



MINISTRY OF HOUSING
AND URBAN DEVELOPMENT

REFORM OF THE RESIDENTIAL TENANCIES ACT

Implementation – Frequently Asked Questions

As at 16 September 2020



Table of contents

Table of contents	2
Background to the reform	3
The process so far	4
Commencement	7
How the Amendment Act works with the COVID-19 legislation	11
Security of tenure	13
Making minor changes to the property	21
Fibre installations	25
Rent setting and increases.....	28
Access to justice.....	29
Assigning a tenancy.....	30
Providing information to tenant or Regulator	32
Enforcement.....	35
Protections for tenants experiencing family violence	42
Transitional and emergency housing	44
Impact of the proposed reforms	45
More information about the process so far.....	49

Background to the reform

Why is the Government doing this reform?

The reform of the Residential Tenancies Act (RTA) will modernise New Zealand’s rental laws and align them with present day realities of renting in New Zealand. It aims to promote good faith relationships in the renting environment, and to ensure there are appropriate protections in place for both tenants and landlords.

These reforms reflect that more New Zealanders are living in rental accommodation and for longer periods of time. The RTA governs the relationship between the estimated 617,800 households in the rental market and their landlords.¹

What’s the problem with the RTA as it is?

The RTA came into force over thirty years ago to govern a rental market with different characteristics to what we have today.

Since the RTA came into force, homeownership rates have declined and the proportion of households living in the rental market has increased. More people, including families and older people, are renting for longer, or for life.

Reforming the RTA is an opportunity to consider whether the law that governs the rental market continues to be a fair and proportionate way to address problems that tenants and landlords may experience with insecure tenure.

What evidence is there of the problem?

The rate of home ownership in New Zealand has dropped from a peak of 73.5% in 1991 to 64.5% of households in 2018. The proportion of households that are renting has increased from 23% in 1991 to 32% in 2020.²

Since the 2001 Census, the largest falls in home ownership were for those in their 30s and 40s. In 2013, 43.0% of people aged 30–39 years owned their home – down from 54.6% in 2001. For those in their 40s, 60.8% owned their home in 2013, down from 71.5% in 2001.³ This suggests people are renting for a longer proportion of their lives.

Māori and Pacific people are more likely to rent. At the time of the 2013 Census, 56.9% of Māori and 66.9% of Pacific people were living in rental homes. This compares to the total population figure of 36.3%.⁴

In 1986 around 25% of the population rented their properties and 26% of all children in New Zealand lived in a property that was rented. In 2019, renting has become a way of life for a greater proportion of New Zealanders, with an estimated 32% of households renting. In 2013, 43% of all children were living in rental homes.⁵

¹ Statistics NZ Dwelling and Household Estimates for June 2020 quarter, based on 2018 Census data.

² Statistics NZ Dwelling and Household Estimates for June 2020 quarter, based on 2018 Census data.

³ This data is not yet available from the 2018 Census.

⁴ This data is not yet available from the 2018 Census. Note: a greater proportion of people are renting than households, because “people” includes children over 15 years living with their parents.

⁵ This data is not yet available from the 2018 Census.

The 2018 General Social Survey indicated that 30 percent of renters have been in their house for less than a year compared to 8 percent of those in owner-occupied homes. The survey found that 25 percent of movements in the rental market were landlord initiated.

The process

The public consultation process

The Ministry of Business, Innovation and Employment undertook a comprehensive public consultation process from August to October 2018 about reforms to the RTA (www.hud.govt.nz/RTA-Reforms). The Discussion Document and survey set out questions about the options proposed.

This process also included a series of workshops with targeted representative stakeholders as well as public web-based survey.

There is more information about who submitted and what submitters said in the section “More information about the process so far”.

The Government introduced a Bill with its proposals for change

The Government introduced a Bill to Parliament in February 2020 to:

- Remove a landlord’s ability to use no cause terminations to end a periodic tenancy and require landlords to use a justified reason to end a periodic tenancy, including new provisions to respond to anti-social behaviour.
- Mandate that fixed-term tenancies must become periodic tenancies upon expiry unless both parties agree otherwise, or certain conditions apply.
- Increase financial penalties and give the Regulator new tools to take direct action against parties who are not meeting their obligations.
- Allow for identifying details to be anonymised in situations where a party has been wholly or substantially successful in taking a case to the Tenancy Tribunal.
- Ensure that tenants can add minor changes such as brackets to secure furniture and appliances against earthquake risk, baby proof the property, install visual fire alarms and doorbells, and hang pictures.
- Prohibit the solicitation of rental bids by landlords and limit rent increases to once every twelve months.

The Bill progressed through Select Committee (the Committee), where there was an opportunity for the public to make submission on the Bill. 1,436 submissions were received. The Committee examined the Bill and agreed (by majority) to make a number of changes and to recommend the Bill to the House.

What changes were made in Select Committee and why?

A number of changes were made in Select Committee. These are briefly explained below. For a full report on the recommendations, please see the [Departmental Report](#).

Security of tenure

A number of changes were made to clarify the termination grounds and to ensure their workability:

- Where the owner or family member is to move into the premises, they must intend to move in within 90 days of the termination date.
- Where the premises are to be converted to a commercial use, the premises must be used for this new use for at least 90 days.
- Where there is intended renovation or demolition of the premises, the landlord must intend to begin, or take material steps towards, renovation or demolition within 90 days of the termination date.
- The meaning of “termination date” was clarified to mean the date provided for by the landlord in the termination notice.

There were several changes to situations where a landlord needs the premises for an employee. The existing termination ground was amended to include contractors as well. A termination ground was included where the landlord is the Ministry of Education, and the intended tenant is employed or contracted by a school Board of Trustees. This addresses this situation where accommodation is commonly provided by a landlord who is not also the employer.

In addition, the termination grounds relating to social housing tenancies were modified to more closely reflect the Public and Community Housing Management Act 1992. These changes include:

- clarifying that the Tenancy Tribunal does not have jurisdiction to review a social housing provider’s reasons for transferring a tenant, as existing pathways should be used instead
- clarifying that the termination grounds do not affect existing social housing transfer processes.

The Bill also clarifies that where a tenant challenges a notice of anti-social behaviour in the Tenancy Tribunal, the landlord must prove the behaviour occurred. This is consistent with the process if a landlord makes an application to terminate a tenancy on the basis of three anti-social behaviour notices. It also reflects the difficulty for the tenant in proving that the anti-social behaviour did not occur.

Fibre connections

The landlord has various exemptions from the general obligation to permit fibre installation. One of the exemptions was removed – where the installation requires the consent of a third party and the landlord or network operator is unable to obtain that consent. This exemption duplicates existing processes in the Telecommunications Act 2001, which is sufficient.

The Bill makes minor changes to other exemptions relating to where installation would compromise the weathertightness or the character of the building. These exemptions now require that the weathertightness or character must be “materially” compromised. This is to avoid permitting exemptions for negligible or minor impacts.

An exemption relating to where the installation of fibre would impede the landlord from undertaking renovations of the premises was modified. In order to qualify for this exemption, the landlord must intend to begin, or take material steps towards, renovation within 90 days of the request for fibre. This is to avoid permitting exemptions where the landlord doesn’t need the exemption as they do not intend to begin renovations for a long time.

Rent setting

An exemption from the requirement to state the rent when advertising or offering service tenancies was added for service tenancies. Service tenancies often offer a tenancy as part of the full remuneration package of employment, so it would not make sense for the employer / landlord to portion out part of the remuneration as being for rent.

Access to justice

A provision to provide for automatic name suppression where the Regulator takes a case on behalf of a party was added. This is because the party may not be aware, or may not always consent, where the Regulator takes a case on their behalf.

Assignment and break lease fees

An obligation that landlords must respond to assignment requests in writing within a reasonable period of time was added. This obligation is only triggered where tenants make an assignment request in writing and identify and provide the contact details for a potential assignee. This makes this provision consistent with other provisions that require landlords to respond to requests (such as tenant fixtures). It was made an unlawful act for a landlord to fail to comply with this requirement without reasonable excuse.

Enforcement

The “family” portion of the associated person test was narrowed to only include spouses and partners. This is to recognise landlord submissions that the broader test would capture people they have no business relationship with.

A change was made to the test for calculating how many tenancies a landlord has so as to not capture landlords that were unintended to be captured.

It was clarified that if a landlord with six or more tenancies is given an infringement fee set at the lower rate for landlords with five or fewer tenancies (a lesser fee), that fee is still valid.

An unlawful act was added to give enforcement power to an already existing obligation. It was made an unlawful act for the landlord to fail to provide the landlord and tenancy related minimum information requirements of a tenancy agreement. It is not an unlawful act for a landlord to fail to provide the information that is purely tenant related.

Records of gas work and plumbing were added to the documents that landlords are obliged to retain. Records of “building work” was modified to “building work that requires a building consent” as this better matches the policy intent and produces lower compliance costs for landlords.

A requirement to consult with the Ministry of Justice before officials recommend creating infringement offences by regulation was added.

Transitional and emergency housing

Additional provisions were added to clarify that emergency and transitional housing can be exempt from the RTA, where this housing is funded either by a government department or under the Special Needs Grants Programme, unless the provider and the tenant choose to opt in.

There is also provision for the exemption to be extended to other specified providers, where the Government is satisfied that the appropriate checks and balances are in place. The exemption can be extended to other providers through the Government making regulations.

The Bill went through the later stages of the parliamentary process

The Bill passed through the remaining stages on 4 August 2020: second reading, the Committee of the Whole House and third reading. Several matters were included in the Bill at the Committee of the Whole House stage. On 11 August 2020, the Bill was made into law and became the Residential Tenancies Amendment Act 2020 (the Amendment Act).

What changes were made at the Committee of the Whole House?

Changes made at the Committee of the Whole House include:

- protections for tenants experiencing family violence;
- a new termination ground for where a tenant assaults the landlord and the Police lay a charge;
- the extension of the COVID-19 provisions that enabled the Tenancy Tribunal to hear cases by video conference or telephone for a further six months to 25 March 2021; and
- an earlier commencement date for the new provisions that limit rent increases to once every 12 months.

Commencement

When do the changes come into effect?

The new exemption clarifying that transitional and emergency housing is only covered by the RTA if the provider and the tenant choose to opt in came into effect on 12 August 2020, the day after Royal assent. The limitation on rent increases to once every 12 months also came into effect on 12 August 2020.

