
Report prepared for the Ministry of Housing and Urban Development

Residential Tenancy Act review: Consultation submissions analysis

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1. Introduction

This paper contains analysis of all the submissions received following public consultation on proposed reform of the Residential Tenancies Act 1986 (RTA). The intent of the analysis is to:

- provide an overview of public opinion on the proposed changes to the RTA
- highlight differences in opinion amongst the different categories of submitters
- identify key, common and frequent themes
- outline other interesting points for the consideration of policy makers
- outline the degree of support for the themes through relevant quotes.

In total, 4,391 individual submissions, received through various channels were analysed. Further description on the methods employed is contained in Appendix 1.

The paper starts by describing the submissions received. It then presents an overview chapter for each section that is followed by a chapter with a question by question analysis for that section. For each section of questions there is a brief summary outlining the key points, areas of contention and common themes.

1.1 Descriptive statistics

The 4,391 individual submissions expressed the views of diverse stakeholders from renters and their advocates, from landlords and property managers, from district health boards and others interested in health and education, and from citizen advisory, legal and consumer organisations. In the aggregate these submissions provide a highly varied and insightful range of perspectives, views, and comments on the proposed reforms. Some stuck to the narrow questions, some focussed on specific issues and a large number gave considered comment on issues both in and around the discussion document.

Submissions were analysed from two primary channels:

- 2,842 submissions that were received from an online web survey;
- 450 written submissions that were received either in hard copy, or via email.

Two groups also provided submissions that collated views of their groups on the RTA consultation: Renters United, a group of 933 predominately tenants; and Landlords survey, a group of 166 landlords. There is also a third stream embedded in the written submissions, namely a petition from 340 renters.

The online web survey and the Renters United allowed submitters to self identify as one or more of the categories, in Table 1.¹

Table 1 Submission category grouping

Submission channel	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Web survey	1,142	1,816	251	25	0
Written submission	81	227	22	4	116
Renters United	763	169	0	0	5
Landlord survey	0	166	0	0	0
Total	1,986	2,378	273	29	121

In Table 1, there were 4,787 different viewpoints counted in our analysis.

The web survey consisted of 97 questions spread across seven sections.

- Improving tenants' choice and control over their housing (22 questions)
- Landlord and tenant responsibilities (13 questions)
- Modifications to rental properties (10 questions)
- Keeping pets in rental properties (10 questions)
- Setting and increasing rent (9 questions)
- Boarding houses (13 questions)
- Enforcing tenancy laws (19 questions)

Not all submitters to the web survey answered every question. The most popular questions to answer were questions relating to pets and tenant/landlord responsibilities. The top three questions were:

- Should a landlord be able to refuse a tenant's request to keep a pet without giving a reason? (2,539 responses)
- Have you ever disagreed with your tenant or landlord about whether or not they are meeting their obligations? (2,410 responses)

¹ Total Web survey is more than 2,842 and Renters United is more than 933 as some submitters chose to identify with more than one category.

- Do you think a tenant's responsibilities to keep a property 'reasonably clean and tidy' make it clear what sort of behaviour a landlord can expect? (2,386 responses)

Similarly, in the written submissions, pets featured strongly. The top three questions were:

- Should a landlord be able to refuse a tenant's request to keep a pet without giving a reason? (250 submissions)
- Landlords are currently required to give tenants 42 days' notice if they:
 - have sold the property with a requirement for vacant possession
 - want to move in
 - need it for an employee or family member.

What do you think the impact would be if this notice period was extended from 42 to 90 days? (223 responses)

- Do you think that landlords should give tenants evidence about why they are terminating a tenancy? (201 responses)

The least answered [series of] questions in both the online survey and the written submissions were relating to enforcement provisions.

1.2 Method

We read, coded and analysed all submissions to consolidate opinion and reveal themes from the groups of submitters.

For the closed text responses from the primary consultation channel, analysis was largely a straight forward quantitative process. For the large number of free text responses a thematic coding process was used to sort and group the qualitative answers. Prevalent or repeated quotes and other points of interest were identified and recorded in this process. The thematic coding represented the bulk of the task. Before thematic coding could begin, the primary consultation data was cleaned and organised so that duplicate entries could be identified and excluded from analysis. The structure was based around how respondents identified themselves; Tenants, Landlords, Homeowners, Property managers and Social housing providers. Respondents that didn't choose to associate with any group had a group allocated based on a partial reading of the content of their submission. Landlord and Homeowner groups were merged as both groups answered questions in a relatively consistent fashion.

The thematic coding process used both pre-coding and emergent coding to quantify the qualitative answers. This involved analysing a selection of responses to setup distinct themes that reflected the different points of view, which were then updated and adjusted as these themes and sub themes became more distinct as the remaining responses were categorised.

As submissions from the secondary consultation channel were in a slightly different format, they were initially analysed separately for common themes. This revealed a significant number of blanks and duplication of answers in the Renters United submissions. These two survey formats were then reconciled with the primary survey questions to produce an equivalent question document so that answers could be incorporated into the primary consultation analysis format. The Landlord's survey included a small number of yes/no and

other response counts that were added to the quantitative analysis, whereas the Renter's United survey only provided themes and points of interest. Where a theme supported a yes/no response to a question it was also included in the quantitative analysis. Where a question from the secondary consultation channel covered more than one question from the primary survey, the response was only included in what was deemed to be the most relevant question.

Analysis of the written submissions also used thematic coding techniques. Reconciling this stream required an additional category of submitters: "Other" to cover the numerous advocacy groups, health boards, citizen advisory, legal and consumer organisations that provided written submissions. The written submissions have been incorporated into the analysis of the survey responses where possible. The aim was to organise and classify, thus revealing the major content, and where possible, we have related the issues back to the framework of the consultation document.

1.3 Interpreting quantitative tables

For each question of the survey, we have produced three tables. The tables for question 2.1.1 are below to explain how to interpret the tables.

Table 2 Question 2.1.1 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,205	42.8%
No	1,612	57.2%
Total	2,817	100.0%

The first table lists the answers asked in each question, the number of responses across all submission channels, and their percentage.

Table 3 Question 2.1.1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	71.9%	26.7%	27.2%	25.0%	79.6%
No	28.1%	73.3%	72.8%	75.0%	20.4%

The second table breaks the responses down by the respondents category. In the above example, 71.9% of tenants answered "yes" to question 2.1.1. In these tables, the vertical columns add to 100%.

Table 4 Question 2.1.1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	56.2%	34.8%	5.3%	0.5%	3.2%
No	16.4%	71.2%	10.6%	1.1%	0.6%

The third table breaks the answer category by the type of respondents. In the above example, tenants made up 56.2% of those that answered “yes” to question 2.1.1. In these tables, the horizontal rows add to 100%.

1.4 Report summary

Two diametrically opposed views on rental decision rights

This section on improving tenants’ choice and control over their housing attracted much comment. This first set of reform suggestions triggered a fundamental discussion between renters and landlords about a balancing of rights on key issues of length of tenancy and right to terminate. The crux of this debate is a question; who has the right to decide who continues to rent a property?

- There is a strong push from renters to rebalance tenancy laws such that decisions on whether to stay or leave are largely in the hands of the tenant, not the landlord. This is a rights-based argument about fairness and their needs. They seek rental in perpetuity with a much higher level of test for termination. They seek an end to no-cause terminations. They would like to remain even if the property is sold. Renters point to the costs of transitions and the current perceived lack of fairness in decision making.
- There is an equally strong statement from landlords and property managers noting that the reforms as proposed add up to a very different proposition for investors and managers. They document the need, from their perspective, for them to retain rights over renewal, retain no-cause terminations and to be permissive on length of tenancy. If a rental is being sold, they want the ability to offer vacant possession. Landlords point to the incentive to retain good tenants and also note costs of damage fall on them. The damages issue seems to be front of mind post the Osaki case, (where the landlord carried the full cost of a rental burning down), and therefore put particular emphasis on finding the right tenant. We also summarise commentary from social housing providers which largely, but not completely, echoes other landlords.

Landlord and tenant responsibilities are not clear

There is a common understanding of the mutuality of interest but a lack of certainty in what are landlord and tenant responsibilities.

Poor quality housing is an issue, and it is clear the existing reforms have not been able to be fully implemented. There are constant issues reported about the poor state of housing and the reluctance of some landlords to repair and maintain to an appropriate level.

Modifications cause tension

There is a textured debate about modifications. Communication appears to be the key, and the context of the tenancy is important from a landlord's perspective about what can and can't be modified. For instance, if the tenancy is in an older house then it is likely the landlord will be more permissive. If recently renovated, the landlord may not want the colour of the paint changed. Safety is top of mind for landlords. Modifications can be expensive to remove and what is a small change in the minds of some can lead to a large cost for landlords. On the other hand, tenants feel they ought to be able to make minor modifications or how can they call their place of residence a home?

