

# Property Services Expert Panel

17 August 2023

## **RE: Improving NSW rental laws consultation - Property Services Expert Panel Response**

The Property Services Expert Panel (The Panel) acknowledges the challenges of the prevailing rental market, and the impact that low supply, escalating interest rates and holding costs, and increasing rents are having on a sector where pressures have been steadily building for over 10 years.

As a collective group of respected industry leaders with deep industry experience and perspectives, the Panel hold strong and sometimes diverse views on the merits of several of the proposed rental changes. Despite any divisions that might exist, the Panel are united in their ongoing drive to make the industry more cohesive, and most importantly, a fair landscape in which all stakeholders can co-exist. The framework for this can be achieved through sensible, measured, and workable legislation, followed by an appropriate education program.

The appointment of the NSW Rental Commissioner is welcomed by The Panel alongside your commitment that “Balanced law reform requires us all to work together, build trust and work towards a system that doesn’t create an adversarial relationship between landlords and tenants”. The panel supports this principle as a key plank in delivering an empowered, accountable, and trusted property services sector in NSW.

Feedback on the ‘Improving NSW rental laws’ consultation paper has been sourced by the Panel from leading businesses, franchise groups, industry associations and practitioners across the state. The very broad scope of the various issues listed in the consultation paper has resulted in a diverse range of industry views. The Panel has made every effort to fairly represent this diverse cross section of industry feedback.

In directly responding to the consultation paper, The Panel recognise the commitments made by the government, which included:

- appointing a Rental Commissioner to be a voice for renters
- addressing secret rent bidding
- amending landlords’ ability to end a lease without a reason
- making it easier for renters to have pets
- introducing new data protection requirements for real estate agents when they handle renters’ personal information
- implementing a portable rental bond scheme.

The Panel’s collective response has been segmented into the following categories:

1. Sentiment within the sector relating to the proposed rental reforms.

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2. Consequences which may result from implementing the proposed reforms.
3. Recommendations which the Panel believe could deliver better and fairer outcomes for the NSW Government.

The Panel also notes the importance of consumer harms and outcome focussed compliance operations. Consensus exists across industry and consumer advocacy leaders that this is an area which has been under-resourced within the regulator. This should complement a drive for industry uplift; consequences for businesses which fail to comply, and recognition of the escalating pressures on renters, residential property managers, and landlords.

Finally, The Panel strongly advises that the NSW Government acknowledge not only the shared pain being experienced in the rental sector by tenants and landlords, but also the supply, infrastructure, and macro-economic factors impacting the property market. The tenants vs landlords paradigm permeating other Australian jurisdictions has not been productive and has failed to deliver sustainable solutions.

Members of The Panel, and those they represent, experience daily the impacts of regulatory change at the 'frontline' of consumer and industry interaction. Ultimately, they will be the ones required to embrace and implement the outcomes of rental reforms. As such, we respectfully encourage the NSW Government to give careful and due consideration to the recommendations made herein.

Best regards,

Chris Duggan  
Chair, Property Services Expert Panel

John Minns  
Property Services Commissioner

For an on behalf of the members of the Property Services Expert Panel:

## Attachment 1: Recommendations

1. REMOVING 'NO GROUNDS' TERMINATIONS	
Question	Recommendation
1. What is your preferred model for ending fixed term leases and why?	<p>The Queensland model (<i>The landlord does not need a reason to end a fixed term lease after the agreed lease term has expired</i>) is fair to both parties to the agreement and is the recommended approach.</p> <p>Under any circumstances where an alternative is considered, the following factors should be included in the design to mitigate the impact of unintended consequences:</p> <ul style="list-style-type: none"> <li>• Provision should be made for a set term of lease provided this is clearly stated and agreed at lease commencement. This will provide certainty to both parties and enable specific personal circumstances such as owners returning from overseas to be met with no additional obligations for either party.</li> <li>• Retain the ability to end a lease beyond the fixed term for any reason but extend the notice period to 60 days unless agreed separately between landlord and tenant.</li> <li>• Better define reasonable rental increases for all parties. In conjunction with this measure, require a landlord with a continuing intention to rent the property out to give first option to a tenant who has maintained the property well and has a track record of on time rental payments.</li> <li>• Remove the right to no-grounds eviction from a landlord who has not maintained the property to the legally required standard to prevent retaliatory evictions.</li> </ul>
2. Are there any other specific situations where a landlord should be able to end a lease?	<p>Noting the previous recommendation that there should be no additional restrictions on ending a fixed term lease, the following points relate to specific reasons which should be able to be relied on. Note most are already catered for in the Residential Tenancies Act 2010.</p> <ul style="list-style-type: none"> <li>• Where a tenant has been offered a new fixed term and has chosen to decline the offer and remain on a periodic tenancy, this should be sufficient reason for a landlord to be entitled to terminate the agreement in line with the relevant notice periods.</li> <li>• Where a landlord cannot fund required repairs to ensure property is safe &amp; habitable.</li> <li>• Where a landlord wants to sell the property.</li> <li>• Where a landlord or direct relative of the landlord needs to move into the property.</li> <li>• Where the landlord's personal circumstances change due to divorce, separation, or death.</li> <li>• Where the tenant is in breach of the tenancy agreement or any laws applicable to occupancy of the property.</li> </ul>
3. What would be an appropriate notice period for the five proposed reasons (and for any other reasons you have suggested)? Why is it reasonable?	<p>A better way to deal with fair outcomes for all parties is to implement notice periods which provide reasonable outcomes for all parties. In practice this means:</p> <ul style="list-style-type: none"> <li>• A tenant who is offered a new fixed term should have the option to accept a 6- or 12-month agreement, or longer if agreed by both parties.</li> <li>• Tenants who refuse the extension should not be protected from eviction but should be protected by reasonable notice periods.</li> </ul>

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	<ul style="list-style-type: none"> <li>• A landlord who fails to offer a new fixed term to a tenant who is willing to enter such an agreement, should be required to provide reasonable grounds for a future eviction.</li> <li>• Recommended notice periods are: <ul style="list-style-type: none"> <li>○ 60 days to end a fixed term lease agreement.</li> <li>○ 90 days to end an expired lease agreement.</li> </ul> </li> </ul>
<b>4. What reasons should require evidence from the landlord? What should the evidence be?</b>	<p>If the landlord is providing legal notice within the terms of the Residential Tenancy Agreement, there should be no additional requirements they need to meet.</p> <p>Notwithstanding this, if a decision is made to implement any form of requirement it should not be time consuming or unnecessarily invasive. Examples are:</p> <ul style="list-style-type: none"> <li>• If reasons are required for any specific areas of notice, a written statement signed by the landlord outlining their reason/ decision could be provided.</li> <li>• There should be no option for a tenant to dispute unless there is evidence of a retaliatory situation which the tenant is entitled to contest.</li> </ul>
<b>5. Should any reasons have a temporary ban on renting again after using them? If so, which ones and how long should the ban be?</b>	<p>This should not be implemented. There are no reasonable mitigation opportunities in this category. Enforcement of the rights and obligations of landlords and tenants under legislation should be handled in line with current practices rather than an arbitrary approach risking market distortion and requiring disproportionate regulatory and compliance monitoring.</p>
<b>2.A NEW MODEL FOR KEEPING PETS</b>	
<b>Question</b>	<b>Recommendation</b>
<b>6. Is 21 days the right amount of time for a landlord to consider a request to keep a pet? If not, should the landlord have more or less time?</b>	<p>Nil.</p>
<b>7. What are valid reasons why a landlord should be able to refuse a pet without going to the Tribunal? Why?</b>	<p>Common sense should apply when there is a regulated bias in favour allowing pets. If this is implemented, the following mitigation measures should be put in place to promote harmonious landlord and tenant relationships and protect the interests of the animals concerned.</p> <ul style="list-style-type: none"> <li>• Consideration should be given to defining types and numbers of pets which would be deemed acceptable in particular property types. A large dog should be grounds for withholding approval in a small apartment with no balcony for example.</li> <li>• Provide discretion for the landlord to reject more than 1 or 2 animals without resorting to the tribunal.</li> <li>• Reasons for rejecting a request for pet permission could include if the applicant is a breeder wanting to use the premises for this purpose, pets which will cause a disturbance in the neighbourhood, pets which create an uncontrolled risk to the native environment, or if the property is not pet friendly (lack of fencing, issues with neighbourhoods etc).</li> </ul>



