

[REDACTED]

03 August 2023

Residential Tenancies
Policy & Strategy, NSW Fair Trading,
Better Regulation Division
Department of Customer Service

[REDACTED]
[REDACTED]
[REDACTED].

Re: Improving NSW Rental Laws Submission

[REDACTED],
located in [REDACTED]. Our organisation has a development under construction for [REDACTED]
[REDACTED]. The
development was approved on [REDACTED] under the provisions of State Environment
Planning Policy (SEPP) 2004 – Housing for seniors and persons with a disability. The
provisions of SEPP 2004 are now incorporated in State Environmental Planning Policy
(Housing) 2021, Part 5 Housing for seniors and people with a disability (SEPP 2021 Part
5).

The housing is [REDACTED] duplex one-bedroom cottages aimed at financially disadvantaged
seniors along with [REDACTED] Specialist Disability Accommodation (SDA) units for participants
of the National Disability Insurance Scheme (NDIS). Occupancy will be on a rental only
basis under the NSW Residential Tenancies Act 2010, so that the units are affordable for
financially disadvantaged seniors, and within the guidelines of the NDIS for SDA
accommodation for persons with a disability.

We have concerns regarding two issues concerning proposed changes to rental laws in
NSW. These are the keeping of pets and when rent increase can apply.

Keeping of Pets

Our development was approved under SEPP 2004 on the basis that we are a charitable
organisation and provider of social housing. [REDACTED] is a registered charitable institution with
the Australian Charities and Not for Profit Commission (ACNC). To maintain our charitable
status as a provider of housing the ACNC Commissioner's "Interpretation Statement -
Provision of housing by charities" clearly indicates that housing should be discounted to

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thirty per cent of household income to be consistent with a charitable purpose and to maintain the status of a registered charity and PBI¹.

Our organisation is not a community housing provider and does not receive any government funding in fulfilling its purpose of providing affordable rental income for financially disadvantaged people, and the requirement to maintain rents at low levels and comply with ACNC guidelines requires efficient management of expenses.

We consider that if tenancy laws are changed about the keeping of pets for organisations and facilities such as ours that this will add another administrative process in having to manage disputes between pet and non-pet owners in a complex of [REDACTED] units.

We would like the reforms to consider exemptions for landlords who operate rental housing approved under SEPP 2004 or SEPP 2021 Housing for seniors and persons with a disability, with the operator being given the right to determine their own policy regarding the keeping of pets (noting that Companion and Assisted animals should be allowed as per current provisions of the Companion Animals Act 1998).

Rent Increases

Current regulations only allow for rent increases once every twelve months for a tenancy agreement that is on a periodic basis. There is no provision for allowing rents to be increased by way of a formula tied to pension increases, which are reviewed and adjusted in March and September to maintain their value against increases in the cost of living.

As a charitable social housing provider our rents are set at thirty percent of age pension income, and the NDIS rules for SDA require that the maximum reasonable rent contribution (MRCC) be set at twenty five percent of disability income. We would like to see a provision in the act or regulations that allows social housing providers to increase rents bi-annually in line with pension indexation, providing that the dwelling or development has been approved under the provisions SEPP 2004 or SEPP 2021 as Housing for seniors and persons with a disability or is approved as Specialist Disability Accommodation under the NDIS. We consider this would not disadvantage tenants but would allow organisation to maintain a cash inflow that maintains some parity with rising costs for operating expenses.

Yours sincerely,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

¹ Australian Charities and Not for Profit Commission 2021, Commissioner's Interpretation Statement: Provision of housing by charities, Clause 2.3.9, page 6.