Most of the changes will come into effect on 11 February 2021, six months after Royal assent.

Two changes, the termination ground of a tenant physically assaulting a landlord, and the ability of tenants to terminate a tenancy because of family violence, require regulations to be made. These provisions must come into effect by 11 August 2021 (12 months after Royal assent) but may come in earlier if the Government agrees (using an Order in Council).

Why are there different commencement dates?

There is a risk that some transitional and/or emergency housing providers may choose to exit the market if they can't choose whether they are subject to the RTA. The commencement date for this new exemption is as early as possible, to clarify the legal position and minimise the risk of provider exit.

The limitation on rent increases came in on 12 August 2020, the day after Royal assent. The freeze on rent increases ends on 25 September 2020, and rent increases can take effect from 26 September.

The rest of the changes come into force six months after Royal assent, on 11 February 2021. This allows time for landlords and renters to become familiar with the new rules, and for landlords to change their processes and practices. It also gives other entities such as the Regulator and the Tenancy Tribunal time to prepare for the changes.

Which rules apply to a tenancy that has already started?

The new exemption clarifying that transitional and emergency housing is only covered by the RTA if the provider and the tenant choose to opt in came into effect on 12 August 2020, the day after the Amendment Act received Royal assent. If a person is living in transitional housing, their housing situation is not covered by the RTA, unless they and the housing provider agree to 'contract in' to the RTA.

In addition, if a landlord issues a rent increase notice on or after 12 August 2020, the rent increase must:

- come into effect after 25 September 2020 (when the COVID-19 legislation expires), and
- be at least 12 months from the date of the last rent increase.

There is more information about the transition from the COVID-19 legislation below.

From 11 February 2021, which rules apply to a tenancy that has already started?

Most of the rules in the Amendment Act apply to a tenancy that has already started. There are some exceptions:

Topic	Exception
Assignment	The Amendment Act provides that tenancy agreements cannot prohibit assignment of a tenancy (unless the tenant is in a social housing tenancy). This rule does not apply to existing tenancy agreements that prohibit assignment.
Termination of periodic tenancies	A termination notice given before 11 February 2021 under the current rules which comes into effect after 11 February 2021 is valid. Termination notices given after 11 February 2021 must use the new rules.
Notices for anti-social behaviour or rent arrears	Notices for anti-social behaviour or rent arrears under the new rules in the Amendment Act cannot be given for any instances before 11 February 2021.
Termination of fixed-term tenancies	For all fixed-term tenancies granted before 11 February 2021, the current rules for ending tenancies apply. The new rules for terminating fixed-term tenancies will only apply to fixed-term tenancies granted after 11 February 2021. A tenancy is granted when it is agreed, which is likely to be before the tenancy start date.
Information to be held by a landlord	New rules for retaining information only apply to information held by the landlord on or after 11 February 2021.
Abandonment of a tenancy	If a landlord applies to the Tenancy Tribunal for an order to end an abandoned tenancy, the tenant will need to pay 28 days' rent from the date set out in the Tribunal's order if that date is 11 February 2021. If the date set out in the Tribunal's order is before 11 February 2021 the tenant will need to pay 21 days' rent from that date.
Unlawful acts	Some current obligations in the RTA are not described as unlawful acts, and the Amendment Act introduces unlawful acts for those. If a landlord or tenant has breached an obligation (that is to have an unlawful act attached to it) before 11 February 2021 they will not be subject to one of the new unlawful acts in the Amendment Act.
Proceedings in the Tenancy Tribunal	If there are proceedings in the Tribunal before 11 February 2021, the rules in the Amendment Act do not apply.

The termination ground of a tenant physically assaulting a landlord, and the ability of tenants to terminate a tenancy because of family violence, have a different commencement date. Both of these provisions require regulations to be made.

If a tenant received a “no cause” termination before 11 February 2021 do they still have to move out?

Yes. A termination notice given before 11 February 2021 under the current rules which comes into effect after the main commencement date is valid.

How the Amendment Act works with the COVID-19 legislation

What is the COVID-19 legislation?

On 23 March 2020, the Government announced a freeze to residential rent increases and greater protections for tenants against having their tenancies terminated. This was applied as law through insertion of a new temporary Schedule 5 in the Residential Tenancies Act 1986 via the COVID-19 legislation.

What are the rules for tenancy terminations?

The restrictions on tenancy terminations in the COVID-19 legislation ended on 25 June. This means the usual termination rules apply from 26 June 2020. Landlords may terminate a tenancy if they have the lawful grounds to do so.

The table below shows which rules apply to tenancy terminations. The main commencement date is 11 February 2021, six months after Royal assent.

Date	Rules governing termination notices for periodic tenancies	Rules governing termination notices for fixed-term tenancies
Before 26 June 2020	Terminations only in limited circumstances (COVID-19 Act rules)	Fixed-term tenancies that lapse become periodic (COVID-19 Act rules)
Between 26 June 2020 and 10 February 2021	Current Act rules	Current Act rules
On or after 11 February 2021	Termination notices given before 11 February 2021 are still effective New rules in Amendment Act for any new termination notices	Existing fixed-term tenancies – current Act rules New or renewed fixed-term tenancies from this date – new rules in Amendment Act

What are the rules for rental increases?

There is a freeze on rent increases, which apply up until and including 25 September 2020.

The table below shows which rules applying to rental increases.

Last rent increase	Notice given for rent increase	Earliest next rent increase
29 September 2019	Before or on 11 August 2020	26 September 2020
	On or after 12 August 2020	30 September 2020
29 December 2019	Before or on 11 August 2020	26 September 2020
	On or after 12 August 2020	30 December 2020

19 March 2020	Before or on 11 August 2020	26 September 2020
	On or after 12 August 2020	20 March 2021

What are the rules around the Tenancy Tribunal's operations?

The COVID-19 legislation allowed the Tenancy Tribunal to hold its proceedings as it sees fit, including by telephone or video conference, or on the papers. These provisions were brought in to allow the Tribunal to continue operating during the lockdown restrictions of Alert Levels 3 and 4.

These differ from the current provisions in the RTA, which allow a Tenancy Adjudicator to hold a hearing by telephone or audiovisual link if the Adjudicator considers it appropriate. The COVID-19 legislation allowed a decision about telephone or video conference to be made at a scheduling stage by administrative staff, rather than requiring the Adjudicator to make the decision.

The provisions were due to expire on 25 September 2020. However the Tribunal has been finding these provisions useful to reschedule hearings that were adjourned due to COVID-19 and reduce overall waiting times.

The Amendment Act therefore extends these provisions for a further six months, until 25 March 2021.

The current provisions in the RTA will remain in place and do not expire.

Why aren't the changes to Tenancy Tribunal operations being made permanent?

The Government will take some time to consider if the changes should be made permanent.

The current provisions in the RTA, which allow Tenancy Adjudicators to hold a hearing by telephone or audiovisual link, will remain in place and do not expire.

Where is there more information about the COVID-19 legislation?

There is more information on the HUD website here: <https://www.hud.govt.nz/residential-housing/covid-19-rent-freeze-and-tenancy-terminations/>.

Security of tenure

How can landlords end a periodic tenancy and how much notice do they have to give?

A landlord can continue to use most of the reasons in the Residential Tenancies Act 1986 to end a tenancy.

Do landlords have to give a reason for ending a periodic tenancy?

Yes. The new provisions remove the ability of landlords to end a periodic tenancy by giving 90 days' notice, without giving a reason to the tenant.

Instead, landlords will be able to end these tenancies for a range of fair and justified reasons, including a tenant's repeated antisocial behaviour. This means that tenants will always know why their tenancy is ending and be able to challenge this at the Tenancy Tribunal if they consider their landlord does not have a justified reason or has not followed due process.

Landlords can issue termination notices without going to the Tenancy Tribunal in the following ways.

Landlords can terminate periodic tenancies by giving **63 days' notice** where:

- The owner, or a family member, requires the property to live in. They must move in within 90 days of the termination date and must live in the property for at least 90 days.
- The property is needed for an employee (and this was clearly specified in the tenancy agreement).
- The property is needed for an employee (and this was clearly specified in the tenancy agreement), where the landlord is the Ministry of Education and the employer is a Board of Trustees.

Landlords can terminate periodic tenancies by giving **90 days' notice** where:

- The landlord intends to put the property on the market within 90 days of the tenant leaving the property.
- The owner is required, under an unconditional sale agreement, to give the purchaser vacant possession.
- The landlord is not the owner of the property, and the landlord's interest in the property ends e.g. the landlord leases the property and sub-leases to the tenant, and the landlord's lease ends.
- The property was acquired to facilitate the use of nearby land for a business activity and the property needs to be vacated to facilitate that activity (and this was clearly specified in the tenancy agreement)
- The landlord wants to change the use of the premises. The landlord must intend to use the premises for the new use for at least 90 days.
- The landlord intends to carry out extensive alterations or redevelopment at the property and it would be unpractical for the tenant to live there during that process. The landlord must intend to take material steps⁶ towards beginning renovations with 90 days of the tenancy terminating.
- The premises are to be demolished. The landlord must intend to take material steps towards beginning demolition within 90 days of the tenancy terminating.

⁶ Taking a material step means applying for regulatory consent, seeking engineering or other professional advice, or taking any other significant step.

- The tenancy is a social housing tenancy and certain circumstances apply (see separate question).

Landlords can also terminate fixed or periodic tenancies by giving **at least 14 days'** notice where the tenant has committed a physical assault on either the landlord/owner, or the landlord/owner's family member or the landlord's agent. The landlord **must** accompany the notice with evidence the Police have charged the tenant in relation to the physical assault. The tenant then has 14 days in which to lodge a challenge to the termination notice with the Tribunal. If the tenant does challenge the notice, the notice is suspended and the tenant can remain in the premises until the Tribunal hears the matter. This provision will be brought into force once regulations are made.

There are also existing termination grounds in the RTA, for example, if the landlord is also the employer of the tenant, and the tenancy is part of the employment package. These termination grounds continue to be available with their own specific rules.

If none of the above grounds apply, landlords cannot terminate a tenancy without going to the Tenancy Tribunal.

