Tenants' Union of NSW and NSW Tenants' Advice and Advocacy Services 24 October 2024

For immediate release

Media Release: NSW ends 'no grounds' evictions: Historic Win for Renters

Today marks a major victory for renters across New South Wales. Years of advocacy, community organising, and relentless efforts by renters, housing advocates, and the NSW network of local Tenants' Advice and Advocacy Services paved the way for the passing of the Residential Tenancies Amendment Bill 2024 (the Bill) today in Parliament. The Bill delivers long-overdue reforms to our rental system. While the reforms don't resolve all issues renters face they mark a significant step toward a fairer and more balanced rental landscape.

The impact on individuals, families, and communities across NSW will be profound—but we know this is just the start, and we'll be closely watching for misuse and problems that may emerge as these new laws take effect.

The Bill introduces a range of reforms focused on **eviction protections**, **pet-friendly renting**, **rent increases**, **and payment rules**. These changes begin to address the imbalance of power in the rental market, strengthening renters' security and stability.

Leo Patterson Ross, CEO, Tenants' Union of NSW:

Millions of renters have felt the impact of no grounds evictions in their lives - whether it was hesitating to ask for repairs or negotiate a rent increase, or having to find a new home without justification. This is the single most significant change we can make to residential tenancies law, as without protection from unfair eviction in place we can't rely on other parts of the law to function properly.

Today we celebrate the work of generations of renters, tenant advocates, community organisations, researchers and activists whose tenacity and perseverance have brought us to this step.

Sidonie Shaw, Manager, Central Coast Tenants' Advice and Advocacy Service:

These reforms have been long overdue. The end of No Grounds Termination will bring some security to renters on the Central Coast. The reforms will allow renters to make a house a home. There is still more work to do and we will continue to push for further reforms however for the moment it is a time to celebrate.

Ned Cooke, Team Leader, Inner Sydney Tenants' Advice and Advocacy Service:

This is a significant win that gives renters much better security in their homes.

While the new legislation is not perfect, it will allow tenants to assert their rights regarding repairs and rent increases with less fear of eviction without cause.

We will continue to advocate for further improvements to the law and advocate against any misuse of the new termination grounds by landlords.

Naomi Kennedy, Coordinator, South West Sydney Tenants Advice and Advocacy Service:

A fantastic win for renters and one that has been well overdue! These reforms allow tenants to feel safe when addressing issues they might be experiencing in their homes, without fear of eviction.

There is always more work to do, but a step in the right direction none the less.

Ben Connor, Coordinator, Blue Mountains Tenants' Advice and Advocacy Service

No grounds evictions have fundamentally undermined the rights provided to tenants under the Residential Tenancies Act 2010. With the prospect of retaliatory evictions and little protection against it, our clients have regularly refrained from asserting their rights to live in well-maintained premises in peace, in comfort and with privacy.

With the end of no-grounds evictions and introduction of reasonable grounds evictions provided by this bill, landlords can get their properties back if they have a good reason and tenants can now more confidently assert their rights with less fear of retribution. Improvements are still needed, but this is a big win for the tenants of New South Wales.

KerryAnn Pankhurst, Service Manager, New England and Western Tenants Advice and Advocacy Service

The end of no grounds terminations will bring much needed balance to tenancy law in NSW. Really vulnerable tenants, people with disabilities and older tenants have been too frightened of losing their home to ask for essential repairs to be done. This reform has been a long time coming, and we hope that our tenants will not be waiting long before it's proclaimed.

Reasonable grounds for eviction and more certainty about pets will greatly assist tenants live comfortably in their homes. We are celebrating today along with the 23,000 renting households across our region.

Nicole Grgas, Coordinator, Hunter Tenants Advice and Advocacy Service

Hunter Tenants is pleased to see the Government delivering on promised action to provide better balance in the renting relationship. Ending evictions without grounds is a

fundamental element in creating a fairer renting system. We welcome more certainty in relation to pets and limiting rent increases to once per year and note this is a further step in the right direction on renting reforms.

Justin Abi-Daher, Principal Solicitor, Marrickville Legal Centre (Inner West Tenants Advice and Advocacy Service, Northern Sydney Area Tenants' Service)

This is a fantastic win for tenants across New South Wales and for the sector who has been advocating for a fairer balance to tenancy law in NSW. The removal of no grounds evictions is a fundamental step to ensuring tenants have secure homes and do not fear being evicted when raising basic rights such as repairs.

Marrickville Legal Centre welcomes the changes in relation to pets but will continue to advocate for better reform in this space.

These reforms are a win, but they are just the beginning. Renters have waited long enough for these basic protections, and while the reforms are not perfect, they lay the foundation for a fairer and more balanced rental system.

We'll be watching closely to ensure the law works as intended—and we won't hesitate to call out problems and advocate for further reforms where needed.

Together, we've shown that change is possible. Now, we must keep building on this momentum to create a future where everyone in NSW—including renters—have a decent, stable and genuinely affordable place they can call home.

