merely covers the leasing of the property and as such water should be billed directly as is electricity and gas. Further, Brisbane Water should not use property owners through rates notices as a means for collecting revenue. This is unfair business practice as it

exploits property owners by using them as revenue collectors for a service they do not use. Brisbane Water is a profitable business, it should use its own resources for its revenue-raising practices instead of unfairly using others for their profit gain.

Paul Nelson, your departmental policy adviser informed me that Brisbane Water (Mr.Ray Aspey) is sympathetic to my argument. Could you please include in your response any verbal or written correspondence your department received from other stakeholders regarding this matter. This will aid the National Competition Council in its future assessment of this matter.

In conclusion, tenants should be charged directly for their water usage creating " a fairer, economically and environmentally sustainable system which ought to be introduced in line with National Competition Policy requirements for full cost pricing and removal of cross-subsidies which are not consistent with efficient and effective service, use and provision. The Victorian Government acted on 1July 2001 by introducing a fairer and environmentally responsible residential water and sewerage usage pricing policy under Section 21A of the *Water Industry Act 1994*. It is time the Queensland Government followed suit. As the appropriate authority I ask for your approval of the above recommendations, and the subsequent necessary legislative reforms for their adoption.

Yours Sincerely

Jeff Karykowski

Queensland Government

Treasury

11 MAR 2003

Mr J Karykowski
41 Chermside Street
HIGHGATE HILL QLD 4101

Dear Mr Karykowski

Thank you for your letter of 27 January 2003 regarding water charging of individual residential rental properties.

Currently, Brisbane City Council has been assessed by the National Competition Council as meeting its urban water reform requirements. Where properties are rented, landlords are able to pass on excess water charges to tenants subject to lease conditions.

Brisbane City Council and its relevant business unit, Brisbane Water are presently the only entities that can act on the concern you raise in your letter. I understand Brisbane Water is currently developing a comprehensive demand management strategy. I therefore encourage you to provide your suggestion to the Head of Brisbane Water's Retail Branch, Mr Ray Aspey.

Yours sincerely

(G. Bradley)
Under Treasurer

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Jeff Karykowski
41 Chermside Street
Highgate Hill Qld 4101

17 March 2003

Gerard Bradley
Under Treasurer
Queensland Treasury
GPO Box 611
BRISBANE 4001

Director (Treasury)
Gary Ward
3238 3358.

CC: Katrina Martin

Dear Sir,

Thank you for your letter of 11 March 2003 regarding water charging of individual rental properties.

Unfortunately your letter does not answer my question, whether the Queensland Government supports direct billing of tenants for their use of water in residential rental properties with separate water meters. Due to present state legislation (*Residential Tenancies Act 1994* and *Local Government Act 1993)* tenants within the Brisbane City Council receive a free water allowance of 275 kilolitres per year [see attachment] which is subsidised by the landlord.

The National Competition Policy [see attachment] states that free water allowances should be progressively removed as, in most cases, they lead to nontransparent cross-subsidisation, inhibit incentives for economical water use and undermine the principle of consumption-based pricing.

In 1995 the Queensland Government endorsed the National Competition Policy and as such should amend the necessary legislation to remove free water allowances. As the appropriate authority do you support these necessary legislative changes? I would appreciate a prompt response as I will include your response in my submission to the National Competition Council for their assessment.

Yours Sincerely

Jeff Karykowski

Hon Nita Cunningham MP
Member for Bundaberg

Queensland Government

Minister for
Local Government and Planning

MIN 43538.02/LAA1952

- 8 AUG 2002

Mr J Karykowski
41 Chermside Street
HIGHGATE HILL QLD 4101

Dear Mr Karykowski

Thank you for your letter of 2 July 2002 regarding the issue of billing practices by local governments for water usage.

Your comments in respect to the Council of Australian Governments (COAG) water reform framework are noted.

As indicated in previous correspondence, the *Residential Tenancies Act 1994* provides that landlords pay for a reasonable amount of water use by tenants and for tenants to pay for any extra use.

Although water charges are levied on the landlord, there is no legal impediment for landlords to negotiate the most suitable arrangements for payment of water charges over and above the reasonable amount of water required under the *Residential Tenancies Act 1994*.

In respect to your comments concerning the levying of water charges on landowners rather than occupants of land, the *Local Government Act 1993* (the Act) provides that where a council decides to make a utility charge for water and sewerage services, it must be levied on the owner, not the tenant. Because a utility charge is a rate, overdue charges can ultimately be recovered by sale of land procedures. For most ratepayers the levying of utility charges is not an issue because councils tend to include it on the general rates notice, particularly where general rates are levied quarterly. However, as indicated above, landlords and tenants may make appropriate arrangements between themselves concerning water charges.

