

**LANDLORD AND TENANT (RENTAL BONDS)
AMENDMENT ACT 1987 No. 170**

NEW SOUTH WALES



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**LANDLORD AND TENANT (RENTAL BONDS) AMENDMENT ACT
1987 No. 170**

NEW SOUTH WALES



Act No. 170, 1987

An Act to amend the Landlord and Tenant (Rental Bonds) Act 1977 with respect to participation by the Rental Bond Board in schemes for the provision of residential accommodation, the membership of the Rental Bond Board and the repayment of rental bonds, and in other respects. [Assented to 26 November 1987]

See also Housing (Rental Bonds) Amendment Act 1987.

*Landlord and Tenant (Rental Bonds) Amendment 1987***The Legislature of New South Wales enacts:****Short title**

1. This Act may be cited as the Landlord and Tenant (Rental Bonds) Amendment Act 1987.

Amendment of Act No. 44, 1977

2. The Landlord and Tenant (Rental Bonds) Act 1977 is amended as set out in Schedule 1.

SCHEDULE 1—AMENDMENTS

(Sec. 2)

(1) Section 5 (Constitution of the Rental Bond Board)—

Section 5 (3)—

After section 5 (2), insert:

(3) The Board is, for the purposes of any Act, a statutory body representing the Crown.

(2) Section 6 (Constitution and procedure of the Board)—

(a) Section 6 (1)—

Omit “4 members”, insert instead “5 members”.

(b) Section 6 (1) (d)—

Omit the paragraph, insert instead:

(d) two shall be persons appointed by the Minister, each of whom has, in the opinion of the Minister, had experience in real estate or tenancy matters.

(c) Section 6 (2)—

Omit “the member”, insert instead “a member”.

(3) Part II_A—

After Part II, insert:

**PART II_A—SPECIAL FUNCTIONS OF THE BOARD
(PROVISION OF RESIDENTIAL ACCOMMODATION)**

Joint ventures for residential accommodation

7A. (1) The Board may, with the approval of the Minister and the concurrence of the Treasurer, enter into a joint venture (including a partnership and any other association) with other persons or bodies, whether or not incorporated.

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SCHEDULE 1—AMENDMENTS—*continued*

(2) The joint venture shall be for the purpose of the development (including the acquisition, management, leasing and disposal) of land for or in connection with the provision of residential accommodation.

Joint venture powers

7B. (1) For the purposes of such a joint venture, the Board may, with the approval of the Minister—

- (a) join in the formation of any company to be incorporated in the State;
- (b) purchase, hold, dispose of or deal with shares in, or subscribe to the issue of shares by, any company incorporated in the State;
- (c) make advances of money or provide other financial accommodation to any person or body (whether or not incorporated) participating in the joint venture or acting for or on behalf of the joint venture; and
- (d) do such other things as are necessary or convenient for, or incidental to, the joint venture.

(2) A company in which the Board has a controlling interest because of its shareholding in the capital of the company is not and does not represent the Crown.

Investment in residential accommodation unit trusts

7C. (1) The Board may invest money in units in a residential accommodation unit trust and may, with the approval of the Minister, underwrite the issue of units in such a trust.

(2) A residential accommodation unit trust is a unit trust providing for participation by unit holders in income and profits arising from the development of property that wholly or partly comprises residential accommodation.

(3) Development of property includes the acquisition, holding, management, leasing and disposal of property.

Guarantees etc. by Board

7D. (1) The Board may, with the approval of the Minister—

- (a) guarantee the due performance of an obligation incurred by a person or body in connection with a scheme for the provision of residential accommodation;
- (b) make good a loss incurred by a person or body in connection with a scheme for the provision of residential accommodation;

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(c) indemnify a person or body against a liability incurred under a guarantee (provided by the person or body) of the kind which the Board could provide under this section; and

(d) enter into and give effect to an agreement to do anything which the Board is authorised to do under this section.

(2) The following are examples of schemes for the provision of residential accommodation:

(a) a joint venture which the Board enters into under this Part;

(b) a residential accommodation unit trust in which the Board is empowered to invest under this Part.

(3) A permissible method of making good a loss involving such a residential accommodation unit trust is investment in units in the trust.

Finance

7E. (1) Amounts may be paid from the Rental Bond Interest Account under Part V to meet expenditure by the Board under this Part.

(2) Amounts may also be paid from the Rental Bond Account under Part V to meet so much of that expenditure as is attributable to the provision of financial accommodation (including advances).

(3) Interest and other income accruing to the Board in connection with any investment made, financial accommodation provided or joint venture entered into under this Part shall be paid into the Rental Bond Interest Account under Part V.

(4) Section 11 (**Payment out of rental bonds**)—

(a) Section 11 (9) (a)—

Omit “, subject to subsection (12)”.

(b) Section 11 (9) (a) (i)—

Omit the subparagraph, insert instead:

(i) upon being served with or obtaining a copy of that judgment or order; and

(c) Section 11 (9) (a) (ii)—

Omit “by statutory declaration so served”.

(d) Section 11 (9) (b)—

Omit “subject to subsection (12),”.

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(e) Section 11 (11)—

Omit “(otherwise than pursuant to subsection (9))”.

(f) Section 11 (12)–(12B)—

Omit section 11 (12), insert instead:

(12) The Board may pay out money in respect of a judgment or order even if there is a right of appeal against the judgment or order, but only if an appeal has not been lodged.

(12A) If an appeal has been lodged, the Board must not pay out money in respect of the judgment or order unless satisfied that the appeal has been withdrawn or dismissed.

(12B) A payment of money by the Board in respect of a judgment or order does not prevent an appeal being lodged.

(5) Section 16A—

After section 16, insert:

Offences by corporations

16A. (1) If a corporation contravenes any provision of this Act or the regulations, each person who is a director of the corporation or who is concerned in the management of the corporation shall be deemed to have contravened the same provision if the person knowingly authorised or permitted the contravention.

(2) A person may be proceeded against and convicted under a provision pursuant to subsection (1) whether or not the corporation has been proceeded against or been convicted under that provision.

(3) Nothing in this section affects any liability imposed on a corporation for an offence committed by the corporation against this Act or the regulations.

(4) This section does not apply to a person in the person's capacity as a director of, or as a person concerned in the management of, a corporation constituted by or under an Act.

(6) Part V, heading—

Omit the heading, insert instead:

PART V—ACCOUNTS AND FINANCE(7) Section 19 (**Rental Bond Account**)—

(a) Section 19 (2) (a)—

Omit “and”.

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(b) Section 19 (2) (b), (c)—

At the end of section 19 (2) (b), insert:

; and

(c) any other payments authorised by this Act to be made from that account.

(8) Schedule 1 (**Provisions relating to the constitution and procedure of the Board**)—

(a) Clause 1 (3)—

Omit “The member”, insert instead “A member”.

(b) Clause 1 (4)—

Omit “the member”, insert instead “a member”.