

**Submission**

**No 16**

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

**Organisation:** Marsfield Against Residential Suffocation

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**Submission to the Social Policy Committee of the New South Wales  
Parliament Inquiry**

**“International Student Accommodation in New South Wales”  
(the Inquiry)**

**By**

**MARS**

**“Marsfield Against Residential Suffocation”**



## **PURPOSE**

This submission is intended to provide a framework and set of principles that serve as a platform for the Committee to deliver appropriate planning decision in the interests of residents to whom each Member of Parliament or Government is sworn to represent.

## **Background**

MARS was formed as a response to the “residential suffocation” of the bona fide residents in the suburb of Marsfield in the City of Ryde, whose ability to peacefully live their lives is being adversely impacted upon by its geographical proximity to Macquarie University and the Macquarie Business Park. This proximity makes Marsfield a vulnerable area for its bona fide residents.

The broader area of Ryde is fast becoming affected by the influx of predominantly international students attending Macquarie University and other educational bodies such as schools, TAFE and private English language colleges. These students are as much a victim of previously poor policy which results in educational bodies relying on the educational dollar for funding as are the residents. Although it is reported the educational dollar is approximately the fourth largest export earning industry in Australia, the cost of this export earning dollar has been unfairly placed into the residential streets of Marsfield and Ryde in general. This privatisation of the income and socialising of the cost to the public is reflected throughout New South Wales and no doubt Australia. It is incumbent on the current Government of New South Wales to ensure the effect on our area and New South Wales which adversely affects the citizens of the area is stopped at best or minimised at least.

## **Recommended Principles to address the Problem**

The following principles are submitted for consideration in developing what we will refer to as the “Boarding House Model”, to overcome the current difficulties in the City of Ryde specifically, and in the State of New South Wales generally, concerning boarding houses.

1. **Definition of a “boarding house”**: a “boarding house” must be properly defined so that there is no misunderstanding or ambiguity as to what the term constitutes. The Boarding House Model or any alternative to that Model must be consistent with current law applicable in NSW. It is noted that the *Ryde Local Environment Plan 2010* defines a boarding house as follows:-

***boarding house means a building:***

- (a) *that is wholly or partly let in lodgings, and*
- (b) *that provides lodgers with a principal place of residence for 3 months or more, and*

- (c) *that may have shared facilities, such as a communal living room, bathroom, kitchen or laundry, and*
- (d) *that has rooms, some or all of which may have private kitchen and bathroom facilities, that accommodate one or more lodgers,*
  - i. *but does not include backpackers' accommodation, a group home, a serviced apartment, seniors housing or hotel or motel accommodation.*

The difference (if any) between what constitutes a boarding house under the above definition and the simple sharing of a house by several students getting together for that purpose (sometimes called “share accommodation”) needs to be investigated and clarified by the relevant authorities (including City of Ryde Council), as soon as possible.

The root cause of the problem is the number of people living in the one house. There would be no real problem with a form of shared accommodation if, for example, a house has five genuine bedrooms and there are no more than five students living there. Such a house, if run properly, is likely to have no greater impact on neighbours than would normal-sized family homes.

2. **Even Distribution within City of Ryde:** Social housing provided through the Boarding House Model or any alternative to that Model must be evenly distributed across the whole of the City of Ryde and not concentrated in particular areas.
3. **Ceiling linked to Population:** Social housing provided through the Boarding House Model or any alternative to that Model must be distributed across the whole of the State of NSW, with each local government area adopting a reasonable ceiling for such housing commensurate with the population within that area.
4. **Benefits for Permanent Residents:** Social housing provided through the Boarding House Model or any alternative to that Model must favour those persons who are permanent residents of Ryde (that is, persons who live in the City of Ryde and who have chosen to make Ryde their permanent home, as distinct from a temporary home). However, persons who are transient residents (that is, those who reside temporarily in the City of Ryde to fulfil a particular purpose) also need to be respected and their needs met, provided that this is done in an orderly and lawful fashion and in a manner which does not diminish the quality of living in the of City of Ryde.
5. **Burden and Cost of Commercial Activities:** The proponents and participants of commercial activities within the City of Ryde (for example, Macquarie University and Macquarie Business Park) must accept and bear the full burden of those activities to the extent that those activities generate a demand for the provision of social housing through the Boarding House Model or any alternative to that Model, and other costs to the community generally.

6. **Zero Tolerance of “illegal” Boarding Houses:** There must be zero tolerance of “illegal” boarding houses or similar social housing in the City of Ryde.
7. **Protection for Existing Neighbourhoods:** The shape and use of the Boarding House Model or any alternative to that Model must blend in with the character and amenity of existing neighbourhoods within the City of Ryde and not impact on them in an adverse manner.
8. **Transparency and Integrity:** The practices and procedures of the City of Ryde Council in relation to the Boarding House Model or any alternative to that Model (both legal and illegal) must be transparent and conducted with integrity by the Council, its staff and contractors, with the Ryde community being kept fully informed as to the substance of the current prevailing position from time to time (including statistical information and positive and negative issues confronting the Council and the community) relating to the Boarding House Model or any alternative to that Model within the City of Ryde.
9. **Championing Community Issues and Concerns:** City of Ryde Council must be prepared to champion issues and concerns raised by the community in relation to the Boarding House Model or any alternative to that Model and, if necessary, make appropriate representations to government at both State and Federal levels.
10. **Compliance with Approved Activities:** In relation the Boarding House Model or any alternative to that Model, there must exist an appropriate and respectful monitoring regime which ensures that the activity proposed or promised by any Applicant (for approval of that activity), or required of the Applicant by the Council conditions imposed upon the granting of approval (either generally or specifically) actually occurs in accordance with the requirements of that approval and any departure from what is approved attracts penalties (in whatever form available to Council) for non-compliance.
11. **Community Consultation:** In relation to the Boarding House Model or any alternative to that Model, Council should more actively consult with the Ryde community (including property owners) in an open way with a view to ensuring that harmony within the community is maintained. The Council must provide suitable venues for this consultation.
12. **Welcome International Students:** The attendance of international students at Macquarie University and other educational institutions should be encouraged and supported by the community. Student accommodation in residential areas should be a desirable goal to pursue subject to the accommodation being provided (based on the Boarding House Model or any alternative to that Model) is:
  - safe;