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	<ul style="list-style-type: none"> <li>Landlords should have the right to refuse pets if there are health and safety concerns or if the property is unsuitable for pets.</li> <li>Solving the challenge of major risk to property assets and major costs to the landlord will cause support for pet friendly initiatives to rise significantly. Pet bonds and insurance policies should be serious considerations to deliver an outcome fair to all parties.</li> </ul>
8. Should the Tribunal be able to allow a landlord to refuse the keeping of animals at a specific rental property on an ongoing basis? Please explain.	As prescribed.
9. What other conditions could a landlord reasonably set for keeping a pet in the property? What conditions should not be allowed?	<p>In an effectively operating commercial and social environment, all rights come with responsibilities. Mitigating the risks for adverse outcomes for landlords is key to collaborative and cooperative tenancy relationships. Provided there is accountability for the limited number of irresponsible pet owners and unreasonable landlords, these risks can be managed effectively.</p> <ul style="list-style-type: none"> <li>The Panel acknowledges the high rate of pet ownership in Australia and the difficulties faced by families with pets in finding suitable accommodation. In this regard, the Panel supports in-principle a broad-based right of tenants to keep an animal in a rented home, so long as it is accompanied by appropriate obligations on tenants and rights of refusal by landlords, on reasonable grounds.</li> <li>Pet bonds or suitable pet insurance should be explicitly allowed for at the landlord's discretion.</li> <li>Provision of pet references and personal guarantees from tenants should be required.</li> <li>There should be a standard condition in place that pets should be removed or restrained by the tenants for every inspection at the premises by a tradesperson, agent or landlord.</li> <li>Conditions which should be allowed include: <ul style="list-style-type: none"> <li>Fumigation at end of lease</li> <li>Carpet steam clean at end of lease</li> <li>Carpet replacement at end of lease if required.</li> <li>Tenant to restore to original condition.</li> </ul> </li> <li>Conditions which should not be allowed: <ul style="list-style-type: none"> <li>House renovations to accommodate a pet.</li> <li>Installing a fence.</li> <li>Excessive or unreasonable fees to a tenant.</li> </ul> </li> <li>The Panel recommends the NSW Government adapt to suit the tenancy relationship the balanced approach set out in the <i>Strata Schemes Management Act 2015</i>, where <a href="#">section 137B</a> and <a href="#">accompanying regulations</a> set out reasonable grounds for refusal to keep an animal on the premises.</li> </ul>
<b>3. RENTER'S PERSONAL INFORMATION</b>	
<b>Question</b>	<b>Recommendation</b>

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10. Do you support limiting the information that applicants can be asked for in a tenancy application? Why/why not?	Nil.
11. Do you have any concerns with landlords or agents only being able to collect the information set out in the table above to assess a tenancy application? Please explain.	<p>The approach identified in the table is a reasonable limit on what can be requested, and the agent or landlord should not be able to demand more than this. To prevent unintended disadvantage the following conditions should be allowed:</p> <ul style="list-style-type: none"> <li>• The tenant should have the option to supply more details if they believe it is in their interests to do so.</li> <li>• Enabling tenants to access and use 3<sup>rd</sup> party verification services can be a win/win. These should be optional but could provide assurance without the need to disclose extensive personal details.</li> </ul>
12. Do you support the use of a standard tenancy application form that limits the information that can be collected?	<p>Government should be clear on outcomes, enforce compliance, but not mandate operational issues such as tenancy application forms for businesses, as this will produce adverse outcomes for tenants, business, and government.</p> <ul style="list-style-type: none"> <li>• Innovation in the proptech sector is more likely to be fit for purpose and deliver better experiences for tenants than a government endorsed and developed form.</li> <li>• An effective application form will ultimately form the basis of the ongoing relationship with the landlord and agency by the successful tenant. Single data entry points which reduce manual data entry and enable a “tell us once” approach makes sense for tenants and businesses and should be empowered in the interests of improved customer service.</li> <li>• This approach still allows government to limit the type and level of data collection and to enforce compliance.</li> </ul>
13. Do you think that limiting the information that may be collected from rental applicants will help reduce discrimination in the application process?	<p>Addressing discrimination in the rental application process requires a multi-faceted approach. Limiting certain types of personal information could be one step in the right direction, but it should be part of a broader strategy that includes educating landlords and property managers about fair housing practices, promoting diversity and inclusion, and enforcing anti-discrimination laws.</p>
14. Do you support new laws that set out how landlords and agents can use and disclose renters’ personal information? Why/why not?	The proposed amendments to the Act are supported.
15. What should applicants be told about how their information will be used before they	<p>The policies and procedures of the agent/agency should be provided including:</p> <ul style="list-style-type: none"> <li>• How the application is checked</li> <li>• Who will be called for references- examples of what questions will be asked.</li> </ul>

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<p>submit a tenancy application? Why</p>	<ul style="list-style-type: none"> <li>• Evidence of income and how it is assessed to determine affordability.</li> <li>• Evidence of property care</li> <li>• That the only people who may have access to the application details and any attachments, are: <ul style="list-style-type: none"> <li>○ The agent/agency for purposes of approval</li> <li>○ The tribunal on request</li> <li>○ If legally required such as police e.g., for Domestic Violence; suggest there be a tribunal order for release of info.</li> </ul> </li> <li>• There should be a standard disclosure on all tenancy applications. This will set the clear parameters for all tenants, agents &amp; landlords.</li> </ul>
<p>16. Do you support new laws to require anyone holding renter personal information to secure it? Why/Why not?</p>	<p>The rapid evolution of digital platforms mean specific storage requirements could fail the best practice test as platforms are increasingly sensitive and innovative in this area.</p> <ul style="list-style-type: none"> <li>○ Clear outcomes and accountability in the amendments to the Act will achieve the result which most stakeholders will support, rather than prescriptive storage requirements.</li> </ul>
<p>17. How long should landlords, agents or proptechs be able to keep renter personal information? Please explain.</p>	<p>While the need for information retention and timelines can vary depending on the data sets, the following guidelines should assist:</p> <ul style="list-style-type: none"> <li>• As long as is required for the tenancy and if required for any future litigation.</li> <li>• Currently agents need to retain information related to agency transactions for at least 3 years under Property and Stock Agents Act 2002. This is reasonable.</li> <li>• ATO under some circumstances can subpoena information from a managing agent about a tenancy when investigating tax fraud by a landlord- therefore they will need to keep some tenancy related information for 5 years.</li> <li>• Any information relating to an unsuccessful tenancy application should also be destroyed within 30 days unless the prospective tenant has specifically authorised its retention for future applications.</li> </ul>
<p>18. Do you support requiring landlords, agents or proptechs to: (a) give rental applicants' access their personal information, (b) correct rental applicants' personal information?</p>	<p>To address concerns while promoting transparency and data protection, potential solutions could include:</p> <ul style="list-style-type: none"> <li>• <b>Secure Platforms:</b> Providing a secure online platform for applicants to access and correct their personal information, ensuring robust data protection measures are in place.</li> <li>• <b>Identity Verification:</b> Implementing reliable identity verification methods to ensure only the correct individuals can access their personal information.</li> <li>• <b>Clear Policies:</b> Establishing clear policies and guidelines for accessing and correcting personal information, outlining the process for both applicants and landlords.</li> <li>• <b>Education and Awareness:</b> Educating both landlords and rental applicants about their rights and responsibilities concerning data access and correction.</li> <li>• <b>Regulatory Compliance:</b> Aligning the requirements with existing data protection laws and regulations to ensure a consistent approach to data privacy.</li> </ul>



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19. Are you aware of automated decision making having unfair outcomes for rental applicants? Please explain.	Nil.
20. What should we consider as we explore options to address the use of automated decision making to assess rental applications?	<p>All the parameters of the automated decisions should be defined &amp; reported for transparency &amp; further investigation. The ability to override these decisions should always remain in place.</p> <ul style="list-style-type: none"> <li>• In addition to and overriding all the following recommendations, final assessment &amp; decisions should be made by a (human) landlord in consultation with their (human) agent.</li> <li>• <b>Fairness and Bias Mitigation:</b> Ensure that the automated decision-making process is fair and free from any form of discrimination or bias. Assess and address potential biases in the data and algorithms used to avoid perpetuating existing inequalities.</li> <li>• <b>Transparency:</b> Implement transparent and explainable automated systems. Renters should have access to information on how their application is evaluated and understand the factors that influence the decision.</li> <li>• <b>Data Privacy and Security:</b> Ensure that renter's personal information is handled securely and in compliance with data privacy regulations. Minimise the collection and storage of unnecessary data and obtain explicit consent from applicants to use their data for decision-making purposes.</li> <li>• <b>Algorithmic Accountability:</b> Regularly audit and monitor the automated decision-making algorithms to identify and rectify any potential issues or biases that may arise over time.</li> <li>• <b>Human Oversight and Intervention:</b> Incorporate mechanisms for human review and intervention in the decision-making process. Allow renters to appeal decisions and provide an avenue for human evaluation in cases where automated decisions are challenged.</li> <li>• <b>Accessibility and Inclusivity:</b> Ensure that the automated system is accessible to all applicants, including those with disabilities or language barriers. Offer support for applicants who may require assistance with the digital application process.</li> <li>• <b>Compliance with Regulatory Frameworks:</b> Ensure that the use of automated decision-making complies with all relevant laws, regulations, and industry standards concerning data privacy, fair housing practices, and consumer protection.</li> <li>• Consideration could be given to ensuring requiring documentary evidence or contemporary notes clearly outlining why an application was unsuccessful for all applications lodged on a property.</li> </ul>
<b>4. A PORTABLE RENTAL BOND SCHEME</b>	
<b>Question:</b>	<b>Recommendation:</b>
21. How long should a renter have to top up the new bond if some or part of the bond	<p>How this is resolved should be based on where the risk lies.</p> <ul style="list-style-type: none"> <li>• To retain confidence in the rental market, government will need to guarantee any shortfall to the second landlord, so this is where the timing requirement should sit.</li> </ul>



