



Rental Bonds Online (RBO)

College Chronicle
Newsletter

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Australian College
of Professionals

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Rental Bonds Online (RBO)

For Lease

RBO is a free service provided by NSW Fair Trading for the lodgement, management and release of NSW rental bonds.

Changes to the Residential Tenancies Act 2010 (NSW) at the end of January 2017 made it mandatory for landlords and agents to register and offer RBO to tenants signing a new residential tenancy agreement.

Majority of agents working in the property management industry support the use of RBO, and if there is a bond dispute, agents will work with the landlord and tenant to reach an agreement before making a claim on the tenant's bond. However, the implementation of RBO has come with one significant challenge that landlords and agents are facing.

Prior to Rental Bonds Online commencing, at the end of tenancy, agents would lodge a claim using the red "Claim for Refund of Bond Money" form which can be obtained from NSW Fair Trading. Most tenants were not aware that this form existed, and some tenants believed that it was the agents job to communicate with the rental bond board to release the bond back to them. However due to RBO being an online system, it allows the tenant to claim the bond immediately

upon vacating the premises. This has caused an increase in bond disputes between landlords and tenants and has resulted in an increase in cases heard at the NSW Civil and Administrative Tribunal (NCAT).

Section 163 of the Residential Tenancies Act 2010 (NSW) allows a tenant to make a claim for the refund of their rental bond whether or not the tenant and landlord agree to the refund amount.

NSW Fair Trading, Service NSW and the Tenants Union of NSW readily provide information to tenants about how they can make a claim on their bond upon vacating the premises. If the tenant's claim is the first one received by NSW Fair Trading, the managing agent will be emailed a "Notice of Claim". The agent can then:

- agree to the claim, or
- within 14 days, inform Fair Trading that you've applied to NCAT for a hearing to dispute the claim, or
- take no action, and after 14 days the bond will be refunded as per the tenant's claim.

Even though this process allows the agent to stop the bond from being paid to the tenant by applying to NCAT, it is a reactive response which costs the landlord tribunal costs and agent fees.

Agents keep asking us “How can we stop tenants from making a claim on their bond first?” Firstly, we must acknowledge that only a very small percentage of tenants will do this, and we cannot stop them as they have a right to claim their money. However, more and more agents are looking at ways to help reduce the number of bond disputes, which may also help with this issue.

For example, a new process can be implemented in your agency called an “End of Tenancy Consult”. This process is designed to assist tenants in achieving a full refund of their bond and is communicated to tenants in a positive manner from a good customer service perspective.

So how does it work? At the time a tenant gives or is given notice to vacate, the agent will book an “End of Tenancy Consult” with the tenant to be held at the property. The agent will conduct a brief walkthrough of the property with the tenant outlining what things the tenant needs to do before vacating the premises.

If you as the managing agent are demonstrating a proactive approach to assist the tenant before they have vacated the premises, there should be fewer issues as the tenant should feel a sense of trust and be more inclined to work with you to finalise their bond.

Rosy Sullivan

Director | College Principal

From the office

And another fortnight flies by. We have now completed our tour with the Traineeship Expos and have so many people wanting to enter the industry, which is always a good sign for our economy. Rosy has also been on the road with the Business Owner’s Information Tour that she and Greg Jemmeson, from JemmesonFisher solicitors are conducting throughout NSW.

On a staff note, we have had one staff member go through the harrowing process of moving house in the past fortnight and she is now happily settled into her new home on the northshore. And super unusual for ACOP, we celebrated a birthday without cake. One of our trainers, John Roberts had his birthday and we all sang to him whilst he is enjoying a well-deserved holiday in the USA where he is attending his brother’s wedding. So we’ve gone international with our singing and will celebrate with cake when he’s back in the office next week – and you all know how much we love our cake here at ACOP.



NSW Tour Dates

Date	Location
29th September	Wollongong
6th October	Port Macquarie
27th October	Queanbeyan
28th October	Ballina
25th November	Sydney CBD

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