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There is no requirement under the COAG water reform framework to amend the Act to provide for the liability for payment of a rate by a tenant.

I trust this information is helpful to you and I regret I am unable to assist you further on this issue.

Yours sincerely

Nita Cunningham MP
Minister for Local Government and Planning

Hon Nita Cunningham MP
Member for Bundaberg
MIN42965.02 – LAA-1952

Queensland Government

Minister for
Local Government and Planning

21 JUN 2002

Mr J Karykowski
41 Chermside Street
HIGHGATE HILL QLD 4101

Dear Mr Karykowski

Thank you for letter of 15 May 2002 attaching a copy of a letter you have sent to the General Manager of the Residential Tenancies Authority regarding the impact on residential water consumption charges.

Your comments concerning the levying by local governments of water charges on landowners rather than occupants of land are noted. However, the provisions of the *Local Government Act 1993* (the Act), provide the owner is responsible for the payment of all rates and charges.

The Act provides a utility charge is a rate which means if payment of the rate is not made by the due date specified on the notice, the rate becomes overdue and Council at their discretion may charge interest on these overdue amounts. Dependent on Council policy, it can then take legal action to recover the amount outstanding and should the rate remain unpaid for a period of at least three years, Council can sell the property to recover the unpaid amount.

No legislative changes are proposed at this time to amend the Act to provide for the liability for payment of a rate by a tenant.

In response to your comments regarding inconsistent and unfair water consumption charging practices between local governments, it is advised that under the provisions of the Act, local governments in Queensland are autonomous elected bodies charged with the good rule and government of their areas with a minimum of State intervention. The determination of the level of services to be provided and the setting of rates and charges are decisions which are the sole responsibility of each local government.

However, in terms of water charges, some Councils, including the Brisbane City Council, are subject to prices oversight in respect of water supply activities and this provides an independent mechanism for the review of water charges. Complaints concerning the pricing policy of a Council's water business activity can be referred to the Queensland Competition Authority.

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Website www.dlgp.qld.gov.au

In the first instance, complaints about a Council's prices should be taken up with the Council and its water business. Should this process prove unsatisfactory and all avenues for further discussion with the Council have been exhausted, then you may wish to consider whether your complaint warrants consideration under the State based prices oversight regime.

As you would be aware there is a legislative requirement for landlords to pay for a reasonable amount of water use by tenants under the *Residential Tenancies Act 1994*, and for tenants to pay for any extra use. Although water charges are levied on the landlord (owner), there does not appear to be any legal impediment for landlords to negotiate the most suitable arrangements for payment of water charges over and above the reasonable amount of water required under the *Residential Tenancies Act 1994*.

In the case of units and the installation of meters and their periodic reading, particularly in existing high rise unit blocks, this may present some practical difficulties for Councils eg, it may not be possible to install meters in an existing apartment complex in a way that enables a meter to be read without having to enter each unit. However, that is a matter for Councils to determine.

I trust this information is helpful to you and I regret that I am unable to assist you further.

Yours sincerely

Nita Cunningham MP
Minister for Local Government and Planning

Our Ref: George Passmore
Direct Line: 3222 0545
File Ref: 5-15

23 October 2002

Mr J Karykowski
41 Chermside St
Highgate Hill Q 4101

Dear Mr Karykowski

Water Usage Charging for Residential Rental Properties

I refer to your recent letter in which you have raised the issue that users of water in residential rental properties should be charged for the consumption of water, and requested that the Authority consider this issue in relation to Brisbane Water.

Under the *Queensland Competition Authority Act 1997*, the Authority can only investigate the water pricing practices of local governments if directed to do so by the relevant Ministers (the Premier and the Treasurer).

Accordingly, as requested in recent discussions, I have forwarded a copy of your correspondence to Queensland Treasury.

Yours sincerely,

EJ Hall
Chief Executive

Copy to: *Mr Gerard Bradley*
Under Treasurer
Queensland Treasury
GPO Box 611
Brisbane Q 4001

Queensland Government

Office of the
Minister for Public Works
and
Minister for Housing

Ref: ESU39534

6 JUN 2002

Mr J Karykowski
41 Chermside Street
HIGHGATE HILL QLD 4101

Dear Mr Karykowski

I refer to your letter of 15 May 2002 to the Minister regarding residential water consumption charges and attaching a copy of a letter you sent to the General Manager of the Residential Tenancies Authority. The Minister has asked me to respond on his behalf.

