



# COMMISSIONER’S GUIDELINES BOND DISPUTES IN A RENTAL

For landlords, real estate agents, property managers and tenants

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## INTRODUCTION

The *Residential Tenancies Act 1987 (WA) (RTA)* gives the Commissioner for Consumer Protection (the Commissioner) the power to make decisions about disputes relating to the release of most residential tenancy security bonds, including pet bonds (bond).

The process for deciding disputes about a bond is called Commissioner Determinations, and the decisions will be made by a delegate of the Commissioner.

Commissioner Determinations provides landlords and tenants with a free and simple way to resolve most bond disputes, without the need to go to court.

There are circumstances where the Commissioner's delegate may decline to make a decision about a bond dispute, including where the landlord's claims exceed the amount of bond held with Bonds Administration. In these cases, parties may apply to the Magistrates Court for a decision.

Visit the [Bond Disputes](#) webpage for more information about bond determinations.

Visit the [Bond Release](#) webpage for information about the process for requesting the release of a bond.

## PURPOSE OF THESE GUIDELINES

These guidelines are intended to assist tenants, landlords and property managers who have a bond release application being decided by the Commissioner's delegate. They are general guidance only and do not limit or restrict the performance of the Commissioner's functions and duties under the RTA.

A reference to a landlord is intended to include a property manager. A reference to a tenant and landlord is also intended to include multiple tenants and landlords.

This document is a guideline only, it does not constitute legal advice. If you have a question about how the law applies to your situation, you should seek independent legal advice.

## BOND RELEASE APPLICATION PROCESS FOR TENANTS AND LANDLORDS

The Security Bond Release Application form (application) to release the bond is available:

- As a [downloadable PDF](#) – for tenants and landlords.
- Via [BondsOnline](#) – for landlords who have an account, and agents.
- As a paper form – upon request.

### Importance of the Property Condition Report (PCR)

At the start of a tenancy the landlord is required to prepare a PCR and give two copies to the tenant (ingoing PCR). The tenant can add comments to the ingoing PCR if they disagree with the information outlined in the document. The tenant should return one of the marked-up copies to the landlord within seven days. If the tenant returns the ingoing PCR with changes that the landlord or property manager does not agree with, both versions of the PCR should be kept. If there is a dispute at the end of the tenancy, the Commissioner's delegate will consider both versions of the ingoing PCR, along with any other relevant evidence, to decide what the condition of the property was at the start of the tenancy. If the tenant does not give a copy of the ingoing PCR back to the landlord, the

tenant is taken to accept the report as a true and accurate description of the condition of the property.<sup>1</sup>

When a tenancy ends, the landlord has 14 days to complete a final inspection at the rental property (property). Within that time, the landlord must also prepare a PCR and give a copy to the tenant (outgoing PCR). The landlord is required to give the tenant a reasonable opportunity to be present at the final inspection.<sup>2</sup>

The ingoing PCR is critical for showing the original condition of the property, and it will be compared against the outgoing PCR to check whether the tenant has left the property in the same condition they received it, minus any [fair wear and tear](#).

If the tenant did not respond to the ingoing PCR, the tenant cannot later argue that it was not true and accurate.

If the landlord has not completed all necessary PCRs, or cannot provide these to the Commissioner's delegate, the Commissioner's delegate may determine that the landlord does not have enough evidence to support the landlord's claim that the tenant is responsible for the condition of the property. Failure to prepare and provide the necessary PCRs to the tenant could incur a penalty, up to \$5000 for failing to provide the ingoing PCR, and up to \$5000 for failing to provide the outgoing PCR.<sup>3</sup>

The landlord has 14 days after the termination of the tenancy, or the tenant's interest in the tenancy, to inspect the property, detail its condition in an outgoing PCR, and provide the PCR to the tenant.<sup>4</sup> The purpose of this outgoing PCR is to establish whether there are any claims to be made from the bond. It is therefore recommended that a Security Bond Release application is not lodged until the following has occurred:

- The final inspection has been completed; **and**
- The outgoing PCR has been provided to the tenant; **and**
- The landlord and tenant have discussed any claims being made from the bond.

This will help prevent delays in having the bond released.

