

Improving NSW rental laws

Public engagement summary report



Introduction

In NSW, nearly one in every three people rent their home and approximately 620,000 people own an investment property. The NSW Government is working to improve rental laws to improve renting in NSW. Better rules for rentals will help give more stability for renters and certainty for owners.

In 2023, the NSW Government sought feedback on laws for renting.

A survey hosted on the NSW Government's Have Your Say website collected feedback from the public on:

- reasons an owner can terminate a lease – removing 'no grounds' evictions
- making it easier for renters to keep pets
- protecting renters' personal information
- making it easier to transfer rental bonds from one property to another
- other ways to make the system fairer.

The survey was available in seven languages, and received 16,032 responses overall. There were also 405 written submissions to the consultation. Renters and owners made the most submissions, and an almost equal number of submissions.

Written submissions supported the feedback in the survey.

In addition to the online consultation, the NSW Rental Commissioner met with key stakeholders to understand the challenges and opportunities in the rental market.

Since taking up the role in August 2023, the Commissioner has held in-depth consultation, including roundtables and one-on-one engagements across more than 50 sessions with over 60 organisations.

- Stakeholders included renters (including young people, social, private and community housing tenants), property providers (private owners, community housing providers, student accommodation owners and build to rent institutional investors), industry bodies, academics, legal services, advocates, and animal welfare organisations.
- These forums enabled deeper discussion on the themes raised through the submission feedback. Feedback collected in these forums is consistent with the findings of the public consultation.

Survey results are summarised in this report.

What people told us

The high levels of engagement to the [Improving NSW rental laws Have Your Say](#) consultation demonstrates the community's strong interest in the NSW rental environment to renters, owners, real estate agents, rental advocates and other members of the community.

While in some areas, renters, owners and real estate agents agreed, in other areas, there were starkly diverging viewpoints between these groups.



Ending a lease

Rental laws list the reasons why an owner can end a tenancy. For example, because the renter did not pay their rent or the owner has sold the property. Currently, the law also allows owners to end the tenancy without needing any reason.

For a periodic ('week-to-week' or 'rolling') lease, the owner can end the tenancy at any time without a reason, but they must give the renter at least 90 days notice.

For a fixed term lease (tenancy for an agreed amount of time, such as one year), the owner cannot end the tenancy during the agreed time (except in exceptional circumstances). If the owner wants the renter to leave at the end of the agreed time, they must give the renter at least 30 days notice. They do not need a reason for ending the tenancy.

Reasons for the end of a lease

Renters strongly supported the owner needing a reason to end a periodic lease (96%). Renter-owners also supported this (56%). Most owners and real estate agents did not support this proposal (28% and 12%, were in support respectively).

Renters also strongly supported the owner needing a reason to end a fixed-term lease (92%). Renter-owners were neutral (47%). Most owners and real estate agents did not support this proposal (16% and 8%, were in support respectively).

Owners who met with the NSW Rental Commissioner were supportive of reasonable grounds to end a lease provided those reasons

gave flexibility to access their properties for personal or family use or where they will no longer be listed on the rental market for an extended period of time.

'Renters need homes that are stable and secure. Renters deserve to live without fear of unfair "no grounds" evictions from our homes.'

Renter submission, Have Your Say consultation

'Given that the property is a private property, we believe it is reasonable that landlords are able to have tenants leave the property given due notice, and without a reason. Fairness, not law, should involve a reason, and that should best be tested by the Tribunal.'

Owner submission, Have Your Say consultation

‘For renters to have the full benefit of their rights under the Residential Tenancies Act (RT Act), they must be assured that their tenancies cannot be terminated without good reason’

Rental academic submission, Have Your Say consultation

Notice periods

Renters supported changing the law to have more notice before they must move out of a rental property under a periodic lease (61%). Owners (4%), renter-owners (20%), and real estate agents (4%) did not support changes.

Renters also strongly supported being given more notice before moving out at the end of a fixed-term lease (96%). Renter-owners supported this too (64%), while owners and real estate agents did not support it (31% and 36%, respectively).

Evidence and temporary stops on leases

Renters strongly supported an owner giving evidence of the reason the lease is ending for all reasons (87–93%). Renter-owners were generally neutral on this, depending on the reason used (42–53%). Owners and real estate agents did not support giving evidence of reasons to end a lease for any reasons (15–24% and 10–23%, respectively).

Renters strongly supported temporarily stopping an owner from leasing a property after they have ended a tenancy because the owner needs the property back (91%). Renter-owners were neutral on this (45%). Owners (13%) and real estate agents (10%) did not support a temporary stop.



Renters keeping pets

In NSW, a pet can only be kept by a renter if the owner agrees, unless it is an assistance animal (for example, a guide dog). Owners do not need to give a reason to refuse a pet.