Residential Tenancies Authority staff have advised me that the General Manager has replied to your letter directly and has addressed the issues you have raised in relation to the *Residential Tenancies Act 1994*.

The *Residential Tenancies Act 1994* was developed with consideration to its application throughout the whole of Queensland. As such, where there are inconsistencies, as demonstrated by the variety of water charging methods in place around the State, the Act has had to provide for variance, ensuring that no area of Queensland is adversely affected and that the Act can be complied with.

The Minister has considered your comments and has approached the Minister for Local Government and Planning, the Honourable N Cunningham MP, to establish what options are available to encourage consistency of water charging practices throughout local government areas.

The Residential Tenancies Authority will continue to liaise with the Department of Local Government and Planning regarding this issue.

If you require any further information, please telephone Ms Janet Arber, Senior Policy Officer, Residential Tenancies Authority, on 3361 3515, who will be happy to assist.

I trust this information addresses your enquiry.

Yours sincerely

Peter Johnstone
Senior Policy Advisor

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Contact Name: Tom Cranitch
Telephone: 3403 0373
Fax: 3403 0228
Our Ref:

Brisbane Water
ABN 72 002 765 795

Retail Branch
T C Beirne Centre
315 Brunswick St Mall
Fortitude Valley Brisbane Qld 4006
GPO Box 1434 Brisbane 4001

Telephone 07 3403 0259
Facsimile 07 3403 0228

A unit of Brisbane City Council

13 August 2002

Mr Jeff Karykowski
41 Chermside Street
HIGHGATE HILL QLD 4101

Dear Mr Karykowski

Re: Water Charges – Lessors and Tenants

I refer to your correspondence to Mr Jim Reeves, Divisional Manager, Brisbane Water in relation to your concerns that residential lessors are required to pay for the water consumed by their tenants.

Your correspondence notes that water charges are not included in a lease agreement. However, under certain circumstances a lessor may include water charges in an agreement. I refer you to the attached documentation which includes a copy of the standard *General Tenancy Agreement* (Form 18a issued under the *Residential Tenancies Act*); and the relevant sections of the Act pertaining to water service charges.

A tenant must pay for water charges if it is specified in the tenancy agreement however the premises must be individually metered. Further, a tenant does not have to pay for water for which the lessor should reasonably be liable and the tenant cannot be charged an amount more than that charged by the water authority for the quantity of water supplied.

I understand the term "for which the lessor should be reasonably liable" is a matter of some conjecture. However, one approach may be to determine the average consumption per property within a water authority's distribution area in a given financial year. For instance, in 2002-03 the average consumption for a community title scheme property within Brisbane City Council boundaries will be deemed to be 160 kilolitres and for all other residential properties it is 275 kilolitres for the year. The parties may need to determine different figures for their particular agreement based on the number of occupants the property will have under the lease, etc.

In essence however, it is not correct to state that residential lease agreements are exclusive of water service charges and are only determined on property considerations.

In response to your other specific questions, I have provided the following responses:

1. **Is water supply inherently attached to land charges under BCC policy?**

Section 52(1) of the *City of Brisbane Act* defines a ***utility charge*** "as a charge for the supply by the Council of water, sewerage or cleansing services to any land, building or structure in the City."

2. **Is a user pays policy for water consumption adopted by BCC?**

All domestic properties within Brisbane have been subject to user pays water pricing from 1 July 1997. All non-domestic properties have been subject to user pays water charging from 1 January 2001.

3. **Can a separate residential water usage and sewage disposal charge invoice be issued (ie. separate to general rates invoice)?**

Domestic water and sewerage charges are currently reflected on a property's quarterly rates notice, however aside from current Council policy there is nothing to prevent such an invoice being issued.

4. **Why does BCC apply a user pays policy to lessors but not to tenants?**

Council has a user pays structure for its water service charges with the owner of the property invoiced. As outlined above, there is nothing in Council's pricing approach which would preclude a lessor and a tenant executing an arrangement for water charges as part of the general tenancy agreement.

5. **Do you agree that BCC present policy does not enhance environmental and economic responsibility on the part of the tenant in terms of water usage?**

No. By providing a user pays pricing structure it sends a clear message that properties which consume more water will face greater charges. It supports the *Residential Tenancies Act* in that there is a capacity for lessors to enforce water service charges in the general tenancy agreement against tenants.