Below are the steps for releasing the full bond. For information on [releasing part of a bond](#).

## Steps to release the full security bond

1. **The tenancy ends:** After the tenancy ends, the landlord must complete the final inspection and issue the tenant with the outgoing PCR as soon as practicable, and in any event within 14-days. It is recommended that an application is not made until after the final inspection has occurred and the landlord and tenant have tried to agree on a fair amount to be deducted from the bond.
2. **Application made:** An application is made by a tenant, landlord, or property manager, outlining how much of the bond should be paid to each party. This application can be made individually, by multiple parties, or jointly by all parties listed on the bond. Before making an application, landlords and tenants should work together, allowing enough time to gather information and discuss any claims being made from the bond. The quickest way to have a

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<sup>1</sup> Section 27C(3) *Residential Tenancies Act 1987 (WA)*.

<sup>2</sup> Section 27C(5) *Residential Tenancies Act 1987 (WA)*.

<sup>3</sup> Section 27C(1) and (4) *Residential Tenancies Act 1987 (WA)*.

<sup>4</sup> Section 27C(4) *Residential Tenancies Act 1987 (WA)*. Regulation 5AD *Residential Tenancies Regulations 1989 (WA)* outlines a modified application of section 27C(4), in particular circumstances.

bond released is for the landlord to submit the application through BondsOnline and for the tenants to approve it electronically. Another fast option is for all parties to complete and jointly sign a manual bond release form.

3. **Parties are notified:** Except where a manual joint application from all parties is made, once an application is received by Bonds Administration, a notice will be sent to each party who did not sign the application, giving them 14 days to decide whether they agree or dispute the amounts in the application. Longer timeframes may apply for posted notices.
  - a. For a joint manual application, where the tenant and landlord agree with the application, the bond is paid out in accordance with the agreement.
4. **If any party either disagrees or fails to respond, the application is referred to the Commissioner:** If any tenant or landlord does not agree with the application or has not provided a response to Bonds Administration within the 14 days, Bonds Administration will refer the application to the Commissioner for a decision.
5. **Commissioner's delegate issues a notice requesting information:** When the Commissioner receives an application from Bonds Administration, their delegate will issue a notice to each tenant and landlord, with a timeframe to respond. The notice will ask both the tenant and landlord:
  - a. Their views on the claims being made in the application.
  - b. Their views on how much of the bond they believe should be paid to each party.
  - c. For information/evidence to support their views.

*Note: Once the response timeframe has ended, the Commissioner's delegate will review the information provided by all parties. If the Commissioner's delegate requires further information from the tenant and/or landlord, a notice to request this information may be issued.*
6. **Commissioner's delegate sends all parties notice of their decision:** Once a decision has been made, the Commissioner's delegate will provide notice of their decision to the tenant, the landlord and Bonds Administration. Bonds Administration will pay out the bond, in accordance with the Commissioner's decision, 7 days after receiving the notice.
7. **Appeal (optional step):** the tenant and landlord can appeal the Commissioner's decision to the Magistrates Court. The tenant and landlord have seven days from the date of the decision to lodge an appeal in the Magistrates Court.<sup>5</sup> If you appeal the Commissioner's decision, it's recommended you notify Bonds Administration in writing as soon as possible and provide evidence that an appeal has been lodged with the Magistrates Court, otherwise the bond may be paid out, per the Commissioner's decision, after the appeal period has ended. Information about [appealing a Commissioner's decision](#) is available on the Consumer Protection website.

**Note:** Parties may reach a mutual agreement and withdraw a dispute about the claims from the bond at any stage prior to a decision being made by the Commissioner's delegate.<sup>6</sup>

## EVIDENCE FOR YOUR APPLICATION

Below are the [common types of evidence](#) which may help the Commissioner's delegate in deciding the amount of bond to be released to each party (what is most relevant will depend on the type of claim, as outlined above).

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<sup>5</sup> Section 13C *Residential Tenancies Act 1987* (WA).

<sup>6</sup> Section 81J *Residential Tenancies Act 1987* (WA).

Whilst evidence will be accepted from all parties, the landlord is responsible for satisfying the Commissioner's delegate that a claim they've made from the bond is reasonable.