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has been claimed by the previous landlord?	<ul style="list-style-type: none"> <li>There are alternatives to requiring cash bonds and long term sequestered capital for tenants and these should be considered together with the portable rental bond reforms.</li> </ul>
22. What should happen if the renter does not top up the second bond on time?	<p>As this is an initiative from government to protect tenants from excessive capital resourcing obligations, it will be important for fairness that no landlord is disadvantaged. Therefore, the approach should include the following elements:</p> <ul style="list-style-type: none"> <li>If the tenant is allowed to move in the Government should top-up the shortfall or guarantee it.</li> <li>This should be underwritten by the government, so landlords are not exposed to this risk.</li> <li>If neither of the above scenarios apply, the tenant should not be permitted to commence the tenancy. Reduced powers for the agent to recover the shortfall, the unacceptable increase in workload for a property manager, and the significant costs and time lost to NCAT hearings by landlords mean that a policy with limited demand could cause major problems.</li> </ul>
23. Should this scheme be available to all renters, or should it only be available to some? Please explain why.	<p>The option should remain with the tenant, subject only to them qualifying to access their preferred mode of bond lodgement.</p> <ul style="list-style-type: none"> <li>Disadvantaged or vulnerable renters who cannot secure the second bond or a 'bond guarantee' from a private provider, should be able to make a hardship application to the NSW Government for assistance. This already happens in respect of public housing.</li> </ul>
24. Who should have a choice on whether to use the scheme?	Nil.
25. What other (if any) things should we consider as we design and implement the portable bond scheme? Please explain.	<p>Capital tied up for an extended period may not be desirable for all tenants. Consideration should be given to the use of insurance bonds or capital guarantee models which may come with a small upfront cost but reduce the requirement for a high cash outlay at the time a tenant is moving and encountering many other expenses.</p> <ul style="list-style-type: none"> <li>Major banks could be key providers of letters of comfort or guarantee which are only called on in the event of tenancy failure or bond deductions. This could also be self-funding for government rather than a potentially highly costly initiative currently proposed.</li> <li>Assurance that bond 'transfers' occur quickly for tenant to ensure bonds are fully paid prior to commencement of tenancy.</li> </ul>
<b>5. INFORMATION TO HELP RENTERS KNOW WHEN A RENT INCREASE IS "EXCESSIVE"</b>	
<b>Question:</b>	<b>Recommendation:</b>
26. Do you have any concerns about the NSW Government collecting information on rent increases and making it publicly available for renters? If yes,	Important to design and build a data analytics and reporting model that provides value and transparency to all stakeholders.

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please provide details.	
27. What do you think is the best way to collect this information?	<p>There are two potentially viable options:</p> <ul style="list-style-type: none"> <li>Investment in the rental bonds platform will be necessary to facilitate portable rental bonds. If this becomes property and tenant centric, it would be possible for a direct feed to be facilitated from tenancy transaction management platforms to the RBB. This could then be reported in whatever format is appropriate.</li> <li>Proptech platforms hold this information and could therefore facilitate collection. This would require time and investment on behalf of the platforms. Precedents exist in the real estate portals for payments to be made for data which can incentivise timely provision. This may also reduce the cost to government in otherwise acquiring the data while ensuring its integrity.</li> </ul>
<b>6. OTHER CHANGES TO IMPROVE RENTAL AFFORDABILITY</b>	
<b>Question:</b>	<b>Recommendation:</b>
28. Do you think the 'one increase per 12 months' limit should carry over if the renter is swapped to a different type of tenancy agreement (periodic or fixed term)? Please explain.	Tenants on an expired lease who elect not to renew when the opportunity is offered, should not have the same protection as those who commit to a fixed term lease that details the agreed rent increases (as determined by the Act).
29. Do you think fixed term agreements under two years should be limited to one increase within a 12 month period? Why or why not?	Regardless of the final decision it is critical that any changes respect the contractual relationship.
30. What do you think about the above options? Please provide detail.	<p>Solutions which increase transparency and trust are important. Better solutions could include the following:</p> <ul style="list-style-type: none"> <li>Require the landlord or the property manager to issue a comparative market analysis (CMA) to the tenant as part of issuing an increase and to demonstrate how market rental values and property condition have led to the recommended change in rental amount. This should be the same information provided to the landlord in determining market rental values.</li> <li>Tenants should be empowered to do their own research and enabled to challenge the CMA evidence provided by the agent or landlord. Should this prove to be deliberately inaccurate or misrepresented, penalties should apply.</li> </ul>
<b>7. OTHER CHANGES TO MAKE RENTAL LAWS BETTER</b>	
<b>Question:</b>	<b>Recommendation:</b>
31. Do you support new laws to require	Nil.

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<p><b>landlords or their agents to tell rental applicants if a rental property uses any embedded network? Why/why not?</b></p>	
<p><b>32. When should a rental applicant be told that a property uses an embedded network?</b></p>	<p>The following detail should be provided at the point of application prior to it being lodged.</p> <ul style="list-style-type: none"> <li>• Details of what the arrangement is including costs should be provided.</li> <li>• Utility Costs: Renters should be informed about the specific utilities covered by the embedded network and the associated costs. This includes details about the billing process, how the costs are calculated, and any administrative fees or surcharges.</li> <li>• Provider Contact Information: The contact information of the third-party utility provider managing the embedded network should be provided. This ensures that renters can easily reach out for support, queries, or any issues related to utility services.</li> <li>• Inclusions and Exclusions: A clear breakdown of what utilities are included in the rent and what may be excluded from the embedded network arrangement should be outlined. For instance, some embedded networks may cover electricity but not gas, so renters should know which utilities they are responsible for.</li> <li>• Individual Usage Monitoring: If individual metering is not available within the embedded network, renters should be made aware of this fact and understand how shared utility usage is divided among tenants.</li> <li>• Payment Methods: Information on how renters can pay their utility costs within the embedded network should be provided. Whether it's through the landlord, the third-party provider, or a separate payment system, clear instructions can help avoid confusion and late payments.</li> <li>• Dispute Resolution: Renters should be informed of the process for addressing any disputes or discrepancies related to utility billing or service provision within the embedded network.</li> <li>• Impact on Rental Costs: Transparency on how the embedded network affects the overall rental costs compared to properties with traditional utility connections should be provided. This will help renters make informed decisions.</li> <li>• Options for Change: If there are alternative options for utility connections (e.g., opting out of the embedded network), renters should be made aware of these choices and any associated implications.</li> <li>• Energy Efficiency and Conservation: Information on energy-saving measures and tips to promote conservation can be beneficial for renters to manage their utility usage effectively.</li> </ul>
<p><b>33. What would be the best way to ensure that the free way for renters to pay rent is</b></p>	<p>Most technology solutions enable a free digital payment option, and this can also be negotiated with the agency. In future, mandating a free, digital payment method on demand such as direct debit should be required.</p>



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<p><b>convenient or easy to use? Please explain.</b></p>	
<p><b>34.What would be the best way to ensure that the free way for renters to pay rent is convenient or easy to use? Please explain.</b></p>	<p>Provided there is no restriction on offering a menu of options which provide choice and preferred experiences for tenants, the following should be considered:</p> <ul style="list-style-type: none"> <li>• Use of direct debit should be an option as a free method of paying rent.</li> <li>• Innovation and great client experience should be empowered and encouraged by government. Options attracting fees may prove to be the cheapest for a tenant if they provide valuable alerts and reminders which save time or generate positive action. Part of their value to consumers is lessening the likelihood of insufficient funds in the account. This can also mitigate much higher default fees for both tenant and agency/landlord.</li> </ul>
<p><b>35.Should the law require a landlord or agent to offer an electronic way to pay rent that is free to use? Why/why not?</b></p>	<p>A free option for electronic rent payment is supported and referenced in the previous recommendation.</p>
<p><b>36.What are the issues faced by renters when moving into a strata scheme? Would better disclosure about the strata rules for moving in help with this?</b></p>	<p>Key information which should be supplied includes:</p> <ul style="list-style-type: none"> <li>• Tenants should be informed special rules or by-laws which are material to their tenancy. This could include pet restrictions, and use of common property such as pools, gyms etc.</li> <li>• Additional areas which should be mandated for notification to tenants include issues related to strata bonds or defects if relevant to the individual lot, issues related to short term tenancies, rules for car parking, garbage and re-cycling disposal, EV charging if available, or specific community conduct requirements.</li> <li>• All Strata by-laws should be provided to each new tenant.</li> <li>• Some strata schemes have designated moving in days/times. These need to be available to the agent when leasing property and should be provided with applications or to applicant as part of application checking process.</li> <li>• For clarity all tenants should have this information prior to signing as it could influence their decision to enter into the lease.</li> </ul>

## Attachment 2: Consultation Feedback

1. REMOVING 'NO GROUNDS' TERMINATIONS	
1.What is your preferred model for ending fixed term leases and why?	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>For renting to be fairer over the short and medium term, fairness should be afforded to landlords and tenants.</li> <li>Costs of property ownership are escalating which is an accepted risk for buyers and investors. When mortgage costs increase by 120% alongside ballooning rates and land tax payments, even the recent 12.9% annual rise in Sydney house rents and 27.6% for units mean that landlords are significantly worse off on average.</li> <li>There are two parties to the lease agreement and the rights of both should be respected.</li> <li>Fairness can and should be addressed through ensuring that tenants are given reasonable notice in circumstances where a landlord wants their rental property back. This in turn will allow tenants reasonable time to source alternate accommodation.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>Despite increased rents, the exit of investors from the rental market is continuing. While some are taking profits, it is rare for any form of investment to see those leaving the market greater than the rate of ownership. Around one in three properties are rented, yet recent sale rates have seen between 35-45% of sellers identifying as investors.</li> <li>Reducing the ability to terminate a lease at the end of the fixed term will exacerbate this situation while simultaneously increasing pressure on rental asking prices. This will disproportionately impact those tenants who are in no position or have no desire to buy property.</li> <li>There is risk that regulations imposed to address current market conditions will not be fit for purpose in future.</li> </ul>
Recommendations	<p>The Queensland model (<i>The landlord does not need a reason to end a fixed term lease after the agreed lease term has expired</i>) is fair to both parties to the agreement and is the recommended approach.</p> <p>Under any circumstances where an alternative is considered, the following factors should be included in the design to mitigate the impact of unintended consequences:</p> <ul style="list-style-type: none"> <li>Provision should be made for a set term of lease provided this is clearly stated and agreed at lease commencement. This will provide certainty to both parties and enable specific personal circumstances such as owners returning from overseas to be met with no additional obligations for either party.</li> <li>Retain the ability to end a lease beyond the fixed term for any reason but extend the notice period to 60 days unless agreed separately between landlord and tenant.</li> <li>Better define reasonable rental increases for all parties. In conjunction with this measure, require a landlord with a continuing intention to rent the property out to give first option to a tenant who has maintained the property well and has a track record of on time rental payments.</li> </ul>