6. **Why is water, a scarce resource, treated differently to other resources namely gas and electricity and not charged to the user?**

Refer to the provisions of the *Residential Tenancies Act* which specify how water service charges can be levied in lease agreements. Further, unlike gas and electricity, Queensland's Standard Water Law does not permit a water authority to "cut-off" supply to a property, even for non-payment of accounts.

7. **Will BCC adopt City West Water's policy with regard to water usage and sewage disposal charges?**

BCC is unlikely to adopt a similar invoicing approach as City West Water for water and sewerage charges without legislative changes by the Queensland Government to the above pieces of legislation.

Should you wish to clarify any of the above information, please do not hesitate to contact me on telephone 3403 0373.

Yours sincerely

Tom Cranitch
A/Business Development Manager
BRISBANE WATER

PROPERTY OWNERS' ASSOCIATION OF QUEENSLAND Inc.
Watchdog of Rental Property Owners since 1916

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Secretariat PO Box 1984 Toowong QLD 4066 **Ph: (07) 3378-7411 Fax: (07) 3378-5896**

2 August 2002

Mr. Jeff Karykowski
41 Chermside Street
Highgate Hill 4101

Dear Mr. Karykowski

The Property Owners' Association of Queensland acknowledges your letter of 2 July 2002.

The Association has for some time been lobbying the Residential Tenancies Authority to make changes to the Residential Tenancies Act that would allow lessors to charge tenants at all rental properties for the water used.

Under the present system by charging the owner of the property, the local councils have the power to charge interest if the account is not paid. If tenants were to be charged by the council for water, the tenant might move on and the account left unpaid if a forwarding address was not provided by the tenant.

The other alternative is for councils to charge a deposit. But in that scenario the deposit might not cover the cost of the actual water consumption and again the council would be the loser.

Education of tenants is also needed for the conservation of water. Tenants do not always advise lessors when there is a problem with a leaking tap or a running toilet.

We have been assured that a brief is being prepared by the Residential Tenancies Authority for the Minister, Mr. Rob Schwarten regarding this matter.

We agree with your thoughts and will continue to work towards tenants paying for their water consumption at all rental properties.

Yours sincerely

H.R. Wallace
Secretary

(c) how the outgoings may be recovered by the lessor from the tenant.

(3) The tenant may not be required to pay an amount for the outgoings that is more than—

(a) if the premises are not individually metered—the amount worked out under the agreement; or

(b) if the premises are individually metered and—

(i) a way for working out the amount payable by the tenant is prescribed under the regulations—the amount worked out in the way prescribed; or

(ii) a way is not prescribed—the amount charged by the relevant supply authority for the quantity of the thing, or the service or facility, supplied to, or used at, the premises.

My interpretation of the Act.

Water service charge for premises other than moveable dwelling premises

91A.(1) This section applies to premises that are not moveable dwelling premises if the tenant is required to pay an amount for the lessor's outgoings for water service charges for the premises.

(2) Also, this section applies despite anything in the agreement.

(3) The tenant does not have to pay an amount for the outgoings for a quantity of water for which the lessor should reasonably be liable.

WATER

(4) The tenant has to pay an amount for the outgoings only if—

(a) the premises are individually metered for the water supply; or

(b) water is supplied to the premises by delivery by vehicle.

(5) The tenant does not have to pay an amount for the outgoings that is more than the amount charged by the relevant supply authority for the quantity of water supplied to the premises.

Service charges for moveable dwelling premises individually metered

92.(1) This section applies to moveable dwelling premises if the tenant is required to pay an amount for the lessor's outgoings for a service charge for

FACT SHEET

Water Charging

The *Residential Tenancies Act 1994* contains provisions that assist in determining who is responsible for the payment of water costs in a rental property.

In Queensland, local governments (councils) have responsibility for charging for water consumption. The way in which councils charge for water varies from council to council.

Most Queensland councils are changing the way they charge for water. How this occurs will vary between council areas. Contact your local council for details on how they charge property owners for water.

What does the Act say about water charges?

Under sections 90 and 91a of the *Residential Tenancies Act 1994,* lessors are generally responsible for providing and paying for a reasonable amount of water supplied to the premises. Lessors can only pass on charges for excessive water use to the tenant in a general tenancy (units or houses) if the tenant uses water above that reasonable amount. See the heading "Caravans and mobile homes" for the water charging arrangements in these tenancies.

A term of a tenancy agreement dealing with water charges must comply with this principle from the Act.

