

**Submission**

**No 54**

## **INTERNATIONAL STUDENT ACCOMMODATION IN NEW SOUTH WALES**

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The Committee Manager  
c/- Ms Vicki Buchbach  
Social Policy Committee  
Parliament House  
Macquarie St  
Sydney NSW 2000

14 October 2011

Dear Ms Buchbach

**RE: International Student Accommodation in New South Wales (Inquiry)**

Please find attached, a submission from the University of Newcastle for consideration by the Social Policy Committee as part of the Legislative Assembly Inquiry into International Student Accommodation in New South Wales.

I look forward to learning of the positive outcomes from the Inquiry.

Sincerely



Kevin McConkey  
Deputy Vice-Chancellor  
(Academic and Global Relations)

## **The University of Newcastle**

### **Submission to the NSW Legislative Assembly Social Policy Committee Inquiry into International Student Accommodation in New South Wales**

#### **1. The objectives of the Private Member's Bill introduced by the Member for Ryde in the last Parliament (Environmental Planning & Assessment Amendment (Boarding Houses) Bill NSW 2010).**

The University of Newcastle supports the objectives of the Private Member's Bill (Environmental Planning & Assessment Amendment (Boarding Houses) Bill NSW 2010) introduced by Mr Victor Dominello, the Member for Ryde.

#### **2. Factors affecting the supply of and demand for affordable student accommodation and other accommodation used by students, particularly in relation to international students and implications for the export education industry.**

The University of Newcastle facilitates three main accommodation options for international students: on-campus; off-campus; and Homestay. The University offers on-campus accommodation through five residential colleges at the Callaghan campus. On-campus student accommodation at the University is currently oversubscribed and feasibility studies have identified considerable unmet demand. A new 750 bed facility has been approved for development and will be available for students in early 2014.

The University also assists students with their search for off-campus accommodation through the maintenance of an interactive accommodation database. The database operates as an information exchange service and does not seek to match students with properties for rent. University staff provide advice to students about share housing and rental accommodation and also offer referrals to external services or agencies as appropriate.

The University's Homestay program offers accommodation to international students with families in the community. This option provides students with a host family and opportunities to practise their English and participate in the daily activities of a local family.

The University works closely with students under the three programs described above, to assist with their search for suitable accommodation. It is anticipated that the shortage of appropriate and affordable accommodation will continue to be a problem as student numbers are projected to increase.

Full-fee paying international students in NSW are currently not entitled to public transport concessions under NSW Government legislation, creating an increased demand for accommodation within walking distance to their tertiary institutions and the subsequent flow-on of rental accommodation costs inflated above average market-value. Provision of public transport concessions to international students would support students' capacity to seek accommodation in other suburbs with more affordable rent consistent with reasonable market value.

Regulation and zoning changes that support urban consolidation would enhance the efficient use of land that is proximate to existing facilities and infrastructure, and support the location of affordable student accommodation in areas that are accessible for study and work. It is important that any changes to these sorts of processes also support increased transparency in zoning and development decisions.

While the recent Affordable Rental Housing – State Environment Planning Policy (SEPP) positively addresses the rental needs of a wide range of tenant groups, it may not adequately address the specific needs of international students. The SEPP requirement for

an on-site manager can increase rental costs beyond an affordable level and the large scale of such facilities can present a security concern for international students, many of whom are travelling away from home for the first time and are dealing communication and cultural challenges.

### **3. The appropriateness of existing standards for affordable student and other accommodation used by students.**

The University does not assess the extent to which off-campus accommodation meets existing standards for affordable housing. The terms and conditions under which properties are listed on the University's accommodation database state that students seeking accommodation must be dealt with in accordance to the relevant conditions under the Residential Tenancies Act and other relevant State legislation pertaining to accommodation standards, rental agreements and bond.

Improved regulation and availability of affordable rental accommodation is viewed by the University as a desirable outcome of the Inquiry. The problems with illegal boarding houses that metropolitan university students have experienced has not appeared as a major problem in the Hunter region. However, the University is aware of these issues and proactively manages the accommodation database to ensure that appropriate accommodation options are listed.

In the UK, many tertiary institutions, in conjunction with local councils and in some cases, police and fire services, have a Student House Accreditation Scheme, whereby landlords apply to the local council to become accredited providers of student accommodation. In some instances, the institution and local council conduct workshops for landlords to assist them in ensuring that accommodation needs of students, especially international students are met. Examples can be found at:

<http://www.derby.ac.uk/private-accommodation/buxton/information-for-landlords/standards-for-student-accommodation>

<http://www.warwickdc.gov.uk/WDC/Housing/Private+housing/Student+Acreditation+Scheme.htm>

The University further notes the need for the definition of '*affordable student and other accommodation*' to also include short-term accommodation, such as backpacker and youth hostel accommodation, as many international students rely on affordable short-term accommodation in the interim between arriving in Australia and organising suitable ongoing accommodation.

### **4. Appropriate or minimum standards for student accommodation, and the adequacy of current legislation in ensuring that such standards are achieved.**

The University does not assess the standard of accommodation or audit premises in relation to their compliance with standards. The Off-Campus Accommodation Service does, however, reserve the right to refuse to list any property considered unsuitable for students and may take any action deemed necessary in relation to a listing which is the subject of a complaint and/or which may contravene the law or the University's terms and conditions.

Effectiveness of current legislation appears to be marked by several factors. University Accommodation Services reports that the majority of students, both domestic and international, live in share-housing where landlords rent accommodation on a room-by-room basis. This is popular with landlords as rental return is far higher than renting the property as a single entity. Students engaging in this type of lease arrangement often sign a Residential Tenancy Agreement for their room which the Real Estate Institute of Australia confirms is illegal. Alternatively, students often sign a private agreement with the property owner,

leaving them unprotected by the Residential Tenancies Act 2010. International students are especially vulnerable to these complexities due to poor English language skills, a lack of awareness and/or understanding of consumer rights and a fear of reprisal should they complain.

**5. The current extent of unauthorised student accommodation operations in NSW**

No information to add.

**6. The appropriate framework for the on-going operation of affordable student accommodation and other accommodation used by students, including the adequacy of local government powers to identify unauthorised operations and enforce compliance with the relevant laws.**

The Bill introduced by the Member for Ryde, addresses a number of issues concerning the difficulties local Councils encounter in gathering the evidence required to prosecute illegal boarding houses, and the low financial penalties that apply in the case of illegal operations.

The University supports that enhanced powers of local Councils to gain access to premises that are suspected of operating illegally (Schedule 1, clauses 1 to 3), and the increased penalties that will apply. The development of a mechanism for the registration of a boarding house with the Department of Fair Trading (Schedule 1, clause 6) is also supported.

The University's Accommodation Services is currently piloting the Student Housing Assessment Scheme (SHAS) which will allow landlords to obtain verified approval ratings against five key categories, broadly described as Property, Facility, Locations, Security and Sustainability. Following the success of similar pilots in the United Kingdom, there is scope for SHAS to collaboratively involve other community stakeholders, such as local councils, police and fire services, and to extend to include workshops for property owners and landlords to ensure the accommodation needs of domestic and international students are adequately met.

Professor Kevin McConkey  
Deputy Vice-Chancellor  
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14 October 2011