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	Remove the right to no-grounds eviction from a landlord who has not maintained the property to the legally required standard to prevent retaliatory evictions.
<b>2. Are there any other specific situations where a landlord should be able to end a lease?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>Delivering fairness requires imbalanced outcomes to be avoided.</li> <li>The landlord should be able to end a lease for any reason – provided adequate notice is given to the tenant.</li> <li>State or Federal Governments should not be able to restrict an investor's ability to buy and sell assets as it suits their needs. This is particularly relevant given the very high entry costs (stamp duty) that the State Government charge for people to invest in property, and the steadily increasing property-based taxes across the country.</li> <li>I am satisfied with the additional options proposed however I would like to see more clarity around any evidence a landlord will need to supply to support their case.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>Mandating an arbitrary list of rules will have the perverse outcome of parties to a tenancy agreement seeking loopholes for personal gain and work against delivering collaborative and win/win outcomes.</li> <li>Despite the suggestion in the consultation paper, it is not possible to identify every valid reason for ending a tenancy across over 900,000 current rental agreements. Fairness to both parties requires a test of reasonableness, not an arbitrary list.</li> </ul>
Recommendations	<p>Noting the previous recommendation that there should be no additional restrictions on ending a fixed term lease, the following points relate to specific reasons which should be able to be relied on. Note most are already catered for in the Residential Tenancies Act 2010.</p> <ul style="list-style-type: none"> <li>Where a tenant has been offered a new fixed term and has chosen to decline the offer and remain on a periodic tenancy, this should be sufficient reason for a landlord to be entitled to terminate the agreement in line with the relevant notice periods.</li> <li>Where a landlord cannot fund required repairs to ensure property is safe &amp; habitable.</li> <li>Where a landlord wants to sell the property.</li> <li>Where a landlord or direct relative of the landlord needs to move into the property.</li> <li>Where the landlord's personal circumstances change due to divorce, separation, or death.</li> <li>Where the tenant is in breach of the tenancy agreement or any laws applicable to occupancy of the property.</li> </ul>
<b>3. What would be an appropriate notice period for the five proposed reasons (and for any other reasons you have suggested)? Why is it reasonable?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>Should keep notice periods as they are.</li> <li>Tenants often want the flexibility of not being on a fixed term lease so they can keep their options open.</li> <li>In my 20-year experience it is rarely the landlord who wants a tenant 'off-lease'.</li> </ul>



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Unintended Consequences	<ul style="list-style-type: none"> <li>• If there is no downside to being off-lease, tenants will not be motivated to enter into a new fixed term lease on expiry. This will result in an imbalance between the parties to the agreement and fails fairness test.</li> <li>• An agreement should be fair to all parties. If the decision is made to remove no grounds terminations, it should be based on mutual obligation. If this is not the case the willingness of a landlord to work collaboratively with the tenant will be eroded and the desirable strong relationship between tenant and landlord will be damaged, possibly beyond repair.</li> </ul>
Recommendations	<p>A better way to deal with fair outcomes for all parties is to implement notice periods which provide reasonable outcomes for all parties. In practice this means:</p> <ul style="list-style-type: none"> <li>• A tenant who is offered a new fixed term should have the option to accept a 6- or 12-month agreement, or longer if agreed by both parties.</li> <li>• Tenants who refuse the extension should not be protected from eviction but should be protected by reasonable notice periods.</li> <li>• A landlord who fails to offer a new fixed term to a tenant who is willing to enter such an agreement, should be required to provide reasonable grounds for a future eviction.</li> <li>• Recommended notice periods are: <ul style="list-style-type: none"> <li>○ 60 days to end a fixed term lease agreement.</li> <li>○ 90 days to end an expired lease agreement.</li> </ul> </li> </ul>
<b>4.What reasons should require evidence from the landlord? What should the evidence be?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• Unless it relates to hardship, a landlord should not have to provide a tenant with a reason why they require vacant possession.</li> <li>• No other type of investment requires such disclosures. Investors shouldn't have to justify why they need possession of their premises.</li> <li>• No evidence should be required as the landlord is the one with the responsibility to pay the mortgage on the premises.</li> <li>• Nil, unless the tenant brings a case against the Landlord via NCAT application.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• The issue of fairness should be addressed through reasonable notice periods. not additional red tape. Conditions of this nature will exacerbate the trend for prospective landlords to choose a different class of asset to invest in – thereby making the rental shortage worse.</li> </ul>
Recommendations	<p>If the landlord is providing legal notice within the terms of the Residential Tenancy Agreement, there should be no additional requirements they need to meet.</p>

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	<p>Notwithstanding this, if a decision is made to implement any form of requirement it should not be time consuming or unnecessarily invasive. Examples are:</p> <ul style="list-style-type: none"> <li>• If reasons are required for any specific areas of notice, a written statement signed by the landlord outlining their reason/ decision could be provided.</li> <li>• There should be no option for a tenant to dispute unless there is evidence of a retaliatory situation which the tenant is entitled to contest.</li> </ul>
<b>5. Should any reasons have a temporary ban on renting again after using them? If so, which ones and how long should the ban be?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• No.</li> <li>• Restricting a landlord's income by implementing bans, should not be governed by the Residential Tenancies Act.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• The logistics around this raise several questions, specifically around enforcement and disadvantage. These include the following. <ul style="list-style-type: none"> <li>○ How will it be monitored if the property is on the 'rent banned' list?</li> <li>○ Will there be a 'rent banned' list held by Fair Trading?</li> <li>○ How will the next agent know?</li> <li>○ Will it come under 'disclosures'?</li> </ul> </li> <li>• Restrictions which put constraints on a landlords obligation to pay a debt (mortgage) on the property will be a disincentive to invest in current and future rental supply in NSW.</li> </ul>
Recommendations	<p>This should not be implemented. There are no reasonable mitigation opportunities in this category. Enforcement of the rights and obligations of landlords and tenants under legislation should be handled in line with current practices rather than an arbitrary approach risking market distortion and requiring disproportionate regulatory and compliance monitoring.</p>

## 2. A NEW MODEL FOR KEEPING PETS

<b>6. Is 21 days the right amount of time for a landlord to consider a request to keep a pet? If not, should the landlord have more or less time?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• Landlords should have the right to refuse a tenant's request to keep a pet. The notice period is therefore largely irrelevant, but 21 days for a decision would seem reasonable.</li> <li>• The Landlord should have at 30 days to consider the application. This gives time to assess the property and surrounds and consider the application fairly.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• If a property is not 'pet friendly' and modifications are required, this will take time and assessment. Issues around costs, make-good provisions and liability need resolution.</li> </ul>

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<b>Recommendations</b>	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>
<b>7. What are valid reasons why a landlord should be able to refuse a pet without going to the Tribunal? Why?</b>	
<b>Sentiment and Feedback</b>	<ul style="list-style-type: none"> <li>• Simply because the investment property belongs to the landlord and not the tenant. Therefore, a landlord should be able to refuse a pet that they consider is not appropriate for their rental property.</li> <li>• This should always be at the owner's discretion.</li> <li>• The term pet is very broad &amp; not all pets are suitable for all properties.</li> <li>• I have managed a situation where a tradesman was attacked. Bitten on the face/neck while conducting a repair while the tenant (who was a vet), was home at the property.</li> <li>• Many tenants wait until they have signed their lease and then request the pet to be approved. This does not provide the landlord with the option of negotiating differently had they known there was going to be a pet. Frequently the tenant has already purchased the pet before they request permission, and this is a clear breach of the agreement. The landlord is then pressured to say yes. Puppies and cats can do a huge amount of damage to a property with scratching and chewing doors, architraves, and kitchen cabinets, staining to the flooring from defecation inside. More damage than the bond can cover.</li> </ul>
<b>Unintended Consequences</b>	<ul style="list-style-type: none"> <li>• The tribunal will introduce additional friction and delays in dealing with a simple proposition.</li> <li>• Risks to Property Managers &amp; tradespeople entering properties for inspections must be taken into account.</li> <li>• If Property Managers accidentally let a pet escape, this puts the liability on them &amp; the office. This is unfair &amp; stressful on all parties.</li> </ul>
<b>Recommendations</b>	<p>Common sense should apply when there is a regulated bias in favour allowing pets. If this is implemented, the following mitigation measures should be put in place to promote harmonious landlord and tenant relationships and protect the interests of the animals concerned.</p> <ul style="list-style-type: none"> <li>• Consideration should be given to defining types and numbers of pets which would be deemed acceptable in particular property types. A large dog should be grounds for withholding approval in a small apartment with no balcony for example.</li> <li>• Provide discretion for the landlord to reject more than 1 or 2 animals without resorting to the tribunal.</li> <li>• Reasons for rejecting a request for pet permission could include if the applicant is a breeder wanting to use the premises for this purpose, pets which will cause a disturbance in the neighbourhood, pets which create an uncontrolled risk to the native environment, or if the property is not pet friendly (lack of fencing, issues with neighbourhoods etc).</li> <li>• Landlords should have the right to refuse pets if there are health and safety concerns or if the property is unsuitable for pets.</li> </ul>



