

Submission on Residential Tenancies Amendment Bill

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Introduction

- Nelson Marlborough District Health Board (NMDHB) is a key organisation involved in the health
 and wellbeing of the people within Te Tau Ihu. NMDHB appreciates the opportunity to comment
 from a public health perspective on the Residential Tenancies Amendment Bill.
- 2. The NMDHB considers that housing is a key determinant of health and wellbeing. There are a number of health issues associated with poor housing quality. For example, cold damp housing is associated with increased rates of colds and flu and other infectious diseases, increased hospitalisations for respiratory and cardiovascular illnesses, and conditions such as fuel poverty and household crowding. Poor quality housing is a major burden in New Zealand with substantial costs on society and the health system. For example, the health needs of children living in poverty costs the country at least \$2 billion per year, with a good proportion of that being attributable to cold damp housing.³
- 3. New Zealand's rental houses are generally in worse condition than owner-occupied houses with a higher incidence of dampness and mould, and a greater likelihood of exterior and interior components (e.g. windows, roof cladding, and kitchen and bathroom linings and fittings) to be in poor or serious condition.⁴ The number of households renting is rising In 2013, 453,135 households lived in rental homes, being nearly 65,000 more households than in 2006.⁵ Of those living in rental housing, Maori, Pacific peoples, older people and children are disproportionably represented.^{6,7}
- 4. The NMDHB supports action by central government to improve the quality of rental housing. However, the NMDHB considers that the Bill in its current form does not go far enough to address the well-established housing quality issues of New Zealand's rental housing stock or to protect the most vulnerable.
- 5. This submission sets out particular matters of interest and concern to the NMDHB including around existing legislation, enforcement and a rental property Warrant of Fitness scheme.

¹ Marmot Review Team. 2011. *The health impacts of cold homes and fuel poverty*. London: Friends of the Earth & the Marmot Review Team

² Gillespie-Bennett J, Keall M, Howden-Chapman P, Baker MG. 2013. *Improving health, safety and energy efficiency in New Zealand through measuring and applying basic housing standards*. New Zealand Medical Journal 126(1379)

³ Every Child Counts. 2013. For every child a healthy home: Housing. Wellington: Every Child Counts

⁴ Buckett NR, Jones MS, Marston NJ. 2012. *BRANZ 2010 house condition survey – Condition comparison by tenure*. BRANZ study Report 264. Judegeford: BRANZ Ltd

⁵ Statistics New Zealand. 2014. 2013 Census QuickStats about housing. Wellington: Statistics New Zealand

⁶ Flynn M, Carne S, Soa-Lafoa'i M. 2010. *Maori housing trends 2010*. Auckland: Housing New Zealand Corporation

⁷ Cowan V, Burrough L, Easton L. 2014. *Beacon resource: Performance of rental housing v3*. Report PUB/24 for Beacon Pathway Incorporated. Auckland: Beacon Pathway

Existing legislation and enforcement

- 6. The NMDHB recognises that the Housing Improvement Regulations 1947 impose minimum fitness standards for houses including the provision of an approved form of heating in every living room and that every home is to be free from dampness.
- 7. However, the NMDHB considers that in the interests of modernising, streamlining and simplifying legislation that the Bill should provide for all minimum housing standards for rental properties to be set out under one piece of legislation rather than in a piecemeal form.
- 8. Furthermore, as the explanatory note to the Bill recognises, tenants are often unwilling to notify the Tenancy Tribunal of alleged breaches of existing legislation. To address this, the Bill proposes to strengthen enforcement powers by allowing the chief executive responsible for administrating the Residential Tenancies Act 1986 (the RTA) to become involved in alleged breaches of the RTA.
- 9. The NMDHB believes that there are several issues associated with this approach. Firstly, these proposed powers do not appear to extend to the Housing Improvement Regulations 1947 given that these regulations were not made under the RTA nor is their application explicitly provided for by the RTA. Secondly, the onus is still on the tenant to report a breach which does not remove the potential for tension or conflict between tenants and landlords (including the tenant's fear of being evicted), or recognise that some vulnerable tenants may not have the knowledge or capacity to report a case to enable the chief executive to intervene.
- 10. The NMDHB considers that minimum housing standards need to be enforced independently of tenants. Accordingly, standards set need to be routinely monitored to ensure that they are adhered to and to ensure that all demographic groups have equal access to quality housing, including the most vulnerable.