Pets are a topic of vigorous discussion

There are a considerable number of pleas for pets (often called fur babies) to be allowed in rentals. There is also considerable and more varied comment from landlords, many of whom have suffered material losses from pet damage. Again, this appears to be contextual depending on the property, type of pet, type of tenant and past landlord experiences.

Rental affordability has become a major issue

All renters and most landlords agree one year rental adjustments are adequate. Neither renters nor landlords agree with rent bidding. There is much more concern about affordability of rents or rental increases, on the part of renters, particularly the elderly (who are on fixed incomes). There are a number of renter submissions suggesting rentals be related to Consumer Price Index (CPI). There is also a suggestion that rentals can be considered unfair if they sit outside of a band of comparative rents in the area.

Boarding houses are a fragile but necessary part of the accommodation market

The role boarding houses provide in accommodation services for some of our most vulnerable is recognised in the submissions. There is a preference for a stronger regulatory response such as a building Warrant of Fitness (WOF) to bring the facilities up to scratch, and to attend to renter needs such as privacy. However, submissions recognise a number of these facilities may not be able to be upgraded and there is concern they will close; closure is less palatable as there are fewer accommodation opportunities for some of these renters.

Enforcement is not working for either renters or landlords

Tenants fear retaliation from landlords. Tenants also fear black-listing if they were to take a case to a tribunal. Even if they do, they question whether it was worth it. A number of petitions seek regulation of property managers and licencing of landlords. Landlords equally note the tribunal does not work for them. Often awards are not enforceable or collectable. Everyone is consistently unhappy on this topic. On other issues of enforcement, such as the ability to group multiple infringements into one case, most agree.

Renter stance

A summary of the renter stance is in a petition filed as a submission. In total, there were 340 signatories to the petition. Each signatory was asked for feedback on the Government's proposed reforms to the Residential Tenancy Act (1986) by indicating their support to the following statements.

- I support reforming the Residential Tenancy Act (1986) to make life better for renters.
- I support changes to the RTA that:
- Enable families to make their house a home by allowing pets (unless there is a good reason not to) and small modifications;
- Make renting more secure by ending no-cause terminations;
- Limit rent increases to once a year, and require a formula for increases so families aren't burdened with sudden hikes;
- Even the playing field by ending rent bidding;
- And set clear regulations for boarding houses to better protect tenants.

These changes will make renting in New Zealand fairer, and will improve the lives of thousands of Kiwi families.

This statement in the petition is common territory for submissions by many of the renter, tenancy support and advocacy groups.

[this group] is very supportive of increased security of tenure and the proposal of a 'just cause' for termination on 90-day notices. We promote the removal of 'fixed term' tenancy agreements from the Act except in circumstances such as service tenancies, transition housing and emergency housing. There is no need for them as with a 'just cause' for termination a 'periodic' or open-ended agreement adequately serves the purpose. TPA also supports the proposal to shift 42-day notices to 90 days as this is only another six weeks and it gives tenants, especially those who have been long-term tenants, more time to find future accommodation and to engage in the moving process, which is a stressful experience.

2. Overview of improving tenant's choice and control over their housing

This section provides a general overview of submissions on proposed changes to the RTA aimed at modernising tenancy law so tenants feel more at home.

2.1 Renters seek greater security of tenure

A common sentiment is the need for security of tenure.

We support the intent of the proposed reforms to provide tenants with more security of tenure and believe that this will go some-way to redress the significant power imbalance between tenants and landlords.

A number of DHBs comment on the reform proposals. DHBs reference the health effects and lean heavily towards the tenants' view of the balancing of social values and property rights. Likewise, education commentators favour any initiative that will assist child stability and health and reduce transitions.

2.1.1 Renters are in favour of increased security of tenure

Renters describe a package of measures giving them greater security of tenure with perpetuity contracts and an end to no-cause terminations.

It would improve security of tenure, increase community stability as tenants would invest more in their neighbourhoods if they felt secure, enable tenants to make the house their home and generally enjoy their tenancies without the threat of random terminations hanging over them. ... It would also curtail landlords from evicting tenants in order to increase the rent by getting new tenants in situations where they know their current tenants could not afford an increase. This will help to curb random ad hoc rent increases.

Landlords may issue notices without cause.

I have been renting in Auckland for the last 40 years and have come across several dodgy landlords. I have had three houses that I was living in sold and had three 90 notices in houses that I had rented for more than four years. When I look back over the behaviour of some of my landlords, they were not always behaving within the law.

A few submitters note that eviction notices may be used inappropriately.

Some of my friends who english is a second language and have lived in worst living conditions than myself and have complained to their landlord only to be given eviction noticed in the guise of a family member wants the property, then later to see it that property later advertised on Trademe.

Renters and their advocates don't want fixed terms.

We strongly support removing fixed term tenancies. We already advise against them where possible due to their inflexibility around changing circumstances for tenants and landlords as well as the additional costs involved if they need to be broken. Unfortunately, there are few alternatives and we find that fixed terms are standard in Palmerston North. We have had many cases where tenants have signed onto a fixed term and found them unsuitable for children due to safety reasons. They are then surprised on finding a new tenancy that they must pay a break fee and two rents for an indefinite period. Tenants are thus punished for not knowing everything about a property before they are able to move in.

Our survey found property management companies were more likely to use fixed-term agreements than private landlords. More than half of those who rented through a property manager were on fixed term contracts. ..It is possible landlords could favour fixed-term agreements if “no cause” terminations are removed from periodic agreements. Fixed-term agreements are typically offered on a “take-it or leave-it” basis and the tenant has no ability to negotiate. If they need to end the tenancy early, they can also face considerable fees. .. For these reasons, our preference is for open-ended tenancies as discussed below.

In reality, a fixed term may not be a fixed term with no-cause termination.

The security of a fixed term is an illusion as the fear of termination remains. Instead of the possibility of a retaliatory notice, a tenant can find that their fixed term ends without the ability to dispute it, even if they feel it was due to expressing their rights. Thus, tenants will still decline to act. Maintaining fixed term tenancies undermines the desire to create security of tenure by introducing a no cause termination at a fixed date. To ensure that a house is a home requires that no one finds their home removed due to the decisions of another. Tenancy law should be made to match employment law, in that the default is an indefinite arrangement, with fixed term only being offered where it is proven to be necessary.

2.2 On no-cause terminations

One tenancy advocacy group suggests social housing providers may be misusers of the 90 day notice.

There is a danger that social housing tenants are expected to forego some rights in order to receive some privileges. There has also been wide misuse of the no clause 90 day notices by many Social Housing providers.

Many feel the notices are retaliatory.

Many Tenants have told us that they believe their 90 day notice to vacate has been motivated by the Landlord not wanting to comply with requests for necessary repairs or maintenance. The Tenant has insufficient proof to apply to the Tenancy Tribunal to declare the notice retaliatory, is unaware they could do so, or is not wanting to take the risk of applying and failing to have the notice overturned.

Terminations cause tenants disruption and cost

Submissions note the need for a family to find another rental is highly disruptive, financially draining and potentially socially disorienting.

The incentive for property owners to sell off a property for capital gain is highly disruptive to tenants' lives, creating much stress. The consequential cost of the owner's capital gain is paid by the tenants and society in other ways through departments such as health, education, social services, justice, courts, policing rather than the simple apparent property transfer.Tenants have direct financial costs to find a new dwelling, pay moving costs, the administration charges for a new lease, new schools, and uniforms etc— even when they were good tenants, cared for the property well, and did not wish to move. How extremely stressful and financially draining. ...When children experience repeated moves from home to home, with changing schools also frequently occurring, their education and subsequent participation in society is under stress. ... People feeling financially drained and pushed around in their basic shelter as they move repeatedly, are separated from norms of caring.

Frequently moving house undermines people's opportunity to put down roots. Moving causes major disruptions as children move schools, neighbours and friends change, and connections with community services are lost. The association between high residential mobility and poorer health and educational engagement outcomes is well documented⁸. There is also a financial toll on renters (who tend to be poorer families). The average cost to move house in New Zealand is over \$2,600.

Stability of residence is particularly important for children and their education.

