



EXPANDING CONSUMER DATA COLLECTION FOR EVIDENCE BASED POLICY

Understanding why tenancies end - exit surveys

As the number of renters in New South Wales continues to grow it is more important than ever that policy decisions made by government are evidence-based. Currently the NSW government, researchers, and industry cannot answer fundamental questions about our private rental market. In the current discussion we are concerned about increasing tenants' security of tenure, but we cannot answer the questions "how many tenants are evicted each year, and on what grounds?"

The 2016 Census data shows that renters in the private sector are three times more likely to have moved in the previous year than other tenure types such as owner-occupiers (with or without a mortgage) or social housing tenants. However, it is impossible to know from the data whether they moved of their own accord or because they were required to move by the landlord.

There is a simple step that could be taken to answer these questions, which is to implement exit surveys as part of the claim for refund of bond process. By making some small changes to the claims process an exit survey could achieve sufficient response rates as to provide an excellent dataset giving new insights into our private rental market, with minimal impact on the amount of time taken by any of the parties in process a refund of bond claim.

We also recommend the inclusion of a question of weekly rent at the end of the tenancy to give a better understanding of the rental market in NSW. The average increase in rents over other tenancies would give both investors and tenants greater ability to judge what a reasonable increase in their own arrangement might be.

Implementation

It is not intended for these questions to be a contested space, in fact this should be avoided. They should be quick and non-controversial to answer to encourage high response rates and high reliability of the data set.

We recommend three questions aimed at discovering the legal basis for the tenancy ending and the weekly rent at the end of the tenancy.

We recommend a form that online allows for a drop down menu with plain language statements that align with current methods for termination. See appendices for list of suggested statements and a mock-up of the exit survey. We estimate these questions will add no more than 9 key strokes and less than 30 seconds to the process of claiming a bond. For paper claim forms it may be an extra page that is added to allow sufficient space.

The data could be added to the currently published Rental Bond Refund datasets, in compliance with the NSW Government ICT Strategy. This offers an opportunity to release additional information with great benefit to policy makers and the community, with minimal impact on the resources of NSW Fair Trading.

For more information contact Leo Patterson Ross, Senior Policy Officer, Tenants' Union of NSW.

APPENDIX A

Questions for exit survey

1 – How did the tenancy end?

- Notice of termination served by landlord and possession given
- Notice of termination served by tenant and possession given
- Termination by NCAT Order
- Other

2 – Why did the tenancy end?

Multiple choice contextual list based on answer to 1.

If “Notice of termination served by landlord and possession given” then 2A:

- End of fixed term
- End of periodic agreement
- Sale of premises
- Breach of agreement – rent
- Breach of agreement – other

If “Notice of termination served by landlord and possession given” then 2B:

- End of fixed term
- End of periodic agreement
- Breach of agreement
- Rent Increase during long fixed-term
- Early termination – Sale
- Early termination - Domestic violence
- Early termination – Social housing
- Early termination – Aged care

If “Termination by NCAT Order” then 2C:

- End of fixed term
- End of periodic agreement
- Sale of premises
- Breach of agreement – rent
- Breach of agreement – other

- Serious damage
- Premises uninhabitable or unusable.
- Termination of long term tenancy

If “Other” then 2D:

- Abandoned by tenant
- Premises uninhabitable or unusable.
- Death of tenant
- Mortgagee repossession
- Consent the tenant gives up possession of the residential premises with the landlord’s consent, whether or not that consent is subsequently withdrawn,
- Social Housing provisions
- Other

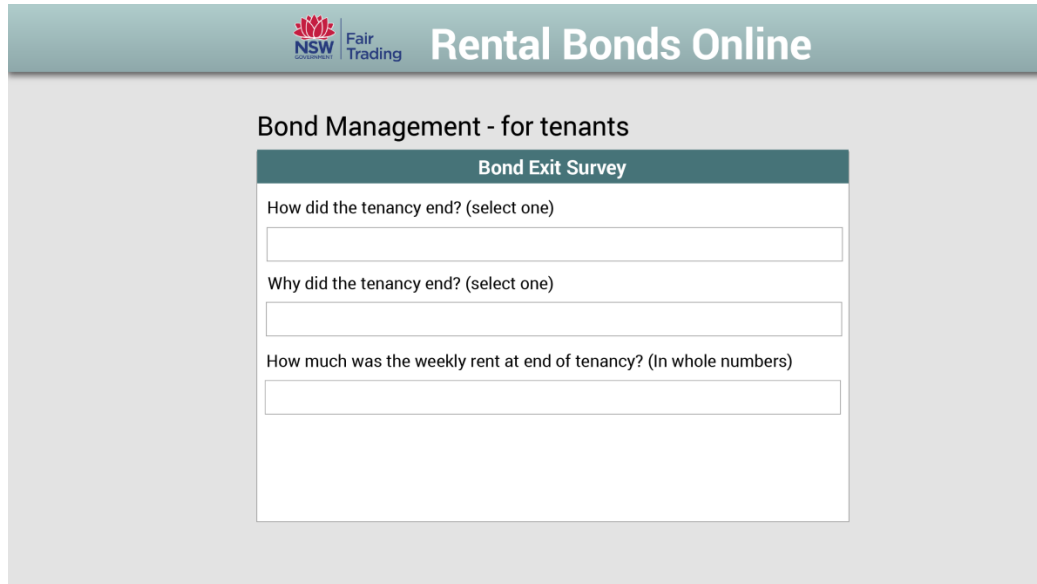
3. What was the weekly rent at the end of the tenancy?