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	<ul style="list-style-type: none"> <li>Solving the challenge of major risk to property assets and major costs to the landlord will cause support for pet friendly initiatives to rise significantly. Pet bonds and insurance policies should be serious considerations to deliver an outcome fair to all parties.</li> </ul>
<b>8. Should the Tribunal be able to allow a landlord to refuse the keeping of animals at a specific rental property on an ongoing basis? Please explain.</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>Yes.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>Nil.</li> </ul>
Recommendations	<ul style="list-style-type: none"> <li>As prescribed.</li> </ul>
<b>9. What other conditions could a landlord reasonably set for keeping a pet in the property? What conditions should not be allowed?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>The landlord should have full discretion to approve type of pet, breed, number of animals allowed.</li> <li>Landlords can set conditions related to pet size, breed, and damage liability, but they should not be allowed to charge excessive pet-related fees.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>The maximum bond that a landlord can accept for a rental property is the equivalent of 4 weeks. Damage done by pets often far exceeds this amount.</li> </ul>
Recommendations	<p>In an effectively operating commercial and social environment, all rights come with responsibilities. Mitigating the risks for adverse outcomes for landlords is key to collaborative and cooperative tenancy relationships. Provided there is accountability for the limited number of irresponsible pet owners and unreasonable landlords, these risks can be managed effectively.</p> <ul style="list-style-type: none"> <li>The Panel acknowledges the high rate of pet ownership in Australia and the difficulties faced by families with pets in finding suitable accommodation. In this regard, the Panel supports in-principle a broad-based right of tenants to keep an animal in a rented home, so long as it is accompanied by appropriate obligations on tenants and rights of refusal by landlords, on reasonable grounds.</li> <li>Pet bonds or suitable pet insurance should be explicitly allowed for at the landlord's discretion.</li> <li>Provision of pet references and personal guarantees from tenants should be required.</li> <li>There should be a standard condition in place that pets should be removed or restrained by the tenants for every inspection at the premises by a tradesperson, agent or landlord.</li> <li>Conditions which should be allowed include:             <ul style="list-style-type: none"> <li>Fumigation at end of lease</li> <li>Carpet steam clean at end of lease</li> <li>Carpet replacement at end of lease if required.</li> <li>Tenant to restore to original condition.</li> </ul> </li> <li>Conditions which should not be allowed:</li> </ul>

- House renovations to accommodate a pet.
  - Installing a fence.
  - Excessive or unreasonable fees to a tenant.
- The Panel recommends the NSW Government adapt to suit the tenancy relationship the balanced approach set out in the *Strata Schemes Management Act 2015*, where [section 137B](#) and [accompanying regulations](#) set out reasonable grounds for refusal to keep an animal on the premises.

### 3. RENTER'S PERSONAL INFORMATION

#### 10. Do you support limiting the information that applicants can be asked for in a tenancy application? Why/why not?

Sentiment and Feedback	<ul style="list-style-type: none"> <li>• No/Yes <ul style="list-style-type: none"> <li>○ Where a tenant has limiting choices of evidence – to be able to support their evidence of income + property care. For this reason- best it not be limited. Each agency needs to have their own policies as to what their requirements for a reasonable application are. Suggest these be displayed to applicants.</li> <li>○ BUT Yes, only what is required to process an average application should be required.</li> </ul> </li> <li>• Limited information may not provide a comprehensive view of the applicant's ability to fulfil the lease agreement.</li> <li>• Information needs to be sufficient to demonstrate capability and capacity to pay.</li> <li>• Fraud and PID legislated requirements need to be considered.</li> <li>• Agents are not licensed credit providers and therefore should be restricted from collecting details they are not qualified to interpret.</li> <li>• Tenants must be able to demonstrate their rental history, provide rental references, prove their ability to pay the rent and so on. Whatever information can be provided to demonstrate this to the landlord would seem reasonable.</li> <li>• It shouldn't be up to the Government to regulate how a tenant competes for a rental property.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• It is clearly in the tenant's interests to demonstrate their best rental 'bona fides'. In the absence of them putting their best foot forward, the landlord is likely to give the property to a better credentialed applicant.</li> </ul>
Recommendations	<ul style="list-style-type: none"> <li>• Nil</li> </ul>

#### 11. Do you have any concerns with landlords or agents only being able to collect the information set out in the table above to assess a tenancy application? Please explain.

Sentiment and Feedback	<ul style="list-style-type: none"> <li>• A tenant should not be limited to the amount of information they provide to demonstrate they are the best applicant for a rental property.</li> <li>• The table would seem reasonable in respect of what an agent/landlord can ask for.</li> </ul>
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	<ul style="list-style-type: none"> <li>This table can be provided a guide as to what can be used in applications. But don't agree that it must be limited to these.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>Mandate could disadvantage tenants in some circumstances if overly prescriptive.</li> <li>Caution here that tenants may wish to provide additional information and should not be prevented from providing more than 2 in each category at their discretion</li> </ul>
Recommendations	<p>The approach identified in the table is a reasonable limit on what can be requested, and the agent or landlord should not be able to demand more than this. To prevent unintended disadvantage the following conditions should be allowed:</p> <ul style="list-style-type: none"> <li>The tenant should have the option to supply more details if they believe it is in their interests to do so.</li> <li>Enabling tenants to access and use 3<sup>rd</sup> party verification services can be a win/win. These should be optional but could provide assurance without the need to disclose extensive personal details.</li> </ul>
<b>12. Do you support the use of a standard tenancy application form that limits the information that can be collected?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>This provision conflates two unrelated issues – government is not best placed to tell businesses how to operate but should be clear on expected outcomes.</li> <li>The application form or platform provides the vehicle by which an agent or landlord can obtain information. The goal is to make this as simple and friction free as possible, while ensuring relevant details are provided.</li> <li>Establishing what information can and cannot be collected is the purpose of this regulation, along with ensuring it is stored and destroyed appropriately.</li> <li>There can be a standard application form as there is a tenancy agreement – but the sector should not be limited to exclusive use. Tenants can provide more information and agency can request other information as long as it is disclosed in their policies/procedures.</li> <li>I would support this approach if there were a state tenancy register where all tenants' accurate details are available to agents.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>Prescriptive regulation generally leads to limitations on positive innovation as well as meeting a narrow set of regulatory intentions.</li> <li>Government should not presume to step in and tell professionals how to run a business but rather provide a framework to empower them to do so in the interests of consumers, and strong accountability and compliance provisions.</li> <li>The issue is not just with the application form &amp; what is provided. The issue faced by agents is what 'is not' provided'. Applicants leave out previous addresses &amp; information where there have been issues, which does not accurately provide a true account of rental history.</li> </ul>
Recommendations	<p>Government should be clear on outcomes, enforce compliance, but not mandate operational issues such as tenancy application forms for businesses, as this will produce adverse outcomes for tenants, business, and government.</p>



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	<ul style="list-style-type: none"> <li>• Innovation in the proptech sector is more likely to be fit for purpose and deliver better experiences for tenants than a government endorsed and developed form.</li> <li>• An effective application form will ultimately form the basis of the ongoing relationship with the landlord and agency by the successful tenant. Single data entry points which reduce manual data entry and enable a “tell us once” approach makes sense for tenants and businesses and should be empowered in the interests of improved customer service.</li> <li>• This approach still allows government to limit the type and level of data collection and to enforce compliance.</li> </ul>
<b>13. Do you think that limiting the information that may be collected from rental applicants will help reduce discrimination in the application process?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• Any information collected should be used only for the purpose of choosing a tenant.</li> <li>• The focus should be on what happens with that information once it's collected. Each office should have a security bin for disposal of sensitive documents. Information that has been emailed should be deleted off email to prevent any future issues.</li> <li>• No, provided the information collected does not breach existing discrimination laws. These issues are not related unless a law is already being breached.</li> <li>• The question assumes that there is discrimination in the rental process. In my experience - there isn't. A landlord or landlord's agent chooses the best and most suitable tenant for the rental property based on a range of relevant issues. If a prospective tenant has a poor rental history, then they are unlikely to be considered as the best 'first choice' tenant.</li> <li>• A landlord has the right to choose, in their opinion, the best fit tenant - provided they are not breaching anti-discrimination legislation by taking an adverse action for a protected attribute.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>
Recommendations	Addressing discrimination in the rental application process requires a multi-faceted approach. Limiting certain types of personal information could be one step in the right direction, but it should be part of a broader strategy that includes educating landlords and property managers about fair housing practices, promoting diversity and inclusion, and enforcing anti-discrimination laws.
<b>14. Do you support new laws that set out how landlords and agents can use and disclose renters' personal information? Why/why not?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• Tenants should be advised how the information will be used, how long it will be retained and how it will be destroyed.</li> <li>• Recent high-profile data breaches have shone the spotlight on this issue. Consumer sentiment remains clear, there is a strong expectation that transparency is provided as to how and which their data is collected and used. Real Estate agents shouldn't be immune from this obligation</li> </ul>

