



## Abandoned Goods

### Policy Intent

The purpose of this policy is to ensure that goods left behind by vacating tenants are disposed of in line with the requirements of the Residential Tenancy Act (RTA) and that the associated costs incurred by Housing Tasmania in the process of disposal are minimised.

### Why does Housing Tasmania need a policy?

Upon vacation a tenant is required to leave the property in the same condition as it was on occupancy excluding fair wear and tear. All belongings (including vehicles) must be removed. This is clearly stipulated in both the lease agreement ((Clause 11(1)(d)) and the Residential Tenancy Act (1997 Section 53 (b)). Some tenants however vacate and leave abandoned goods on the premises. This results in a cost to Housing Tasmania not only from rent forgone while the goods are disposed of but in storage and disposal costs.

The advantages of an abandoned goods policy are that there are clear rules in place, Housing Tasmania does not have to store goods indefinitely and the disposal of goods that have limited or no value can occur.

### Potential Costs

The following are examples of costs that may be incurred by Housing Tasmania and passed onto the tenant:

- Rent forgone while goods remain in the premises.
- Storage costs.
- Disposal costs.
- Legal fees.
- Administrative costs such as wages and account keeping.
- Advertising costs.

### Cost Recovery

Wherever possible the costs associated with managing the storage, disposal and administration of abandoned goods will be passed onto the tenant as a component of vacation maintenance charges.

### Sale of goods

The RTA is clear about the processes around disposal and sale of goods.

In addition to the requirements of the RTA there are a number of factors that should be considered before initiating the sale of valuable items. For example, Tenancy Officers, Tenancy Team Leaders or Area Managers should consider tenancy history, the well being of the client and any domestic violence which may have occurred prior to the tenant vacation.



## Efforts to contact the tenant

Where goods are deemed to have some value Housing Tasmania must endeavour to contact the previous tenant before disposing of or selling the goods. A common sense approach should guide the level of effort entered into to contact the tenant. This may be guided on the estimated value of the goods left behind and the cost of rent forgone by not being able to re-tenant the property.

## Re-entry

Applicants who have been evicted from public rental housing will be considered for re-housing on a case by case basis.

## Legal Framework for disposal of Abandoned Goods

### What does the lease agreement say?

#### 11.1 At the end of this tenancy:

This lease can only be terminated lawfully. When either of us lawfully terminates this lease you must:

- a) return all keys to us within two (2) days of your tenancy ending;
- b) leave the premises as nearly as possible in the same condition as set out in the Condition Report and / or, as it was when you first occupied the premises, apart from reasonable wear and tear;
- c) leave the premises clean and free of rubbish, and the gardens neat and tidy; remove all belongings, including vehicles. Vehicle has the same meaning as in clause 3.6(c); and
- d) pay to us on demand the cost of cleaning, clearing rubbish or repairs, or other reasonable costs to us, that result from the ending of this Lease.

#### 12.1 Disposal or sale of abandoned goods –

If this Lease is terminated and there are goods left on the premises, we will consider these goods to be abandoned and we may dispose of or sell them in accordance with the Residential Tenancy Act 1997.

### What does the RTA say?

#### *Division 3 - Abandonment of premises and goods*

##### **Order declaring abandonment**

46(1) An owner of residential premises may apply to a magistrate for an order declaring that the premises have been abandoned by a tenant.

(2) Residential premises are abandoned if –

- (a) the tenant has ceased to occupy those premises; and
- (b) a notice of termination has not been served in respect of those premises; and



(c) a notice to vacate has not been served in respect of those premises.

(3) If satisfied that residential premises have been abandoned, the magistrate may make an order to that effect.

## Effect of order

47(1) If a magistrate makes an order under section 46 relating to the abandonment by a tenant of residential premises –

(a) vacant possession of the premises is delivered to the owner as at the date of the order; and

(b) the tenant is liable to the owner for –

(i) any loss arising from the abandonment; and

(ii) any reasonable rent payable from the date of the abandonment until the date at which the residential tenancy agreement for those premises could have been lawfully terminated.

(2) The owner is to take all reasonable steps to mitigate any loss or damage to the premises and is not entitled to be paid for any loss that could have been avoided by taking those steps.

## Disposal or sale of abandoned goods

48(1) If a residential tenancy agreement is terminated and goods on the premises to which the agreement relates appear to be abandoned by the tenant, the owner may –

(a) dispose of the goods if they appear to the owner to have no value; or

(b) sell the goods if they appear to have a value less than the prescribed amount; or

(c) apply to a magistrate for an order permitting the sale of the goods for the best price reasonably obtainable if they appear to have a value equal to or more than the prescribed amount.

(2) The owner is to verify by a statutory declaration the means of disposal of any goods under subsection (1)(a).

(3) The proceeds of the sale of goods are to be dealt with as follows:

(a) firstly, in the payment of any debt owed by the tenant to the owner;

(b) secondly, in the payment of the reasonable costs of the sale;

(c) thirdly, any balance to be kept in an interest bearing account for the tenant for a period of 6 months.

(4) If the tenant does not claim any proceeds of the sale of goods kept under subsection(3)(c) within 6 months, the proceeds become the property of the Commissioner.