I believe it must be taken into account that many tenants have children, some of whom are in the crucial qualification period of their education, and the additional stresses associated with the uncertainty about one's living situation can have a negative affect at such a tenuous time. Only having a way to be certain that a tenancy is stable would give parents the ability to guarantee a child could finish off a school year uninterrupted, and in some cases in the same school district

Repeat termination notices cause tenants' uncertainty and stress. Notices under current or future rules may still cause stress, uncertainty and leave tenants with stranded costs. For instance, the quote from this tenant indicates he has experienced sequential notices and the most recent one after planting a vegetable garden.

i have just [2 days ago received notice on my current home a week after planting a vegetable garden, unfortunately this is not the first time this has happened to me, in fact it is the third time in four years that i have received notice on what had previously been represented as a long term tenancy. as a result of my awful luck i ascertain that in order to provide a tenant with some freedom from anxiety a statement of intent should be issued with every property to make it clear in writing whether the property is intended as a long term rental [this meeting more than two years] or short term [less than two years].

2.2.1 A higher threshold for termination is sought

One regional public health group made the following submission on the issue of the threshold for termination.

Given the significant public health implications of tenancies being terminated (and families being put into a precarious housing situation) we consider the threshold for termination of tenancy should be high. This would include high evidence thresholds and tenants being given every possible opportunity to remedy situations where they are not meeting their obligations. It is important to recognise that there are existing civil and criminal processes available for dealing with anti-social behaviour and other social issues e.g. noise control.

This is supported by other DHBs, for example:

[A DHB] recommends eliminating the 90 day 'no cause' terminations; [DHB] recommends only allowing landlords to evict a tenant in the case of non-payment of rent, serious illegal or antisocial behaviour, or significant damage to the property.

Tenants seek a higher level of evidence for notices

It should be a requirement that evidence is produced, such as photographs, letter/s, affidavit/s, audio recordings, video. It must be noted that some complainants may wish to remain anonymous and this should be protected.

2.3 Tenants may not have a fixed position on term of lease

The question of lease term was asked in the consultation document. Other than the dominant desire for a perpetuity lease, there is less comment on fixed lease terms. One tenancy advocacy group notes:

We don't think you will find any unified Tenant opinion on this. Different households have different needs and desires as to what type of tenancy they want. What they want is flexibility and security within the same tenancy.

2.3.1 Tenants want a right to renew

Tenants want a right to renew rather than the landlord deciding whether or not the tenant is to stay.

A tenant should have a right of renewal. This should not be subject to the condition that the Landlord has had no issue with their behaviour. This would inevitably lead to miscarriages of justice, and an increased likelihood of Landlords ensuring some kind of breach is identified during the tenancy so to have the 'opt out' option up their sleeve.

2.4 Some tenants or their agents would like a notice to improve

One provider of social housing suggested a two stage process of, first, notification of a need to improve before notice to end tenancy could be given.

If no-cause terminations are removed and a tenant displays anti-social behaviour (to the point where the landlord wants to end the tenancy) we believe that the landlord should be required to issue a notice to the tenant to improve their behaviour, before they can apply to the Tenancy Tribunal to end the tenancy. Tenants may not know that their behaviour is affecting those around them so a reminder may be sufficient to make improvements. As some landlords may be intimidated by tenants behaviour such as ex-prisoners for example, then a letter in the mail is sufficient.

Tenants seek a notice to improve behaviour before a notice of termination is given.

Yes, this should be done in the first instance in order to give the tenant a chance to improve their behaviour as sustaining tenancies should be a priority.

One submitter who facilitates rentals for former prisoners' notes:

In order to give tenants who are meeting their obligations more choice and control in their tenancy, we support the reforms intention to remove landlords' ability to end periodic agreements without providing the tenant with a reason. We also support extending the notice period landlords must give tenants under a periodic agreement for other matters.

2.4.1 No desire from tenants to head down the route of subjective descriptions of behaviour

One tenant indicated concern that some aspects of Housing New Zealand agreements may become widespread.

The construct of "anti-social behaviour", is one regulatory provision, currently used by Housing New Zealand (HNZ) in renting agreements. In my experience as a tenant, when seeking advice from MBIE's advice line, representatives tend to treat HNZ as a separate body, HNZ is a key player in the rental market and subject to the same provisions of the RTA as a private landlord. However, I would not like to see this behavioral standard imported into any reframing of a law meant to protect tenants. Anecdotally, I have noticed the complaint of "ant-social behaviour" alleged in trivial contexts (scanty dress in a common area) where conventional codes of behaviour have not been respected, and I would object to seeing this used as justification for failing to renew a tenant's lease.

2.4.2 Some are concerned changes in evidence may lead to a culture of surveillance

One tenancy advocacy group noted:

We are concerned at the increase of the 'surveillance society' where our interactions are being recorded for the purposes of being used for the purposes of 'evidence'. We recommend consideration be given to the Privacy Act and its implications in renting disputes.

This submission went on to add:

We don't think the Tenancy Tribunal is currently well equipped to deal with parties to a dispute using recordings as evidence. We were notified by a Tenant recently that a Landlord wanted to produce drone footage (a flyover of the back yard to show it's condition). The tenant believed the initial recording was a breach of Civil Aviation Rules and therefore should not be permitted to be submitted at a Tribunal hearing. At times people are bringing their digital devices to a hearing and handing it around the room.

2.5 Tenants or their advocates don't see sale as a reason for termination

Here is the view of one submitter (a facilitator of social accommodation) which is a common sentiment in other submissions.

We do not believe a landlord should be able to end a tenancy so they can advertise the property for sale with vacant possession. The impact this would have on tenants is unneeded stress and instability in their lives when many rely on location for work, schooling and extracurricular activities.

We consider the tenancy should transfer with the sale unless there is a valid reason for the tenancy being terminated. This will give tenants greater security of tenure but still provide landlords and purchasers with sufficient flexibility should they intend to live in the property.

As a general principle, a lease should only terminate for reasons within a renter's power to address. Landlords should not be able to end a lease to sell the property, move in, or give it to a family member or employee. If termination is permitted in these circumstances, the security of a renters' home depends on the decision of another; the renter does not enjoy genuine security. No notice period justifies forcing a renter from their home for these reasons.

2.5.1 Notice of vacant possession to be extended to 90 days

Tenants have a preference for 42 days exit to be extended to 90 days.

I totally agree tenants should have 90 days to find another place to live, as the demands on rentals now are so high that it can seem impossible to find another one in time.

... ... the law should require a landlord to give at least 90 days' notice. This longer notice period will give renters much needed time to find alternative accommodation. Moving rental properties can be stressful. A shortage of properties in some areas means the process can be long and challenging. A 2015 survey of 1,009 renters across New Zealand found that one in three renters had to apply for up to five properties before securing a home¹⁰. Roughly one in 17 had applied for over 10 rental properties. We have heard stories of renters applying for 30 places or more.

One submission noted an extension to 90 days would better protect consumer rights. This submission also noted the current context of a very tight rental market.

In our view, 42 days' notice is not sufficient to enable a tenant to find a new property and arrange relocation. In the current market, rental demand exceeds supply so it can be difficult for tenants to find a new property, particularly with only 42 days' notice. We consider an extension from 42 to 90 days would better protect tenants in situations where their rental property is sold.

Another submission noted this may simplify the rules and assist tenants to be clearer about their rights.

The experience of volunteers is that the proposal to simplifying the notice period: so landlords give 90 days and tenants 21 days, would alleviate much of the confusion about the required notice period. It would have the additional benefit of removing the opportunity to provide false reasons for terminate a tenancy so a shorter notice period can be used.

2.5.2 Tenants don't believe sale with vacant possession is appropriate or necessary

Tenants do not see that selling a property with tenants in situ is an issue.

No, as the new owners may wish to continue renting the property. This should remain consistent with current practises.

2.5.3 Evidence should be given on terminating a tenancy

Tenants seek a statement of reasons from the landlord which then becomes an evidential statement.

Yes, as then the reasons can be challenged at the Tenancy Tribunal and evidence produced to prove they are legitimate. Evidence would depend on the reason given but must be consistent with those cited in the RTA.

And exemplary damages should apply for a false declaration.

Yes, exemplary damages should be applied.

2.5.4 Tenants should be able to give less than 21 days after notice of termination

A tenant noted that 21 days' notice may be too long after a notice to vacate

The problem with this current approach is the 21 days' notice that the tenant must give their old landlord AFTER securing a new lease... In most cases, once a rental property is listed as available, the property manager/owner wants to find a tenant as soon as possible.

The tenant made a suggestion that the notice period be reduced to, say, seven to ten days, or otherwise the tenant faces paying rent on two properties.

No, as tenants need to move quickly to secure alternative accommodation and due to current income levels generally cannot afford to pay double rent. This could leave tenants liable for serious unaffordable arrears charges.

2.6 Some doubt there will be a material effect on investor attractiveness

Landlord issues are discounted. Submitters point to past practice and, also, that markets will adjust to a changed regulatory environment. For instance, this tenancy advocacy group notes that fixed term agreements have been the norm for the past decade but not prior. The advocacy group notes that landlords could then use the Tenancy Tribunal to rectify issues.