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Unintended Consequences	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>
Recommendations	The proposed amendments to the Act are supported.
<b>15. What should applicants be told about how their information will be used before they submit a tenancy application? Why</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• Yes, it should be a priority</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>
Recommendations	<p>The policies and procedures of the agent/agency should be provided including:</p> <ul style="list-style-type: none"> <li>• How the application is checked</li> <li>• Who will be called for references- examples of what questions will be asked.</li> <li>• Evidence of income and how it is assessed to determine affordability.</li> <li>• Evidence of property care</li> <li>• That the only people who may have access to the application details and any attachments, are: <ul style="list-style-type: none"> <li>○ The agent/agency for purposes of approval</li> <li>○ The tribunal on request</li> <li>○ If legally required such as police e.g., for Domestic Violence; suggest there be a tribunal order for release of info.</li> </ul> </li> <li>• There should be a standard disclosure on all tenancy applications. This will set the clear parameters for all tenants, agents &amp; landlords.</li> </ul>
<b>16. Do you support new laws to require anyone holding renter personal information to secure it? Why/Why not?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• 100% agree, identity theft &amp; fraud protection should be a priority.</li> <li>• I remain concerned however as to how an industry that is largely made up of small to medium businesses will be able to tackle the enormous responsibility of this. I am strongly in favour of the government to continue down the digital verification pathway via a secure portal which will eliminate the need for real estate agencies to collect sensitive ID information.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>
Recommendations	<p>The rapid evolution of digital platforms mean specific storage requirements could fail the best practice test as platforms are increasingly sensitive and innovative in this area.</p> <ul style="list-style-type: none"> <li>• Clear outcomes and accountability in the amendments to the Act will achieve the result which most stakeholders will support, rather than prescriptive storage requirements.</li> </ul>
<b>17. How long should landlords, agents or proptechs be able to keep renter personal information? Please explain.</b>	

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Sentiment and Feedback	<ul style="list-style-type: none"> <li>While this is situational, unnecessary retention of personal information can be dangerous and needs to be more tightly controlled.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>Nil</li> </ul>
Recommendations	<p>While the need for information retention and timelines can vary depending on the data sets, the following guidelines should assist:</p> <ul style="list-style-type: none"> <li>As long as is required for the tenancy and if required for any future litigation.</li> <li>Currently agents need to retain information related to agency transactions for at least 3 years under Property and Stock Agents Act 2002. This is reasonable.</li> <li>ATO under some circumstances can subpoena information from a managing agent about a tenancy when investigating tax fraud by a landlord- therefore they will need to keep some tenancy related information for 5 years.</li> <li>Any information relating to an unsuccessful tenancy application should also be destroyed within 30 days unless the prospective tenant has specifically authorised its retention for future applications.</li> </ul>
<b>18. Do you support requiring landlords, agents or prop-techs to:</b> <b>(a) give rental applicants' access their personal information,</b> <b>(b) correct rental applicants' personal information?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>100%, it is their information &amp; there should be no reason why they should not have access to it.</li> <li>Ultimately, balancing the rights and responsibilities of landlords and rental applicants while promoting data transparency and privacy is crucial in crafting effective policies related to access and correction of personal information in the rental application process.</li> <li>Information collected for the purposes of rental applications should be treated on the same basis as all other information collected in the course of business transactions and comply with national privacy laws</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li><b>Data Security and Privacy:</b> Granting access to personal information comes with risks, such as potential data breaches or unauthorized access. Adequate measures need to be in place to protect applicants' sensitive data.</li> <li><b>Verification Process:</b> There may be challenges in verifying the identity of rental applicants requesting access to their personal information. Landlords and agents need to ensure that the information is being shared with the correct individual.</li> <li><b>Administrative Burden:</b> For landlords and agents, providing access and handling correction requests can be administratively burdensome, especially for large-scale rental operations.</li> <li><b>Sensitive Information:</b> The rental application process often involves gathering sensitive information about applicants. There may be concerns about applicants mishandling or sharing this sensitive data with others.</li> </ul>



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	<ul style="list-style-type: none"> <li>• <b>Balancing with Landlord's Rights:</b> Landlords have a legitimate interest in screening and evaluating rental applicants to protect their property and ensure responsible tenancy. Requiring access and correction should strike a balance between tenants' rights and landlords' legitimate concerns.</li> <li>• Simple and clear requirements are important due to the potentially onerous burden these may place on predominantly small businesses in the real estate sector.</li> </ul>
<b>Recommendations</b>	<p>To address concerns while promoting transparency and data protection, potential solutions could include:</p> <ul style="list-style-type: none"> <li>• <b>Secure Platforms:</b> Providing a secure online platform for applicants to access and correct their personal information, ensuring robust data protection measures are in place.</li> <li>• <b>Identity Verification:</b> Implementing reliable identity verification methods to ensure only the correct individuals can access their personal information.</li> <li>• <b>Clear Policies:</b> Establishing clear policies and guidelines for accessing and correcting personal information, outlining the process for both applicants and landlords.</li> <li>• <b>Education and Awareness:</b> Educating both landlords and rental applicants about their rights and responsibilities concerning data access and correction.</li> <li>• <b>Regulatory Compliance:</b> Aligning the requirements with existing data protection laws and regulations to ensure a consistent approach to data privacy.</li> </ul>
<b>19. Are you aware of automated decision making having unfair outcomes for rental applicants? Please explain.</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• There is no evidence that this has occurred. At best a platform will provide advice to a leasing agent who will engage with the owner to make a final decision.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• Referenced under next section.</li> </ul>
<b>Recommendations</b>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>
<b>20. What should we consider as we explore options to address the use of automated decision making to assess rental applications?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• There are benefits and risks of automation in many important areas of life and finding a balance which protects consumers while providing increased convenience, communication and value is important.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• Automation may inform a tenant they have failed to provide all the required information or answer every question. This is regarded as best practice.</li> <li>• There is a danger that a poor approach will mandate legacy manual systems being required without understanding the mutual benefits which innovative platforms can deliver to all stakeholders.</li> </ul>
<b>Recommendations</b>	<p>All the parameters of the automated decisions should be defined &amp; reported for transparency &amp; further investigation. The ability to override these decisions should always remain in place.</p> <ul style="list-style-type: none"> <li>• In addition to and overriding all the following recommendations, final assessment &amp; decisions should be made by a (human) landlord in consultation with their (human) agent.</li> </ul>

	<ul style="list-style-type: none"> <li>• <b>Fairness and Bias Mitigation:</b> Ensure that the automated decision-making process is fair and free from any form of discrimination or bias. Assess and address potential biases in the data and algorithms used to avoid perpetuating existing inequalities.</li> <li>• <b>Transparency:</b> Implement transparent and explainable automated systems. Renters should have access to information on how their application is evaluated and understand the factors that influence the decision.</li> <li>• <b>Data Privacy and Security:</b> Ensure that renter's personal information is handled securely and in compliance with data privacy regulations. Minimise the collection and storage of unnecessary data and obtain explicit consent from applicants to use their data for decision-making purposes.</li> <li>• <b>Algorithmic Accountability:</b> Regularly audit and monitor the automated decision-making algorithms to identify and rectify any potential issues or biases that may arise over time.</li> <li>• <b>Human Oversight and Intervention:</b> Incorporate mechanisms for human review and intervention in the decision-making process. Allow renters to appeal decisions and provide an avenue for human evaluation in cases where automated decisions are challenged.</li> <li>• <b>Accessibility and Inclusivity:</b> Ensure that the automated system is accessible to all applicants, including those with disabilities or language barriers. Offer support for applicants who may require assistance with the digital application process.</li> <li>• <b>Compliance with Regulatory Frameworks:</b> Ensure that the use of automated decision-making complies with all relevant laws, regulations, and industry standards concerning data privacy, fair housing practices, and consumer protection.</li> <li>• Consideration could be given to ensuring requiring documentary evidence or contemporary notes clearly outlining why an application was unsuccessful for all applications lodged on a property.</li> </ul>
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#### 4. PORTABLE RENTAL BONDS SCHEME

##### 21. How long should a renter have to top up the new bond if some or part of the bond has been claimed by the previous landlord?

Sentiment and Feedback	<ul style="list-style-type: none"> <li>• The issue is not the claim on the previous bond but the requirement for a full bond to be lodged immediately by the successful applicant/new tenant.</li> <li>• This must be paid before commencement of new lease/tenancy. As if paying new bond. Before they take possession of the property.</li> <li>• This should be underwritten by the government, so landlords are not exposed to this risk.</li> </ul>
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	<ul style="list-style-type: none"> <li>It should be noted that this issue is not a widespread industry problem. Before it goes ahead, the NSW Government need to model this very carefully and understand the unintended consequences of interfering with a system that is currently operating efficiently and disadvantaging very few people.</li> <li>A tenant should not be able to move into a rental property unless there is a bond in place. 'In place' could mean the relevant bond of 4 weeks' rent has been lodged or alternatively, a guarantee is in place by the NSW Government.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>Providing possession of the property without full bond coverage will reduce the motivation for a tenant to pay promptly or at all. In turn this will increase the risk to government or bond guarantor.</li> <li>There is a risk a portable bond scheme will impose the stress &amp; burden of a tenant not topping up a bond on the agent, the landlord &amp; the courts. This cannot be an acceptable outcome, particularly in the current rental market.</li> <li>Assuming the NSW Government are going to underpin any shortfall from deductions made from a bond, the unintended consequences might include: <ul style="list-style-type: none"> <li>tenants not paying the last rental payment.</li> <li>tenants not returning a rental property in an acceptable condition.</li> <li>agents not chasing past tenants for arrears or restitution.</li> <li>Significant risk and cost to government.</li> </ul> </li> </ul>
Recommendations	<p>How this is resolved should be based on where the risk lies.</p> <ul style="list-style-type: none"> <li>To retain confidence in the rental market, government will need to guarantee any shortfall to the second landlord, so this is where the timing requirement should sit.</li> </ul>
<b>22.What should happen if the renter does not top up the second bond on time?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>If there is no bond or Government guarantee this should mean a tenant cannot move into the property.</li> <li>It's too late once the new lease has started for the agent or landlord to be chasing payment of the rental bond.</li> <li>The answer to this question should be determined by the risk appetite of the bond guarantor.</li> <li>The worst remedy impacting all stakeholders would be the ability to terminate the lease. This risks failure to pay rent once the outcome is determined and increased costs for both tenant and landlord.</li> <li>Reducing the environment where we pit landlords against tenants should be a vital role of regulation. In an unbalanced market where supply and affordability are the significant factors, avoiding this outcome is a priority to restore confidence to the sector.</li> <li>There is limited interest in this proposal from tenants or landlords at present – taking the time to implement innovative solutions makes more sense than rushing through a change few actually want.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>Imposing the risk on landlords in any market conditions will increase the flight from residential property by investors and reduce incentives for future investors.</li> </ul>