[Numeric box]

APPENDIX B

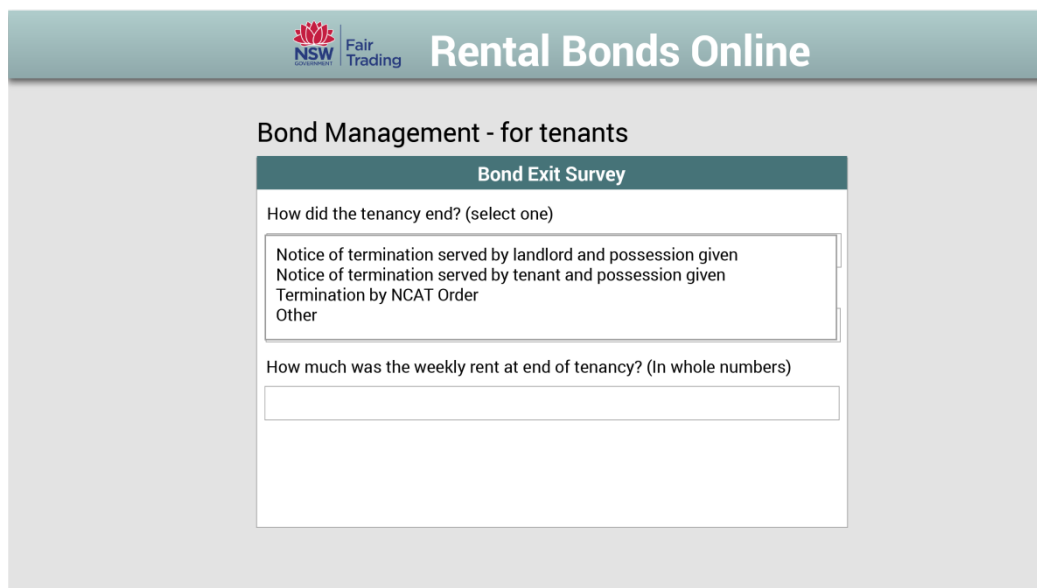
Mock up for Online Bond Survey

1. Blank survey



The screenshot shows a web page for 'Rental Bonds Online' with the NSW Government and Fair Trading logos. The main heading is 'Bond Management - for tenants'. Below this is a 'Bond Exit Survey' form with three input fields: 'How did the tenancy end? (select one)', 'Why did the tenancy end? (select one)', and 'How much was the weekly rent at end of tenancy? (In whole numbers)'. All fields are currently empty.

2. Question 1, drop down selection:



This screenshot is similar to the first one but shows a dropdown menu for the first question, 'How did the tenancy end? (select one)'. The dropdown is open, showing four options: 'Notice of termination served by landlord and possession given', 'Notice of termination served by tenant and possession given', 'Termination by NCAT Order', and 'Other'. The second question, 'How much was the weekly rent at end of tenancy? (In whole numbers)', remains an empty input field.

3. Question 2, drop down selection:

The screenshot shows the 'Rental Bonds Online' interface. At the top, there is a header with the NSW Government logo and 'Fair Trading'. Below this is the title 'Rental Bonds Online'. The main content area is titled 'Bond Management - for tenants' and contains a 'Bond Exit Survey' form. The form has two sections: 'How did the tenancy end? (select one)' with a dropdown menu showing 'Termination by NCAT Order', and 'Why did the tenancy end? (select one)' with a list of options: 'End of fixed term', 'End of periodic agreement', 'Sale of premises', 'Breach of agreement - rent', 'Breach of agreement - other', 'Serious damage', 'Premises uninhabitable or unusable.', and 'Termination of long term tenancy'.

4. Question 3, weekly rent at end.

The screenshot shows the 'Rental Bonds Online' interface. At the top, there is a header with the NSW Government logo and 'Fair Trading'. Below this is the title 'Rental Bonds Online'. The main content area is titled 'Bond Management - for tenants' and contains a 'Bond Exit Survey' form. The form has three sections: 'How did the tenancy end? (select one)' with a dropdown menu showing 'Termination by NCAT Order', 'Why did the tenancy end? (select one)' with a dropdown menu showing 'End of periodic agreement', and 'How much was the weekly rent at end of tenancy? (In whole numbers)' with a text input field containing '480'.