

FACT SHEET

Secondary Dwelling and Granny Flat Rentals

Changes to state legislation will allow homeowners with a suitable secondary dwelling, or granny flat, to rent these out to anyone. This is a response to the current housing crisis, and the change will be reviewed in 3 years.

Below you will find a list of questions and answers to guide you on what this means if you have a property that includes a secondary dwelling or granny flat or are considering adding these to your property.

When do the changes to the legislation come into effect?

Monday, 26 September 2022.

Can I now rent out my secondary dwelling?

You can immediately rent your secondary dwelling or granny flat to anyone.

Can I build a new secondary dwelling to take advantage of this change?

Yes, new secondary dwellings are covered by the change in legislation.

What steps do I need to take to ensure I can rent out my secondary dwelling?

You will still need to ensure you have any relevant development approvals, building approvals or requirements under other legislation, such as fire safety requirements.

If your secondary dwelling did not need planning approval, or the planning approval for the secondary dwelling does not contain conditions about occupancy, it can now be rented out.

In circumstances where your development approval contains conditions restricting its occupancy, you may need to follow the usual process outlined under the Planning Act 2016 for making a 'change application' to change the existing conditions.

Before you rent your secondary dwelling, you will need to check if additional building works are required to be undertaken that need building approval, particularly concerning fire safety.

What's the difference between a secondary dwelling and Dual Occupancy?

Put simply, a secondary dwelling is smaller in scale and subordinate to another main dwelling on the same lot.

Dual occupancy means there are two dwellings on the same lot, or they share common property such as a driveway or yard. They are treated as completely separate dwellings.

What fire compliance rules do I have to meet?

There is no change to the fire safety compliance rules for a tenanted property, which apply to secondary dwellings and granny flats.

What building legislation or codes must I meet if I rent out my secondary dwelling?

A change to how an existing secondary dwelling is occupied may trigger the need for a building application. You will need to ensure your secondary dwelling complies with building code requirements and complies with any other local government or legislative requirements.

For example, if the use of a single dwelling with a granny flat changes to a single dwelling with a rented-out secondary dwelling, then additional building code fire and sound transmission requirements will apply.

Speak to a town planner if you require assistance determining the eligibility of your secondary dwelling for rental.

Do I need to have a tenancy agreement in place?

It is always best practice to have a signed agreement in place for landlords and tenants. Standard tenancy agreements can be found on the Residential Tenancies Authority's website. You also need to consider the bond and bond lodgment requirements.

Secondary Dwelling and Granny Flat Rental Advice

RG Strategic can provide advice and information, including assistance with any required building application or rules to allow you to rent out your secondary dwelling.

We can also provide an appraisal if your current property has the capacity for the construction of a new secondary dwelling or granny flat.

We know what local councils will require along with your building certification requirements to ensure compliance with key areas, including fire separation, natural light and ventilation and habitable spaces.

Contact us today on 07 5474 3873.