Renters (93%) strongly supported changes to the law to require an owner to give a good reason or to go to the NSW Civil and Administrative Tribunal (the Tribunal) if they want to refuse a pet. Renter-owners (58%) also supported this change.

However, owners (72%) and real estate agents (76%) did not support the owner needing to give a reason to refuse a pet.

Renters (52%) were neutral on whether 21 days is too much time for an owner to answer a request to keep a pet. Renter-owners (52%) were neutral that 21 days is the right amount of time, while owners (61%) and real estate agents (58%) thought it is the right amount of time.

Based on all responses, the top three reasons to refuse a pet were:

1. The pet is a restricted animal, or an animal declared dangerous or menacing.
2. The renter keeping the pet on the property would be breaking other laws.
3. The property is not suitable for the pet.

‘When looking for rentals online, the results for dwellings that would “consider pets” dwindles to less than 1 in 5. I just don’t understand why renting with pets needs to be so difficult.’

Renter submission, Have Your Say consultation

‘I am really concerned about making it easier for tenants to have pets. My property is advertised as “no pets” and there are practical reasons for this. Having a pet comes with responsibilities. If a pet owner isn’t meeting those responsibilities then I will be the person chasing them up.’

Owner submission, Have Your Say consultation



Rent increases and payments

Rent for most leases in NSW can only be increased once in a 12-month period. However, this rule does not apply to fixed-term leases that are less than two years. Instead, for these leases the rent can only be increased if the increase was written into the rental agreement. A renter can also challenge a rent increase if it is excessive by applying to the Tribunal.

There was strong support from renters and renter-owners for limiting rent increases to one per year for all fixed-term leases (97% and 83%, respectively). Owners and real estate agents also supported this change (60% and 72%, respectively).

Renters showed strong support for, while owners and real estate agents did not support:

- Owners needing to show that a rent increase is not excessive (94% renters, 58% renter-owners, 30% owners, 45% real estate agents).
- A rent increase being excessive if it is well above the previous rent (89% renters, 52% renter-owners, 27% owners, 21% real estate agents).

- Preventing rent increases when changing between lease types (92% renters, 48% renter-owners, 17% owners, 23% real estate agents).

Real estate agents had the view that current protections for rent increases are working well (67%). Renters and renter-owners did not agree with this (4% and 28%, respectively) while owners were neutral (50%).

Free ways to pay rent

The law currently requires that renters have at least one way to pay rent that is free to use and is ‘reasonably available’. Sometimes owners or real estate agents ask for a renter to pay by cheque or cash, which can be inconvenient.

There was very strong support across all groups for changes to the law to require an owner or real estate agent to offer an electronic way to pay rent that is free to use.



Portable rental bonds

When a renter moves from an old rental to a new one, they pay the bond at the new property before they get their old bond back. A portable rental bond scheme would allow renters to transfer their bond from the old property to the new property while ensuring the integrity of the bond system for owners.

There was strong support from renters (92%) and support from owners (73%) for a portable rental bond scheme that is optional for renters to use. Real estate agents were neutral on this (50%).



Protecting personal information

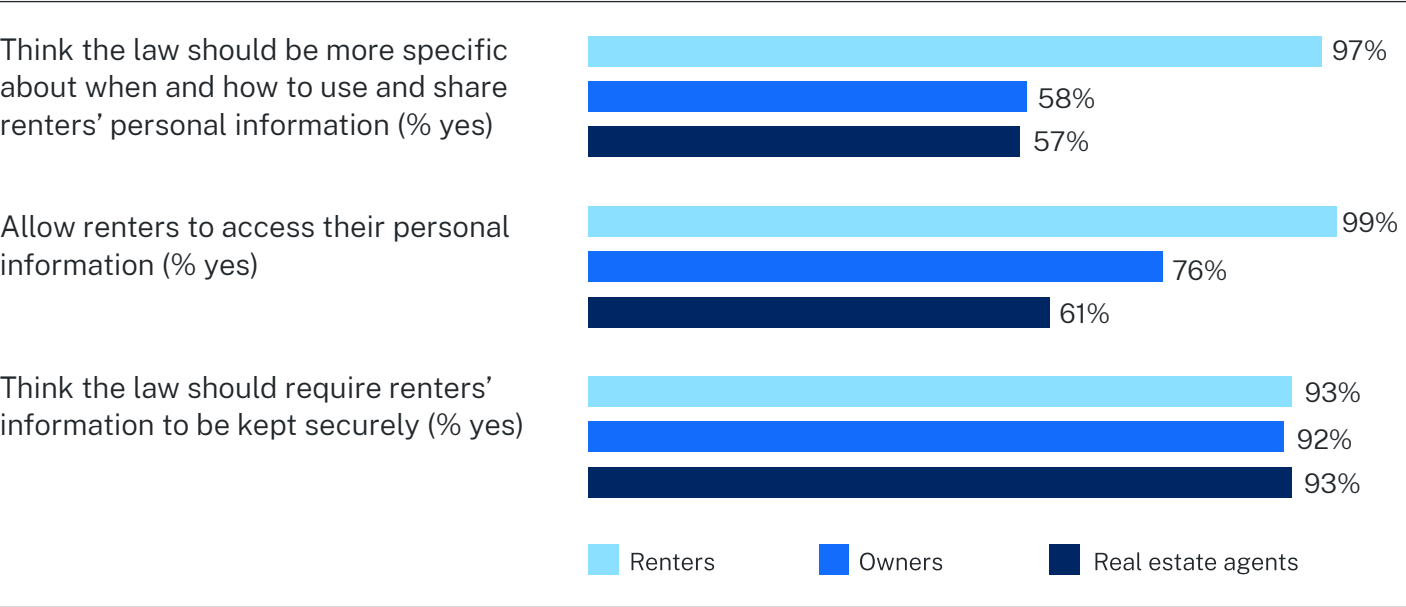
Renters are often asked to give a lot of personal information when they apply for a property. Currently, NSW laws require real estate agents not to use or share someone’s confidential information unless given permission or required by law. This does not apply to owners.