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<b>Recommendations</b>	<p>As this is an initiative from government to protect tenants from excessive capital resourcing obligations, it will be important for fairness that no landlord is disadvantaged. Therefore, the approach should include the following elements:</p> <ul style="list-style-type: none"> <li>• If the tenant is allowed to move in the Government should top-up the shortfall or guarantee it.</li> <li>• This should be underwritten by the government, so landlords are not exposed to this risk.</li> <li>• If neither of the above scenarios apply, the tenant should not be permitted to commence the tenancy. Reduced powers for the agent to recover the shortfall, the unacceptable increase in workload for a property manager, and the significant costs and time lost to NCAT hearings by landlords mean that a policy with limited demand could cause major problems.</li> </ul>
<b>23. Should this scheme be available to all renters, or should it only be available to some? Please explain why.</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• If payment of a bond is a requirement for all tenancies, it is highly valuable for all tenants to have a menu of options to select from, provided they qualify.</li> <li>• Discriminatory if not accessible to all?</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• If this is not a universal scheme, then I believe tenants that are willing to pay an upfront bond will receive preferential treatment when accessing applications.</li> </ul>
<b>Recommendations</b>	<p>The option should remain with the tenant, subject only to them qualifying to access their preferred mode of bond lodgement.</p> <ul style="list-style-type: none"> <li>• Disadvantaged or vulnerable renters who cannot secure the second bond or a 'bond guarantee' from a private provider, should be able to make a hardship application to the NSW Government for assistance. This already happens in respect of public housing.</li> </ul>
<b>24. Who should have a choice on whether to use the scheme?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• If this is implemented, it should be at a landlord's discretion whether they accept the offer of a portable bond transfer. If they decide not to, it should not be seen as discriminatory as they should not be obligated to carry a tenant debt.</li> <li>• If the NSW Government are underpinning bonds then the NSW Government should get to choose who the system is extended to.</li> <li>• If this is underwritten by the government then the risk is transferred and allows to scheme to be available to everyone</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>
<b>Recommendations</b>	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>
<b>25. What other (if any) things should we consider as we design and implement the portable bond scheme? Please explain.</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• The rapid growth of financial services products means there are increasing options which could or should be available.</li> </ul>

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	<ul style="list-style-type: none"> <li>• Portable bond schemes should be just one option on the list.</li> <li>• Who will end up financially out of pocket if monies are not paid in full by the incumbent tenant/s</li> <li>• Should consider how it will work, if a tenant has transferred a bond before they vacate their current home and they leave with cleaning and maintenance needing to be done to that house, where is the landlord or agent going to get the money to attend to the issues?</li> <li>• Most insurance policies take the bond amount into consideration when paying out a claim. What will happen if the bond is transferred? Will insurance cover this if the tenants have transferred a bond.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• Very few bond inspections are smooth sailing. This is going to tie up end of tenancy matters in more conflict. It takes away the landlord's right to claim monies from the bond if bond has already been automatically transferred. This will open a huge number of tenants who just say 'well I've already got access to the new rental place, the old landlord can wait for payment, and take me to NCAT to get it. NCAT will be full of unnecessary cases.</li> </ul>
Recommendations	<p>Capital tied up for an extended period may not be desirable for all tenants. Consideration should be given to the use of insurance bonds or capital guarantee models which may come with a small upfront cost but reduce the requirement for a high cash outlay at the time a tenant is moving and encountering many other expenses.</p> <ul style="list-style-type: none"> <li>• Major banks could be key providers of letters of comfort or guarantee which are only called on in the event of tenancy failure or bond deductions. This could also be self-funding for government rather than a potentially highly costly initiative currently proposed.</li> <li>• Assurance that bond 'transfers' occur quickly for tenant to ensure bonds are fully paid prior to commencement of tenancy.</li> </ul>

### 5. INFORMATION TO HELP RENTERS KNOW WHEN A RENT INCREASE IS "EXCESSIVE"

**26. Do you have any concerns about the NSW Government collecting information on rent increases and making it publicly available for renters? If yes, please provide details.**

Sentiment and Feedback	<ul style="list-style-type: none"> <li>• If the information assists the Government in making good policy, then I don't have a problem with it.</li> <li>• Yes, if this data is published without context.</li> <li>• Each property and each tenancy are very different. The government will put out that the median rent for this area is x but won't take into consideration age of property, features, additions, condition etc. This will just confuse tenants.</li> <li>• No. It is desirable.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• The use and misuse of data is a potential challenge as we don't want it to mis-inform vulnerable tenants when we are seeking to empower them.</li> </ul>

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	<ul style="list-style-type: none"> <li>Comparables at the time of increase is evidence of what the property is worth- again similar to sales. Example: if Landlord wants to increase rent by \$400 per week and comparables do not equal this then there is a case. Perhaps there has not been regular increases over the years, if long tenancy- hence reason for increase; giving existing tenant choice to pay or move to cheaper area.</li> </ul>
<b>Recommendations</b>	Important to design and build a data analytics and reporting model that provides value and transparency to all stakeholders.
<b>27. What do you think is the best way to collect this information?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>Centralised data and a single source of truth is desirable.</li> <li>I think it needs to be aggregated data from portals, brands, industry data such as core logic and Fair Trading data. This will ensure a broad data set that provides the most accurate view.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>Nil.</li> </ul>
<b>Recommendations</b>	<p>There are two potentially viable options:</p> <ul style="list-style-type: none"> <li>Investment in the rental bonds platform will be necessary to facilitate portable rental bonds. If this becomes property and tenant centric, it would be possible for a direct feed to be facilitated from tenancy transaction management platforms to the RBB. This could then be reported in whatever format is appropriate.</li> <li>Proptech platforms hold this information and could therefore facilitate collection. This would require time and investment on behalf of the platforms. Precedents exist in the real estate portals for payments to be made for data which can incentivise timely provision. This may also reduce the cost to government in otherwise acquiring the data while ensuring its integrity.</li> </ul>

## 6. OTHER CHANGES TO IMPROVE RENTAL AFFORDABILITY

**28. Do you think the 'one increase per 12 months' limit should carry over if the renter is swapped to a different type of tenancy agreement (periodic or fixed term)? Please explain.**

Sentiment and Feedback	<ul style="list-style-type: none"> <li>Fixed term rents are restricted by the terms of the lease. The Government should not interfere in this.</li> <li>Should be looking at ways to encourage long term tenancies similar to European tenancy laws. In a longer term tenancy the rent being increased every 12 months is fair.</li> <li>Increase can only be issued during periodic period/ after fixed term, with the correct notice periods issued [60days notice]</li> </ul>
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Unintended Consequences	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>
Recommendations	Tenants on an expired lease who elect not to renew when the opportunity is offered, should not have the same protection as those who commit to a fixed term lease that details the agreed rent increases (as determined by the Act).
<b>29. Do you think fixed term agreements under two years should be limited to one increase within a 12 month period? Why or why not?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• Yes – this is in line with reasonable expectations for all parties to a contract.</li> <li>• No – may have serious financial ramifications to owner if unable to raise the rent. Investors selling up and getting out as having a property is no longer a good investment.</li> <li>• No – ultimately though rent increases are market driven. We are currently in a ‘perfect storm’ in terms of record low supply, ballooning interest rates and a stalling economy. Pre covid in 2019 the rental market was saturated with supply with many marketplaces experiencing 10% or more vacancy rates. In these conditions, tenants benefit greatly from choice and had strong bargaining powers. I am wary to introduce restrictions that impede the natural property cycle.</li> <li>• A landlord should not be limited to rent increases if the tenant agrees to them prior to signing the lease. The rent increases are part of the contractual terms and the tenant is at liberty not to agree to them, negotiate different terms or simply not sign the lease.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• There are potentially serious ramifications if either party to a contract cannot rely on it. These go beyond short-term market based factors.</li> </ul>
Recommendations	Regardless of the final decision it is critical that any changes respect the contractual relationship.
<b>30. What do you think about the above options? Please provide detail.</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• The current criteria defining whether an increase is excessive are reasonable.</li> <li>• CPI is not a great measure given both the fluctuations which can be experienced, and no other property related costs (interest rates, trades, land tax, rates) are subject to this sort of price control.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• Relating the rent increase to CPI and then forcing the landlord to justify it is not excessive is unreasonable as this could directly conflict with the current criteria and disadvantage landlords who are also dealing with rapidly escalating costs.</li> <li>• Internationally, blunt instrument price controls have led to declining property quality and maintenance and will provide a direct disincentive to improving the property in both landlord and tenant’s interests. Under the current criteria, these are incentivised.</li> <li>• Some property investors who want to tap into the property market’s capital growth might ultimately choose to leave their property un-tenanted. Thereby avoiding all the Government red-tape, the restrictions on what they can do with their asset, when they can dispose of it, the annual land tax and the wear and tear on the property caused through having it tenanted.</li> </ul>