If the landlord is unable to prove why they are entitled to the amount they are claiming, the Commissioner's delegate may refuse the claim.

## Saving evidence

Before the evidence is given to the Commissioner's delegate, all evidence should be saved using a title that explains the content of the document, for example:

- Copy of the lease.
- Photograph (1 of 2) of back yard.
- Photograph (2 of 2) of back yard.
- Ingoing Property Condition Report.

Saving your documents using the correct title is helpful, as it allows the Commissioner's delegate to easily identify and retrieve specific pieces of evidence when needed, which facilitates a quicker outcome.

*Note: Financial details like credit card numbers, bank details, etc. should be removed from documents before uploading.*

## Common types of evidence

### Residential Tenancy Agreement (Lease Agreement)

A lease agreement (lease) is where the landlord allows the tenant to live at the rental property in exchange for payment (usually rent).<sup>7</sup> The lease is the agreement for the tenancy.

Under the RTA, all written leases should be on the [Residential Tenancy Agreement \(Form 1AA\)](#), which outlines the obligations of landlords and tenants under the RTA, as well as any agreed terms.

For verbal leases, the [Information for tenant with non-written agreement \(Form 1AD\)](#) should have been provided to the tenant.

If you do not have a Form 1AA or Form 1AD, any other evidence of a lease agreement, such as agreements via email, may assist the Commissioner's delegate in deciding the bond dispute.

### Ingoing and outgoing PCRs

PCRs are required for all lease agreements in Western Australia, at the start of a tenancy, at the end of a tenancy, and where a co-tenant is validly removed from or added to a lease.

The PCR shows the state of repair and general condition of the property at the start and end of the tenancy. The PCR can also include:

- approximate dates for when work was done at the property, including painting and replacement of floorcoverings; and
- photographs (preferably date and time-stamped).

The landlord should upload both the ingoing and outgoing PCRs as evidence for any claims from the bond.

The outgoing PCR should be used to compare the condition of the property at the end of the tenancy, to the condition of the property at the start of the tenancy.

If one or more PCRs has not been completed, or cannot be provided to the Commissioner's delegate, it may be more difficult for a landlord to prove a claim for damage or cleaning to the property. If a

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<sup>7</sup> Section 3 *Residential Tenancies Act 1987* (WA).

PCR cannot be provided due to exceptional reasons, the Commissioner may consider other evidence of the condition of the property, such as date and time-stamped photographs.

### **Photographs of the property**

Photographs are a very helpful form of evidence. The Commissioner encourages photographs that are time stamped or dated where possible.

When providing photographs to the Commissioner's delegate, you should name them using a description/title that reflects the photograph, for example, "carpets in living room" or "garden bed in back yard".

If there are multiple photographs of the same item, they should be labelled "carpets in living room - 1 of 3", and so on.

### **Invoices from businesses with an Australian Business Number ('ABN')**

The Commissioner's delegate must be satisfied that the landlord has suffered an actual loss because of a breach of the lease by a tenant. In other words, the Commissioner's delegate must be satisfied that the landlord has paid, or will be paying, money to rectify the tenant's breach of the lease.

The preferred evidence to support this type of claim is an invoice from a business:

- with a registered ABN; and
- that is suitably qualified to carry out the invoiced work.

An ABN can be verified through the [Australian Business Register](#) website.

A landlord should provide an invoice as evidence of a loss caused by the tenant's breach of the lease. Providing a quote as evidence is not as strong as providing an invoice, as a quote does not guarantee the work will be completed, so it is more difficult to show the landlord has suffered an actual loss. Parties can still come to an agreement about a claim based on a quote.

Where there is a dispute, and an invoice cannot be provided to support the landlord's claim, the Commissioner's delegate may consider a quote as evidence to help them decide the claim.

For example, where a lessor can show that they have booked a tradesperson to replace a benchtop, and the installation is delayed due to availability of the benchtop, the Commissioner's delegate could consider a booking confirmation, along with the tradesperson's quote, to decide whether the claim is reasonable.