A landlord can also apply to the Tenancy Tribunal to end a tenancy where:

- the tenant has been repeatedly late with their rent (at least five working days' late with rent, three times in 90 days) and the required notices have been served on the tenant
- the tenant has engaged in anti-social behaviour on at least three occasions in 90 days and the required notice have been served on the tenant
- A landlord is going to suffer greater hardship than the tenant if the tenancy continues.

If the landlord has successfully applied to the Tenancy Tribunal to end the tenancy, the Tribunal will decide what the notice period is.

How can landlords end social housing tenancies?

A tenant may be in a social housing tenancy if their landlord is Kāinga Ora or a community housing provider registered under the Public and Community Housing Management Act 1992.

A landlord can use the termination grounds set out above. In addition, social housing providers can terminate a tenancy where:

- the tenant is no longer eligible for social housing
- the social housing provider is a community housing provider and they lose their registration the social housing provider requires the tenant to transfer to different social housing provided by that provider, and the provider considers the transfer is necessary or desirable, and the other housing is appropriate to the tenant's housing needs.

How can tenants end a periodic tenancy and how much notice do they have to give?

A tenant can end a periodic tenancy by giving 28 days' notice. The tenant does not have to provide a reason.

What can landlords do if tenants are late with rent payments?

There are a range of options for landlords if tenants are late with rent payments. The first thing landlords should do is to discuss the late rent with their tenant to try to reach an agreement. See the Tenancy Services website <https://www.tenancy.govt.nz/rent-bond-and-bills/rent/overdue-rent/> for more information.

If the landlord and tenant can't reach an agreement, the RTA currently provides that the landlord can:

- apply to the Tenancy Tribunal for termination of the tenancy if the tenant owes 21 days of rent or more.
- send a notice to remedy (if the tenant owes less than 21 days' rent). If the tenant does not pay the rent in accordance with the notice, the landlord can apply to the Tribunal to end the tenancy.

These provisions are not removed by the Amendment Act and landlords will still be able to use them.

The Amendment Act also provides an additional provision for landlords to use where the tenant is in relatively minor, but repeated, rent arrears. A landlord can apply to the Tribunal for termination if, on three separate occasions, a tenant has been at least five working days' late with the rent payment, and the landlord has issued the required notices advising the tenant that the rent is late. The landlord must apply to the Tenancy Tribunal to end the tenancy within 28 days of the last notice being issued.

There are specific requirements for the notice, which must advise the dates for which the rent was overdue, the amount of the overdue rent, how many other notices have been given within the 90-day period and advising the tenant they can challenge the notice in the Tribunal. If the Tribunal is satisfied the requirements for this termination ground have been met, it must make an order terminating the tenancy.

Whether or not the Tribunal ends the tenancy, the tenant still remains liable for all unpaid rent.

What can landlords do if tenants are displaying anti-social behaviour?

There are a range of options for landlords if tenants are displaying anti-social behaviour. The approach will depend on the seriousness of the behaviour, and whether the behaviour can be remedied (i.e. fixed).

The Residential Tenancies Act 1986 already enables a landlord to apply to the Tribunal to end a tenancy where the tenant:

- has assaulted or threatened to assault the landlord or their family, the owner or their family, neighbours, or other occupants of the building; or
- has caused, or permitted another person to cause, or has threatened to cause, substantial damage to the premises.

Such an incident only needs to occur once before a landlord can apply to the Tribunal to terminate the tenancy. These provisions are retained by the Amendment Act and landlords will still be able to use them.

The Amendment Act also retains provisions which enable the landlord to apply to the Tribunal where the tenant fails to remedy a breach of their tenancy agreement or of the Residential Tenancies Act 1986 (RTA). This could include failing to meet their obligation under the RTA to not interfere with the peace, comfort, or privacy of the landlord's other tenants or the neighbours.

The Amendment Act also introduces new provisions to deal with repeated anti-social behaviour that doesn't meet the threshold of the behaviour described above. Where a tenant on a periodic tenancy has acted in a way that has caused harassment, alarm or distress, a landlord will be able to issue the tenant with a notice. If a landlord has issued a tenant three notices for separate anti-social acts in any 90-day period, they may apply to the Tenancy Tribunal for termination within 28 days of the last notice being issued.

There are specific requirements for the notice, which must clearly describe the behaviour, who engaged in the behaviour (if known to the landlord), the date, approximate time and location of the behaviour, how many other notices have been given within the 90-day period and advising the tenant they can challenge the notice in the Tribunal. If the Tribunal considers that the notices were issued reasonably and fairly, it must make an order terminating the tenancy.

What is anti-social behaviour?

Anti-social behaviour is defined as either:

- harassment, or
- anything that reasonably causes alarm, distress or nuisance that is more than minor. This could be an act (something done) or an omission (something not done) and includes where the act is not intentional (done on purpose).

Whether a tenant's behaviour meets this definition of anti-social behaviour will depend on the individual situation. In particular, the behaviour must reasonably cause alarm, distress or nuisance that is more than minor. "More than minor" is intended to exclude situations that cause a passing inconvenience.

What can tenants do if their landlord has issued them with a notice for anti-social behaviour but they don't agree with it?

A tenant can choose to challenge the notice in the Tenancy Tribunal. The landlord will have to prove that the anti-social behaviour occurred and that the notice was issued fairly and reasonably.

However, tenants don't have to challenge each notice. The landlord can only apply to the Tenancy Tribunal to terminate the tenancy once they have given the tenant three anti-social notices, for three separate instances of anti-social behaviour, within 90 days. If the tenant doesn't challenge any of the notices, the landlord will still have to prove that the anti-social behaviour occurred and all three of the notices were issued fairly and reasonably if they apply to terminate the tenancy.

What can landlords do if a tenant continually breaches agreed sections in the tenancy agreement, such as no smoking inside the home, or no pets allowed?

If a tenant breaches the tenancy agreement, the landlord can send the tenant a 14-day notice to remedy the breach. The notice tells them what they have done to breach the agreement, what they need to do to fix it, and how long they have to fix it.

If the tenant does not fix the breach, the landlord can apply to the Tenancy Tribunal to end the tenancy. The Tribunal must consider if the nature or extent of the breach means that the tenancy must be ended.

There is more information on the Tenancy Services' website [here](#).

What can landlords do if a tenant continually causes damage to the property?

There are a number of approaches a landlord can take under the RTA if a tenant continually causes damage to a property. These are not affected by the Amendment Act. See the [Tenancy Services website](#) for more information. Where the tenant causes significant damage, the landlord can apply to the Tenancy Tribunal to end the tenancy.

What do tenants need to do if their landlord has told them that they're behind in rent?

Tenants and landlords are encouraged to talk to each other as soon as possible if there are going to be any issues around paying rent. Tenancy Services has guidance about tenants' responsibility to pay rent [here](#) and guidance about rent negotiation discussions [here](#).

The landlord has a range of options to require the tenant to pay outstanding rent. The RTA currently provides that the landlord can:

- send a notice to remedy (if the tenant owes less than 21 days' rent).
- apply to the Tenancy Tribunal for termination of the tenancy (if the tenant owes 21 days of rent or more, or doesn't remedy the overdue rent).

The Amendment Act also sets out another process: If a tenant has been at least five working days' late with the rent payment, the landlord can issue a notice advising the tenant that the rent is late. If a landlord has issued a tenant three notices for separate late payments in a 90-day period, they may apply to the Tenancy Tribunal to end the tenancy within 28 days of the last notice being issued.

There are specific requirements for the notice, which must advise the dates for which the rent was overdue, the amount of the overdue rent, how many other notices have been given within the 90-day period and advising the tenant they can challenge the notice in the Tribunal. If the Tribunal considers the requirements of this termination ground are met, the Tribunal must make an order terminating the tenancy.

What do tenants need to do if their fixed-term tenancy is nearly expiring?

If the tenant wants the tenancy to end, they need to give notice to the landlord at least 28 days before the end of the initial term. If the tenant wants to renew the tenancy for a further fixed-term, they need to agree to this with the landlord.

Landlords can end the tenancy at the end of the fixed-term if the termination grounds used for periodic tenancies apply.

If the tenant and the landlord can't agree, but the tenant want to continue the tenancy, and the landlord doesn't give the tenant notice to end the tenancy, then the tenancy will continue as a periodic tenancy.

These new rules apply to fixed-term tenancies entered into (signed) on or after 11 February 2021. Fixed-term tenancy agreements which are entered into (signed) before then follow the old rules in the RTA.

What do landlords need to do if they want their tenants to move out at the end of the fixed-term?

The landlord must give notice in accordance with the termination grounds noted above in relation to periodic tenancies. **If none of the termination grounds apply, the landlord can't end the tenancy.**

The landlord can ask the tenant if they wish to extend or renew the fixed-term, if the landlord does not want to move to a periodic tenancy. If the landlord and the tenant can't agree, and the tenant doesn't give notice to end the tenancy, then the tenancy will continue as a periodic tenancy.

How many times can a landlord and tenant agree to extend a fixed-term tenancy?

There is no limit on how many times a fixed-term tenancy can be extended.

What can a tenant do if their landlord issues them a termination notice, but they don't believe that the grounds are valid?

A tenant can apply to the Tenancy Tribunal to challenge the notice.

In most cases the tenant will need to provide evidence that the ground was not valid. The only exceptions to this are where the landlord has issued the tenant a 14-day notice alleging the tenant has physically assaulted them or their family member or agent – in that case, if the tenant challenges the notice then the landlord will need to prove to the Tribunal that the physical assault occurred, or where the landlord is seeking termination due to anti-social behaviour – in that case, the landlord will be required to prove the anti-social behaviour occurred.

If the Tenancy Tribunal finds that the landlord issued a termination notice, or applied to the Tribunal for termination, knowing that they weren't entitled to do so, they may be liable for exemplary damages of up to \$6,500.

Should tenants choose to renew their fixed-term or convert to a periodic tenancy when the fixed-term is due to expire?

Whether a tenant should choose a fixed-term or periodic tenancy depends on their circumstances and needs. Tenants might like to consider the following points:

- A periodic tenancy agreement has no end date. It continues until either the tenant or the landlord gives written notice to end it.

- Tenants can end a periodic tenancy at any time by giving 28 days' notice.
- Landlords can also end a periodic tenancy at any time, but only where one of the termination grounds apply, and they have to give 63 or 90 days' notice depending on the termination ground. Periodic tenancies offer more flexibility for tenants.
- A fixed-term tenancy agreement lasts for a set amount of time. Neither tenants nor landlords can give notice to end a fixed-term tenancy early. Fixed-term tenancies offer more security for the duration of the fixed-term for both tenants and landlords.