There was strong support for change among renters to limit how their information is collected (97%). Owners were neutral (55%).

Renters showed strong support, and owners and real estate agents either supported or strongly supported, changes for:

- More specific laws about when and how to use and share renters’ personal information (97%, 58%, 57% respectively).
- Allowing renters to access their personal information (99%, 76%, 61% respectively).
- Requiring renters’ information be kept securely (99%, 93%, 92% respectively).

Renters strongly supported laws to limit how long renters’ information can be kept (98%). Owners supported this change (69%), while real estate agents were neutral (52%).



Snapshot of views

	Renters	Renter-landlords	Landlords and real estate agents
Ending a lease			
Landlords should give a reason to end a periodic lease	●	●	●
Landlords should give a reason to end a fixed-term lease at the end of the term	●	●	●
The number of days' notice to end a periodic lease should be increased	●	●	●
The number of days' notice to end a fixed-term lease should be increased	●	●	●
There should be a temporary stop of leasing a property after the landlord said they needed it back	●	●	●
Pets			
Landlord should require a reason to say no to a pet	●	●	●
21 days is the right amount of time for a landlord to consider a pet application	●	●	●
Rent increases and payment			
The current protections for rent increases are working well	●	●	●
The law should require an electronic way to pay rent that is free to use	●	●	●
Renters' personal information and privacy			
It should be put into law what information can or cannot be collected in a rental application	●	●	●
The law should: <ul style="list-style-type: none"> • be more specific about using and sharing a renter's information • limit how long it can be kept • require that it is kept securely • allow renters access to it. 	●	●	●
Portable bond scheme (allowing renters to transfer a rental bond from property to property)			
The portable bond scheme should be optional	●	●	●

● At least 50% of the group agree ● Less than 50% of the group agree

Engagement at a glance



41,176

Visits to the site



16,032

Surveys answered



405

Submissions



2,628

Consultation paper
downloads



43%

Engagement rate



96%

Ease of survey feedback



4,675

Opted in for email updates



65+

Organisations and groups
engaged by the Rental
Commissioner

Respondents at a glance*



57%

Renters,
average age 38



34%

Owners,
average age 52



5%

A renter and a owner,
average age 42



8%

Real estate agents,
average age 44



447

Identified as Aboriginal
19 identified as Torres
Strait Islander
36 identified as both
Aboriginal and Torres Strait
Islander



162

Were part of a consumer
advocacy group or industry
body
58 were part of a consumer
advocacy group
104 were part of an
industry body



927

Respondents to the
English language survey
said English is their
second language at home



62%

Were pet owners
60% of renters
58% of owners
65% of renter-owners
75% of real estate agents



83%

Were from major cities
17% from regional areas
Less than 1% from remote
areas



123

Responses were from
123 of the 128 local
government areas

*Most demographic questions were optional

What next

Community feedback is being used to inform changes to the Residential Tenancies Act to improve renting in NSW. Submissions will be published on the [Improving NSW rental laws](#) consultation page in 2024.

The NSW Rental Commissioner is continuing to work with renters, property providers and industry to inform changes to rental laws, monitor impacts of reforms and strengthen regulation.

Stay up to date

Follow the [Improving NSW rental laws](#) Have Your Say consultation for updates and on outcomes of this consultation.

Sign up

[NSW Fair Trading property newsletters.](#)