Individually metered premises

Premises can be individually metered for water. This is the case with most houses. Some units are also individually metered. The lessor can only pass on water charges for excessive water use to the tenant in general tenancies where the premises are individually metered. The amount charged by the lessor to the tenant cannot exceed the amount charged to the lessor by the water supply authority less an amount for reasonable consumption.

Caravans and mobile homes

The Act sets out different provisions relating to water charges for tenancies in caravans and mobile homes. Mobile homes are only covered by the Act where the owner rents it to someone else and not if the owner lives in it themselves, even though they may rent the site (this arrangement is covered by the *Mobile Homes Act 1989*).

In caravan and mobile homes tenancies covered by the *Residential Tenancies Act 1994*, lessors can pass on the whole cost of water to the tenant, but only if the site is individually metered. Lessors may not charge tenants more than what lessors are charged by the water supply authority.

If the site is not individually metered, a lessor can not charge separately for water but can include the cost of water in the rent.

Reading the water meter

It is a good idea for lessors and tenants to read the water meter at the beginning and end of tenancies. They may wish to record this reading on the *Entry Condition Report* (Form 1a for general tenancies, Form 1b for moveable dwelling tenancies). In many cases the beginning and end of a tenancy will not coincide with the water billing cycle of the council. By reading the meter, water usage can be calculated for the amount of time the tenant occupied the premises.

Outgoing tenants can then pay for any water usage for which they are responsible during the time they have been in the premises. Alternatively, councils will come out to read meters, but they may charge for this service.

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rta
residential tenancies authority

pump waters

Tank Water - lessors are responsible for ensuring that a reasonable amount of water is provided to the premises, including where there is tank water. At the beginning of the tenancy, there should be provision for the tank to hold a reasonable amount of water for the tenancy at the lessor's cost.

The Act indicates that charges for "water supplied to the premises by means of a vehicle" are a service charge. However, where water is carted to the premises and deposited in the tank, the lessor is still required to pay for reasonable water usage. The lessor can pass on costs for water usage above that amount.

The lessor and tenant may agree to include a term in the tenancy agreement about the water costs which are reasonable for the lessor to pay in the case of tank water and those costs to be paid by the tenant. The Act states the lessor can only require the tenant to pay for water if the premises are individually metered and can not charge the tenant more for water than what is charged by the supply authority.

The *Entry Condition Report* (Form 1a or 1b) may be used to show tank water level at the start of the tenancy. This information could be used to support the agreement and clarify responsibilities during and at the end of the tenancy.

Bore & Pump Water - The Act does not specifically mention bore or pump water. The lessor and tenant can negotiate and agree at the start of the tenancy about water charges where bores and pumps are involved. This can be included in the tenancy agreement.

If it is a term that the premises have a supply of water for the term of the tenancy, then the lessor may be responsible for supplying water in situations where water is not available through these means. The lessor also has an obligation to maintain the bore and pump equipment.

Working out who pays

Lessors and tenants are encouraged to negotiate an agreement about the amount of water it is reasonable for the lessor to pay. Once the lessor and tenant agree on what they consider is reasonable for the lessor pay, they must put it in writing, sign it and include in the tenancy agreement. This may help avo disputes later on! If the tenancy has alread commenced, the lessor and tenant may need negotiate an agreement about water if their counc introduces a new system of water charging.

Lessors and tenants could use the following questior to assist in deciding the amount of water that reasonable for the lessor to pay:-

- How does the local council charge for water?
- What is the average water usage in your area (Your council may have some information o this).
- How many people will be living in the premises
- How large is the block or yard?
- Are there gardens or lawns which the lessor want watered? (If the lessor wants the tenant to wate an extensive garden, this may have a bearing on who pays for this water usage).
- Is there a pool or other special items that use a lot of water?
- Are the premises fitted with water saving devices, such as dual flush toilets, built in watering systems and shower roses?
- What should the lessor reasonably pay for?

What if the lessor and tenant don't agree?

If the lessor and tenant cannot agree on the amount the lessor should reasonably pay for and they have tried to sort it out themselves, they should send a *Dispute Resolution Request* (Form 16) to the Residential Tenancies Authority. The RTA offers a free Dispute Resolution Service to help resolve these types of disputes. If the Service can not assist, the parties may take the dispute to the Small Claims Tribunal.

Further information

The *Residential Tenancies Act 1994* is the primary source material on the law and takes precedence over this Fact Sheet should there be any inconsistency between the Act and this Fact Sheet.

For more information about the *Residential Tenancies Act 1994*, contact the Residential Tenancies Authority. Contact details are at the bottom of this Fact Sheet.

November 1999

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residential tenancies authority