**Note:** *Costs cannot be estimated for a claim of unpaid utilities. The landlord can only make a claim for unpaid utilities if they have received an invoice for the utility, and if they have provided this invoice to the tenant. See more on [Unpaid utilities](#).*

### **Rental ledgers and payment records**

The landlord is responsible for keeping proper records of rental payments made for the property.<sup>8</sup>

These records should include the property address which the rent amount relates to, and a note that the amount was paid as rent. Each record should also include the amount that was paid, the name of the person who paid the amount, the date the amount was received, and the period of rent for which the amount covers.

It is also recommended that landlords keep similar records for other payments made by the tenant for the property, such as the payment of utility bills, where applicable.

These ledgers can support a landlord's claim for rent arrears or unpaid utilities.

The Commissioner's delegate may request further information from either party, such as bank transactions for specific dates or payment types, as evidence that a payment was made or received, to help decide these types of claims.

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<sup>8</sup> Section 34(1) *Residential Tenancies Act 1987* (WA).

# CLAIM CATEGORIES

## Background to claim categories

To help clarify what is being claimed from the bond and to help the Commissioner's delegate decide whether a claim is reasonable, the approved security bond release application form includes a section requiring landlords to itemise their claims into specific categories.<sup>9</sup>

The claim categories are:

- [Repairing damage](#).
- [Garden repair and maintenance](#).
- [Carpet cleaning](#).
- [General cleaning](#).
- [Pet fumigation](#).
- [Locks, keys and security devices](#).
- [Unpaid rent](#).
- [Unpaid utilities](#).
- [Other breaches of the lease agreement](#).

To support a claim, the landlord must provide the Commissioner with evidence to prove that the:

1. tenant has **breached** the lease (either the Form 1AA Residential Tenancy Agreement or a term implied by the RTA); and
2. landlord has suffered a **loss** because of the breach.

The Commissioner's delegate will consider all the available evidence to determine whether there has been a breach of the lease, resulting in a loss to the landlord.

If a breach of the agreement is established, the Commissioner's delegate will make a decision on a fair and reasonable amount to which the landlord may be entitled from the bond.

The landlord cannot make a claim for [fair wear and tear](#). See the [Guidance Note on fair wear and tear](#).

Where there is more than one tenant named on the bond, the Commissioner's delegate will also decide how much of the bond each tenant is entitled to.

Each claim category is discussed individually below.

## Repairing damage

The tenant is responsible for damage they've caused or allowed at the property, even if this damage was accidental. This also means the tenant is responsible for damage:

- Caused by someone the tenant has invited to the property.
- Which has worsened, due to the tenant's failure to reasonably notify the landlord of an issue at the property (such as a visible water leak).

Damage to a property also includes any damage the tenant has caused to common areas and any fixtures or chattels included with the property, like an oven, carpets or a bed.

The tenant is *not* responsible for:

- Damage outside the tenant's control (e.g. a storm causing a tree to fall on the roof).
- [Fair wear and tear](#) (e.g. worn carpets in high-traffic areas, faded wall paint).

The landlord will be able to claim reasonable costs from the bond to repair damage the tenant is responsible for. Replacement will generally be on a like-for-like basis rather than new-for-old, and any claim will take into account the age and condition of the item, and fair wear and tear, as outlined in the [Guidance Notes](#). For example, if an older carpet is stained or damaged, the landlord may only

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<sup>9</sup> Section 81E *Residential Tenancies Act 1987* (WA).

be entitled to the current depreciated value of the carpet rather than the full cost of a brand-new replacement.

Where damage has been caused by a pet, and the [pet bond](#) has been exhausted for fumigation, claims of pet damage can be made under this category.

#### What evidence could the landlord provide to support the claim?

- Ingoing and outgoing PCRs.
- Photos of the damage.
- Invoices from a business with an ABN\*.
- Receipts for products purchased to undertake the repairs.
- Receipt for payment of insurance excess.

#### What evidence could the tenant provide to dispute the claim?

- Ingoing PCR, where it shows existing damage to the claimed item(s).
- Dated photos to show the claimed damage was existing at the start of the tenancy.
- Email correspondence with the landlord about the damage.
- Landlord's written agreement that an approved modification to the property didn't need to be removed, or the property restored, at the end of the tenancy.
- Any other evidence showing why they are not responsible for the damage.