Will landlords be liable for exemplary damages if they issued a termination notice to their tenants, but their circumstances subsequently changed?

No. Landlords will only be liable for exemplary damages if they intended to terminate the tenancy knowing that they weren't entitled to do so. If the landlord thought that they were entitled to give the notice at the time, but then the circumstances changed, then they won't be liable for exemplary damages.

If the tenant has not left the tenancy, the landlord should contact the tenant to see if they wish to stay.

What should landlords and tenants do if the landlord used the wrong notice period in the termination notice?

If the landlord gave too short a notice period, the landlord should notify the tenant to correct the notice period. If the landlord gave too long a notice period, they can reissue a termination notice with a shorter notice period. The new notice period must begin on the date that the new notice was issued.

If the tenant received too short a notice period, they should notify the landlord. If the landlord won't correct the notice period, the tenant can apply to the Tenancy Tribunal.

What do these changes to termination grounds mean for boarding house tenancies?

Boarding house tenancies have their own rules for terminating tenancies. Those rules continue to apply. The new rules for termination grounds do not apply.

What happens at the end of short fixed-term tenancies?

Fixed-term tenancies of less than 90 days do not automatically convert to periodic tenancies at the end of the initial term. However, if a fixed-term tenancy of less than 90 days is extended or renewed so that the entire tenancy taken together is 90 days or longer, then the new rules do apply.

What do these changes mean for service tenancies (including service tenancies for farm workers)?

There are no changes to the termination grounds for service tenancies. Service tenancies can still be terminated for the same reasons, including by giving at least 14 days' notice where the employment is due to end.

Making minor changes to the property

What do tenants need to do if they want to make some changes to the property?

The tenant needs to send the landlord an email or write to the landlord requesting consent to make the change.

If the change is a minor change, the landlord cannot withhold consent. The landlord must respond to the request in writing within 21 days.

If the change is more than minor, the landlord can only withhold consent if the request is unreasonable. In this situation, the landlord can take longer than 21 days to consider the request if they notify the tenant that they will need more time within 21 days of the date that the tenant made the request. They must still respond within a reasonable amount of time.

If the landlord consents to the request, they can impose reasonable conditions for both a minor or a more major change. What conditions are reasonable will depend on the situation. An example might be that the landlord might ask that shelving is installed in a slightly different location to avoid disrupting wiring behind a wall.

If the landlord doesn't consent to the request, the tenant can't make the change, even if the change is minor or the landlord is being unreasonable. The tenant can apply to the Tenancy Tribunal if they would like to challenge the landlord's decision.

Who has to pay for any changes made to the property?

If a tenant wants to make a change to their rental property, then they will have to pay for it. The tenant will also be liable for the cost of any remedial work required as a result of any minor changes they have added to a rental property.

What does "substantially the same" condition mean?

The tenant must return the property to a condition that is similar to the state it was in before the change was made. This means that they must reverse the changes made, unless the landlord agrees that they would like the change to remain. Minor and unimportant differences will, however, be acceptable.

Parties should discuss remediation when a change is requested to avoid issues arising at the conclusion of the tenancy.

What meets the definition of a minor change?

Minor changes have the following attributes:

- They present a low risk of damage to the property.
- They are of a nature that allows the property to be easily returned to a reasonably similar condition at the end of the tenancy.
- They do not pose a health and safety risk that is not able to be sufficiently mitigated, including during installation and removal.
- They have no impacts on third parties.
- They require no consent under law (e.g. a building consent).

- They do not breach bylaws, body corporate rules, covenants, or other obligations or restrictions relevant to the premises.

It will be unreasonable for a landlord to decline a request for something that has these traits.

What are examples of minor changes?

Depending on the circumstances, examples of minor changes could include:

- installing minor accessibility changes that improve safety for disabled people such as visual alerts for fire, security alarms and doorbells, where this has low impacts and will be reversed at the conclusion of the tenancy
- securing furniture or appliances to protect against earthquake risk or to make a property child safe
- installing dishwashers and washing machines
- installing a baby gate
- affixing child safe latches to cupboards
- installing shelving
- installing television aerials
- installing gardens when these can be returned to the original state at the conclusion of the tenancy
- installing curtains and window coverings
- installing internal locks provided they are compliant with relevant fire safety laws; and
- installing picture hooks.

On what grounds can a landlord decline a tenant's request to make changes to the property?

If the requested change is minor, it is not reasonable to decline. The landlord must refer to the definition of a minor change (above) when deciding whether the request falls into this category. If the landlord declines unreasonably, the tenant can take the landlord to the Tenancy Tribunal and they could be liable for a penalty of up to \$1,500.

If the change is more than minor, a landlord can decline if the request is unreasonable. This will depend on the situation, and landlords should weigh up the benefits and potential impacts to their property of the change the tenant is proposing.

Relevant factors to consider could include:

- The impact that the change is likely to have on the property, and whether any negative impacts can be reversed or mitigated;
- Any immediate and pressing need that the tenant has for the change; and
- Whether the tenant has provided reasonable assurance that the change will be carried out to a satisfactory standard.

What are examples of reasonable conditions that a landlord can attach to permission?

Landlords may be able to require the tenant to change the location of the change. For example, asking them to install shelving at a particular location to avoid wiring behind a wall.

Landlords may also be able to require that the tenant uses a particular method or material to install the fixture that minimises risk of damage. For example, asking that the tenant uses a particular product for hanging pictures to minimise impacts.

Can landlords require that their tenant only use a qualified tradesperson or other professional to make any changes?

What constitutes a reasonable condition will depend on the situation. However, for most changes that are only minor it will not be reasonable to require installation by a qualified tradesperson or other professional. The nature of the changes in this category means that it will often be reasonable for tenants to carefully install themselves. The fact that they must reinstate to a reasonably similar condition means that the landlords' interests are protected.

What happens if the tenant doesn't meet the conditions set by the landlord for changes to the property?

If a dispute arises, a landlord could seek remedy at the Tenancy Tribunal. As well as the cost of remediation, the tenant may be liable for an additional penalty of up to \$1,500 if they fail to reverse a minor change that the landlord didn't agree to keep.

Do tenants need to remove any changes installed during the tenancy?

Yes, tenants must return the premises to substantially the same condition as before changes were installed, including removing the changes, unless the tenant and landlord agree otherwise.

If a landlord doesn't respond to a request for a minor change within 21 days, can the tenant go ahead and make the changes?

No, the tenant cannot make changes without the landlord's consent, even if the landlord has not responded or is withholding consent unreasonably.

The tenant should remind the landlord that they are obligated to respond. They can seek mediation or apply to the Tenancy Tribunal. A landlord can be liable for up to \$1,500 if they fail to respond without reasonable excuse.

If a landlord needs more time to consider a tenant's request, how much time can they have?

Landlords shouldn't take any longer than they reasonably need. Landlords should think about how complex the request is and how much research they'll have to do to ascertain whether it is reasonable.

What are landlords' rights if the tenant didn't remediate the property?

Landlords can seek remedy at the Tenancy Tribunal. As well as the cost of remediation, the tenant may be liable for an additional penalty of up to \$1,500 if they fail to reverse a minor change that the landlord didn't agree to keep.

Can landlords terminate a tenancy if the tenant installed a fixture without consent?

No.

If the tenant has installed a fixture without consent, the landlord should talk with them in the first instance and try to reach a resolution. If they cannot reach a resolution, they could consider mediation or applying to the Tenancy Tribunal. It may also be appropriate to issue a 14-day notice to remedy depending on the situation.

What can landlords do if the tenant reinstated the property, but caused damage in the process?

The landlord can seek remedy at the Tenancy Tribunal for the cost of repairing the damage.

Tenants are fully liable for any intentional damage they cause to their rental property. If tenants carelessly damage their property, they will be liable for the cost of the damage up to four weeks' rent or the landlord's insurance excess (if applicable), whichever is lower.

[More information on liability for damage can be found on the Tenancy Services website:](#)

Can landlords decline requests from tenants to install fixtures if it would breach body corporate rules?

Yes. Part of the definition of minor changes in the law is that they are changes that do not breach any obligation or restriction relevant to the premises (for example, a body corporate rule).

What can tenants do if their landlord declines their request to install a fixture?

If a tenant thinks their landlord has unreasonably declined a request, they should speak with them and see if they can come to an agreement. If agreement cannot be reached, the [tenant can begin a dispute resolution process](#): Landlords can be liable to pay a tenant up to \$1,500 if they unreasonably refuse a request.

Fibre installations

What changes do the reforms make around the installation of fibre in rental properties?

Landlords will be required to permit and facilitate the installation of fibre in certain circumstances.

Tenants must first request the installation with their landlord. The landlord must respond to the request within 21 days.

The landlord must permit the installation if:

- There is no connection already at the premises;
- It is possible to connect the premises to fibre and access the network; and
- Fibre can be installed at no cost to the landlord (for example, when the cost is covered by the Ultra-Fast Broadband Initiative).

Landlords can also decline if one of the exemptions apply to them.

When can landlords decline a request to have fibre installed?

If there is no fibre connection in the premises, it is possible to install fibre, and if it can be installed at no cost to the landlord, the landlord must accept a request to install fibre unless an exemption applies.

Exemptions from the fibre requirements are that:

- Installation would materially compromise the weathertightness or the character of any building
- Installation would compromise the structural integrity of any building
- Installation would breach an obligation or a restriction that is relevant to the premises (for example, an obligation or a restriction imposed by a bylaw, a planning or body corporate rule, or a covenant)
- The landlord is to carry out extensive renovations that would be impeded by fibre installation. They must intend to take material steps towards the renovations within 90 days of receiving the fibre request.
- The Tribunal, on application by the landlord, determines that, due to the circumstances of the premises or the installation, the landlord should not be required to provide for the installation of a fibre connection in the premises.

Can a landlord decline a request for fibre installation if they are worried that it will damage the property or be an eyesore?

This depends on the circumstances. Landlords can decline if an exemption from the fibre provisions applies to their situation.

The landlord is exempt from fibre obligations under the proposals if installation would compromise the structural integrity, or materially compromise the weathertightness of the building.

