

**Submission
No 23**

RESIDENTIAL TENANCIES AMENDMENT (PROHIBITING NO GROUNDS EVICTIONS) BILL 2024

Organisation: Bridge Housing

Date Received: 26 June 2024

Legislative Assembly Select Committee on the Residential Tenancies Amendment Bill

Legislative Assembly

Parliament of New South Wales

26 June 2024

Dear Committee

RE: Prohibiting No Grounds Evictions

Bridge Housing Limited (Bridge Housing) welcomes the opportunity to provide comment on the proposed changes to the NSW Residential Tenancies Act outlined in the Improving NSW Rental Laws consultation paper.

Bridge Housing is a Tier 1 community housing provider registered under the National Regulatory Scheme for Community Housing. We have been providing safe, secure and affordable rental homes to people on low to moderate incomes since 1985. We manage 3,600 properties across metropolitan Sydney, which provide a safe, secure, and affordable home to over 5,300 people.

Our mission is to change lives for the better through more homes and quality services. We know that safe, secure, affordable housing is a critical foundation. It provides the stability that people need to thrive and achieve their goals. We manage all our tenancies in accordance with the NSW Residential Tenancies Act and have a large leasehold portfolio, with around 20% of our properties head leased through the private market.

Bridge Housing understands the NSW rental system as both a landlord and tenant. We currently headlease 600 properties from the private market to provide social housing in very high demand Sydney markets. In addition, we operate a not-for-profit real estate agency, HomeGround Real Estate, providing property services for ethical landlords. Our affordable housing is managed in line with the NSW Affordable Housing Guidelines.

Removing 'no grounds' terminations'

As a social housing landlord, Bridge Housing does not issue 'no grounds' terminations for our social housing tenancies. We frequently receive 'no grounds' terminations for properties that we head lease through the private market and have seen a 68% increase in the number of these notices received in 2023-24 compared to 2021-22. Where we receive one of these notices, we must secure an alternative property in the private market and assist our tenants to move. In a number of cases, we have seen the property readvertised at significantly higher weekly rent. Our experience indicates that some private landlords use 'no grounds' terminations to apply unreasonable rental increases in a way that cannot be challenged in the NSW Civil and Administrative Tribunal (NCAT).

We fully support the removal of 'no grounds' terminations from the Residential Tenancies Act and the inclusion of a list of reasonable grounds. Landlords should be expected to attach evidence supporting their nominated reason to the notice given the disruption a termination causes tenants. This will be important in ensuring that this change to the legislation delivers greater security of tenure to tenants and cannot be used as a loophole.

The grounds for which eviction is reasonable

Coupled with the existing termination pathways included in the Act, we support the addition of the proposed grounds for eviction as outlined in the draft legislation. We urge the committee to include an additional ground permitting a tenancy to be terminated if the property is managed as affordable housing and the tenant no longer meets eligibility requirements. Presently, there is no legislative pathway that enables community housing providers to end a tenancy if their household income exceeds the amount outlined in the NSW Affordable Housing Guidelines. On occasion, we have had no choice but to issue a 90 day notice to end an affordable housing tenancy where the tenant is no longer eligible for affordable housing and has not responded to our attempts to work with them to secure appropriate alternative accommodation.

Establishing this pathway is important in ensuring that affordable housing allocated to the people who need it the most. This will be even more critical in coming years as we see a significant increase in affordable housing off the back of significant government investment at both a state and federal level. The inclusion of this provision within the RTA will ensure that this investment continues to deliver maximum benefit to the community into the future. Some flexibility is required to ensure that the provisions can be used both for affordable housing managed in line with the NSW Affordable Housing Guidelines and that delivered under the Housing Australia Future Fund, which have different income limits.

If you require any further information, please do not hesitate to contact me on [REDACTED] or [REDACTED].

Kind regards

[REDACTED]

Simone Parsons

Chief Operating Officer