## Garden repair and maintenance

At the end of the tenancy, it is the tenant's responsibility to restore the garden, as close as possible, to its original condition, minus any [fair wear and tear](#). This includes pruning and general gardening of lawns, shrubs, plants and garden beds, as well as cleaning the yard.

When looking at the condition of the garden at the end of a tenancy, landlords should consider:

- Seasonal changes (e.g. was the lawn greener at the start of the tenancy because it was winter, and the tenancy ended in summer?).
- The normal lifespan of specific plants within the garden.
- Whether certain maintenance is the tenant's or landlord's responsibility (e.g. trimming a hedge should be done by the tenant, whereas the landlord should organise any tree lopping).

#### What evidence could the landlord provide to support their claim?

- Ingoing and outgoing PCRs.
- Photographic evidence to show the state of the garden at the start, during, and end of the tenancy.
- Invoices from a business with an ABN\*.
- Receipts for products purchased to undertake the repairs.

#### What evidence could the tenant provide to dispute the claim?

- Ingoing PCR, where it shows existing damage/issues to the claimed item(s).
- Dated photos to show the condition of the garden at the start, during, the end of the tenancy.
- Email correspondence with the landlord about issues with the garden.
- Any other evidence showing why they are not responsible for the repairs or maintenance.

## Carpet cleaning

The tenant is required to leave the carpet in the property as close as possible to the same condition they received it in, minus any [fair wear and tear](#).<sup>10</sup>

A lease may include a term requiring the tenant to complete professional carpet cleaning at the end of a tenancy. Whether such a term can be enforced depends on the condition of the carpets at the commencement of the tenancy.

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<sup>10</sup> Clause 45.2 Form 1AA Lease Agreement and Clause 43.2 Form 1AD.

The Commissioner will take into account factors such as:

- whether the carpets were professionally cleaned at or immediately before the start of the tenancy; and
- whether a professional-cleaning condition was agreed to by all parties or imposed as part of approval to keep a pet or make a modification, or ordered by the Commissioner.

Where professional carpet cleaning is not required of the tenant, the tenant is still responsible for returning the carpets in a condition that is as close as possible to the condition at the beginning of the tenancy. The landlord may be able to make a claim for carpet cleaning where the tenant has not left the carpets in a state of cleanliness similar to how they were at the start of the tenancy.

#### What evidence could the landlord provide to support their claim?

- Copy of the lease.
- Ingoing and outgoing PCR.
- Photos showing why carpet cleaning was needed (e.g. stains, marks, pet hair).
- Dated receipt showing the carpets were professionally cleaned before the tenant moved in.
- Third party invoice from a business with an ABN.
- Copy of mutual agreement, conditions in the Form 25 Pet Request Form, or Commissioner's order, setting a carpet-cleaning condition on the tenant's approval to keep a pet or make a modification at the property.

#### What evidence could the tenant provide to dispute the claim?

- Ingoing PCR, where it shows the condition of the carpet at the start of the tenancy.
- Dated photos to show the condition of the carpet when they moved in.
- Invoice showing any required carpet cleaning has already been carried out.
- Any other evidence showing why they are not responsible for the carpet cleaning.

## General cleaning

At the end of the tenancy, the tenant is responsible to return the property to a reasonable state of cleanliness, considering the condition they received the property, not including any [fair wear and tear](#).

A lease may include a term requiring the tenant to complete professional cleaning at the end of a tenancy. Whether such a term can be enforced depends on the condition of the property at the commencement of the tenancy.

Despite any such term, the landlord can only require the tenant to complete professional cleaning if:

- they can show the property was professionally cleaned at or immediately before the commencement of the tenancy; or
- in allowing the tenant to keep a pet or make a modification at the property, a condition to have the property professionally cleaned has been agreed to by all parties or otherwise ordered by the Commissioner.

Where professional cleaning is not required of the tenant, the tenant is still responsible for returning the property in a reasonably similar state to how they received it. The landlord can make a claim for cleaning where this has not been done.

When determining claims for cleaning at the property, the Commissioner's delegate will consider the reasonableness of the claim, based on the need for the cleaning work, the state of cleanliness when the property was provided to the tenant, and average market rates for vacate cleans.

