



The voice of property owners in NSW

8 August 2017

Matthew Keen MP
Minister for Innovation & Better Regulation
Fair Trading
GPO Box 5341
Sydney, NSW 2001

Email: office@kean.minister.nsw.gov.au

Dear Minister Kean,

APPOINTMENT OF POANSW REPRESENTATIVE TO RENTAL BOND BOARD

Thank you for the personal reply declining our request to have a representative appointed to The Rental Bond Board. However, there is an oversight. The Rental Bond Board constitution directs the board to allocate funds for education and support services of both landlords and tenants, which has not happened since the inception of the RBB. The POANSW asks you to re-consider our request in the light of the constitution.

The POANSW is a peak body representing all private landlords in NSW. To the best of our knowledge there has never been any representation on the Board on behalf of private landlords who own and supply the majority of rental accommodation to the market place, and regularly make legitimate claims on the funds held and management by the RBB.

The current make up and structure of the Rental Bond Board including Ministers 2 x appointments is as follows:

Commissioner for Fair Trading – Government Representative
Housing NSW – Tenant / Government representative
NSW Treasury – Government Representative

Minister's appointment:
REINSW – Real estate agent's representative
Tenants Union – Tenant representative

There is not a balanced representation on the Board as there is no representation for and on behalf of private landlords in NSW, arguably one of the only two parties with legitimate interests in the funds managed by the RBB.

The Rental Bond ACT 1977 (the constitution) states that an appointed representative by the minister shall not exceed a term of more than 3 years. The POANSW has not been given the opportunity to represent the private landlord market for well over two decades.

All Rental Bond lodgement interest earned and real estate agents trust account (rent deposit interest) earnings via financial institution deposits is paid as a grant (100% stakeholder contribution), predominantly to The Tenants Union of NSW and NCAT administration. This





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unbalanced distribution is directed in this way by those recipients via their own appointment to the RBB. This unbalanced arrangement needs to be addressed as a matter of urgency.

The major supplier of housing are mum and dad investors & superannuation funds who hold residential property, not institutions nor corporate like Meriton Apartments who can self-fund tenancy management services. We would like to see improved tenant-landlord relationships. The media is on the attack against landlords spoiling this relationship further. We ask why?

POANSW has been the number one referral source by Fair Trading as the leading and only body to whom private landlords can turn to for sound guidance, education and advocacy when there is a dispute between the landlord and tenant. We assist Fair Trading in relieving their help line and administrative overload on this front and have done so for many years as volunteers.

POANSW would like to see extended services for private landlords but requires substantial funding to make this happen. The current funding given to The Tenants Union of NSW is profound and we would like to see a balanced approach in this landlord/tenant eco-system. Would the minister support an application for funding the POANSW as the premier go to organisation in education, support and advocacy for private landlords in NSW? The Rental Bond Board constitution directs the board to allocate funds for education and support services of both landlords and tenants, which has not happened since the inception of the RBB.

In a time where there is a rental accommodation shortage, a rental affordability crises and growing hearing lists at NCAT (some 30,000 tenancy hearings in 2015-2016 NCAT Annual Summary Report), we are surprised that the response of the minister and NSW government, is to be satisfied with the "status quo".

We ask again for your serious and urgent consideration into this matter and POANSW looks forward to your reply.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "John Gilmovich", is written over a horizontal line.

John Gilmovich
President- POANSW

