

**Submission
No 14**

RESIDENTIAL TENANCIES AMENDMENT (RENTAL FAIRNESS) BILL 2023

Organisation: Council on the Ageing (COTA) NSW

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Inquiry on the Residential Tenancies Amendment (Rental Fairness) Bill 2023
Legislative Assembly Select Committee
Parliament of New South Wales

Submission: Residential Tenancies Amendment (Rental Fairness) Bill 2023

Thank you for the opportunity to provide input into the Select Committee Inquiry on the Residential Tenancies Amendment (Rental Fairness) Bill 2023.

As the peak body representing people over 50 in NSW, we engage with older people on range of topics including issues relating to housing. We conduct both quantitative and qualitative research that informs our policy and advocacy positions.

The latest Census data indicates that 240,000 of people aged 55 and over were renting privately in New South Wales (NSW), and of these private renters 26% were in the lowest income quintile with incomes less than \$40,000 a year.¹ The extent of poverty amongst older renters has further been highlighted by research released by the NSW Council of Social Services and NATSEM that found older have experienced an alarming growth in poverty since 2016, with an estimated 50,000 people aged 65 falling into poverty. The data indicates that poverty has increased sharply amongst those older people that rent and particularly for older single women.²

The dire situation facing older renters has been further reinforced by research conducted by the COTA Federation and published in the *State of the Older Nation Report 2023*. This report found that of the older respondents that were renting, 67% of these were concerned that about becoming homeless in the next 12 months. They were more likely to be struggling to pay their bills, particularly those associated with their current living situation.³

These statistics have been included to demonstrate the extent to which older renters are experiencing precarious living arrangements in the private rental market. Furthermore, the options for affordable and appropriate housing in the private rental market is also limited. The Anglicare Rental Affordability Snapshot for 2023 found that less than 1% of available rental properties in the Sydney/Illawarra region were affordable for a couple on the aged pension.⁴ If consideration must also be given to finding housing that suits specific accessibility needs; the availability of suitable properties decreases.

¹ Ageing on the Edge (2023) NSW staring down crisis as more older people than ever before are renting or paying off a mortgage as they reach retirement age. Retrieved from: <https://www.oldertenants.org.au/>

² NSW Council of Social Service (NCOSS), 2023. Mapping Economic Disadvantage in New South Wales 2023. Retrieved from: https://www.ncoss.org.au/wp-content/uploads/2023/04/NCOSS_MappingEconomicDisadvantage_Report_April23_v7.pdf

³ Council on the Ageing (COTA) Federation (2023). State of the older nation 2023. Retrieved from: <https://www.cota.org.au/wp-content/uploads/2023/05/SOTON-2023-Full-Report.pdf>

⁴ Anglicare Australia (2023). Rental affordability snapshot 2023. Retrieved from: <https://www.anglicare.asn.au/publications/2023-rental-affordability-snapshot/>

Older people often face discrimination based on their age when applying for rentals. Landlords may refuse to rent to older adults due to ageist attitudes, or may impose unfair rental conditions, such as requiring larger security deposits or refusing to allow modifications to the property. Such discrimination can prevent older adults from accessing safe and affordable housing options.

Finally, older renters in NSW may not invoke their legal protections compared to other groups. While there are laws in place to protect tenants from discrimination and unfair treatment, these protections may be weaker or less well-enforced for older renters. Compounding this, some older renters may be unaware of their legal rights or lack the resources to pursue legal action if their rights are violated.

With consideration to these existing challenges, COTA NSW has serious concerns about the unattended consequences of the proposed reforms within the *Rental Fairness Bill 2023* that relate to rental bidding.

We understand that The Bill seeks to close a loophole that will prevent real estate agents or landlords to solicit or invite higher offers from potential tenants over and above the amount advertised. Whilst this is a worthwhile improvement to the rental process, it does prohibit potential tenants from making unsolicited offers on properties. The proposed Bill in its current form stipulates that when an unsolicited offer has been made by an applicant, the agent must notify all other applicants of this increased offer. This will in effect create an auction scenario and entrench rent bidding by potential tenants in a tight property market.

Further normalisation of this practice will significantly harm older renters. As already stipulated, a large portion of older tenants are on fixed and low incomes, severely curtailing the ability to make an offer of higher rent. The process of managing the rent bidding would potentially be managed online or via an app by the agent. This will result in additional challenges for those older people that are not technological literate or have access to the internet.

COTA NSW supports the recommendations of the Tenants Unions NSW:

- A fixed rental price must be advertised at the time a property is put up for rent. This advertised rate would act as a ceiling.
- Landlords, real estate agents and potential tenants must not offer, solicit, or accept a higher rental rate than the originally advertised rate.

Whilst not within the purview of this inquiry, COTA NSW would like to reiterate the need to fund a service similar to the Home at Last Model in Victoria and Queensland as advocated by the Ageing on the Edge (NSW) Forum.

As outlined previously, older renters experience a number of barriers when finding and remaining in appropriate rental properties. Changes to laws or regulations that will directly/or indirectly impact them can add complexity to an existing challenging situation. The Home at Last service would provide people over 55 with a 'one stop shop', providing assistance and advice in navigating an increasingly complex housing system.



Thank you for the opportunity to provide comment.

Regards,



Karen Appleby
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