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	<ul style="list-style-type: none"> <li>Regardless of who provides accommodation, including government through social housing, there is a commercial imperative which needs to be met. When returns on residential property are below term deposit rates, the additional risk undertaken by investors makes it not only hard to justify as an investment but also actively recommended against by advisors. This is a real risk to stability, affordability, and supply in the residential rental market.</li> </ul>
<b>Recommendations</b>	<p>Solutions which increase transparency and trust are important. Better solutions could include the following:</p> <ul style="list-style-type: none"> <li>Require the landlord or the property manager to issue a comparative market analysis (CMA) to the tenant as part of issuing an increase and to demonstrate how market rental values and property condition have led to the recommended change in rental amount. This should be the same information provided to the landlord in determining market rental values.</li> <li>Tenants should be empowered to do their own research and enabled to challenge the CMA evidence provided by the agent or landlord. Should this prove to be deliberately inaccurate or misrepresented, penalties should apply.</li> </ul>

### 7. OTHER CHANGES TO MAKE RENTAL LAWS BETTER

#### 31. Do you support new laws to require landlords or their agents to tell rental applicants if a rental property uses any embedded network? Why/why not?

<b>Sentiment and Feedback</b>	<ul style="list-style-type: none"> <li>Yes</li> </ul>
<b>Unintended Consequences</b>	<ul style="list-style-type: none"> <li>Nil.</li> </ul>
<b>Recommendations</b>	<ul style="list-style-type: none"> <li>Nil.</li> </ul>

#### 32. When should a rental applicant be told that a property uses an embedded network?

<b>Sentiment and Feedback</b>	<ul style="list-style-type: none"> <li>Embedded networks should be regarded as a material fact if they impact the cost of living in a particular property.</li> <li>Overall, the goal is to ensure that renters have a complete understanding of the embedded network setup, its impact on their rental experience, and the responsibilities related to utility usage and payment. Providing transparent and detailed information empowers renters to make well-informed decisions about their tenancy and helps to avoid any surprises or disputes related to utility services within the property.</li> </ul>
<b>Unintended Consequences</b>	<ul style="list-style-type: none"> <li>Nil.</li> </ul>
<b>Recommendations</b>	<p>The following detail should be provided at the point of application prior to it being lodged.</p> <ul style="list-style-type: none"> <li>Details of what the arrangement is including costs should be provided.</li> </ul>

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	<ul style="list-style-type: none"> <li>• <b>Utility Costs:</b> Renters should be informed about the specific utilities covered by the embedded network and the associated costs. This includes details about the billing process, how the costs are calculated, and any administrative fees or surcharges.</li> <li>• <b>Provider Contact Information:</b> The contact information of the third-party utility provider managing the embedded network should be provided. This ensures that renters can easily reach out for support, queries, or any issues related to utility services.</li> <li>• <b>Inclusions and Exclusions:</b> A clear breakdown of what utilities are included in the rent and what may be excluded from the embedded network arrangement should be outlined. For instance, some embedded networks may cover electricity but not gas, so renters should know which utilities they are responsible for.</li> <li>• <b>Individual Usage Monitoring:</b> If individual metering is not available within the embedded network, renters should be made aware of this fact and understand how shared utility usage is divided among tenants.</li> <li>• <b>Payment Methods:</b> Information on how renters can pay their utility costs within the embedded network should be provided. Whether it's through the landlord, the third-party provider, or a separate payment system, clear instructions can help avoid confusion and late payments.</li> <li>• <b>Dispute Resolution:</b> Renters should be informed of the process for addressing any disputes or discrepancies related to utility billing or service provision within the embedded network.</li> <li>• <b>Impact on Rental Costs:</b> Transparency on how the embedded network affects the overall rental costs compared to properties with traditional utility connections should be provided. This will help renters make informed decisions.</li> <li>• <b>Options for Change:</b> If there are alternative options for utility connections (e.g., opting out of the embedded network), renters should be made aware of these choices and any associated implications.</li> <li>• <b>Energy Efficiency and Conservation:</b> Information on energy-saving measures and tips to promote conservation can be beneficial for renters to manage their utility usage effectively.</li> </ul>
<b>33. What would be the best way to ensure that the free way for renters to pay rent is convenient or easy to use? Please explain.</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• Unreasonably onerous “free” payment methods such as payment by cheque should be strongly discouraged.</li> <li>• Free rental payments should not be expected to be the most convenient.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>
Recommendations	Most technology solutions enable a free digital payment option, and this can also be negotiated with the agency. In future, mandating a free, digital payment method on demand such as direct debit should be required.
<b>34. What would be the best way to ensure that the free way for renters to pay rent is convenient or easy to use? Please explain.</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• Yes – tenant shouldn't be burdened with the ‘cost’ of paying rent. If they choose to use a more convenient method that attracts a small charge that should be up to them – so long as there is a free way too.</li> </ul>



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	<ul style="list-style-type: none"> <li>• Encouraging, but not mandating, free electronic rent payment options, allowing landlords to choose whether to offer them based on their circumstances.</li> <li>• Ultimately, promoting free electronic rent payment options can enhance the rental experience for tenants, but it should be implemented in a manner that considers the needs and capabilities of both landlords and renters.</li> <li>• Tenants should have choices – which include being able to deposit directly and free of charge.</li> <li>• Agents should be entitled to refuse cash and that whatever process the tenant uses, the rent is paid by the due date (with clear funds).</li> <li>• Yes. It should be backed by a clear agreement of what happens if payments are not made on time and alternative arrangements have not been sought.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>• We should not demonise innovation or methods of payment that deliver improved client experiences or time savings for busy people. Consumers make decisions on value by comparing cost vs time in many areas. Many of us pay a surcharge every time we buy a cup of coffee and for many this will cost more than the surcharge for paying rent once a month.</li> </ul>
Recommendations	<p>Provided there is no restriction on offering a menu of options which provide choice and preferred experiences for tenants, the following should be considered:</p> <ul style="list-style-type: none"> <li>• Use of direct debit should be an option as a free method of paying rent.</li> <li>• Innovation and great client experience should be empowered and encouraged by government. Options attracting fees may prove to be the cheapest for a tenant if they provide valuable alerts and reminders which save time or generate positive action. Part of their value to consumers is lessening the likelihood of insufficient funds in the account. This can also mitigate much higher default fees for both tenant and agency/landlord.</li> </ul>
<b>35. Should the law require a landlord or agent to offer an electronic way to pay rent that is free to use? Why/why not?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>• Yes – tenant shouldn't be burdened with the 'cost' of paying rent. If they choose to use a more convenient method that attracts a small charge that should be up to them – so long as there is a free way too.</li> <li>• Encouraging, but not mandating, free electronic rent payment options, allowing landlords to choose whether to offer them based on their circumstances.</li> <li>• Ultimately, promoting free electronic rent payment options can enhance the rental experience for tenants, but it should be implemented in a manner that considers the needs and capabilities of both landlords and renters.</li> <li>• Tenants should have choices – which include being able to deposit directly and free of charge.</li> <li>• Agents should be entitled to refuse cash and that whatever process the tenant uses, the rent is paid by the due date (with clear funds).</li> <li>• Yes. It should be backed by a clear agreement of what happens if payments are not made on time and alternative arrangements have not been sought.</li> </ul>

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Unintended Consequences	<ul style="list-style-type: none"> <li>We should not demonise innovation or methods of payment that deliver improved client experiences or time savings for busy people. Consumers make decisions on value by comparing cost vs time in many areas. Many of us pay a surcharge every time we buy a cup of coffee and for many this will cost more than the surcharge for paying rent once a month.</li> </ul>
Recommendations	A free option for electronic rent payment is supported and referenced in the previous recommendation.
<b>36. What are the issues faced by renters when moving into a strata scheme? Would better disclosure about the strata rules for moving in help with this?</b>	
Sentiment and Feedback	<ul style="list-style-type: none"> <li>Better disclosure about the strata rules for moving in could certainly help mitigate future issues. By providing comprehensive information about the strata bylaws, facilities access, noise regulations, and other important aspects, renters can be better prepared and more respectful of the strata community's rules and norms. This could lead to improved relationships between renters and owners, reduced conflicts, and a smoother integration of renters into the strata scheme. It is essential for property managers, real estate agents, and landlords to provide renters with clear and accessible information to ensure a positive living experience for all residents within the strata scheme.</li> </ul>
Unintended Consequences	<ul style="list-style-type: none"> <li>Nil.</li> </ul>
Recommendations	<p>Key information which should be supplied includes:</p> <ul style="list-style-type: none"> <li>Tenants should be informed special rules or by-laws which are material to their tenancy. This could include pet restrictions, and use of common property such as pools, gyms etc.</li> <li>Additional areas which should be mandated for notification to tenants include issues related to strata bonds or defects if relevant to the individual lot, issues related to short term tenancies, rules for car parking, garbage and re-cycling disposal, EV charging if available, or specific community conduct requirements.</li> <li>All Strata by-laws should be provided to each new tenant.</li> <li>Some strata schemes have designated moving in days/times. These need to be available to the agent when leasing property and should be provided with applications or to applicant as part of application checking process.</li> <li>For clarity all tenants should have this information prior to signing as it could influence their decision to enter into the lease.</li> </ul>

