## **Item 3.2**

# **Secure Housing For Renters Roundtable**

File No: S051491

# Minute by the Lord Mayor

## To Council:

Sydney is facing a housing rental affordability crisis, like many cities around the world. Renters account for more than half of all households in the City of Sydney, and there are more than 20,000 households paying more than 30% of their income on housing costs, placing them in housing stress.

Renters in housing stress and boarding house tenants have very low levels of security of tenure. Landlords can increase rents, or redevelop properties, causing renters to have to find new homes. This is a particular risk in the inner city, where land values are so high.

The 2025 Hunger Report by Foodbank makes the bleak connection between housing stress and food insecurity. The report shows that food insecurity, particularly for renters is high. "For households experiencing food insecurity, keeping a roof over their heads has to come first."

Cost of living pressures and the housing affordability crisis are contributing to more people sleeping rough. More than half those sleeping rough in our area don't meet social housing eligibility criteria because they don't have residency status, or they have a complexity of needs, failed tenancies or mental health issues.

I commend the NSW Government for making housing a priority, but provision of housing cannot be at any cost. It must be liveable, good quality, affordable to rent and run and residents must be supported.

In 2024, Council supported my <u>Lord Mayoral Minute</u> requesting, among other things, that I host a roundtable about protecting and increasing safe and secure affordable rental housing and that the Chief Executive Officer investigates increasing the levy on development that results in the loss of existing low-cost rental accommodation.

## **Secure Housing for Renters Roundtable**

On 28 October 2025, we hosted the Secure Housing for Renters Roundtable about the housing rental affordability crisis. There was strong support for everyone to do more, and ideas were explored on how to protect and increase secure and affordable rental housing.

Over 40 representatives from housing providers, community and peak organisations, NSW Government agencies, renters, and members of the City's Housing for All Advisory Panel participated. Their knowledge and experience of the housing and rental sector, housing stock and residents was an essential part of the roundtable discussion, and their involvement should continue as governments implement housing and rental reforms.

I particularly acknowledge the following expert speakers who presented their work.

## Low-rental housing and boarding houses

The City of Sydney presented independent research that we commissioned on levy options to address the loss of low-rental housing.

Consent authorities are obligated to assess development applications for boarding house conversions under the outdated NSW State Environmental Planning Policy (Housing) 2021 (Housing SEPP) and the Guidelines for Retention of Existing Affordable Rental Housing 2009 (Guidelines). However, the Guidelines contain outdated viability benchmarks and encourage inflated valuations. This means the Housing SEPP has generally failed to preserve boarding houses or generate monetary contributions to compensate for their loss.

The research makes key recommendations for the NSW Government to undertake a holistic review of the Housing SEPP and Guidelines and reconsider the viability test and levy formula.

It was acknowledged that communal living, including boarding houses, cooperatives and other co-living accommodation provide a vital form of diverse housing. There was general agreement that boarding houses should be protected and maintained and that affordable new generation boarding houses should be promoted.

# Securing the rights of renters and boarding house residents

The NSW Rental Commissioner, Trina Jones, detailed the significant and long-awaited rental reforms the NSW Government has implemented. She acknowledged that more needed to be done to improve rental conditions and committed to working in partnership with other levels of government, to achieve outcomes particularly around evictions, building standards, energy efficiency and repairs and maintenance.

The NSW Rental Commissioner also acknowledged the delayed implementation of the recommendations of the 2020 statutory review of the Boarding Houses Act 2012, which are aimed at strengthening the rights of residents of shared accommodation. Given the review was 5 years ago, the Government must identify what further reforms are needed to protect boarding houses, and to increase protections and support for low-income boarding house residents at risk of eviction. I am pleased the NSW Rental Commissioner committed to ensuring those recommendations are fit for purpose.

Unfortunately, the organisations and renters at the roundtable highlighted that despite rental reforms, unfair evictions, rental increases and repairs and maintenance remain key issues for renters. There was agreement that the conditions for long-term renters has to be improved.

# **Affordable Housing**

In December 2024, the NSW Government commenced changes to the Housing SEPP including a new State Significant Development pathway for development worth more than \$75 million if it includes 10 to 15% Affordable Housing. This development is eligible for 20 to 30% height and floor space bonuses and the Affordable Housing only needs to be provided for 15 years and can be rented at a discount to market rent. Shelter NSW presented their research evaluating the value of the NSW Government's "affordable housing" incentives to the public and to the developer.

The research found that the scheme delivers significant windfalls to developers and limited affordability benefits to households, particularly in high value areas like the Eastern Suburbs of Sydney.

It found that affordability outcomes are weak. Even "discounted" rents in high value areas are well above what low- and moderate-income households can afford. This is evidence that not all affordable housing is equal, and that the definition of genuine Affordable Housing must be in line with the City's Affordable Housing Program that is housing that is delivered 'in perpetuity', managed or owned by a registered not-for-profit Community Housing Provider, and rent-capped according to household income.