Fixed term' tenancy agreements have only become common post 2004. Prior to this 'periodic' agreements were the most common and so by removing 'fixed term' tenancies the situation could return to what was basically the 'norm' during the 20th century. 'Fixed term' agreements have become popular with property managers as they make their work easier and so have moved into the realm of the fashionable 'norm'.

Landlords would not lose anything as they still have meaningful enforcement in the other clauses under section 51 of the Act and via the Tenancy Tribunal.

A tenant advocacy group was of the view the market would adjust quickly to a new norm of 90 days rather than 42 days for notice of termination for sale.

Certainly it would be a greater impact than 42 days, but once it became standard practice then the situation would adjust to become the professional norm and it is, after all, only another 6 weeks.

There is also doubt about the arguments put forward by landlords about supply decreasing if these changes were to be implemented.

There has been resistance to changing the law in this area from landlord organisations who say that it will drive landlords out of the market. This may be the case for some individuals. However, it is not clear why increasing security of tenure for tenants would create any financial problem for landlords, who invest in housing for financial gain. Furthermore, evidence from other jurisdictions suggests that financial fundamentals such as rent levels, capital value increases, government subsidies and taxation policies, and macro-prudential rules such as LVRs are the key drivers of landlord behaviour in entering or exiting the market.

2.7 Landlords and property managers are very concerned at changes

A consistent (though not unanimous) theme in landlord and property managers' submissions was the need to rebalance existing inequities in the Act, with equality the main goal. They express that likely the suite of changes would further unbalance a perceived in-balance in favour of tenants.

The submissions from landlords are numerous and very consistent. Underlying it all, they feel the proposed reforms are wholly tilted to addressing tenant concerns.

This review is extremely wide ranging. It is also totally focussed on providing improvements for tenants, which is a pity as rental property providers also require help to better manage their properties and provide good, sound, cost effective accommodation for New Zealand Tenants.

2.8 General rebalancing called for by landlords and property managers

While we highlight some of the specific areas where landlords and property managers raised equity concerns further below, the general point is made here with reference to notice periods, reasons for termination and minimum standards for rental housing. Arguments raised include:

The playing field is already tilted in favour of the tenants as they can give just 21 days' notice, whereas landlords have to give 42-90 days' notice. That is not fair or equal.

To be fair, tenants should also be required to give landlords 'evidence' as to why they are terminating a tenancy. Landlords take on a risk by buying a property, often with a hefty mortgage, and entrusting it to people whom they don't know. Then the tenants just send a text one day and give notice, suddenly creating financial uncertainty for the landlord and leaving the landlord just 21 days in which to find another tenant, while still having to pay the mortgage, rates, and insurance. If you're saying that landlords need to explain their action, surely the tenants should also be required to explain their actions?

But if the tenant is being difficult with paying rent/paying for out-goings, maintaining their property as they should, being obnoxious etc., then surely it is not unreasonable that the landlord should be able to remove this annoyance giving 90-days' notice – a tenant having similar problems with their landlord can do so with only 21 days' notice.

However, the introduction of building WoFs, and increasing the standard of rental property (by higher insulation, heating, ventilation systems, etc) above the general norm of accommodation in NZ, will merely serve to increase the cost to landlords which must inevitably be passed on to their consumer.

I am not pleased to hear that the reform is considering forcing minimum building and dwelling standards for residential properties that are higher than what many home owners are willing to buy for themselves.

I see no reason why tenants should have the ability to only give me 3 weeks' notice to vacate when I have to give them 3 months!!! The notice period should be the same for both parties.

Why is it ok for tenant to give 21 days' notice before ending a contract, whereas for the landlord govt want to propose 90 days' notice to give to tenant? Where is the fairness in this? To be fair why don't the law be changed for both parties to give 21 days' notice. Only by making it that they give the same amount of time of notice to leave – this would be fair.

Why does the RTA list unlawful acts for landlords, but not for tenants?

All notice periods, deadlines, time frames and penalties be equalised between landlord and tenant. Neither party shall be required to give a reason for their notice. Failure for either party to give notice should be strictly enforced by way of a penalty.

I think the disparity in notice periods is already very unbalanced. I understand that the extended landlord notice period is to give a tenant time to find a suitable property. However the three week notice period is also short.

Tenants should give more notice than 21 days if a landlord has to give 90 days' notice. Balance would demand the same notice period for both parties'.

Extending to 90 days is an exceptionally long time for any house settlement. Most settle in the 30 to 40 day category so to disadvantage a landlord based on them having provided accommodation for those in need seems unfair.

The current proposal do not equalise anything. They further advantage tenants who are presently the "side" of the contract who mostly abuse the agreement. That abuse is mostly by not paying rent and also damaging property.

I get that minimum standards are desirable in a tenancy but note that those minimum standards are far in excess of owner occupied requirements.

There is no sound reason why a rental property should be of a higher standard than that of the standard/average NZ home. So why legislate to make it so in tenancy law – it should be in the national building code and apply equally across all properties nationwide.

2.9 Mixed enthusiasm for perpetual leases with a clear preference for fixed terms

There is a mixed response on the question of perpetual rentals versus fixed term with a strong preference for fixed terms.

Some landlords indicate they have long-term contracts already.

I am a landlord, and have long term tenants, We don't have a fixed term contract. And both parties are happy. Present law allows the flexibility of either fixed or periodic tenancies.

Fixed term tenancies work in favour of tenants as landlords are often unable to enforce or get compensation for breach of a fixed term tenancy by a tenant (see comments on Question 2.1.9). Tenants that want fixed term tenancies today and have good history, easily get fixed term tenancies as change of a tenant costs a landlord an average of 4-6 weeks rent. However, it is the tenants who often do not want to commit to a fixed term tenancy.

I have had tenants who have been in the property for 5 years or more even on a periodic tenancy. As long as the tenants pay their rent on time, maintain the property well and do not cause nuisance, I have no reason to terminate their tenancy and in fact I have accommodated tenants' delay/default in rental payment (as most landlords would do) during temporary cash problems, particularly in the holiday season and the tenants have mostly caught up the arrears later on.

One group of landlords notes that the effect of seeking a perpetual tenancy is the same as a fixed term with ability to renew.

Providing tenants with unilateral option to extend fixed term tenancies (as is being proposed) is the same as giving them perpetual tenancies and the words “fixed term” would have no meaning.

2.9.1 Most differences can be explained by context

Landlord differences of approach depend, as one landlord suggests, on tenant, property and landlord needs and characteristics:

The point is that a “one size fits all” rule will not always be appropriate. The law may need to be drafted in such a way that it distinguishes between different classes of landlord, tenant and property.

An umbrella group covering woman's organisations notes:

Short fixed-term agreements, between three to six months or up to a year, are useful for seasonal workers, tertiary students, homeowners who are between sales or builds, workers on secondment and such like. For landlords there is the assurance of tenure between specific dates, with the possibility of tenants treating the residence more like a motel than a home, with few, if any, requests for extensions.

Landlords or their agents note there is mixed demand for fixed term rentals

Tenants that want fixed term tenancies today and have good history, easily get fixed term tenancies as change of a tenant costs a landlord an average of 4-6 weeks rent. However, it is the tenants who often do not want to commit to a fixed term tenancy.

2.9.2 Most fixed terms tend to be one year unless they vary for tenant needs

A landlord identified one example of tailoring a contract term to the needs of a tenant.

2 years, which was extended to another 2 years- the tenant was an expatriate and was in the country only for 2 years and then his term got extended to another 2 years. This was the tenant's choice.

But two years is not a preferred term. A landlord notes it would be very difficult to describe the circumstance that a fixed term of less than two years would be reasonable:

I do not think this option would work, including for the reason given in para 59 of the Discussion Document. It is impossible to foresee, and prescribe in the law, all the circumstances where a fixed term of less than 2 years would be reasonable, and the decision as to whether a fixed term is reasonable should not be given to a tribunal or court.

Many property managers and landlords, however, seem to use a 12 month fixed term as a useful decision point and also to give sufficient stability to the investor.

We use 12-month fixed term agreements in the majority of our tenancies. We have offered people longer, but many tenants feel nervous committing to longer than 12 months. We have broken one agreement with a tenant by mutual agreement in the past 6 years on the landlords instruction, and they were in severe financial difficulty and needed to sell the property. Each month without fail however, we terminate multiple tenancies by mutual agreement at the tenant's request because their situation has changed. Fixed term tenancies are by and large of benefit to tenants in giving them security of tenure, but the ability to negotiate an exit on fair terms if their situation genuinely changes.

