# Minimum rental standards for heating

In compliance with the Residential Tenancies Regulations 2021



Following consultation in 2019, the new *Residential Tenancies Regulations 2021* (the Regulations) come into effect from 29 March 2021. The Regulations affect rental providers and Victorians living in rental housing and contain supporting details about changes to the *Residential Tenancies Act*. The *Residential Tenancies Act* 1997 is the main source of consumer protection for Victorians living in rental housing, while also outlining the obligations of rental providers and property managers. The Regulations detail the minimum standard set for rental homes without any fixed heating or properties with inefficient heaters. This minimum standard ensures renters are not impacted by high energy costs or significant, direct or indirect health impacts due to living in a cold home.

Combined with the standard for heating, the new minimum energy efficiency standards for ceiling insulation, draught sealing and hot water in publicly and privately rented homes in Victoria will address the major components that influence energy consumption in a home. The regulations also include details on minor modifications renters can now make to rental properties.

#### What is the minimum standard for heating?

Under the regulations, a fixed heater in good working order must be present in the main living area for all rented domestic or residential properties, that meets a minimum 2-star energy efficiency star rating. The regulations will apply in two stages:

#### Stage 1

On and from 29 March 2021, when a new rental agreement is signed, an existing fixed term rental agreement rolls over into a periodic agreement or a fixed term rental agreement is renewed:

- a) a fixed heater in good working order must be present in the main living area of the rented premises; or
- b) if a fixed heater has not been previously installed in the main living area of the rented premises, an energy efficient fixed heater in good working order must be installed in the main living area of the rented premises.

If the rented premises is in a Class 2 building (such as an apartment) it may not be reasonable to install an energy efficient fixed heater. If that is the case, a fixed heater be installed in the main living area of the rented premises.

#### Stage 2

On and from 29 March 2023, an energy efficient fixed heater in good working order must be present in the main living area of the rented premises.

If the rented premises is a Class 2 building (such as an apartment) it may not be reasonable to install an energy efficient fixed heater. If that is the case, a fixed heater should be installed in the main living area of the rented premises.

## When is it reasonable not to install an energy efficient heater?

Under the regulations, it would be unreasonable to install an energy efficient fixed heater if—

- a) in Class 2 buildings the cost of installation would be significantly higher than the average price of installation; or
- b) owners corporation rules prohibit installation of the appliance; or





c) compliance with any other Act or local law makes the cost of installation prohibitive.

Rental providers are expected to work with their owners corporations, and any other relevant bodies, to seek permission to install an energy efficient heater. If that heater is to be installed on the common property, the rental provider must follow Owners Corporation rules to obtain permission.

#### What is a fixed heater?

Under the regulations, a fixed heater means a heater that is not designed or manufactured to be portable.

### What is an energy efficient fixed heater?

Under the regulations, an energy efficient fixed heater means –

- a) a non-ducted air conditioner or heat pump with a minimum 2 star rating for heating in the prescribed energy rating system for non-ducted air conditioners or heat pumps; or
- b) a gas space heater with a minimum 2 star rating in the prescribed energy rating system for gas space heaters; or
- c) a ducted gas heating system which has an outlet in the main living area of the rented premises; or
- d) a ducted reverse cycle air conditioner system which has an outlet in the main living area of the rented premises; or
- e) a hydronic heating system which has an outlet in the main living area of the rented premises; or
- f) a domestic solid fuel burning appliance.

#### How can I find out what I need to do by when?

The following table outlines the types of heaters that need to be replaced and installed under the minimum standard for heating.

Types of heating currenting in the premises	Requirements	By when
If there is no fixed heating in the main living area	<ul> <li>For Class 1 buildings, install one of the following:         <ul> <li>a non-ducted air conditioner or heat pump with a minimum 2 star rating for heating in the prescribed energy rating system for non-ducted air conditioners or heat pumps; or</li> <li>a gas space heater with a minimum 2 star rating in the prescribed energy rating system for gas space heaters; or</li> <li>a ducted heating or hydronic system which has an outlet in the main living area of the rented premises; or</li> </ul> </li> </ul>	If you are entering into a rental agreement on or after 29 March 2021, before the renter occupies the premises.



Types of heating	Paguiromente	Bywhon
currenting in the	Requirements	By when
premises		
	a domestic sold fuel burning appliance.	
	<ul> <li>For Class 2 buildings, install one of the following:</li> <li>a non-ducted air conditioner or heat pump with a minimum 2 star rating for heating in the prescribed energy rating system for non-ducted air conditioners or heat pumps; or</li> </ul>	
	<ul> <li>a gas space heater with a minimum 2 star rating in the prescribed energy rating system for gas space heaters; or</li> </ul>	
	<ul> <li>a ducted heating or hydronic system which has an outlet in the main living area of the rented premises; or</li> <li>a domestic sold fuel burning</li> </ul>	
	appliance	
	unless it is unreasonable to do so.	
	If it is unreasonable to install one of the above in the main living area of the rented premises, a fixed heater in good working order is to be installed in the main living area of the rented premises.	
If there is fixed heating in the main living area but it has broken down	<ul> <li>For Class 1 buildings, replace with one of the following:         <ul> <li>a non-ducted air conditioner or heat pump with a minimum 2 star rating for heating in the prescribed energy rating system for non-ducted air conditioners or heat pumps; or</li> <li>a gas space heater with a minimum 2 star rating in the prescribed energy rating system for gas space heaters; or</li> <li>a ducted heating or hydronic system which has an outlet in the main living area of the rented premises; or</li> <li>a domestic sold fuel burning appliance.</li> </ul> </li> <li>For Class 2 buildings, replace with one of the following:</li> </ul>	On and from 29 March 2021.