Importantly, the research recommended cash contributions tied to local rental markets and longer affordability periods to improve affordability outcomes.

There was clear agreement that market housing alone would not solve the housing affordability crisis; we need more genuine Affordable Housing aligned with a single definition.

# **Supported Housing**

In addition to the bricks and mortar, investment is needed to respond to the underlying causes of homelessness, such as mental health, alcohol and other drugs. Homelessness and support services are needed alongside housing, like the Common Ground project in Camperdown.

The Women's Housing Company presented their research on the feasibility of the Common Ground model as well as their experience with women-only housing. The research found women experiencing homelessness or at risk of homelessness are often experiencing a range of complex issues and women with children are not easily catered for in the typical housing model. Women accounted for over 80% of people experiencing homelessness across the country, and in New South Wales, there is a particular need in the City of Sydney, which had the highest number of women experiencing homelessness.

The research showed that the Common Ground model is a cost-effective way to reduce chronic homelessness and improve tenant health and wellbeing.

The pathway out of homelessness for many people experiencing long-term homelessness is housing with high levels of onsite support, such as at Common Ground on Pyrmont Bridge Road in Camperdown. However, concerns were raised about a lack of continued operational funding.

Long-term funding must be a consideration to support residents on an ongoing basis.

## **Next steps**

Following the roundtable, 13 organisations joined the City to send a joint letter to the NSW Premier (attached) - we collectively called on the NSW Government to:

- urgently review the Housing SEPP and Guidelines for Retention of Existing Affordable Rental Housing to protect existing low-rental housing and other diverse housing such as boarding houses, particularly the viability yield and test and contribution payable
- improve the security of tenure for renters and boarding house residents and their rights to improved amenity and living standards as a result of changes to the Boarding Houses Act
- improve autonomy, rights and protections for renters, particularly around unfair evictions, rent increases and repairs and maintenance
- create the conditions for a fair and secure long-term rental market
- commit to consulting meaningfully on future rental reforms
- implement existing local affordable rental housing schemes in any State Significant Developments
- enable a pathway for time-limited affordable housing to be delivered in perpetuity
- amend the NSW Affordable Housing Ministerial Guidelines definitions to mandate the use of income-based rent for Affordable Housing in a standard definition
- fund more supported housing, like the Common Ground model and consider a women's only project.

## Recommendation

It is resolved that:

- (A) Council note that:
  - despite significant rental reforms and investment in housing, cost of living pressures and the housing affordability crisis are resulting in more people living with housing stress, without security of tenure, and at risk of homelessness;
  - (ii) we held the Secure Housing for Renters Roundtable on 28 October 2025 and were joined by over 40 representatives from housing providers, community and peak organisations, NSW Government agencies, renters, and members of the City's Housing for All Advisory Panel; and
  - (iii) on 14 November 2025, 13 organisations joined the City to send a joint letter to the NSW Premier with calls to action following the roundtable;
- (B) the Chief Executive Officer be requested to investigate how the City of Sydney can support another Common Ground project in our area in consultation with other relevant stakeholders including other levels of government and the private sector; and

- (C) the Lord Mayor be requested to write to:
  - (i) outgoing Community Housing Industry Association NSW Chief Executive Officer, Mark Degotardi, thanking him for his contribution to Affordable Housing and for his support of the City of Sydney's Affordable Housing Program; and
  - (ii) the NSW Premier, Minister for Better Regulation and Fair Trading, Minister for Housing and Homelessness, Minister for Planning and Public Spaces and Minister for Women to:
    - (a) provide a copy of this Lord Mayoral Minute, to note Council's decision;
    - (b) provide a copy of the joint letter to reiterate our joint calls to the NSW Government; and
    - (c) provide a copy of the research presented at the roundtable by the City of Sydney, Shelter NSW and the Women's Housing Company.

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Lord Mayor of Sydney

#### **Attachments**

Attachment A. Joint Letter to NSW Premier

# **Attachment A**

**Joint Letter to NSW Premier** 

The Hon. Chris Minns MP Premier 52 Martin Place Sydney NSW 2000

**Dear Premier** 

# Secure housing for renters and boarding house residents

Like many other cities in Australia and around the world, Sydney is facing a housing affordability crisis, and we commend the NSW Government for making housing a priority. However, housing production cannot be at any cost – housing must be livable, good quality and genuinely affordable to rent.

On 28 October, the City of Sydney hosted the Secure Housing for Renters Roundtable. Over 40 representatives from housing providers, community and peak organisations, NSW Government agencies, renters and members of the City's Housing for All Advisory Panel met to discuss this challenge and how we can rise to meet it.

In the City of Sydney Local Government Area, there are more than 20,000 households paying more than 30 per cent of their household income on housing, placing them in what is widely regarded as housing stress.

Renters in housing stress and boarding house residents have very low levels of security of tenure. Landlords can increase rents, or redevelop, leaving renters needing to find new homes. This is a particular risk in the inner city, where land values are so high.