For further information or to arrange an interview, please email: media@tenantsunion.org.au

Key Reforms at a Glance

1. Ending 'No Grounds' Evictions

The most significant win is the end of unfair 'no grounds' evictions, which have long undermined renters' stability and ability to assert their rights. Under the new rules:

- Landlords must provide valid reasons for ending a tenancy.
- **Significant penalties may apply** to landlords or agents who misuse these new termination grounds.
- Evidence will be required when serving most new grounds, and a reletting exclusion period may apply.

The new grounds for termination include breach of tenancy agreements, proposed sale of the property, significant renovations or demolition, landlord or their family moving in, and situations where the property will no longer be used as a rental.

We welcome the introduction of defined grounds for eviction, but are still concerned that two new grounds—proposed sale of property and significant renovations or repairs—may still be misused:

- **Proposed sale of property**: There is a risk that landlords may claim they intend to sell, only to later abandon the sale without significant consequence.
- Significant renovations or repairs: Allowing eviction for repairs risks landlords
 neglecting their maintenance obligations only to later use renovations as an excuse
 to evict tenants. We'll be keeping a close eye on these provisions to ensure landlords
 can't use them to evict tenants unfairly or exploit loopholes.

The **NSW Rental Commissioner and Rental Taskforce** will need to be supported with both appropriate resources and political support to act as a genuine regulator. Renters and advocates who bring issues to the attention of the authority need to have confidence that abuse of these grounds will result in penalties being applied.

This reform is a **real breakthrough for renters**—ending the anxiety of being forced to move, often with very little notice and no reason required. However, we'll be keeping a close eye on how landlords use these new grounds, especially in cases where sales or repairs are cited as a reason for eviction.

2. Pet-Friendly Renting

Under the reforms renters will have the right to **request permission to keep pets**, and landlords can refuse within a list of reasons set by legislation. If consent or a reason for refusal isn't provided within 21 days, it will be automatically granted. If the tenant does not agree with

the refusal reason, they will need to apply to the Tribunal. However, we remain concerned that the Bill **leaves too much room for landlords to make arbitrary decisions** about pets. Renters should not have to fight unreasonable refusals in the Tribunal. This is in contrast to the pets provisions in every other state and territory except Queensland.

This is a **crucial first step**, and we'll continue to push for stronger protections that ensure renters are not unfairly denied the right to keep pets. In particular, we need to make sure that people can easily move with their already existing pets. This stage is not addressed in the bill and will make a big difference both to the moving process and the number of animals abandoned due to anti-pet policies.

3. Limits on Rent Increases & Payment Protections

The new changes also tackles key issues around **affordability and rental payments**:

- Rent can now only be increased **once every 12 months**, regardless of the lease type.
- Free and accessible payment options must be provided for rent.
- Background check fees are banned, removing a common barrier for renters applying for homes.

These changes will reduce the financial pressure on renters and bring much-needed predictability to rent payments. More is needed though to really start to address steeply increasing rents across NSW we are seeing. We would like to see Parliament engage in an all-in conversation about addressing rent prices, to explore what other measures alongside supply—and crucially the supply of social housing—we should be exploring. This must include consideration of what further rent regulation beyond today's current reform we should be introducing.

A Step in the Right Direction – But the Fight Isn't Over

These reforms are an **important win for renters**, **but much more remains to be done**. As communities across NSW have shown, change only happens when people come together to demand it. These reforms are the **result of years of effort by renters**, **housing advocates**, **and local communities**, and they prove that organising works.

However, these laws are only the **first step toward building a fair and secure rental system**. As the new rules are implemented, we'll be **vigilant in monitoring for misuse**, alerting the government to problems, and pushing to see all of Labor's election commitments implemented, including reforms to:

Prevent discrimination at the point of application, including for renters with pets.

- Regulate the application process and data for renters, limiting the personal information that can be collected from renters and improving transparency in rental listings, including information about pets.
- Introduce a Portable Bonds Scheme.

Our work doesn't end there. We'll continue to fight for reforms that tackle the **broader affordability crisis and housing insecurity** facing renters in NSW. And of course for reforms for *all* renters, across the broader renting system including renters in Boarding Houses and shared accommodation.

What Comes Next?

Reforms will likely commence early 2025. Before commencement the NSW Government will develop and introduce new regulations, which crucially will set out evidence requirements for the newly introduced termination grounds.

We are urging the government to commit to **monitoring compliance closely** and to introduce better frameworks for tracking eviction notices. The Bill includes a requirement for the Secretary **to collect data on the grounds used by landlords to give termination notices**, including the evidence given by landlords. We'd also suggest Fair Trading provide:

- A **public eviction data register** with non-identifiable data to promote transparency.
- An Eviction Hotline for renters to report poor practices by landlords and agents.

These measures are essential to **ensure the success of these reforms** and help to close any unintended loopholes.

The Bill also includes a statutory review period of 5 years for the whole Act which is important to allow for review not just of the new grounds but for other parts which will be nearly 20 years old by the time of the review. It is clear that community attitudes to the importance of ensuring renting is a safe, healthy and affordable tenure are changing. The law should not remain stuck in history but adapt to meet the needs of the community.

More up to date information about the law changes can be found on tenants.org.au.