They will also be exempt if they can show installation would materially compromise the character of the building.

Network Operators are liable for any damage caused to property through consenting agreements with landlords (as property owners of tenanted premises where fibre is connected).

We also encourage landlords to speak with the installer if they are worried about damage or visual impact to the property. As part of the process to install fibre, landlords can generally negotiate a preferred method of installation with the Network Operator. Requests will usually be accommodated at no cost if they are reasonable.

Will tenants have to remove the fibre equipment at the end of the tenancy?

No. Fibre connection assets remain in place when tenants change. Tenants therefore do not have an obligation (or any right) to remove fibre assets in order to return properties to their original state at the conclusion of a tenancy.

The law requires landlords to take all reasonable steps to facilitate the installation of fibre within a reasonable period of time – what does reasonable steps mean in these instances?

Landlords will be required to respond to any requests for information relating to fibre installation. They must also agree to the installation if there are no relevant exemptions. Landlords should be helpful and constructive throughout the process.

Landlords can be engaged with the design process if they wish. This might include discussions with the Network Operator around installation methods that, for example, mitigate impacts to the character of the property.

Can landlords decline a tenant's request to install fibre if the body corporate does not agree to it?

Landlords are exempt from any fibre obligations if the installation would breach an obligation or restriction that is relevant to the premises. This means that if the body corporate does not agree to fibre installation, the landlord does not have any obligations under the Residential Tenancies Act 1986 and they can decline the request.

Does the government cover all costs of installation? If not, who is responsible for covering the cost?

Landlords' obligations in relation to fibre only apply if this can be installed at no cost to them – this will usually mean that the Government is covering the costs under the Ultra-Fast Broadband programme. If landlords have specific requests for installation, they should speak with the Network Operator. Generally, any reasonable requests to modify the installation method to suit their needs can be accommodated. If the landlord wants something completely bespoke, then they may need to cover the cost of this.

Who pays for the ongoing cost of the fibre?

Tenants must pay for the ongoing cost of using fibre broadband (i.e. the contract with the retailer).

Rent setting and increases

How often can landlords increase rent?

Landlords can only increase rent 12 months after a previous rent increase or the start of the tenancy for any given tenancy.

This change came into force on 12 August 2020, however, the freeze on rent increases put in place through the COVID-19 legislation remains in place until 25 September 2020.

This means that all rent increases can only take effect from 26 September. Notices issued on or after 12 August 2020 only be valid if they comply with the 12-month rule. Notices issued before 12 August 2020 only need to comply with the previous rule – that landlords must not increase rent within 180 days of the last increase.

Can landlords ask a potential tenant with a dog if they will pay more in order to secure the rental property?

No. This constitutes rental bidding, which landlords and their agents are prevented from seeking under the RTA. Landlords and their agents cannot request applicants to pay more to secure a rental property or offer to make an applicant the successful tenant if they agree to pay more rent for the property.

What constitutes rental bidding?

If a landlord or their agent invites or encourages prospective tenants to pay more rent for a property than stated as part of the advertisement or offer of the premises, this constitutes rental bidding. This means that they will be unable to:

- advertise rental properties with no rental price listed;
- request applicants pay more in order to secure a rental property;
- organise an auction over a rental property; or
- offer to make an applicant the successful tenant if they agree to pay more rent for the property.

Prospective tenants can still voluntarily offer to pay more rent in order to secure a property.

If a prospective tenant offers the landlord more for the rental property of their own accord, can the landlord accept the offer?

Yes. The RTA does not ban rental bidding altogether, it only bans landlords from inviting or encouraging bidding. Tenants will be allowed to offer to pay more rent for a property of their own volition, but landlords cannot invite or encourage them to do so.

What can tenants do if they think their rent is too expensive?

The RTA currently states that where the rent substantially exceeds market rent, a tenant can apply to the Tenancy Tribunal to reduce the rent to an amount that is in line with market rent. Rent should be similar to the rent charged for similar properties in similar areas. [More information about market rents can be found on the Tenancy services website.](#)

Access to justice

Do tenants and landlords actually have to request that their details are not published regarding a Tenancy Tribunal decision, or is suppression the default position?

As provided for by section 95A(1), a party who is wholly or substantially successful in the proceedings can apply to the Tribunal for name suppression. The Tribunal must grant suppression except in limited circumstances.

The Tribunal can also decide to suppress details under section 95(4) after considering the interests of the parties and the public interest. They can do this where:

1. the party applies for suppression; or
2. the Tribunal decides on its own initiative to suppress.

Generally, if a landlord or tenant is concerned about the impact that publication of their identifying details could have on them, it's best that they apply to the Tribunal for suppression.

The exception to this is that if a tenant is withdrawing from a tenancy following family violence under section 56B then their details will be automatically suppressed, they do not need to apply for this. In these situations, the landlord's details will also be automatically suppressed.

How can landlords / tenants request that their details be removed from Tenancy Tribunal published decisions?

They will need to request that their details not be published at the time they make their application. If certain criteria are met, their name and identifying details will be suppressed.

Why did the Tenancy Tribunal publish details of someone who requested suppression?

If their application has been unsuccessful then their details will be published. The Tribunal may also decide to publish details if it is in the public interest to do so.

Will a landlord / tenant's details be published if the other party makes a cross application?

Not necessarily – their details may only be published if they are not wholly or substantially successful in their case, or where the Tribunal declines to suppress their details.

Assigning a tenancy

What should tenants do if their tenancy agreement contains a clause prohibiting assignment?

Assignment is when a tenant transfers their interests and responsibilities under a tenancy to a new tenant. The prohibition on assignment is of no effect, unless the tenant is in a social housing tenancy. The tenant needs to make a request to the landlord to assign their tenancy, and they must not withhold consent unreasonably.

The tenant may like to talk to their landlord to let them know in advance that they can't prohibit assignment requests.

What are reasonable grounds for a landlord to decline a tenant's request to assign a tenancy?

The landlord should consider whether the request as a whole is unreasonable. Relevant factors could include:

- whether there is a legitimate and pressing reason why the tenant wants to assign
- the length that the fixed-term would continue if upheld
- the impact that assignment will have on the landlord, both in terms of lost revenue and administrative burden, and considering also that they are able to mitigate this by recovering reasonable expenses under section 44 (5)
- whether the landlord can show with reference to evidence that the new tenant that the current tenant has found is not a viable option and/or there is a reasonably foreseeable chance that they will not meet their obligations under the RTA.

Can a tenant press ahead with assignment if they contacted their landlord about assignment a month ago and never heard back?

A tenant can't assign their tenancy without the landlord's consent, even if the landlord isn't responding within a reasonable amount of time or is withholding consent unreasonably. If the tenant assigns their tenancy without landlord consent, they may be liable for a fine up to \$750.

The tenant should remind the landlord that they have to respond to the request within a reasonable amount of time. If they don't respond within a reasonable amount of time, the tenant can apply to the Tenancy Tribunal.

How long is a reasonable amount of time for a landlord to wait to respond to a tenant's request to reassign a tenancy?

This depends on how long it will take to collect and consider information to determine whether a request is reasonable. Landlords shouldn't delay collecting information unnecessarily and should follow up on delays.

For example, if a landlord would normally carry out a criminal record check on prospective tenants then it is acceptable that they take the time to do this for a proposed assignee. Criminal record checks can take up to 20 working days, so a landlord who normally undertakes them could take the time that is needed to seek permission from the prospective tenant, apply for the check, wait for the result, and then consider and inform the tenant of their decision.

If the landlord just wanted to email the prospective tenant's previous landlord for a reference check, then they should email or call the previous landlord as soon as is practical.

If there are delays outside of the landlord's control in collecting the information, they should consider whether information from an alternative source would suffice.

The landlord won't be liable if they have a reasonable excuse for failing to respond within a reasonable time.

What can a landlord do if a tenant assigned their tenancy without the landlord's permission?
Landlords are not permitted to decline reasonable assignment requests.

However, regardless of whether landlords decline reasonably or not, tenants commit an unlawful act if they assign a tenancy without landlord consent. Landlords can apply to the Tenancy Tribunal for exemplary damages of up to \$750 where a tenant assigns a tenancy without landlord consent.

Depending on the circumstances, the Tenancy Tribunal may decide that the assignment was of no effect.

What can landlords do if their tenant makes a reasonable assignment request but the landlord still doesn't want to accept it?

The landlord can surrender the tenancy instead of accepting the request with the agreement of the current tenant. If the tenant wants to exit the property and has provided the landlord with a reasonable tenant for them to assign their tenancy to, the landlord either needs to accept this or agree with the tenant to end their tenancy. This will allow the landlord to go to the open market to advertise for a new tenant.

Providing information to tenant or Regulator

Can landlords charge tenants break lease fees?

Yes, but the landlord can only charge tenants for costs that they have reasonably incurred as a result of the tenant breaking the tenancy. They must provide the tenant with an itemised account of expenses.

What can tenants do if the fees that the landlord is charging them for breaking their tenancy seem very high?

The tenant should talk to the landlord as a first step. The landlord can only charge the tenant for costs that they reasonably have to meet as a result of the tenant breaking the tenancy. They must provide the tenant with an itemised account of expenses.

If the tenant thinks the landlord is charging them for more than they are allowed, the tenant can challenge this in the Tenancy Tribunal.

What level of detail do the landlord need to give their tenant on agreement to assigning, subletting, or ending a tenancy?

The reforms will require landlords and property managers to provide breakdowns of all costs, conditions and processes they are applying upon giving a tenant consent to assignment, subletting or parting with possession of the premises.

Can a landlord give their tenant an itemised list of costs based on expected / estimated costs?

The landlord can only charge for reasonable costs, and this means they must be costs that have been incurred as part of allowing the tenant to break a lease. The Tenancy Tribunal can lower the amount billed if it does not correspond to actual costs incurred after they are charged.

Some costs might not be billed to the landlord until after they accept the request. For example, costs for advertising might not be billed until after the landlord has accepted a request or when the advertising begins. In this situation, the landlord may want to seek agreement from their tenant that they will cover the advertising costs when they arise. As part of this the landlord should provide them with an estimate of how much the cost is likely to be. Once the landlord is billed they can pass on the cost to the tenant, as long as the cost is something that has been reasonably incurred as part of the agreement to allow them to assign, sublet or part with possession of the premises.