We look to renew all tenancies for a further 12 months if the tenant has met the obligations of the agreement and the landlords situation has not changed, and we begin this discussion about 90 days before the fixed term expires. The only real tension we see with renewals is when tenants seek a shorter-term renewal than the landlord seeks, or they wish to go periodic and the landlord does not. Most of these can be compromised, but recently we can think of one or two examples where we enforced the fixed term end date because we could not come to an agreement that suited both parties. Based on tenant's application we sign individualised fixed-tenancies to meet both parties' needs. Current tenancies are running for more than 5 years now, renewed fix-term agreements - why would a landlord not wish to keep happy tenants? The end of a fixed-term is always a good time to upgrade the paperwork due to frequent changes of tenancy law, rules and regulations. Not to upgrade the paperwork (typical in periodic tenancies) and let them running to death is the biggest mistake landlord make!

There is challenge that fixed term rentals don't suit tenants.

No absolutely not. This is too restrictive and impacts on the rights of the property owner. Again, the question is assuming that tenants prefer periodic tenancies because they offer "improved security and stability". This is INCORRECT. Actually, tenants prefer fixed term tenancies for security and stability.

There is a fear that an unintended consequence could be increasing the rate of tenant churn and that periodic, term based rentals could start to define the market. We note that this is not a widespread concern.

With good tenants I have allowed them to find alternative tenants to take over their leases. I have also switched tenants to periodic tenancies at the end of their fixed term contract upon their request. There is flexibility when both parties are reasonable. If there were to be constant changes of tenants, as a result of periodic only tenancies, then I would not be interested in retaining the apartments. Too much work and stress.

One property manager suggested a tweak to the rules, to extend out the deadline for fixed term renewals.

Adjusting the deadline for fixed term renewals to double what it currently is (i.e. from 21 to 42 days) and putting an onus on both parties to finalise arrangements by this date would be fairer to tenants and would ensure everyone engages in a discussion about renewal sooner. Some parties to an agreement fail to communicate other than to give notice 3 weeks out, and this is I think the only real failing of the current system as it's a poor outcome for both tenants or landlords.

2.9.3 A two year term is not seen as useful

There was little enthusiasm for a two year only term. One submission contains some useful ideas on how this may be implemented, if it were to be.

Two years ONLY with the above provision i.e. there would have to be an 'out' clause for both parties. e.g. after 6 months into a 2 year fixed term tenancy either party can give 2 months' notice of intention to end the tenancy without penalty (the current situation with a friends tenancy in London). If such a thing happened there would have to be an 'out' clause for both parties. e.g. after 6 months into a 2 year fixed term tenancy either party can give 2 months' notice of intention to end the tenancy without penalty (the current situation with a friends tenancy in London).

2.9.4 Current practice is that changed circumstances can be dealt with

Landlords exercise pragmatism and flexibility in managing situations where personal circumstances change. This appears to be custom and practice at the moment.

We already do this, just advise the tenants they have to find someone suitable to us to take over the tenancy. This suits both parties. This usually means in practice that both parties look for new tenants.

We have always used the fixed term tenancy of one year with renewal and all our tenants over the 15 years have been happy with that contract knowing that if their circumstances change they can find a mutual agreement with us to be released from the terms of the contract. There are usually costs to the landlord i.e. advertising. And we stress that this

person/people must be suitable to us as we do credit checks and for our insurance we need have done our due diligence.

This is supported in a submission from a consumer advisory organisation with the wrinkle that co-tenants can make assignment of a lease more difficult.

In some cases landlords are willing to let the tenant re-assign the lease to someone else, which can work well if no co-tenants are involved. Typically however co-tenants want to be involved in the selection of replacement co-tenants which can leave the departing party frustrated with the delay and the risk of paying rent in two places.

2.10 Opposition to a tenant right to renew

Requiring a landlord to continue to lease to a tenant, if they are meeting their obligations, is not met with eagerness. One landlord noted that completion of term currently is a useful way to resolve some issues, which are not at the point of needing a Tenancy Tribunal process, or that may not be resolved by the Tribunal.

Do not agree with this as you are taking away the rights of the landlord to run their business as they see fit. If the tenants are causing problems how can the landlord get them out of the property? Bearing in mind that the tenancy tribunal often appear to side with the tenants and don't appear to be fair and reasonable in their decisions. See answer to first question. If they are good tenants landlords will be happy to renew.

This is taking away the property owners rights and allowing tenants to dictate what landlords can and can't do. If they end up with bad tenants, they will have a hard job getting them out. What would happen if there were problems relating to smoking or cooking P? Would the landlords have to get the property tested and if it was over a specific level the tenant could be removed. If it was under "this level" and the tenant was left they could continue smoking, levels could change, insurance companies could become involved and if the tenants could not be removed, the insurance may be cancelled/premiums increased.

No I do not. I think this would breach the fundamental ownership rights of the landlord. If the tenant wants a right of renewal (which is of course common in commercial property tenancies) this should be the subject of discussion and agreement with the landlord when the tenancy is first entered into.

There is a sense that open ended tenancies may give landlords less security as many indicate that rental periods are often for one year.

Any offering of open ended tenancies will not give property owners any sense of security and open them up to the possibility of more frequent tenancy changes with the associated increase in expenses in finding new tenants and any repairs and maintenance required that are always needed at the changeover of tenants to bring the places up to rentable quality again.

2.10.1 Auto-renew is an alternative mechanism

One submission notes that automatic renewal in favour of the tenant is the preferred form of contract in a commercial situation. The situation is not directly applicable as commercial tenants pay for fit-out.

... an “auto-renew” approach (where there is not tenant default) is used routinely in commercial leases and their renewal provisions are in favour of tenants. This approach (in that context) is widely understood and accepted and does provide some certainty for tenants at the time of renewal.

2.11 No-cause terminations are argued for strongly

Landlords were almost universal in indicating they sought to maintain no-cause terminations. They indicate these terminations are used rarely but are an important mechanism to resolve difficult tenant issues.

Landlords are strongly of the view that no-cause terminations are necessary particularly where issues are not easily proven as complainants are fearful, may reflect a break-down in tenant/ landlord relationship and when the standard of proof is not adequate for the Tenancy Council.

If a tenant is exhibiting anti-social behaviour to the point where the landlord wants to end the tenancy then the landlord must have the ability to issue a no-cause termination. No-cause termination notices are used as a last resort but are essential for a landlord being able to deal with these types of situations.

One submitter, who had been a renter, owner and landlord suggests that landlords who did use the no-cause termination provision should provide assistance to tenants as a result.

Any landlord who evicts tenants without reason or evidence should help with tenants relocation expenses, including paying for skips, trailer hireage, fuel & garden collections needed to get the rental back to its original state, and compensation for each tenant for stress caused.

2.11.1 Complainants may be fearful of disruptive tenants

A landlord also notes that the complainants about tenant behaviour may be fearful of consequences and therefore the landlord will not have the evidence.

We have had disruptive tenants that neighbours have complained about, but were not happy to put complaints in writing for fear of retaliation from these tenants. In this case how can the landlord get these tenants out when there are problems, but evidence cannot be produced at a tenancy tribunal hearing.

Other landlords give instances where the 90 day notice period was used to remove tenants where neighbours had complained but were intimidated by the behaviour of the tenants.

Got complaints from neighbours that they were selling drugs from property and vicious dogs. With all sorts of people coming and going and staying there. Used 90-day notice as neighbour did not want to be identified.

When I got back from Aussie, got complaint from neighbour of young hang prospects visiting and sometimes staying at prooerty. Doing drugs in back yard to the point of unconsciousness. Also broken window, unmowed lawns, visious dogs, piles of rubbish and rats in back yard and being pestered for cigarettes all the time. I think my property

managers was intimidated so tried to pretend all was well. Used 90-day notice to remove as neighbour did not want to be identified and Tenancy tribunal to clean out rubbish, fix some damage.

Owners will still be able to end tenancies where tenants are not meeting their obligations and in other specific situations. This is a current practice by way of 14-day notices to remedy tenancy agreement breaches. This approach works with unpaid rent which is readily verifiable. This approach does not work with disruptive behaviour because witnesses can be bullied into silence, making evidence-gathering impossible.

Anti-social behaviour is often accompanied by intimidation which makes obtaining evidence (either from those effected by the behaviour or by the property manager) very difficult. The 90 day no-cause notice is often the last resort used by landlords wishing to protect their property, their tenants and neighbours.

In the cases of antisocial behaviour application for termination, we have issued numerous texts, and/or phone calls and visits to the property to make the tenants aware of the problems and to try find an informal solution. If the problem persists, a '14 day notice' is issued. At this stage the other tenants are ready to move out but are not prepared to get involved. What immediately follows is new neighbours and more complaints and we are stuck in a nasty loop. In one bad case, I had a signed petition from 13 neighbours (no signatures readable) but none were prepared to be a witness.