**Example:** The landlord provided an invoice for cleaning of the bathroom, kitchen and lounge, as well as the ingoing and outgoing PCRs. A review of the PCRs shows the kitchen and lounge have been left in a condition that is worse than the condition at the start of the lease, but the bathroom has been left in a better condition than at the start of the lease. In this case, the Commissioner's delegate may decide that only a portion of the claim is to be approved.

#### What evidence could the landlord provide to support their claim?

- Copy of the lease.
- Ingoing and outgoing PCR.
- Photos showing what parts of the property needed cleaning (e.g. unclean oven or bathroom).
- Dated receipt showing the property was professionally cleaned before the tenant moved in.
- Third party invoice from a business with an ABN.
- Copy of mutual agreement, or Commissioner's order, setting a professional-property-cleaning condition on the tenant's approval to keep a pet or make a modification at the property.

#### What evidence could the tenant provide to dispute the claim?

- Ingoing PCR, where it shows the state of cleanliness of the property at the start of the tenancy.
- Dated photos to show the cleanliness of the property when they moved in.
- Email correspondence with the landlord about necessary cleaning.
- Invoice showing any required cleaning has already been carried out.
- Any other evidence showing why they are not responsible for the cleaning.

### **Pet fumigation**

Fumigation may be necessary where a pet capable of carrying parasites that can affect humans is kept at the property.

The lease may include a term requiring the tenant to complete fumigation at the end of the tenancy if pets are permitted. Additionally, a condition to have the property fumigated may have been mutually agreed, or ordered by the Commissioner, as part of the approval for the tenant to keep a pet at the property.<sup>11</sup>

In all other circumstances, the landlord will need to provide evidence to establish there is a need for fumigation. It is not enough to simply state that a pet was kept at the property during the tenancy.

#### What evidence could the landlord provide to support their claim?

- Copy of the lease with a term requiring the tenant to complete fumigation.
- Copy of mutual agreement, or Commissioner's order, setting a condition about fumigation on the tenant's approval to keep a pet at the property.
- Evidence about why fumigation is required.
- Invoice from business with ABN.

#### What evidence could the tenant provide to dispute the claim?

- Invoice showing any required fumigation has already been carried out.
- Any other evidence showing why they are not responsible for the fumigation.

### **Locks, keys and security devices**

When the tenancy ends, the tenant is required to return all keys and other opening devices to the landlord.<sup>12</sup>

The landlord can make a claim if the tenant has failed to return all keys and opening devices, or where the tenant has failed to remove security devices they've installed (unless otherwise agreed).

#### What evidence could the landlord provide to support their claim?

- Copy of the lease.
- Emails or other evidence confirming which keys or opening devices were provided to the tenant at the beginning of, or during, the tenancy.
- Evidence showing the tenant did not return all keys or opening devices when they vacated.
- Photos or emails showing the tenant changed or added security devices.

<sup>11</sup> Section 50C *Residential Tenancies Act 1987* (WA).

<sup>12</sup> Clause 45.3 Form 1AA Lease Agreement.

### What evidence could the tenant provide to dispute the claim?

- Landlord's written agreement that security devices don't need to be removed at the end of the tenancy.
- Any other evidence showing why they are not responsible for this claim.

## Unpaid rent

The tenant is responsible for paying rent for each day of the tenancy.

Unless otherwise agreed or ordered by a court, the tenant is responsible for paying rent for the entirety of their tenancy, including the last day of the tenancy, at the rate outlined in their lease.

The tenant is also responsible for paying rent increases which are in accordance with the RTA and where the landlord has provided the appropriate written notice.

### What evidence could the landlord provide to support their claim?

- Copy of the lease.
- Copy of the rental ledger.
- Where there is a dispute over a rent increase, or the date the tenancy terminated, the landlord should also provide:
  - Notice to Tenant of Rent Increase (Form 10 or Form 11).
  - Notice of Termination.
  - Any lease variation or lease renewal which included a rent increase.
  - Further information/evidence about when the tenancy terminated.

### What evidence could the tenant provide to dispute the claim?

- Records to show the rent for the period the landlord claims they owe has already been paid.
- Written agreement from the landlord to reduce the rent for any time during the tenancy.

## Unpaid utilities

Where a utility such as water, gas or electricity is set up in the landlord's name, they can charge the tenant for their consumption of that utility.