If a landlord provided a list of associated costs with ending the tenancy to the tenant, but has subsequently incurred more costs, they charge the tenant for this?

Yes, so long as the landlord provides the tenant with an itemised account.

What documents can tenants request from landlords?

Tenants can request documents from the landlord which show the landlord's compliance with the Residential Tenancies (Healthy Homes Standards) Regulations 2019. Landlords must respond within 21 days.

What documents to landlords need to retain to ensure that they're meeting the new requirements?

Landlords need to keep the following documents during the tenancy and for 12 months after the tenancy ends			
Information relating to the tenancy			
The tenancy agreement and any variations or renewals	Records of inspections carried out by or for the landlord	Any advertisement for the tenancy	Notices or correspondence between a landlord and a tenant or prospective tenant in relation to the tenancy* *A prospective tenant does not mean every person who comes to view the property. A prospective tenant means someone who the landlord has offered the tenancy or who has entered into negotiations with the landlord for the tenancy.
If the landlord does work on the property...			
Building work Records of building work that required a building consent e.g. the Code Compliance Certificate	Electrical work Records of prescribed electrical work e.g. the Certificate of Compliance	Gas fitting work Records of gas fitting work e.g. the Certificate of Compliance	Plumbing work Records of sanitary plumbing work e.g. documents the plumber provided such as invoices or a description of the work
AND any other records of maintenance or repair carried out at the property			
AND reports or assessments by a professional tradesperson of work that is carried out or is required that relates to the landlord's compliance with section 45 or 66I.* *These obligations relate to providing and maintaining the premises in a reasonable state of repair, and complying with all relevant legal requirements in relation to buildings, health and safety e.g. making sure the landlord has a building consent if needed to carry out building work. There is more information about maintenance and repairs on the Tenancy Services' website here.			
Information relating to the healthy homes standards			
Records or other documents that relate to the landlord's compliance with the healthy homes standards.			

Have landlords committed an unlawful act if they don't have some of the new documents that they are required to retain under the new rules?

If the landlord doesn't have the documents when the law comes into effect, then they haven't committed an unlawful act. Landlords only have to retain documents produced after the law comes into effect, on or after 11 February 2021.

Landlords do not have to create documents if they do not exist.

Enforcement

What can a landlord / tenant do if they think the other party has breached their responsibilities under the RTA?

Landlords and tenants have options for resolving disputes – self-resolution, FastTrack Resolution, mediation or Tenancy Tribunal hearings.

Self-resolution

- [Self-resolution means sorting out problems by talking to the other person. It can lead to a less stressful and more positive working relationship in the tenancy.](#)

FastTrack Resolution

- [FastTrack Resolution is a service provided by Tenancy Services to help landlords and tenants formalise an agreement that's been reached after a dispute.](#)

Mediation

- [Mediation helps landlords and tenants talk about and solve their problems.](#)

Tenancy Tribunal

- [The Tenancy Tribunal](#) can help landlords and tenants if they have an issue with the other party that they can't solve themselves. The Tribunal will hear both sides of the argument and can issue an order that is legally binding.

Are property managers automatically classed as a landlord with six or more tenancies?

Whether a property manager is a landlord depends on various factors, including whether they have granted the tenancy. If a property manager has granted six or more tenancies then the property manager will be considered to be a landlord of six or more tenancies.

What new tools does the Regulator have?

The reform has provided the Regulator with the tools to:

- Issue infringement notices for straightforward breaches of the RTA. Infringement offences are used for minor strict liability offences and do not result in a criminal conviction.
- Enter into enforceable undertakings, which are negotiated agreements with a party to address breaches of the RTA. A breach of an enforceable undertaking will be an unlawful act and may result in a penalty.
- Issue improvement notices to correct behaviours where parties have breached the RTA. A failure to comply with an improvement notice will be an unlawful act and may result in a penalty.

What do landlords need to do if they receive an infringement notice?

They must follow the instructions in the notice, including paying the fee or fine within the specified time.

What do landlords / tenants need to do if they receive an improvement notice?

They must take the action specified in the improvement notice to remedy the breach, by the date specified in the improvement notice. Note: they can challenge the improvement notice before the Tenancy Tribunal if they don't agree with it.

Why are a landlord's partner's rental properties relevant to their property portfolio?

Landlords with six or more tenancies are liable for a higher tier of penalties. To prevent landlords from structuring their affairs so as to avoid liability for the higher tier, a landlord's partner is classed as an associated person, and the tenancies owned by an associated person are counted towards the landlord's total number of tenancies.

What does being an "associated person" mean and how does it affect landlords?

A person is associated with a landlord if they are their spouse or partner.

A company can also be associated with an individual landlord, if the landlord or their partner is the director or officer of the company, or is otherwise able to exercise control over the company.

If the landlord is a company, it can be associated with another company if:

- The landlord is a holding company or subsidiary of the other company
- The landlord owns or controls shares that give it the right to exercise 20% of the voting power at the other company's meetings (or vice versa)
- Both the landlord and the other company have the same holding company
- A third person owns or controls shares in each of them that carry the right to exercise or control the exercise of 20% or more of the voting power at meetings of each of them

Landlords with six or more tenancies are liable for a higher tier of penalties. If a person or company who is associated with a landlord is also a landlord themselves, then their tenancies are counted towards the total number of tenancies deemed to be owned by the landlord for the purposes of penalty tier.

An associated person is not liable for the breaches committed by the other landlord, or vice versa.

How do landlords know what tier of penalties they are eligible for?

If a landlord has six or more tenancies, or are a boarding house landlord, they are liable for the higher tier of penalties. However, if the landlord rents tenancies by the room (e.g. three tenancies in a three-bedroom house), then all the tenancies in one house only count as one total tenancy, unless they're the landlord of a boarding house.

If they are the landlord of a boarding house, they are also liable for the higher tier of penalties.

Which offences can landlords receive an infringement notice for?

There are no infringement offences for tenants.

Infringement offence	Fine (six or more tenancies)	Fine (six or fewer tenancies)	Fee (six or more tenancies)	Fee (six or fewer tenancies)
Failing to ensure tenancy agreement in writing, signed, and provided to tenant	2000	1000	1000	500
Failing to comply with section 13A(1A), (1CA), (1CB), or (2)	2000	1000	1000	500
Failing to give notice as successor	2000	1000	1000	500
Failing to give notice as successor	2000	1000	1000	500
Failing to appoint agent when outside New Zealand for longer than 21 consecutive days	3000	1500	1000	500
Requiring key money	3000	1500	1000	500
Requiring letting fee	3000	1500	1000	500
Requiring bond greater than amount permitted	3000	1500	1000	500
Requiring unauthorised form of security	3000	1500	1000	500
Breaching duties on receipt of bond	3000	1500	1000	500
Failing to state amount of rent in advertisement or offer	2000	1000	1000	500
Requiring rent more than 2 weeks in advance or before rent already paid expires	3000	1500	1000	500
Failing to give receipt for rent	2000	1000	1000	500
Failing to keep records	2000	1000	1000	500
Failing to itemise expenses incurred on assignment, subletting, parting with possession, or termination by consent	2000	1000	1000	500
Failing to provide healthy homes information	2000	1000	1000	500
Failing to inform prospective tenants that premises on the market	3000	1500	1000	500
Failing to notify tenant of results of test for contaminants	2000	1000	1000	500
Failing to provide healthy homes information	2000	1000	1000	500
Failing to inform prospective tenants that boarding house premises on the market	3000	1500	1000	500
Failing to notify tenant of results of test for contaminants (relating to boarding house facilities)	2000	1000	1000	500
Failing to notify tenant of results of test for contaminants (relating to boarding room)	2000	1000	1000	500
Failing to produce documents to chief executive	3000	1500	1000	500

Infringement offences for landlords	
New obligations with new related infringement offences	Old obligations with new related infringement offences
Failing to state amount of rent in advertisement or offer	Failing to ensure tenancy agreement in writing, signed, and provided to tenant
Requiring rent more than 2 weeks in advance or before rent already paid expires	Failing to comply with section 13A(1A), (1CA), (1CB), or (2) – information that must be in a tenancy agreement
Failing to itemise expenses incurred on assignment, subletting, parting with possession, or termination by consent	Failing to give notice as successor
Failing to provide healthy homes information	Failing to notify change of name or address
Failing to provide healthy homes information (for boarding house landlords)	Failing to appoint agent when outside New Zealand for longer than 21 consecutive days
	Requiring key money
	Requiring letting fee
	Requiring bond greater than amount permitted
	Requiring unauthorised form of security
	Breaching duties on receipt of bond
	Failing to give receipt for rent
	Failing to keep records
	Failing to inform prospective tenants that premises on the market
	Failing to notify tenant of results of test for contaminants
	Failing to inform prospective tenants that boarding house premises on the market (for boarding house landlords)
	Failing to notify tenant of results of test for contaminants (relating to boarding house facilities)
	Failing to notify tenant of results of test for contaminants (relating to boarding room)
	Failing to produce documents to chief executive

What new unlawful acts are there as a result of the reform?

New unlawful acts for tenants			
New unlawful acts for new obligations		New unlawful acts for existing obligations	
Unlawful act	Max \$	Unlawful act	Max \$
Tenant failing to reinstate premises at end of tenancy following minor change	1,500	Successor landlord or tenant failing to give notice	750
Tenant assigning tenancy without the landlord's written consent or when prohibited to do so	750	Failing to notify change of name or address	750

Failing to comply with improvement notice	3,000		
Breaching an enforceable undertaking	1,000		

New unlawful acts for landlords			
New unlawful acts for new obligations		New unlawful acts for existing obligations	
Unlawful act	Max \$	Unlawful act	Max \$
Landlord failing to state amount of rent when offering a tenancy	1,500	Landlord failing to ensure tenancy agreement in writing, signed, and provided to tenant	750
Landlord inviting or encouraging bids for rent	1,500	Landlord failing to ensure tenancy agreement includes certain information specified in section 13A(1)	750
Landlord requiring rent more than 2 weeks in advance or before rent already paid expires	1,500	Successor landlord or tenant failing to give notice	750
Landlord failing to respond to written request seeking consent for fixtures, etc.	1,500	Failing to notify change of name or address	750
Landlord failing to consent to request for minor change	1,500	Landlord failing to give notice that premises are on the market	1,800
Landlord failing to respond to written request for consent to assignment	1,500	Landlord failing to notify tenant of results of contamination test	1,000
Landlord failing to itemise expenses incurred on assignment, subletting, parting with possession, or termination by consent	750	Landlord of boarding house failing to notify results of contamination test (relating to boarding house facilities)	1,000
Landlord failing to provide healthy homes information	750	Landlord of boarding house failing to notify results of contamination test (relating to boarding room)	1,000
Landlord failing to take all reasonable steps to facilitate installation of fibre connection or to respond to request	1,500		
Landlord acting to terminate tenancy without grounds	6,500		
Landlord failing to provide healthy homes information (for boarding house landlords)	750		
Failing to comply with improvement notice	3,000		
Breaching an enforceable undertaking	1,000		
Disclosing notice of withdrawal or accompanying qualifying evidence of family violence	3,000		

New unlawful acts for landlords			
New unlawful acts for new obligations		New unlawful acts for existing obligations	
Unlawful act	Max \$	Unlawful act	Max \$
Landlord providing premises, or continuing to provide premises, despite landlord's knowledge of contamination of premises	4,000		
Landlord of boarding house providing, or continuing to provide, boarding room despite landlord's knowledge of contamination of boarding room or facilities	4,000		

How much are penalties increasing?

