



3-Aug-2023

Submission on Improving NSW rental laws

Overall I note there is a tendency for the 'fairness' of rental laws to be increasingly in the tenants favour; frequently adjustments are made to benefit the tenant with no counterbalancing benefit to the landlord. This creates an ever increasing disincentive to being a landlord.

Regarding the discussion paper:

3.3 Ending a lease.

The act could encourage the European model of long term leases by having different rules for leases of, say, 3 years or more. These would require 6 months notice of non-renewal, perhaps with a reason being given. To provide fairness to the landlord committing to a long term the renter would need to pay compensation should they wish to end the lease early. They should also provide 6 months notice of not intending to renew the lease (to provide parity with the landlords commitment.)

Where the landlord has a single property available they should not have to provide a reason. But for those with multiple rental properties it could be appropriate.

3.4 Reasons for ending a lease.

Agree with the proposed new additions.

Plus add:

- * where the tenant has had multiple complaints made against them from neighbours or a strata body
 - * other unanticipated reasons a court would find reasonable
- and the meaning of 'serious damage' needs to be spelt out to save ambiguity.

The notice period should be the same as that the tenant is required to give. For current reasons a notice of a few weeks should suffice; for more foreseeable events a longer period would be ok.

3.5 Evidence

This should also apply to a tenant wanting to end a lease early.

Whilst in general these rules seem ok they need to allow exceptions – and rather than a mandated list of exceptions just reasons a court would find reasonable. For example:

- * the landlord needs to move out to care for a relative
- * the landlord needs to move for work.

4.2 Keeping pets

I totally disagree with landlords being forced to accept pets. I suffer from asthma with an allergy to pet hairs – I can usually tell immediately I enter a premise if a pet has been kept there from my chest tightening up. This is a step too far – if forced on me I would immediately put the property up for sale.

5.2 Renters personal information

Prescribing detailed and complex rules will drive up costs and encourage the use of non-documented assessments (verbal/ social media etc).

The main points I would agree with are:

- * any data collected must be held securely – particularly where it may be used for identity theft (this should be a general rule for any personal information collected)
- * the South Australian rules for the deletion of data
- * renters right to review and correct data.

5.3 Automated decision making

This is something that should be part of a wider review, not just focussed on letting. Another area this can be a problem is job seeking.

Anyone subject to ADM should:

1. Be informed their application has had ADM applied (and in a very visible way, e.g. not via fine print in a linked document)
2. Be informed of their ADM ranking and an explanation of the score
3. Have the right to demand a 'human review'.

6 Portable rental bonds

Sounds a great idea, but could easily have un-intended consequences.

For example

- * If the previous landlord **successfully claims** part of the bond

This can take months to resolve. What happens whilst a claim is being processed?

- * If there are time limits on a landlord claiming against a bond what comeback will there be for incompetent agents who fail to inspect/ claim a bond within the time limit? To be fair there should be consequences for incompetent agents – for example the landlord can claim the damage amount direct from the agent.

To start with the scheme needs to be optional to both parties until the wrinkles are ironed out.

8 Rental affordability

Agree a minority of landlords have been greedy and demanding excessive increases.

The whole 2 year periodic lease rule is just confusing. Just have a simple rule – rents may be increased once per year only. Applicable to any type of lease.

Regarding excessive increases rather than use CPI they could have reference to:

- * changes in costs – council rates/ mortgage etc

- * any substantial improvements made (e.g. refurbished kitchen; new aircon system).

9.3 Strata schemes

Sounds like you want to protect people who are too lazy to read. If they have a copy of the bye-laws it should be in there.

Regards,

A solid black rectangular box used to redact a signature.