Drug related complaints are a fact of life.

On the unlawful side, the common offence is drug dealing. This is evidenced by a number of people per day arriving, going into the premises but only staying less than five minutes and leaving. The Police do not have to advise a landlord if a tenant is being investigated for any criminal offence, illegal activity or if they are going to be conducting a raid thus making it near impossible to get evidence any illegal activities are going on in the property and possibly causing damage and making neighbours and/or other tenants feeling very unsafe and vulnerable.

2.11.2 The alternative will be difficult to write

There was no easy alternative presented to better define a workable mid-point solution.

Questions such as: Whether the property is being kept well maintained? Whether tenant is letting more people than permitted under the agreement live in the house? Whether tenant is having too many parties/ making too much noise? Whether tenant is being abusive or behaving in a threatening way? Whether the property is being used for unlawful purpose? are all too subjective and difficult to prove to any objective standard. ... To give an example: A tenanted house next door to our house was being illegally used for prostitution with frequent late night visitors and shady characters. It also had numerous police visits. Everyone in the neighbourhood knew of this and we jointly complained to the property manager. He terminated the tenancy as he too belied something fishy was going on. However, if this was to be legally proven in a Tenancy Tribunal hearing, there would really have been no substantial proof, none of the neighbours would have come forward and in any case "shady characters" visiting late nights does not establish that the house was being used for prostitution; the tenant would have continued with the consequent adverse effect on the neighbours.

‘Repeated’ and ‘sustained’ will be problematic words.

Being overly prescriptive may have unintended consequences. Landlords should have the right to determine what type of behaviour would interfere with the reasonable peace, comfort or privacy of any other tenants or neighbours. The proposed examples in clause 38 are prefaced with “repeated” and “sustained” which would make it more difficult to justify an action.

A wider range of specific issues were raised as additions to the consultation document.

If specific examples were to be used then these should be expanded to include: Noise, parties, abuse, rubbish, inconsiderate acts towards neighbours, problems caused by animals and children, drug use and drug dealing, domestic abuse.

2.11.3 There were mixed views on notice requirements

Most of the views of landlords about notice are contingent on the issues that they seek to address. The general consensus is that anything illegal can trigger an immediate notice, but otherwise a notice to improve or a warning notice should be issued before taking action.

2.11.4 There aren’t many ways to collect this evidence

Audio and video recordings and photographs, apart from being expensive, would likely result in breach of privacy and would need to be done by one of the parties to the conversation (i.e. the neighbour as the tenant will obviously not record his own anti-social behaviour and will not give consent for recordings), as otherwise they would be a criminal offence under the Privacy Act.

2.11.5 There might be unintended effects of ending no-cause termination

There is some concern the ending of no-cause terminations could lead to other actions such as an increase in ‘for cause’ terminations and a tough stance on minor contractual issues.

Ending No Cause Termination would have the consequences set out in section on Economic Literature and Arguments against Rent Control. This will be contrary to the Government’s objectives and will reduce the quantity and quality of housing stock, increase rents, increase litigation, adversely affect landlord tenant relations, adversely hit the lowest quality of tenants with bad credit ratings/poor references etc. as they won’t be able to get rental houses. ... The only logical and sensible action that the Government should take is to build more social housing, release more land for housing, decrease Council approval costs and timelines, incentive investors to build housing for rent by giving subsidies/GST exemptions etc.

2.11.6 Prevalence of no-cause terminations is low

Submissions on no-cause terminations are mainly to do with rights, rather than experience or frequent use. Landlords feel they should have the right to terminate without cause.

Re no cause tenancy terminations, to end this would violate my ownership rights, tenants have rights and they can go to tenancy tribunal if termination felt to be retaliatory...even now difficult to ask tenants to leave because of above but if one had to have “proof” of

wrongdoing would be impossible, would need detectives and Courts...even HNZ finds it difficult to get rid of rogue tenants.....there are many situations where tenants need to leave i.e. sale of house, i.e. need of house for self or family or close friend, major works on house ,or even a thorough repaint inside and out and some modifications, if tenant is a nuisance, and so on.....

If you take away the “no reason termination rule,” which is the only thing that has saved us on about 5 occasions over the last 30 years of being a landlord, and is our only right we have left, we will be forced to sell up everything and invest our money in retirement villages. We will leave 5 families homeless because of your thoughtless, unpractical suggestions. Try being a landlord yourself before you tell landlords who trust their tenants with their properties, they have no rights left. Rents will skyrocket and the properties will no longer be available.

No landlord that I know of, including myself, has ever just decided to terminate a tenancy for no reason. Why would we? There are costs associated with any tenant changeover, charged by the property manager, plus the unknown quantity of having a new tenant. If my tenants are good, which they have nearly all been, then a landlord would never consider just evicting them. We are in the business of letting houses! So getting rid of the 'no reason' terminations is pointless. Sometimes, the landlord may not want to do in the neighbours who have been complaining about poor behaviour etc I suppose. However, it will never be for no reason.

No cause termination – Everyone with life experience know everything happens for a reason.

Simply put, if a tenant is good, reliable, doesn't cause problems for landlord or neighbours, then what landlord is going to kick them out or decline to renew a lease?

My good tenants are as secure in tenure as could be expected – I don't want to get rid of good tenants, but I have sold property as I choose to slow down and also adjust my property ownership to be left with easier to manage property types.

I also have to disclose that despite being a landlord for over 20 years, I have never used the 90 day termination clause. All of my tenants have either given me their notice or have defaulted and done a runner. I am not seeing a problem that has to be solved, as landlords prefer to have a tenanted property which should show you that is landlords are acting against tenants, it is because they are troublesome. That trouble can take many different forms which cannot possibly be accurately legislated.

An industry umbrella group provided surveyed its members. It identified around 37% of its members had issued a 90 day notice but 74% of those members had issued only one in five years. 3.47% had issued more than five.

The main reason for issuing a 90 day no stated reason was antisocial behaviour at 21.7%. This could be extended to 30.3% if combined with disturbing neighbours. The next highest was tenant damage which tended to be repetitive and it was difficult to obtain evidence. ... It was interesting that 13.6% of respondents said that selling or moving back into the property was the reason for the notice, when the legal requirement is just 42 days notice.

2.12 Landlords see 90 days' notice on sale as too long

Landlord objections to a 90 day notice period for vacant possession centre mainly on extending the period within which potential damage can be done (and potentially escalating the damage), and the possible impacts on saleability of the property.

42 days notice is reasonable – a sale of a property based on 90 days will exterminate any chance of a sale. It has been suggested on Television, that if we don't like the new proposed legislation, "get out" which is tempting which leaves in my case 5 people without a home. Considering that there is a shortage of good houses, it seems rather ridiculous to penalize the very people who have providing homes.

Ninety days equates to almost 13 weeks, which is an unusually long time for a settlement period and could impact on an owner's ability to sell their rental property in the open market. Most property sales are made with a settlement period of considerably less than the 90 days proposed.

The longer time to get people out - I don't see how that will work - landlords are not providing a social service on the whole they have an investment.

90 days is too long for an owner to wait if in financial distress and immediate sale is necessary. It is also too long to put up with an unsatisfactory tenant, who may do damage in the meantime. Definitely a tenant should move out within 6 weeks if the house is to be sold with vacant possession.

The issue of 42 days' notice is most frequently used when the property has been sold. Any more that that is unreasonable on a new buyer. Also most tenants will vacate before the 90 day suggested period expires. At present there is not enough reason to extend the period.

In my opinion the two options for using the 42 day period are suitable as the landlord may enter financial difficulties and need to resolve them quickly, for example losing their job and struggling to maintain the rental expense, or finding out they have a terminal illness and wishing to sell up and enjoy their remaining time'.

I personally feel increasing the notice to terminate a tenancy to 90 days from 42 days is quite excessive, especially as the tenant may have started mis-treating the property and/or not paying the rent, otherwise, let's face it, why would you want to terminate the tenancy.

42 days to 90 days' notice is the last straw. We have been in rentals for 40 years. We and many of our colleagues are trying to work out how to get out of them. That will decrease the reform. Is that the aim of the reform?

I believe that investment properties will become the poor cousin to owner occupied properties price wise as the need to wait 90 days for possession for a purchaser will lower the pool of purchasers looking.

There were a few landlords who did not see this as quite so consequential.

On the other hand, a few landlords considered the effect of extending the notice period from 42 days to 90 days to be inconsequential. This change is of minimal concern. We have only ever had to use such a mechanism twice in 15 years due to selling properties and don't consider it will be a problem to increase it.