- of a density that has no more than 1 student occupying one genuine bedroom (meaning for example no conversions of garages, lean-tos and other areas into bedrooms);
- not financially or morally exploitative of those students;
- of a form which blends in with the existing character of residential neighbourhoods;
- not a vehicle to avoid Australian taxation obligations (for example, by rent being paid via overseas transactions and without declaration to the ATO); and
- to all intents and purposes not visible from the street as being anything different to a normal residential dwelling occupied by for example, a normal family in a residential suburb of the City of Ryde.

In essence, this principle supports working out a sensible approach which will see that students have somewhere to live and permanent residents are not left with unreasonable impacts to their neighbourhood.

13. **Recognition/Designation of an area of Marsfield as a vulnerable area:** City of Ryde Council should take appropriate steps to investigate and immediately recognize and designate appropriate areas near Macquarie University, Macquarie Business Park or any other large educational institution as vulnerable areas in relation to applying the Boarding House Model or any alternative to that Model to those areas, with a view to developing greater safeguards that will protect those areas from any of the detrimental aspects associated with an application of the Boarding House Model or any alternative to that Model.
14. **Development of Meaningful Mitigation Strategies:** City of Ryde Council should be requested to forthwith investigate, develop, formulate, articulate and publicly notify meaningful & transparent strategies to mitigate or remove any detrimental impacts of an application of the Boarding House Model or any alternative to that Model in the interests of the Ryde community (including permanent residents and property owners who live in the City of Ryde).
15. **Removal of “illegal” Boarding Houses:** City of Ryde Council should be supported by all members of the Ryde community (including permanent residents, property owners, and educational institutions) to immediately and vigorously pursue, through all means legally available to it, the abolition of all “illegal” boarding houses from the City of Ryde, with priority being given to those known, or suspected to be, within the suburb of Marsfield. However, any enforcement action should be postponed with a view to ensuring that affected students are given at least until the end of the then current academic year to find alternative accommodation.
16. **Real Estate Agents (Sales and Management):** City of Ryde Council should be requested to initiate meaningful discussions relevant real estate agents, with a

view to gaining positive commitments from those real estate agents who stand to gain most by encouraging the proliferation of social housing through an application of the Boarding House Model or any alternative to that Model Boarding Houses in the vulnerable area of Marsfield and have the ability to use any overseas connections to encourage the establishment of boarding house type accommodation and assist in the supply of international student occupants to reside in the City of Ryde.

17. **Obligation to Pay Tax.** Appropriate arrangements and safeguards need to be implemented to ensure that operators of social housing under the Boarding House Model or any alternative to that Model, who source their customers from an overseas market, meet their Australian taxation obligations. For example, where potential student customers are recruited overseas by tertiary placement agents and the accommodation arrangements (including payment of monies) are confirmed overseas, even before those students arrive in Australia.
18. **An Accreditation System for Student Accommodation.** It is most desirable that an accreditation system be implemented whereby social housing provided to international students under the Boarding House Model or any alternative to that Model is screened by an appropriate body, such as Macquarie University, with a view to ensuring that accommodation safety standards are always maintained and to provide a more orderly channel for lawful property owners to find suitable occupants for their premises.
19. **Determine ceiling regarding number of Bedrooms for Boarding House DAs.** Boarding House DAs proposing for example, 14 bedrooms or more in a normal sized residential lot is clearly inappropriate for low-density (or similar) residential zones in the suburb of Marsfield. The number of bedrooms for a new building proposed under the Boarding House Model or any alternative to that Model should be limited to 6 and, for existing dwellings, no new bedrooms should be permitted, subject to the DA applicant satisfying the onus of providing to Council compelling reasons in favour of doing so. A change to the maximum number of bedrooms could be considered if a clear community consensus in favour of doing so can be established in a bonafide way.
20. **A two-tiered DA Process.** Consideration should be given to providing incentives in the DA process to discourage DA applicants attempting to put too many occupants in the one house. For example, a two-tiered system whereby a more onerous approval process will be triggered once a DA applicant proposes to put in more than 5 transient unrelated occupants in the one house. A change to the maximum number of occupants could be considered if a clear community consensus in favour of doing so can be established in a bonafide way.
21. **Windfall to Developers is Not Warranted.** The application of the Affordable Rental Housing SEPP 2009 should be suspended by the NSW Government until the way forward has been established on a community consensus basis for the application of the Boarding House Model or any alternative to that Model. This would avoid a DA applicant having the benefit of something being prematurely approved simply because local and state government policy makers have not yet

come up with an equitable “middle road” policy to resolve what has become a stalemate on the student accommodation issue in the City of Ryde.

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