The reform is increasing civil and criminal penalties across the board to ensure the consequences of non-compliance with the law are appropriate. The existing civil and criminal penalties in the RTA have been increased between 50 and 80 percent.

Additional penalties have also been introduced for large scale landlords (those with six or more tenancies). These penalties will only apply to five specific breaches of the RTA and in circumstances where the Tenancy Tribunal considers the higher penalty is warranted. It attracts a maximum civil penalty of \$50,000, but the amount of any penalty will be determined by the Tribunal based on the specific situation.

What are civil pecuniary penalties?

This penalty is for the most serious breaches of the Act by landlords with six or more tenancies. This penalty can only be sought:

- by the Regulator;
- against landlords who have six or more tenancies;
- for one of five specific breaches of the RTA that are considered serious breaches because they can significantly impact on tenant safety or undermine the RTA regime; and
- when the breach has been committed intentionally.

Only the Tribunal can order a pecuniary penalty. The Amendment Act sets out the factors the Tribunal must have regard to when determining the amount of the civil pecuniary penalty. The Tribunal can order a civil pecuniary penalty of up to \$50,000.

How will the Regulator make decisions about which course of action to take?

The Regulator will, for example, take into account:

- the extent of the harm or risk of harm;
- the scale of the harm;
- the conduct of the party; and
- the public interest.

What is a reasonable excuse for unlawful acts?

The Tribunal will exercise its jurisdiction on a case by case basis. A reasonable excuse can occur in various situations, for example, when circumstances outside of the landlord's control mean that the landlord is unable to carry out their obligations.

Protections for tenants experiencing family violence

How does the Amendment Act help protect tenants experiencing family violence in their rental premises?

The Amendment Act enables a victim of family violence to leave a tenancy at short notice if they provide their landlord with a family violence withdrawal notice. The definition of family violence is the same as that in the Family Violence Act 2018, and includes physical abuse, sexual abuse, and psychological abuse.

The minimum notice period for a victim leaving a tenancy is two days, and after the withdrawal date the tenant would not be liable for any further rent.

Would a tenant have to remain in the rental premises for two days after they gave notice to their landlord even if it were unsafe to do so?

No. The minimum notice period means that the tenant is liable for two days' rent from the date that they give the family violence withdrawal notice. They do not have to remain at the property for those two days.

Can a tenant who is a victim of family violence give notice to their landlord by email?

Yes. A tenant will be able to give a family violence withdrawal notice to their landlord (along with evidence of the family violence) by post, hand delivery (not necessarily by the victim), or email. The notice will be deemed to have taken effect on the day that it was posted, delivered or emailed. The landlord must keep the existence and details of the notice and any associated evidence private.

How would a landlord know the tenant has suffered family violence?

Along with the family violence withdrawal notice, the tenant will need to provide their landlord with evidence which shows they are a victim of family violence. What can be included as evidence of family violence will be set in regulations.

Types of acceptable evidence will be worked out when the regulations are developed, and could include a Protection Order, a Police Safety Order, or a declaration signed by an independent and reliable person, such as a women's or men's refuge worker, or a counsellor.

How will a family violence withdrawal notice impact on landlords?

Landlords are likely to experience a loss of rent while they select another tenant. However, the likelihood of any one landlord receiving a family violence withdrawal notice is expected to be very low. Any remaining tenants will continue to pay rent, but at a reduced for a two week period. The requirement for a notice to be accompanied by independent evidence of family violence will minimise any misuse of this provision. Landlords will also be able to challenge a family violence withdrawal notice in the Tenancy Tribunal

Would a tenant seeking safety have to go to the Tenancy Tribunal to terminate their tenancy?

No. A tenant would only need to give notice to their landlord, along with evidence of the family violence.

Can landlords evict remaining occupants in the rental premises?

If the victim of the family violence is the sole tenant on the tenancy agreement, the landlord can seek possession of their rental premises if any remaining occupants do not leave.

If there are occupants remaining in the rental premises whose names are on the rental agreement, the landlord can only evict them under one of the grounds in the Residential Tenancies Act.

What if there are remaining tenants in the rental premises? Will they be liable to pay the rent for the tenant who has left?

If there are remaining tenants, they will pay a reduced rent for two weeks after the termination date, proportional to the number of tenants left in the tenancy. The two-week reduction of rent minimises the financial impact on remaining tenants balanced against the financial impact on landlords and allows the tenants time to seek a new tenant or flatmate, should they want to.

The rent reduction formula calculates the reduced rent as follows:

$$\frac{\text{rent price}}{\text{no. of tenants on tenancy agreement before tenant leaves}} \times \text{no. of remaining tenants after tenant leaves}$$

For example, if the rent for a premises was \$300 per week and there were three tenants on the tenancy agreement, the rent would be reduced to \$200 for two weeks after a tenant left due to family violence.

After two weeks the rent would go back up to the amount in the tenancy agreement.

If any remaining tenants are experiencing hardship because of the victim leaving, they will be able to apply to the Tenancy Tribunal for an order terminating their tenancy.

How will the privacy and safety of family violence victims who use family violence withdrawal notices be protected?

If the Tenancy Tribunal hears a case involving a tenant who has left a tenancy and given a family violence withdrawal notice, hearings must be held in private, evidence may be given remotely, and the names and identifying details of the parties must be suppressed by the Tenancy Tribunal.

It will be an unlawful act for a person to disclose, without authorisation, any information about a withdrawal by a tenant from a tenancy for family violence reasons and supporting evidence. The maximum amount of exemplary damages for such a disclosure will be \$3,000.

Breaches of privacy could also be pursued under the Privacy Act.

Transitional and emergency housing

What does the Amendment Act say about transitional and emergency housing?

The Amendment Act clarifies that emergency and transitional housing is exempt from the Residential Tenancies Act 1986 (RTA), where this housing is funded either by a government department or under the Special Needs Grants Programme, unless the provider and the tenant choose to opt in.

There is also provision for the exemption to be extended to other specified providers, where the Government is satisfied that the appropriate checks and balances are in place. The exemption can be extended to other providers through the Government making regulations.

Why have these changes been introduced?

This exemption clarifies the legal position of these services, some of which currently operate as if the RTA applies, but some of which do not. There is an existing exemption in the RTA for temporary or transient housing, but the extended lengths of time that some clients are now remaining in these services makes it unclear whether this exemption applies.

A number of aspects of the RTA will change as a result of the Amendment Act, and what worked for some providers before may no longer be workable once the proposed Amendment Act passes and comes into force.

Emergency and transitional housing is a short-term safe place to stay while longer-term accommodation can be found. While current shortages in the housing market mean that some clients are staying in these services for longer than before, that does not change the nature of the service being provided.

Requiring full compliance with the RTA would often not fit well with the way transitional and emergency housing is delivered, and would risk reducing the availability of these services. The new exemption helps ensure that providers can continue to provide this valuable service to people who need a safe place to stay.

Does this apply to people who are currently in transitional and emergency housing?

The new exemption will come into force on the day after the Amendment Act receives Royal Assent. It will apply from that date to all people in qualifying transitional and emergency housing, including both existing and new clients.

Can transitional or emergency housing providers choose to be bound by the Residential Tenancies Act?

Yes. The new exemption clarifies that qualifying services are not required to be bound by the RTA. However, providers can still 'contract in' to those elements of the RTA which do fit with their service, and they are encouraged to do so. To contract into the RTA, the provider and client will need to agree in writing which elements of the RTA shall apply to the tenancy, either without modification or with such modifications as they may agree. Refer to section 8 of the RTA.

Impact of the proposed reforms

Which landlords do these proposed reforms apply to?

These proposed reforms apply to all landlords for who the RTA applies. This includes private landlords, boarding house landlords, local government housing providers, Kāinga Ora – Homes and Communities (formerly Housing New Zealand) and registered Community Housing Providers.

What changes are being made to social housing tenancies?

Most of the proposed reforms apply to social housing tenancies. However, there are some exceptions:

- Landlords can continue to include prohibitions on assignment of the tenancy in a tenancy agreement.
- Landlords are not required to advertise the rent of the property for social housing tenancies.

There are also additional reasons that a landlord can use to terminate a social housing tenancy. Social housing providers can terminate a tenancy where:

- The tenant is no longer eligible for social housing
- the social housing provider is a community housing provider and they lose their registration the social housing provider requires the tenant to transfer to different social housing provided by that provider, and the provider considers the transfer is necessary or desirable, and the other housing is appropriate to the tenant's housing needs.

Which changes apply to boarding house tenancies?

Most of the changes apply to boarding house tenancies. However, the new termination grounds for periodic tenancies do not apply to boarding house tenancies.

In addition, landlords of boarding house tenancies may be subject to higher penalties if they breach the RTA. Boarding house landlords will receive higher infringement fees and fines. Boarding house landlords may also be subject to civil pecuniary penalties, a higher penalty for particularly serious breaches of the RTA.

Which changes apply to service tenancies?

Most of the changes apply to service tenancies. However, the following changes do not apply to service tenancies:

- the new termination grounds for periodic tenancies
- the requirement to state rent when advertising or offering a tenancy.

What rules apply to people in transitional housing?