One landlord made it clear that he would prefer a longer notice period to not being able to sell in vacant possession:

Yes, a landlord should be able to end a periodic tenancy so they can advertise the property for sale with vacant possession. The best value for a property can often not be achieved when tenants are living in the property. Any disadvantage to the tenants from having to move out could be reduced by requiring the landlord to give longer (say 90 or even 180 days) notice of termination.

2.12.1 The owners right to vacant possession should not be restricted

Landlords were clear that their right to vacant possession needs to be preserved.

Restricting vacant possession to certain limited circumstances impacts on an owner's ability to decide the best use of the property given their specific circumstances. Tenants can often make the selling process very difficult. Obstacles include making the place dirty or messy in contravention of the tenants obligations in the RTA to put off potential purchasers, making all viewings for one half hour period every week or fortnight and no other time, outright rejecting any viewings, regularly calling viewings off because of sickness which is not substantiated by a medical certificate (which we don't ask for but sickness seems common for some people when the property is being sold), letting the lawns grow long to make the property look unappealing.

2.12.2 A mixed view on 21 days' notice from tenants

Landlords appear to have conflicting views around the adequacy of the 21 day tenant notice period and their experience of re-letting the property with most citing those 21 days are not adequate.

21 days is not enough time to advertise the property, show through potential tenants, and/or arrange quotes for work that a landlord may know will be required between tenants, eg painting or a tidy-up between messy tenants. A landlord obviously wants to minimise the down time between tenants. A longer notice period would provide more time for the landlord to find new tenants and/or arrange tradespeople to do work once the property is vacant. ... The longest period of time that has taken me to re-let a property is three months. However, in 90% of cases it's 24-48 hours. It depends mostly on the time of year and economic conditions.

In my experience 21 days does not give landlords enough time to get another tenant to replace the outgoing tenant even in a buoyant letting market, and therefore rental is lost as well as re-letting costs being incurred. I think the notice period for a tenant should be 42 days. ... I have only been given notice of termination by a tenant once, and it took 5 weeks to re-let in a very buoyant market.

We expect 5 to 7 weeks vacancy when re-letting. Mainly due to good tenants not giving notice until they have sorted somewhere to go. As we like good tenants we expect this. During major renovations even if you start the re-letting process before you are finished it easily can be 12 weeks.

Landlords note the asymmetry of what is being suggested:

I believe it is unfair to change the period to 90 days' notice for landlords, but only 21 days for tenants. Yes, it is great for tenants to have security, but believe the proposed changes are unfair to landlords security.

2.13 Social housing providers are largely in agreement with other landlords

Submissions from social housing providers are largely consistent with issues raised by other landlords with the following points of emphasis.

The Council recognises the suggested reforms aim to provide for better security and quality of life for tenants through better control of their tenancy and enjoyment of their rented properties. While we fully support these goals we suggest a balance of rights for social housing landlords to be able to responsibly manage their properties.

There are a number of important characteristics of social housing.

Greater living density means the need to set expectations through special conditions or charters.

However, our affordable/ social housing developments all have houses/flats that are very close together, with small yards, minimal fencing, and shared driveways/parking areas. Housing in such compact arrangements brings some challenges. We are upfront with all applicants about the close nature of these homes, and that we expect all tenants to work at getting along with and being considerate of each other. Our tenancy agreements describe these expectations through the Special Conditions.

Notices and feedback and follow-up is more intensive

We currently require at least 6 months of effort with tenants to address persistent problems, including: a minimum of two 14-day notices, with follow-up phone calls/visits, and then if no improvement occurs, a face-to-face meeting/hui about the situation, before we will consider issuing a 90-day notice.

There is more education of standards of care

[Provider] tenancy managers describe and show to new and current tenants what "clean and reasonably tidy" means for us: clean up spills promptly, ventilate the house daily, wipe condensation off of window frames to prevent mould growth, no indoor furniture left outside, etc. We find it useful to educate tenants about levels of tidiness we expect as we go. It is too hard to list all aspects of a specific standard that will work in all situations for all people.

Rents are discounted

[Provider] increases rents yearly, based on the CPI for housing costs CPIQ:SE9041. For our "affordable housing" tenants, our base rents are 70-80% of local market rents; for our social housing tenants, market rent is agreed each year with MSD. We agree that rents should be allowed to increase just once each 12 months.

Tenants are often elderly and the next transition may well be to a rest home:

Social housing providers are less worried about issues of vacant possession as elderly tenants in particular move on to higher levels of care. Also, this makes them cautious in accepting modifications as the cost of reversal of modifications will fall on the housing provider.

The Council's rental accommodation is designed for very long term tenancies. Generally the tenancies or our elderly renters end with a move into higher level care or death.

Many tenants are long-term in the aged care accommodation market and periodic tenancies appear to be more useful for these clients and landlords.

The majority of our tenancies are periodic tenancies; this gives the tenant a better security. We have 67 tenancies (nearly 14%) that have been in their properties for more than 20 years. One tenant for 62 years and another 15 tenants for over 40 years. Under these circumstances periodic tenancies are seen as the best for our portfolio. ... We have used a fixed term tenancy only once in the past four years.

Longer terms mean it is more difficult to give high-risk tenants a go, for those with a mental health and disability focus

We strongly disagree with a minimum of 2 years for fixed term tenancies, as that would make it very difficult for [provider] to give "higher risk" tenants a go. It would also probably be too restrictive for private landlords, possibly reducing the supply of private rentals. We support tenants being able to extend a fixed term tenancy, with the landlord's agreement.

There may be other reasons for termination such as non-eligibility or to allow property regeneration ... the need for the transfer might arise because the tenant is no longer eligible for their current property, for example they may now be eligible for a property with more or fewer bedrooms. This could be reflected by stating the transfer is to a different property "that better meets their needs or better reflects their current eligibility". ... This redevelopment programme may require some properties to be vacated to support preparatory activities (such as surveying, ground testing, utility changes or project establishment) for a neighbourhood, well in advance of physical work being carried out on that specific site.

2.13.1 Social housing providers echo other landlord concerns

There was a degree of alignment between social housing providers and other landlords.

A desire to retain no-cause terminations

The Council favours retaining the use of no-cause terminations as a discretionary management tool to allow for the protection of the rights of Council tenants and the protection of its property. ... The Council does not want its properties un-let and does not end tenancies without very good cause. The no-cause exit can be the safest, most effective way of fixing and unsatisfactory tenancy.

A charity owning and running community housing noted:

[This organisation] have used this 90 day 'no cause' notice period on a tenant who had assaulted one of my staff members. Whilst this assault was not serious and the staff member had no visible injuries, action was taken under the RTA and the tenant was taken to the Tenancy Tribunal. The tenant admitted the 'assault' had occurred, but not in the way described by my staff member. Due to the 'minor nature of the assault' and also the fact that the adjudicator did not believe the assault would happen again, we were left with no option but to issue a 90 day notice.

It goes on to add:

Firstly, we do not believe that ‘no-cause’ terminations should be removed. ... There are occasions where the relationship between the landlord and tenant will break down irretrievably. A tenant in these circumstances only has to give 21 days’ notice, whereas if the 90 day notice is removed the landlord is not in a position to do so. This is not a fair and just outcome for the landlord. ... At present there is no substantive evidence that the 90 day notice is used in a vexatious manner, or over used by landlords as landlords do not need to inform Tenancy Services.

A council notes that this means of termination is used to protect elderly and vulnerable tenants in neighbouring housing.

Council opposes the removal of the 90 days ‘no cause’ notice and believes that these are a particularly useful mechanism to protect other tenants/neighbours from blame and retaliation, especially where the other party is ‘vulnerable’, which is a reality for some in our Elderly People’s Housing.

Fear of retaliation means tenants will complain but not give evidence:

If landlords must provide evidence for reasons to justify a 90-day notice, then NZ must create a system under tenancy law that is safe, to protect people who may have good reason to fear retribution if they lay complaints about their neighbours. For example, if a tenant has known gang connections, or is known to threaten violence when confronted, fear of retribution keeps neighbours from making formal statements of complaint. We urge the government to devise a safe way for neighbours to provide specific evidence to the Tribunal that is anonymous, e.g. a written statement that is signed but the signature is withheld for safety reasons when the document is shared with the offending tenant.

A lot can go wrong with modifications

We feel landlords/owners need to be able to agree to modifications that tenants propose. In our experience, too much can go wrong if we allow tenants to make their own changes DIY. We require any work done to be by prior mutual agreement, with a suitably trained person (unless it is very minor, e.g. picture hooks).

Recovering arrears or damage awards is equally or more difficult

On repercussions for tenants who don’t meet their obligations, adding fines is impractical for those on low-incomes, unless the Tribunal sets an attachment order at the time of the hearing. Additionally, if a person’s benefit is cut off, for whatever reason, the attachment order should remain in place and restart when their benefit restarts.

