



# Ancillary Dwellings FACT SHEET



## What is an ancillary dwelling?

An ancillary dwelling is a small, self-contained dwelling located on the same lot as another single house. It can be attached to the main house, integrated with the main house, or a separate building to the main house.

Commonly known as a “granny flats,” ancillary dwellings usually have some facilities, such as a small kitchen and bathroom, that allow occupants to live in them independently from the main house. Another option is the “Fonzie flat,” which is a small self-contained dwelling above a garage. Because they are small, ancillary dwellings are usually occupied by a single person or a couple.

## What can an ancillary dwelling be used for?

Until recently, planning regulations only permitted a direct family member of the main home to occupy an ancillary dwelling. However recent changes to State Planning Policy 3.1 (SPP 3.1) Residential Design Codes have made it possible to rent ancillary dwellings to non-family members. Ancillary dwellings can now be used to provide housing opportunities for private tenants, carers or unrelated seniors and students.

SPP 3.1 limits ancillary dwellings to a maximum

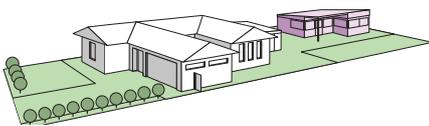
floor area of 70m<sup>2</sup>, although this may differ across local councils. While there are no specific restrictions on how many people can live in an ancillary dwelling, because of their size they are usually only suitable for single people, couples, or a small family.

Only one ancillary dwelling can be built on each lot. Building an ancillary dwelling does not allow you to subdivide your lot, unless it is already allowed under the local planning scheme.

Be aware that the change to occupancy requirements does not automatically apply to existing ancillary dwellings or granny flats. A new approval from the council is usually required before they can be occupied by a non-family member.

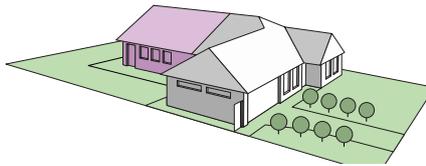


# What are the different types of ancillary dwelling?



## Separate dwelling

You can build a separate dwelling on your lot that is completely detached from the main home.



## Convert an existing home

You can convert part of your existing home into an ancillary dwelling by separating one part of the house.



## Extend your existing home

You can extend your current home by building an addition such as an extra room or, in the example provided, adding a second storey above a garage.

## Further Information

Before you decide to build, add or rent an ancillary dwelling, you should seek advice to make sure it is the right decision for you.

### Planning Requirements

You need to understand the planning regulations that apply to ancillary dwellings in your local area. The Residential Design Codes set out the key planning regulations for ancillary dwellings, including minimum lot sizes, maximum floor area, and parking requirements.

These may vary slightly in different locations so you should contact the planning department of your local council to find out which requirements apply. The council can also provide information on other things you should consider such as additional garbage bins, or how adding an ancillary dwelling may affect your council rates.

### Building Requirements

A new ancillary dwelling will need building approval to ensure that it meets the safety (structural and fire), health, amenity and sustainability requirements of the Building Code of Australia (BCA).

The Building Commission of WA provides information on the BCA and the steps you need to take to get the plans for your ancillary dwelling certified. You should also talk to the building approvals department at your local council to understand their processes, the things you should be aware of, and the information that they require to approve the building plans.

# Further Information



## Rates

When you talk to your council, also check if an ancillary dwelling will have any effect your rates charges. Your rates are calculated based on the rental value of your property, which is determined by the Office of the Valuer General. You will need to be aware of any additional charges ahead of time so that you can budget for them and factor these ongoing costs into your decision.

## Servicing

You may need to install new meters or sub-meters for electricity, gas or water, depending on how you plan to rent the ancillary dwelling. You should contact relevant gas and electricity distributors and the Water Corporation to understand the different options available, and which one suits you best. You are also likely to need a licensed electrician or plumber to install any new services.

## Financial Advice

Building or buying an ancillary dwelling is a significant commitment and you need to understand the financial implications before making any decision. You should seek professional advice to understand how the costs and income will affect you – for example, you need to understand how rental income and costs may affect your tax (including capital gains), your mortgage, or your eligibility for government benefits like the aged pension. If you are sharing the cost of the new dwelling with someone else, including family, seek advice on how to protect your investment if disagreements arise in the future. You may also need to review your home insurance policy.

## Landlord and Tenant Advice

If you are planning to rent your ancillary dwelling, it is important that you know which tenancy laws will apply, as these will determine the rights and responsibilities of both the landlord and the tenant.

In Western Australia, a person renting an ancillary dwelling is likely to be considered as a tenant under the Residential Tenancies Act 1987, although in some cases they may be classified as a lodger, in which case common law applies. You should visit the Department of Commerce website or contact their call centre for more detailed information that will help you understand these requirements.

Whether you are a landlord or a tenant, you need to understand the rental arrangement being entered into, and understand what the implications are for you. Some of the questions both landlords and tenants should think about include:

- Which parts of the property will be for the exclusive use of the tenant?
- Are there are any shared facilities like laundries, bathrooms, yards, driveways? What are the arrangements for sharing them?
- Will rent include the cost of utilities like water and power, or will they be billed separately? How will utility costs be calculated?
- How can a tenancy be ended and how much notice is required?
- How will the building and/or contents be insured?

Both landlords and tenants also need to consider the day-to-day practicalities of renting an ancillary dwelling. You will be living on the same property and in most cases will be sharing some areas or facilities (e.g. backyard, driveway, laundry, bins) with another person who you may not know. Think carefully - it is not the same as a traditional rental arrangement where landlords and tenants live in separate locations.

# More Information

## Planning and Building Requirements

### WESTERN AUSTRALIAN PLANNING COMMISSION

Web [www.planning.wa.gov.au/](http://www.planning.wa.gov.au/)

Phone 08 6551 9000

### BUILDING COMMISSION OF WA

Web [www.buildingcommission.wa.gov.au/](http://www.buildingcommission.wa.gov.au/)

Phone 1300 489 099

### LOCAL GOVERNMENT

Web [www.dlg.wa.gov.au](http://www.dlg.wa.gov.au) (for contact details of your Council)

Phone 6551 8700

## Water Corporation

Web [www.watercorporation.com.au/](http://www.watercorporation.com.au/)

Phone 13 13 95

## Electricity

### SYNERGY

Web [www.synergy.net.au](http://www.synergy.net.au)

Phone 13 13 53

### HORIZON POWER

Web [www.horizonpower.com.au/](http://www.horizonpower.com.au/)

Phone 1800 267 926

## Gas

### ALINTA ENERGY

Web [www.alintaenergy.com.au](http://www.alintaenergy.com.au)

Phone 13 13 58

### KLEENHEAT GAS

Web [www.kleenheat.com.au](http://www.kleenheat.com.au)

Phone 13 21 80

## Landlords and Tenants Information

### DEPARTMENT OF COMMERCE

Web [www.commerce.wa.gov.au/ConsumerProtection/](http://www.commerce.wa.gov.au/ConsumerProtection/)

Phone Consumer Protection Advice Line 1300 30 40 54

[www.housing.wa.gov.au](http://www.housing.wa.gov.au)

Call 1800 093 325 for details of your nearest Department of Housing Office