Submission

No 7

# INTERNATIONAL STUDENT ACCOMMODATION IN NEW SOUTH WALES

Name: Mr and Mrs Chippendale

**Date Received:** 4/10/2011



September 27, 2011

The Committee Manager Social Policy Committee Parliament House Macquarie Street Sydney NSW 2000

Dear Sir/Madam,

**Subject:** Submission for Consideration by your Committee.

Attached please find our submission for consideration by your committee with particular reference to the detrimental effects of Boarding House development (legal and illegal) within the suburb of Marsfield, where we are long term residents.

These have been identified as affecting the residents, the suburb as a whole, people living in the boarding houses (mainly students), and the wider community.

Of particular concern is the lack of control over all aspects of Boarding Houses including the urgent need for appropriate statutory regulation covering all aspects of Boarding Houses in New South Wales.

Yours faithfully,

John Chippendale

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Ann Chippendale

Ann Chippendale

### **Submission to the Social Policy Committee**

## We wish to present the following submission to your committee for consideration

### with particular reference to the

### Problems caused by Boarding Houses in the Suburb of Marsfield.

As long-time residents of Marsfield we consider that our lifestyle, peaceful enjoyment and well-being within our neighbourhood are being detrimentally affected by the establishment of Boarding Houses (legal & illegal) within our suburb. **Boarding Houses are an inappropriate form of development in this overwhelmingly residential suburb**. The impacts of Boarding House developments are having social, economic, public interest and environmental consequences which are detrimental to the residents and to the suburb of Marsfield as a whole.

The problems extend to the wider community and include the shameful exploitation of those living in them (mainly students) including the charging of exorbitant rents, crammed living conditions, lack of privacy and lack of tenancy rights.

Other aspects affecting the wider community include tax avoidance by landlords who demand payment by cash (and payments in kind) and extracting concessions from the public purse (for example, paying residential rates as distinct from business rates).

Of particular concern is the lack of control over all aspects of Boarding Houses including development applications, conversion of existing homes into Boarding Houses; ongoing supervision including inspection and enforcement of standards in New South Wales including the need for Boarding House standards and the need for regulation, monitoring and controls. Associated with the need for legislative controls is the need for enforcement. Control of Boarding Houses needs to provide protection for the residents and the community as a whole.

What is urgently needed is appropriate statutory regulation covering all aspects of Boarding Houses in New South Wales which effectively eliminates the many problems and detrimental consequences which currently exist. The legislation needs to protect local residents, people living in Boarding Houses and the community generally.

A further factor aggravating the whole Boarding House problem is the lack of on campus accommodation provided by Macquarie University. This is highlighted by the fact that the international student population represents 35% of Macquarie University's overall student population which exceeds 35,000.

The matters mentioned above are elaborated on and outlined more fully as individual problems in the summary below.

Summary of Problems Caused by Boarding Houses (Legal & Illegal) With Detrimental Consequences to the Suburb of Marsfield and the Community Generally. These are inter-related and discussed below:

- Marsfield is zoned as a low density, residential area. It is inappropriate and a breach of faith to existing home owners to suddenly change existing dwellings into medium/high density "Boarding Houses".
- Existing essential services (e.g. water, gas, electricity, sewerage, drainage, etc) to and within, existing homes and the suburb of Marsfield generally, have been provided on the basis of low density, dispersed, residential homes; not for the intensive use demand requirements of "Boarding Houses".
- Consideration of the flow- on effects of (2) above) raises important health and safety issues again both within and external to, the houses concerned.
- Marsfield residents have already had first hand experience of what happens when homes have been unofficially converted into Boarding Houses a deterioration in the appearance of the houses concerned, due to a lack of care and maintenance of buildings and grounds. This generally spills out into the street where the nature strip becomes unkempt and often littered with rubbish. This in turn has a deleterious effect on adjacent homes which, to so many residents is their life-time investment.
- It is grossly unfair for the many long time residents of Marsfield to suddenly find that a family home, next door, has been turned into a Boarding House with a quite dramatic change in appearance, function and value. For so many residents their family home represents many years of work and their life savings.
- A most important and relevant point to make, is that approval to convert existing homes to and/or build new Boarding Houses, is not in keeping with and is detrimentally changing the whole character of the suburb of Marsfield.
- Investors have purchased and are still purchasing family homes in Marsfield and converting them into Boarding House accommodation for students. Many illegally operate Boarding Houses without council approval and there is little council can do about it. Up to 20 students or more are being squeezed into what was built as a 3-4 bedroom family home. This is being done by partitioning lounge and dining rooms into numerous small bedrooms. Garages are being partitioned to squeeze additional students into the property. Usually there is no attempt to increase the facilities that should be provided (toilets, bathrooms, kitchen facilities, waste disposal, etc.) for the additional number of people living in what becomes substandard accommodation.

- Of particular concern is the exploitation of boarders and lodgers (mainly vulnerable students) and the lack of effective legislative controls to protect them. Any occupancy rights they have arise from individual oral or written agreements with the owner or manager of the Boarding House in which they reside. This can make boarders and lodgers vulnerable to such issues as evictions (they can be asked to leave at short notice if they complain, or be locked out and unable to obtain personal possessions), rent increases, refund of security deposits, difficulties in getting done necessary maintenance & repairs together with issues such as the resolution of disputes regarding house rules.
- According to Macquarie University's 2009 annual report, it had a total enrolment of just over 35,000 students with over 12,000 international students. However, the University currently provides only approximately 1,800 accommodation places on and offsite (Colleges and serviced apartments). This means that currently over 12,000 international students are competing amongst 35,000 students for just 1,800 student accommodation places. This has created a drastic shortage of accommodation for students which is being exploited by greedy landlords in adjacent suburbs such as Marsfield. This further highlights the need for legislative control to protect residents, together with boarders and lodgers. Unless something is done the situation is set to become worse with the number of overseas students expected to increase in coming years adding revenue to the University budget.
- In addition to exploiting students through exorbitant rents and crammed conditions, greedy landlords are also disadvantaging the community generally by extracting concessions from the public purse (for example paying residential rates as distinct from business rates) and avoiding, or reducing income tax by dealing mainly in cash payments. Cash in the Boarding House market is a serious issue.

We wish to point out that what has been presented does not just represent our own opinions. Most of what we have stated has been presented in various media investigations some of which have included: ABC "News 24 (15/04/11); ABC "Stateline" (10/06/11); Channel 10, "7PM Project" (20/04/11); SMH article (12/04/11); SMH article (21/03/11); SMH article (06/05/11). In addition there have been numerous letters in local newspapers highly critical of the many problems caused by legal and illegal Boarding Houses in the suburb of Marsfield. All have emphasised the urgent need for legislative regulation and control.

In forwarding this submission we wish to emphasise that the Boarding House issue in Marsfield is real and is generating detrimental consequences for the residents, the suburb as a whole, boarders & lodgers and the wider community. We consider that there is an urgent need for legislative regulation of the Boarding House industry.

J Coluptental (John Chippendale)

Ann Chippendale)