A landlord can only claim unpaid utilities from a tenant where *all* of the following apply:

- The claim relates to outstanding cost for the tenant's consumption of a utility (not rates, services charges or consumption from a common area).
- Where consumption of a utility is not separately metered, there is a written agreement, outlining how the tenant's usage will be calculated.
- The utility was invoiced directly to the landlord or strata company.
- The landlord invoiced the tenant for their consumption within 30 days after they received the utility invoice advising:
  - the total charge for the tenant's consumption of the utility; and
  - if the utility consumption is separately metered:
    - meter readings; and
    - charge per metered unit.
  - if the utility consumption is not separately metered – the charge calculated by the agreed method; and
  - the amount of GST payable.

### What evidence could the landlord provide to support their claim?

- Copy of the lease.
- Relevant ledger for the property showing invoicing and payment of utilities.
- Copy of the unpaid utility bill, including the period covered and amount outstanding (e.g. a water bill).
- If the utility is not separately metered, a copy of the agreed method for calculating the tenant's consumption of that utility.

- Evidence to show the tenant was provided details of the outstanding bill within 30 days after the landlord received the invoice.

What evidence could the tenant provide to dispute the claim?

- Records showing the invoice the landlord claims as outstanding has already been paid.
- Evidence to show the landlord did not provided details of the outstanding bill within 30 days after the landlord received the invoice.

## Other breaches of agreement

If the landlord has incurred a financial loss due to the tenant breaching their agreement, and this loss does not fit into any of the claim categories outlined above, the claim could be made under this category. Some specific examples are detailed below.

Where a tenant fails to remove a modification and restore the property to its original condition after minor modification

If the landlord approved the tenant to carry out a modification at the property, and the tenant has failed to remove the modification at the end of their tenancy, the tenant may be liable for the costs associated with employing a tradesperson to remove the modification and restore the property to its original condition.

Where a tenant abandons the property<sup>13</sup>

A landlord may suspect a tenant has abandoned the rental property if the tenant stops paying rent, and any of the following happens:<sup>14</sup>

- There is mail, newspapers, or rubbish piling up at the property.
- Neighbours or others say the tenant has left.
- There is no furniture or other household goods at the property.
- Utilities (gas, water, electricity) have been disconnected.

The lease ends automatically:

- Seven days after the landlord gives a notice of termination due to abandonment (unless the tenant disputes the notice in court); **or**
- When the Magistrates Court makes an order that the tenant abandoned the property.

When a tenant abandons a property, this is a breach of the lease, because they have stopped paying rent. The landlord may claim for reasonable financial losses they have suffered because of this, which could include:<sup>15</sup>

- Advertising costs to find a new tenant.
- Unpaid rent until a new tenant is found or the lease comes to an end (whichever happened first).
- Difference in rent between what the new tenant pays, and what the tenant was paying, for the rest of the fixed term.
- Other reasonable costs (based on the remaining time on the lease).

The landlord must take all reasonable steps to minimise these costs.<sup>16</sup> This could include finding a replacement tenant as soon as possible to reduce lost rent, advertising the property at a reasonable market rate, and having regular home opens to find a new tenant.

<sup>13</sup> Section 60(1)(f) *Residential Tenancies Act 1987* (WA).

<sup>14</sup> Section 3 *Residential Tenancies Act 1987* (WA). Definition of 'reasonable grounds'.

<sup>15</sup> Section 78 *Residential Tenancies Act 1987* (WA).

<sup>16</sup> Section 78 *Residential Tenancies Act 1987* (WA).

When deciding what costs are reasonable to claim for abandonment, the Commissioner's delegate may consider:

- How much time remained on the agreement at the time of the abandonment.
- How soon after the abandonment another tenant moved in (and at what rental rate).
- Whether the landlord reasonably tried to mitigate their loss.

#### Situations that are not considered a breach of agreement by the tenant

A tenant is not considered to have breached the tenancy agreement where they have validly ended a fixed-term tenancy early due to family violence. A landlord cannot claim "break lease fees" or other losses because of early termination.<sup>17</sup>

## PET BOND

A pet bond can only be used to cover pet fumigation and repairs to damage caused by the pet at the property.