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Types of heating currenting in the premises	Requirements	By when
	<ul> <li>a non-ducted air conditioner or heat pump with a minimum 2 star rating for heating in the prescribed energy rating system for non-ducted air conditioners or heat pumps; or</li> <li>a gas space heater with a minimum 2 star rating in the prescribed energy rating system for gas space heaters; or</li> <li>a ducted heating or hydronic system which has an outlet in the main living area of the rented premises; or</li> <li>a domestic sold fuel burning appliance</li> </ul>	
There is fixed heating in the main living area, but it's inefficient e.g. electric resistance heating in the main living area (such as a panel heater, slab heating, heat banks)	<ul> <li>For Class 1 buildings, replace with one of the following:         <ul> <li>a non-ducted air conditioner or heat pump with a minimum 2 star rating for heating in the prescribed energy rating system for non-ducted air conditioners or heat pumps; or</li> <li>a gas space heater with a minimum 2 star rating in the prescribed energy rating system for gas space heaters; or</li> <li>a ducted heating or hydronic system which has an outlet in the main living area of the rented premises; or</li> <li>a domestic sold fuel burning appliance.</li> </ul> </li> </ul>	If you are entering into a rental agreement on or after 29 March 2023, before the renter occupies the premises.
	For Class 2 buildings, replace with one of the following:  • a non-ducted air conditioner or heat pump with a minimum 2 star rating for heating in the prescribed energy rating system for non-ducted air conditioners or heat pumps; or  • a gas space heater with a minimum 2 star rating in the prescribed energy rating system for gas space heaters; or	





Types of heating currenting in the premises	Requirements	By when
	<ul> <li>a ducted heating or hydronic system which has an outlet in the main living area of the rented premises; or</li> <li>a domestic sold fuel burning appliance</li> <li>unless it is unreasonable to do so.</li> <li>If it is unreasonable to install one of the above in the main living area of the rented premises, a fixed heater in good</li> </ul>	
	working order is to be installed in the main living area of the rented premises.	
There is a gas space heater in the main living area	No change. The majority of existing gas space heaters will meet the minimum 2 star standard. If unsure, look at the product directory at https://www.aga.asn.au/directory/	N/A
There is a reverse cycle air conditioner (split system) in the main living area	No change. The majority of existing RCAC heaters will meet the 2 star minimum. If unsure look at <a href="https://www.energyrating.gov.au">www.energyrating.gov.au</a>	N/A
If there is a ducted heating (gas, RCAC, hydronic) with an outlet in the main living area	No change.	N/A

# How can I identify the type of heater installed in my home?

If you are unsure about the type of heater already installed in the home, there are some easy ways to determine the most common types of heaters.

- Does the heater have a flame or ignites when you turn it on? This is a gas heater.
- Is there a heater than can also be used as an air conditioner? If unsure, the controller will have two operating modes that you can change (sometimes this will use a 'sun' icon). This is a reverse cycle air conditioner. Reverse cycle air conditioners can have outlets in one room or multiple rooms.
- Does the heater heat only one room or the whole house? A heater that heats only one room is a space heater. A heater that has heating ducts in more than one room is a ducted heater.

For further information on common heating types, see Sustainability Victoria's information on <u>choosing</u> the right heating system for your home.





#### How can I find more information about compliant heaters?

Further information about compliant heaters and how to identify one can be found on the <u>Department of Environment</u>, <u>Land</u>, <u>Water and Planning website</u>.

# What can a rental provider do if they wish to check whether a heater is compliant?

Under the Regulations, there are a number of reasons the rental provider may enter the premises. These include, but are not limited to, compliance with the rental provider's duties under the *Residential Tenancies Act* or at any time if the renter has agreed within the last seven days.

The renter must allow entry to the premises where the rental provider has followed proper procedure.

#### Does a rental provider need the renter's consent to update the heater?

The Residential Tenancies Act 1997 distinguishes between urgent and non-urgent repairs. The rental provider or property manager must respond immediately if a renter requests urgent repairs. Failure or breakdown of any essential service or appliance provided by the rental provider, such as heating, is an example of an urgent repair. When replacing heating devices, the replacement device must meet the minimum standards under the regulations.

A rental provider may also make repairs to the property as they see fit or in order to comply with their legal obligations (i.e. a non-urgent repair). If a rental provider must make repairs to the property (i.e. a non-urgent repair) in order to comply with the minimum standards for heaters, the rental provider must give the renter the required notice and keep them informed about the proposed replacement and any impact on running costs.

The rental provider must ensure certain repairs are only undertaken by licensed tradespeople (for example, electrical or gas works) and that all repairs meet the standard.

