

Registrable boarding houses and the roomshare market

A snapshot analysis of potential registrable boarding houses advertising on Gumtree

March 2014

Under the *Boarding Houses Act 2012* (NSW) (the BH Act), 'general boarding houses' are premises that are let in lodgings and provide boarders or lodgers with a principal place of residence (section 4) and that 'provide beds, for a fee or reward, for use by five or more residents (not counting any residents who are proprietors or managers of the premises or relatives of the proprietors or managers)' (section 5(2)).

It was intended that the definition would capture the range of unlicensed boarding houses throughout New South Wales, from traditional boarding house establishments to houses and flats let in shared accommodation arrangements ('roomshare'), which are often targeted to international students.

We sought an indication of the extent to which the BH Act applies to the roomshare market, and the extent to which registrable boarding houses in the room-share market are complying with the requirement of registration under section 9 of the Act. We did this by undertaking a 'snapshot' analysis of roomshare advertisements on the Gumtree website <www.gumtree.com.au>.

Context

At the 2011 Census, there were 538 boarding houses counted in New South Wales. Because this count relies on the Census collector identifying the premises as a boarding house, the premises are probably mostly traditional boarding house establishments.

At March 2014, there are 620 boarding houses registered on the Register of Boarding Houses, of which 598 are general boarding houses.

The snapshots

The TU analysed roomshare advertisements on Gumtree on five occasions over five weeks (7 November 2013 – 12 December 2013).

On each occasion, an average of about 1 400 roomshare advertisements were listed on the website. We analysed a small sample (in total, 224 advertisements) over the five weeks.



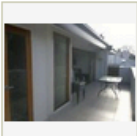
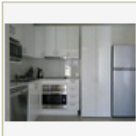
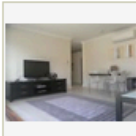
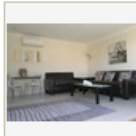
Each of these advertisements was read to see if the premises accorded with the definition of a general boarding house under the BH Act. In particular, we looked for indications as to whether five or more persons, not including the ‘proprietor’, were to reside in the premises. Indications included express statements as to the number of persons residing, or the number of bedrooms, in the premises, and photographs of beds and sleeping areas.

Of the 224 advertisements, 59 advertised premises (26 per cent) that were found to be ‘very likely’ general boarding houses, and a further 41 advertised premises (18 per cent) that ‘may be’ general boarding houses.

Over all, 100 advertised properties (44 per cent) were found to be ‘very likely’ or ‘may be’ general boarding houses.

Of these, only two were registered on the Register of Boarding Houses under the BH Act.

Example 1. Roomshare premises ‘very likely’ a general boarding house



Date Listed:	27/09/2013	Last Edited:	01/10/2013
Share Basis:	Room Share	Available:	28/09/2013
Bedrooms:	3 Bedrooms	Bathrooms:	2 Bathrooms
Smoking:	No	Furnished:	Yes
Parking:	Street	Pet Friendly:	No
Gender Preference:	No Preference		

Inspection by appointment

Share room of 4 \$150
Share room of 6 \$130

HUGE APARTMENT 2 LEVELS with...
3 Bed rooms, 2 bathrooms, 2 toilets, huge balcony, big kitchen, lounge room.
Free WiFi, bills included. from ONLY 150p/w

Bed rooms are sepatate from kitchen and living areas.
Own keys

FULLY FURNISHED Including Electric Stove, Oven, Fridge, a DVD player, 42" Plasma Screen TV, Washing machine, Dryer, Dishwasher and Air Conditioning.
Walking distance to Sydney Uni, UTS, TAFE, Many English schools in the city, Broadway shopping centre, Fish markets, cool cafes, restaurants and nightlife :D

The premises are ‘very likely’ because one bedroom is offered for sharing by six persons, and the premises have three bedrooms.

Example 2. Roomshare premises ‘may be’ a general boarding house



Date Listed:	01/10/2013	Last Edited:	01/10/2013
Share Basis:	Room Share	Available:	01/10/2013
Bedrooms:	2 Bedrooms	Bathrooms:	2 Bathrooms
Smoking:	Yes	Furnished:	Yes
Parking:	None	Pet Friendly:	No
Gender Preference:	Female		

Looking for one tiny girl in master room

\$110/pp/pw (3 girls in the room)
 2weeks deposit\$220 and masterkeydepoist \$150 required.
 available : NOW
 free internet
 all bill including
 own desk
 Wardrobe
 master key

nice and clean house .
 close to UTS, TAFE, china town , central and redferm station.

The premises ‘may be’ a general boarding house, because one bedroom is shared by three persons, and there are two bedrooms.

Conclusions

The snapshot analysis indicates:

- there are many more premises let in roomshare arrangements (on average, 1400 premises advertised each week) than are counted as boarding houses at the Census or on the Register of Boarding Houses;
- a substantial proportion (26 per cent) are very likely to general boarding houses, and more (and additional 18 per cent) may be general boarding houses;
- a tiny proportion (two per cent) of premises that are very likely or may be registrable boarding houses are actually registered as boarding houses.

Overall, we conclude that a large part – if not the largest part – of the premises to which the *Boarding Houses Act 2012* applies is not complying with the requirement to register. This raises the question as to whether these premises are not complying with other requirements of the *Boarding Houses Act 2012* and other laws.

We recommend that local councils more actively investigate the roomshare market and exercise their role under the BH Act to ensure proprietors of registrable boarding houses comply with the requirement to register.

We also recommend that the NSW State Government, local councils and representative organisations for boarding house residents and proprietors work together to:

- clarify expectations about the question of compliance by registrable boarding houses in the roomshare market with other legal requirements, particularly in relation to planning and local government legislation; and
- formulate protocols to minimise hardship to residents arising from action to enforce compliance with these requirements; and
- inform the development of policies for affordable housing to appropriate standards.

Results

The advertisements reviewed were the first and subsequent advertisements displayed on a search of roomshare listings for New South Wales.

Date reviewed	No. of room share ads listed	Premises 'very likely' registrable	Premises 'may be' registrable	Premises non registrable	Total reviewed
7 Nov	1272	13	9	20	42
19 Nov	1553	17	10	31	58
26 Nov	1448	3	1	8	12
3 Dec	1504	14	11	29	54
12 Dec	1320	12	10	36	58
TOTAL	7097	59	41	124	224

Date	'Very likely' registrable	'Very likely' and 'may be' registrable
7 November	30%	52%
19 November	29%	64%
26 November	25%	33%
3 December	26%	46%
12 December	21%	38%