Damage to the premises caused by the pet is not [fair wear and tear](#).<sup>18</sup>

Any portion of a pet bond which is not claimed for pet fumigation or pet damage must be returned to the tenant. The pet bond cannot be used for any other claims made by the landlord.

## CLAIMING FOR THE LANDLORD'S OWN TIME

Ordinarily, the Commissioner's delegate will not approve a claim for the landlord's time where a landlord performs their own work at the property, such as cleaning or gardening. This is because in these cases, the landlord has not suffered a *monetary loss*.

The landlord *can* claim for products they've bought to complete repairs or cleaning themselves.

**Note:** *Some works, including but not limited to electrical, plumbing, and certain structural work, must be performed by a licensed professional. Landlords cannot perform work at their property that requires a professional licence or registration unless they hold the appropriate credentials.*

## DECIDING HOW THE BALANCE OF A BOND IS DIVIDED BETWEEN MULTIPLE TENANTS

After deciding whether the landlord is entitled to an amount from the bond, if there is a remaining bond balance, and where there are multiple tenants, the Commissioner's delegate must decide how the remainder of the bond will be divided between these tenants.

Unless evidence is provided by a party to show one tenant is entitled to more of the bond than another tenant, the remainder of the bond will be divided equally between the tenants.

For example, the Commissioner's delegate could decide that an equal split of the remaining bond would not be reasonable where there is clear evidence which shows:

- One tenant contributed more bond than another.
- One tenant is solely responsible for damage.
- All tenants agree that more funds should go to one tenant.

## PARTIAL RELEASE OF A SECURITY BOND

There may be times where an application is made to release part of a bond before the end of the tenancy, with the remainder of the bond to stay held with Bonds Administration.

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<sup>17</sup> Section 71AB *Residential Tenancies Act 1987* (WA).

<sup>18</sup> Section 50I(c) *Residential Tenancies Act 1987* (WA).

A partial bond release application can *only* be made when:

- the tenant’s rent has been reduced; or
- a pet bond is held with Bonds Administration and the pet no longer lives at the property; or
- a prescribed ground (none as of 28 March 2026).

In both cases, the partial bond amount to be released can *only* be returned to the tenant.

A partial bond release cannot occur in any circumstances other than those listed above.

Visit the [Consumer Protection webpage](#) for more information about applying for a partial bond release.

## GUIDANCE NOTES

### Fair wear and tear

Fair wear and tear is a change in the condition of the property that occurs due to:

- The reasonable use of the property.
- The ordinary effects of natural forces (e.g. storms, rain, sunshine).

A landlord cannot claim compensation from tenants for fair wear and tear at the property.

A landlord can claim compensation from a tenant for [damage](#) they have caused, either intentionally or negligently.

- Negligent damage is damage to the property that occurs when the tenant has failed to take reasonable care during their tenancy. Negligent damage occurs when a tenant’s actions or inactions lead to damage which could have been avoided with proper care.
- Intentional damage is damage that has been caused by the tenant on purpose.

Examples of fair wear and tear versus negligent/intentional damage:

Fair Wear and Tear	Negligent/Intentional Damage
Frayed or faded curtains	Torn or missing curtains
Worn carpets due to normal use	Stained or burned carpets
Scuffed wooden floors	Gouged or deeply scratched wooden floors
Worn countertops	Burned or chipped countertops
Minor scuff or chips marks on walls	Large holes, gouges or pen marks on walls
Loose door handles from normal use	Missing door handles
Faded paint on walls, peeling around door frames	Holes in walls

### Depreciation

Depreciation refers to the expected wear and tear on property over time, which can reduce the property’s value. The Commissioner may consider depreciation when making a decision on certain claims to ensure the claim of an item does not exceed its current value.

The Commissioner’s delegate may refer to advice on the [depreciation of assets](#) from the Australian Taxation Office, and may base their decision on the particular circumstances of each case.

**Note:** *The expected lifespan may vary depending upon the quality of a particular item. For example, a solid wood custom-made kitchen bench top will generally have a longer lifespan than commercially made laminate kitchen bench tops. Some items could retain their value despite being beyond the expected lifespan, for example, highest quality hardwood floors or high-quality carpets.*