The Amendment Act makes it clear that the RTA does not apply to transitional housing, unless the provider and the tenant choose to opt in. A Code of Practice will be developed that sets out the Government's expectations of providers.

Will these changes affect the dates landlords need to comply with the healthy homes standards?

No. All private rentals must comply within 90 days of any new or renewed tenancy after 1 July 2021, with all private rentals complying by 1 July 2024. All boarding houses must comply by 1 July 2021. All houses rented by Kāinga Ora-Homes and Communities (formerly Housing New Zealand) and registered Community Housing Providers must comply by 1 July 2023.

See the Tenancy Services' website for more information about the healthy homes standards <https://www.tenancy.govt.nz/healthy-homes/>.

How do these changes impact landlords?

Landlords will not be subjected to material direct costs as a result of the RTA Reform. However, landlords and property managers are likely to face additional administrative costs in relation to new processes around minor changes and assignment of fixed-term tenancies.

In addition, costs may fall to landlords in situations when:

- Landlords need to collect more information to withstand possible challenge of a tenancy ending in response to a specified termination ground, including time spent at the Tribunal in defence of this.
- The potential for lost revenue for landlords if, following an initial fixed-term tenancy, a tenant can no longer be incentivised to sign up for a further fixed term. This may expose landlords to risk should tenants subsequently leave the tenancy at a time of the cycle where there is low market demand.
- The potential for lost revenue for landlords if they are required to provide tenants with 63 or 90 days' notice to end a tenancy, a tenant subsequently serves 28 days' notice to leave, and an alternative tenant cannot be found to meet the shortfall. This is an increased risk for landlords who could have previously given a 42 day notice.

Some landlords may generally consider that the package of tenancy initiatives will increase the risk to their business and this could affect landlord willingness to rent, and the amount of rent charged. However, noting that there are a wide number of factors that affect rent, it would be difficult to attribute any change in market rent to the reforms alone and any impacts on rents may be muted by other factors that reduce costs for landlords, such as lower interest rates.

How do these changes impact on tenants?

The reforms have been designed to improve fairness in the RTA. In particular, the reforms intend to improve security of tenure, which has multiple benefits for tenants. Tenants should have improved wellbeing from being better able to establish roots in their community, and reduced costs from involuntary changes in rental accommodation. Tenants will also have more certainty about their rights, and ability to exercise those rights.

While most of the reforms do not have direct costs, there is a potential for rents to increase if landlords seek to offset additional risk. There is also a small potential for additional cost from needing to provide an additional week's notice to terminate a periodic tenancy.

Tenants may face larger rental adjustments when their rents are reviewed but these reviews will take place at less frequent intervals.

How can we hold tenants and landlords to account for their responsibilities and behaviour?

If a tenant or landlord isn't meeting their responsibilities, the other party can issue them with a notice to comply. If the problem isn't fixed at the end of the notice period, the other party can go to the Tenancy Tribunal. The Tribunal can order repairs, require compensation or exemplary damages to be paid to the other party, and/or terminate the tenancy at the landlord's request. If the problem is to do with the tenant's behaviour, the Tribunal can issue an order to give the tenant a further chance to change their behaviour, or terminate the tenancy.

The Regulator can take cases to the Tribunal on behalf of the landlord or tenant, or in its own right. The reform provides for new tools for the Regulator to strengthen enforcement, which are set out above.

How are landlords' interests protected?

The reforms have been carefully constructed to balance the interests of both landlords and tenants. The solutions are designed to:

- Endure changing market characteristics
- Be proportionate to the problems
- Continue to allow landlords to protect their asset.

For example, tenants who are meeting their obligations should have choice and control over their housing options. However, it is important landlords are still able to terminate tenancies for justifiable reasons, such as a tenant breaching their obligations.

The package of solutions is the lowest cost way to achieve our objectives. Some more interventionist measures that the public were consulted on have not been progressed. Instead, alternative solutions have been devised to respond to concerns landlords have raised.

More information about how the interests of both parties are balanced can be found in the detailed information about the reforms: www.hud.govt.nz/RTA-Reforms.

Will a landlord be able to remove a bad tenant?

Yes. A tenancy will still be able to be terminated if a tenant is breaching their tenancy agreement or the RTA in a serious way. For example, if a landlord presents evidence that a tenant is 21 or more days behind in their rent and asks for the tenancy to be ended, the Tenancy Tribunal must make an order to end the tenancy (which may be a final or conditional order). There are also new termination processes to support landlords, including where a tenant has committed a physical assault on the landlord, or a family member or agent of the landlord.

Why don't the changes include pets?

The topic of pets attracted particularly high levels of interest during the consultation process. The question "should a landlord be able to refuse a tenant's request to keep a pet without giving a reason?" was the most frequently answered question across both written submissions and the web

survey. Two hundred and fifty of the 454 written submissions addressed this issue and 2,539 of the 2,842 survey respondents answered this question.

It is an area where there are directly opposing and strongly held views. The Government has been considering policy changes but has not yet come to a decision.

More information about the process so far

Who submitted on the public consultation process in 2018?

Overall, 4,787 perspectives were received on the reform of the RTA. Of these:

- 50 percent of submitters primarily identified as representing landlords
- 41 percent of submitters primarily identified as representing tenants
- 6 percent of submitters primarily identified as representing interest groups such as District Health Boards,
- 0.5 percent of submitters primarily identified as representing public or community housing providers.

What did submitters say in the public consultation process in 2018?

A submissions analysis report is available that gives qualitative insights from all market participants together with quantitative analysis of the nearly 100 questions that were asked. The submissions analysis report can be found on the HUD website at www.hud.govt.nz/RTA-reforms. There is more information below about some of the broad themes from the submissions.

Topic	Broad themes from submissions
<p>Security of tenure</p> <p>Fixed-term tenancies</p>	<p>Renters were strongly in favour of rebalancing tenancy laws so decisions around whether to stay or leave the property are largely in the hands of the tenant, not the landlord. Renters expressed concern about the costs of moving and a perceived lack of fairness in decision making.</p> <p>Landlords and property managers were concerned to keep flexibility for the landlord to terminate tenancies, for example, around no cause tenancies and to offer vacant possession if a house is being sold.</p> <p>88 percent of landlords and 49 percent of tenants did not think that the Government should investigate further removing fixed-term tenancies from the market. However, some tenants noted that while fixed-term agreements can provide certainty and security, being committed to a fixed-term tenancy can sometimes be problematic, financially and otherwise, if circumstances change.</p>
<p>Compliance and enforcement</p> <p>Regulator's powers</p>	<p>Tenants fear retaliation from landlords. Tenants also fear being black-listed if they were to take a case to a tribunal. For example, the Tenants Advocacy Network (TAN) raised issues about the adverse impacts of tenant's' names being published in Tribunal decisions. TAN proposed that all decisions be anonymised. Some submitters sought regulation of property managers and licencing of landlords.</p> <p>Landlords noted that the Tribunal does not work well for them. They told us that often awards are not enforceable or collectable. Landlords suggested that if there were additional regulation, fines or audits applicable to landlords then the same should be applied to tenants.</p> <p>All groups of respondents considered that the Regulator should have greater powers. Many submitters made observations that are not within scope of the RTA work on enforcement, for example commenting that the Tribunal is too slow, that the process can be stressful and that it is biased towards tenants.</p>
<p>Minor changes (described as modifications)</p>	<p>Landlords were of the view that the context of the particular tenancy, property and modification were key when a modification was requested. Clear and good faith</p>

Topic	Broad themes from submissions
Safety	<p>communication was important. Landlords were principally concerned about damage and costs that could result from the installation and reversal of a modification.</p> <p>Tenants told us that the ability to make minor and reasonable modifications is strongly related to their ability to feel at home in their property.</p> <p>Both tenants and landlords were concerned about safety. Modifications could be important for tenants' ability to make their property safe, for example when baby-proofing or earthquake-proofing is needed. Landlords were concerned that safety could be compromised if a modification was made or reversed in a substandard manner. Modifications that could affect the structural integrity of the building were of particular concern.</p> <p>The framing and language used during consultation may have given the impression that more major kinds of changes were intended. This may have led to higher levels of concern than there may otherwise have been.</p>
Rent increases	<p>There was strong support for rent increases to be limited to once every 12 months. 69 percent of all respondents supported the suggested change. 74 percent of tenants, 63 percent of landlords, 69 percent of property managers and 55 percent of social housing providers supported the proposal.</p> <p>Many landlords and tenants noted that increasing rents annually is the current common practice. Therefore, they did not have a problem with the suggested change. Many respondents supported limiting rent increases to once every 12 months in order to align with how wages are traditionally increased.</p>
Rental bidding	<p>55 percent of respondents considered rental bidding should be banned, 11 percent thought it should be controlled, while 34 percent thought nothing should be done about it.</p> <p>The majority of landlords thought that nothing should be done about rental bidding, while the majority of tenants and property managers thought that rental bidding should be banned or controlled.</p> <p>Tenants who indicated they did not support any sort of control on rental bidding commented that rental bidding provided an option for special cases to show their need for a property, such as having pets, or proximity to schools or employment.</p>
Improving information provided to tenants	<p>In the healthy homes consultation process (Healthy Homes Consultation), tenants and tenant advocacy groups overall felt strongly about the need to strengthen tenants' ability to enforce their rights under the RTA. Many tenants suggested the healthy home standards could be more accessible if landlords were required to retain relevant documents to demonstrate compliance with the healthy homes regulations.</p> <p>Landlords were generally less willing to impose such additional administrative obligations under the regulations, however also valued clear compliance information and enforcement procedures.</p>
Pets and rental properties	<p>The topic of pets attracted particularly high levels of interest during the consultation process. Landlords thought that decisions around allowing pets should be at their discretion. They were concerned about the damage that pets can do to rental properties, the costs of remedying this damage, and whether tenants will be held liable. They supported introducing a pet bond. Eighty-three percent of landlords considered that landlords should be able to decline pet requests without giving reasons.</p>

Topic	Broad themes from submissions
	<p>Tenants thought that pet ownership should not be a privilege reserved only for homeowners. They noted that pets can have positive impacts on wellbeing. Tenants that have pets or want to get pets find it very difficult to secure appropriate rental properties. Seventy-two percent of tenants considered that landlords should not be able to decline pets reasons without giving reasons.</p>