

Fact sheet

Water charging

Lessors are allowed to pass on the full water consumption charges (including bulk water charges) to tenants provided all the minimum criteria have been met.

What are the minimum criteria for water charging?

Lessors are able to pass on the full water consumption charges to tenants if:

- the rental premises are individually metered (or water is delivered by vehicle), and
- the rental premises are water efficient, and
- the tenancy agreement states the tenant must pay for water consumption.

Items a tenant can be charged

A breakdown of water charges is shown below.

Charge as shown on water bill	Can tenant be charged?
State Bulk Water Charge	Yes, tenant can be charged*
Water Usage Charges	Yes, tenant can be charged*
Sewerage Usage Charge (may appear on the bill as fixed or variable)	No, tenant cannot be charged Sewerage is not a service charge as defined by the Act and cannot be passed onto the tenant.
Fixed Access Charges (including Water Access Charge and Sewerage Access Charge)	No, tenant cannot be charged. The lessor must pay all fixed charges for water supply.

*if the above criteria are met

What are water efficient rental premises?

A rental premises is considered water efficient if certain water fixtures meet the standards listed in the table below.

Water efficient devices	Minimum water efficient standard required
Internal cold water taps and single mixer taps (excluding bathtub taps and taps for appliances)	A maximum flow rate of nine litres per minute.
Showerheads	A maximum flow rate of nine litres per minute.
Toilets	A dual flush function not exceeding six point five (6.5) litres on full flush and three point five (3.5) litres on half flush and a maximum average flush volume of four litres (based on the average of one full flush and four half flushes).

The requirement for taps applies only to internal cold water taps that are installed over a hand basin, kitchen sink or laundry trough (including single mixer taps). The requirement does not apply to other taps in the premises such as bath tub taps, outside taps for the garden, or taps which supply washing machines or dishwashers. These taps are not required to be water efficient.

How can the lessor/agent prove the premises are water efficient?

At the start of the tenancy agreement, the lessor/agent and tenant should negotiate arrangements for water charging and the frequency of charges. The presence of water efficient devices should be noted on the *Entry condition report* (Form 1a).

Lessors/agents should be able to demonstrate the presence of water efficient devices where it may be unclear, such as by providing copies of:

- plumbing reports
- receipts
- packaging
- warranties or instruction manuals for taps and showerheads, etc.

For any water fixtures produced from 2005 onwards, the easiest way to check if they meet the required efficiency standard is to look for products with a WELS rating of three stars or higher. WELS is Australia's water efficiency labelling scheme which rates fixtures including taps, showerheads and toilets according to water efficiency – the more stars the better. To find out more about the scheme or search the registered product database, visit www.waterrating.gov.au.

Important points to note:

- tenants and lessors/agents should negotiate obligations at the start of the tenancy and put these in the tenancy agreement, for example, if the lessor is to contribute to water costs.
- it may be helpful to contact your local water provider about average local water consumption. You can find the correct contact details on your latest water bill.
- water billing periods are unlikely to align with tenancy agreements. It's important that both the tenant and the lessor/agent make note of the water meter readings on the condition reports at the start and end of the tenancy to calculate water consumption.
- lessors will receive the water bill, pay the full amount and provide their tenants with a copy of any water bills or evidence of water consumption to verify the amount to be charged. Tenants will not be billed directly by water supply authorities.
- tenants have one month to pay the agreed amount for water consumption after the lessor provides evidence of the costs to the tenant. The lessor/agent can not require the tenant to pay more than the billable amount, or charge tenants late fees.
- if the tenant and lessor/agent cannot agree about water charges, the RTA's dispute resolution service may be able to assist.