Cost of living pressures and the housing affordability crisis are contributing to more people sleeping rough. Many people sleeping rough in our area are excluded from social housing due to their complex needs relating to their lack of residency status, challenges sustaining tenancies or mental health issues. The provision of housing for those on low-moderate incomes is more cost-effective to governments in the long term than the ongoing cycle of homelessness, emergency shelters, healthcare costs, and law enforcement responses.

## **Boarding houses**

Communal living, including boarding houses, cooperatives and other co-living accommodation, plays a vital role in supporting residents, providing connection, care, and a sense of belonging – especially when it is most needed.

Consent authorities are obligated to assess development applications for boarding house conversions under the outdated NSW State Environmental Planning Policy (Housing) 2021 (Housing SEPP) and the Guidelines for Retention of Existing Affordable Rental Housing 2009 (the Guidelines). However, the Guidelines contain outdated viability benchmarks and encourage inflated valuations. This means the Housing SEPP has generally failed to preserve boarding houses or generate monetary contributions to compensate for their loss.

Currently, boarding house tenants do not have the same rights as tenants covered under the Residential Tenancies Act 2010, which limits their security of tenure.

The former NSW Government's 2020 statutory review of the Boarding Houses Act 2012 made 21 recommendations aimed at strengthening the rights of residents of shared accommodation. The current NSW Government must implement them urgently.

## We call on the NSW Government to:

- Urgently review the Housing SEPP and Guidelines, particularly the viability yield and test and contribution payable, in order to protect existing low-rental housing and other diverse housing such as boarding houses
- Improve the security of tenure for renters and boarding house residents and their rights to improved amenity and living standards as a result of changes to the Boarding Houses Act.

# Strengthen renters' rights

The NSW Labor Government went to the last election promising to end 'no grounds' evictions. Following comprehensive consultation, changes came into effect on 19 May 2025, requiring landlords wanting to evict a tenant so significant repairs or renovations could be carried out would have to ensure there was evidence that work was planned, and not simply a tactic to remove tenants.

Five weeks later, without further consultation, the NSW Government removed the additional evidence requirement in the Regulations. Landlords now only need to provide a written statement of their intention to renovate. Without the full evidence requirements for this prescribed ground for termination there is a real risk to renters' rights and security.

The NSW Government needs to show that it is listening to the voices of renters when developing and amending rental laws.

## We call on the NSW Government to:

- Improve autonomy, rights and protections for renters, particularly around unfair evictions, rent increases and repairs and maintenance
- Create the conditions for a fair and secure long-term rental market
- Commit to consulting meaningfully with the undersigned and other key stakeholders on future rental reforms.

### Housing reforms

While the NSW Government's housing reforms focus on housing supply, they do not include a standard requirement to deliver Affordable and Social Housing, and there is no real evidence that increasing market housing supply will meaningfully reduce housing and rental costs. Under the recent reforms, affordable housing can be time-limited for only 15 years, after which homes can be returned to the private market. Where will these residents go?

The introduction of State Significant Development pathways for projects incorporating timelimited affordable housing rented at a 20 per cent discount on market rates proves that not all affordable housing is equal. The City's model for providing Affordable Housing is housing that is genuinely affordable, delivered in perpetuity, managed or owned by a registered not-for-profit Community Housing Provider, and rent-capped at 30 per cent of gross household income.

# We call on the NSW Government to:

- Implement existing local affordable rental housing schemes in any State Significant Developments
- Enable a pathway for time-limited affordable housing to be delivered in perpetuity
- Amend the NSW Affordable Housing Ministerial Guidelines definitions to mandate the use of income-based rent for Affordable Housing in a standard definition.

# Supported housing

We acknowledge the NSW Government's important investment in building more social and affordable housing. Investment is also needed to support the human services that respond to the underlying causes of homelessness. Without urgent investment in appropriate mental health, alcohol and other drugs and homelessness services, culturally appropriate services for Aboriginal and Torres Strait Islander peoples, and consideration of families and multigenerational households, many people lucky enough to secure housing will not be able to maintain their tenancies and safely participate in their communities.

The pathway out of homelessness for many people experiencing long-term homelessness is housing with high levels of onsite support, such as at Common Ground on Pyrmont Bridge Road in Camperdown. However, funding must include long-term operational funding to support residents on an ongoing basis.

We call on the NSW Government to fund more supported housing, like the Common Ground model, and consider 'a women's only project'.

Providing secure housing and protecting renters requires action from Local, State and Federal Governments, as well as the development industry, to deliver more social, affordable and diverse housing, and provide support services to renters.

Clover Moore AO
The Right Honourable
The Lord Mayor of Sydney

CITY OF SYDNEY **®** 

**Kate Timmins** Chief Executive Officer



Laurie Leigh
Chief Executive Officer

















Senior Minister











President



**Leo Patterson Ross Chief Executive Officer** 



**Bay Warburton** Executive Director, **Community Services** 



Director of Building and Maintenance



**Nada Nasser** Chief Executive Officer



Jarin Baigent Chief Executive Officer

Member Housing For All Advisory Panel