Decision sought

- 11. That the scope of the Bill is amended to provide for the review and incorporation of all minimum housing standards for rental properties under one piece of legislation and that existing legislation such as the Housing Improvement Regulations 1947 is revoked.
- 12. That the Bill provides a system for monitoring and enforcing minimum housing standards independent of tenants, including routine compliance inspections and the development of meaningful penalties for non-compliance.
- 13. That the above factors are achieved through introducing a rental property Warrant of Fitness (WOF) assessment scheme as discussed below.

Rental property Warrant of Fitness

- 14. The NMDHB is concerned that the proposed Bill only provides standards for insulation and smoke alarms and considers that the scope of the Bill should be extended to provide for a comprehensive rental property WOF assessment scheme as recommended in 2012 by the Children's Commissioner's Expert Advisory Group on Solutions to Child Poverty.⁸
- 15. Since the release of this recommendation, the NMDHB is aware of the trial of two draft assessment WOF tools one across Housing New Zealand houses and the other across the private rental market. The results of the trials indicate that a WOF system is feasible⁹, is largely supported by tenants and landlords alike¹⁰, and will lead to improved health and safety outcomes for tenants.¹¹
- 16. Furthermore, the introduction of a WOF assessment scheme aligns with the strategic direction of the updated New Zealand Health Strategy¹² and overall goal 'All New Zealanders live well, stay well, get well'. In particular, there are strong linkages with Action 6(c) of Strategic Theme 2 (relating to supporting healthy housing and addressing household crowding), and guiding principals 1, 2, 3 and 8 which underpin the Strategy. The Strategy also supports partnering across government agencies to achieve better health outcomes, including in relation to wider contributing factors to health such as the home environment.

Decision sought

17. That the Bill provides for the development of a comprehensive rental property WOF scheme and that the WOF scheme is applied across both private and state-funded rental properties.

Conclusion

- 18. The NMDHB thanks the select committee for the opportunity to comment on the Residential Tenancies Amendment Bill.
- 19. While the NMDHB supports action by central government to improve the quality of rental housing, it considers that the Bill does not go far enough to address the well-established housing quality issues of New Zealand's rental housing stock or to protect the most vulnerable.

⁸ Expert Advisory Group on Solutions to Child Poverty. 2012. *Solutions to child poverty in New Zealand: Evidence for action.* Wellington: Office of the Children's Commissioner

⁹ Bosch M. 2014. *Trial of rental housing warrant of fitness scheme with Housing New Zealand*. Wellington: Housing New Zealand Corporation

¹⁰ Bennett J, Chisholm E, Hansen R, Howden-Chapman P. 2014. Results from a rental housing warrant of fitness pre-test. He Kainga Oranga/Housing and Health Research Programme. Wellington: University of Otago

¹¹ Bosch, op. cit.

¹² Ministry of Health. 2015. Update of the New Zealand Health Strategy: All New Zealanders get well, stay well, live well: Consultation draft. Wellington: Ministry of Health

- 20. It is the NMDHB's view that the introduction of a comprehensive rental property Warrant of Fitness scheme would protect the most vulnerable by removing the responsibility of reporting non-compliance of minimum housing standards away from tenants, would create a more robust, modernised, streamlined and simplified regulatory framework, and result in better health and safety outcomes for tenants.
- 21. The NMDHB does not wish to be heard in support of its submission.

Yours sincerely

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Chief Executive

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