2.13.2 There is sympathy on other suggested elements

They are more willing to compromise on issues such as notice for sale largely as sale is not an issue.

We think extending the current 42-day notice to 90 days is too long for anyone needing or wanting to sell a rented property, suggest 60 days instead.

They feel proof is needed of sale intent

We also think that owners should have to provide proof that family require the property (currently owners can just say that). Fine to penalise them for false reasons.

2.13.3 Other community providers lean toward tenant rights

There are important aspects of the social housing community that are more aligned with the reform proposals. For instance, one umbrella community housing group notes:

CHA is supportive of removing the ability of landlords to end periodic agreements without providing tenants with a reason, and it is common practice in the Community Housing Sector to only terminate tenancies through the Tenancy Tribunal, so we are supportive of removing the ability of landlords to terminate a tenancy for 'no cause' using a 90 day notice.

This group notes its members have mixed views on the loss of no-cause terminations:

Some of our members have expressed concerns about losing the ability to use the 'no cause' 90-day notice, especially in situations involving serious cases of anti-social behaviour. They cite instances where perpetrators may intimidate potential witnesses making it difficult to obtain sufficient evidence to persuade the Tenancy Tribunal to terminate a tenancy when all other measures have failed. We would like to see appropriate procedural measures put in place to allow the Tribunal to accept witness statements from CHP Staff, anonymous evidence where this is corroborated by several sources, and acceptance of evidence from 'Professional Witnesses' (such as Private Investigators) as is accepted practice in other jurisdictions.

In its submission, it goes on to suggest what appears to be custom and practice in this sector:

Another option would be to allow Community Housing Providers to use a 90-day notice as a 'last resort' but requiring clear reasons to be given in writing and only after at least two 14-day notices have been served.

2.14 Farm landlords are concerned

Farmers provide accommodation to workers under what is known as Service Tenancies. Workers can use this accommodation when in the employment of the farm and have 14 days' notice if that employment ceases. The value of the accommodation is taxable.

Farmers echo concerns about removal of no-cause terminations and seek an exemption from notice periods. They also seek to have fixed terms and periodic rentals maintained as options.

2.15 Proposed changes may reduce supply, choice and alter tenant-landlord relationships

A number of submitters note the housing market is very tight, as is the rental market, and that rental supply is being displaced to some extent by Airbnb.

The only problem is the overall shortage of housing in NZ, particularly in Auckland, which has been exacerbated over the years and this has caused problems not only for

renters, but for owner occupiers (who find it difficult to service their mortgages) as well as investors(whose rental yields on value are decreasing). The solution is to increase the housing stock by encouraging more building activity. The KiwiBuild Homes which will build 100000 more homes will help solve this.

In [... ...] we currently have an unprecedented shortage of available rental property. We have had between 300 – 400 properties available in the market for most of 2018. This represents less than 1% of the rental stock in [... ...], and this aligns with the 99% occupancy we have seen across our portfolio, and the figures most agencies are reporting are consistent with this.

An unintended consequence may be reduction in supply of rentals

Submitters raise the prospect of unintended or perverse outcomes from the suite of proposals. In particular, an industry survey suggested a switch in preferences with 31% selling some or all rentals. The net effect is difficult to work out and will depend on a wide range of other issues, but there is some evidence that investor confidence could be shaken. We reproduce the table below.

ANSWER CHOICES	RESPONSES	
Carry on as usual	36.40%	162
Sell some or all of my rentals	31.24%	139
Keep my rentals but wouldn't buy in more	16.85%	75
Buy more properties	1.35%	6
Other	14.16%	63
TOTAL		445

Any reduction in supply would likely affect the most needy

An unintended consequence may be that landlords could either be more discerning in tenant choice, or cease to own rental property at all. The corollary is that there may be reduced rental options for those needing accommodation, particularly the most needy.

The increased difficulty that landlords have in removing problem tenants from accommodation is likely to mean they are more likely to be cautious in who they accept as a tenant. Anyone with a history, such as Thomas, is unlikely to be accepted as a tenant as a landlord would not easily be able to terminate if there were problems. For this reason there are likely to be more tenants such as Thomas who are unable to rent in the open market and are forced to look for government help.

If your intention is to drive landlords out of the industry, you may well succeed. However beware what you wish for. Where are you going to house them?

I am getting to a stage in life where I cannot be bothered with all the fuss of being a landlord. In my seven properties there are ten families/ blended generations, some of which have a large number of people. If my seven properties were not on the rental market – ie been sold to the 'first home buyer' that would leave at least three families unable to find a home. I have satisfied tenants. These changes will make the relationship much more formal and adversarial.

The collective nature of the proposed RTA reforms, healthy homes proposals and tax changes are all detrimental to landlords. At no point in history has there been such adverse

change at once. The changes will impose significant additional costs and erode property ownership rights. There comes a tipping point where change becomes too much. The scales are already precariously balanced, with a lot of landlords selling up over the last few years. The unintended consequence of all these changes will drive a further significant reduction in the supply of rentals by private landlords. In fact, it has already started – I know of one agent alone who recently received 6 rental property listings within a week.

I've swallowed quite a bit of extra cost to comply with landlord requirements but I won't be renting my home under the proposed law reforms. My home won't be sold, it will just be left empty when I'm not there.

If things, due to the present anti landlord witch-hunt, get too difficult, we will sell but I am always concerned about the stories of so many potential tenants who come when we advertise our properties. Reducing the available pool by encouraging us to sell will really hit these people. They will probably never have the chance to own but, at least with ours, they can treat it as their own and won't be thrown out unless they are very difficult, don't pay their rent or break the conditions of the contract.

I invested money so that I could retire gracefully but the Landlords are being treated unfairly by the proposed changes. I am now considering disposing of the properties.

If the 90-day notice option is removed I will sell at least two of my properties and buy some apartments to Airbnb in Melbourne.

We are buy & hold investors & do not chop & change properties. We vet our tenants at the application stage. So the current regime suits us well & enables our tenants to have security of tenure. Both parties know the rules & their obligations. We have had 14 tenants in total over 4 properties & only one bad tenant. 3 went on to purchase their own homes. The length of tenancy has ranged from 9 months to 8 years. As landlords losing rights around the decision making of the management of a large asset would encourage us to invest elsewhere. We are good landlords & have happy tenants with open communication & respect for one another. Reforms will encourage persons such as ourselves to exit the rental service market & there will be less properties to rent. Creating increased demand for the remaining properties & causing rents to rise.

Other possible unintended effects

One landlord observes this possible effect directly:

Taking away 90day no reason means lot more landlords will take tenants to court to end tenancies putting more pressure on an already overloaded system.

It will put more strain on social housing as landlords become way more selective and refuse to take on tenants with even a smidge on their record.

One submitter notes the need to ensure that landlords are on board with the changes or supply of rental properties may reduce:

Landlords will need to be assured that they are protected also under this RTA reform, as many have said that they will sell their rentals if it becomes harder for them to evict bad tenants, or if they feel that they will not be helped by the tenancy tribunal to recover costs for damages. Getting their support for this legislation is crucial to preventing negative backlash.

On open-ended tenancies:

The point I am making is that we do not need a prescriptive rule that limits my rights or the tenant's. I always say to my new tenants – “you look after this house and pay the rent, and I will look after you” – and I do, with prompt attention to any issues, upgrading when possible and substantial gifts at Christmas. If this rule was changed I would have to conduct even more rigorous tenant vetting processes, which would be quite intrusive on their privacy. Also, I would have to look at asking for more bond than at present.

Landlords argue they have the right to leave the property empty

No penalties. It is not a crime to want your property empty.

Some solutions are suggested:

I challenge this government to force people who have more than one property which they don't need to give one of their properties to people who have no property.

A solution to the problem of people who cannot meet the demands of borrowing from banks, the Govt should bank roll ALL who need housing, providing everyone with a house they own, mortgaged to the Government but take care of repairs and maintenance, grounds, rates and INSURANCE. If they need to sell or move, they have to sell back to the Govt. It was agreed that if they owned the property they would take better care of it.

One mental health NGO notes in its submission:

A great concern of [the provider] is the risk averse affect this will have on landlords when choosing tenants. [The provider] assists people who are generally receiving benefit as main income, who are seriously affected by mental illness and/or have significant history of drug/alcohol addiction, often with attendant offending and debt history. It is currently very difficult to convince landlords to select our clients but under this potential new regime the likelihood of landlords taking a risk on a person with this kind of presentation or background would decrease still further. ... Landlords may become very risk averse to who they rent to making it more difficult for marginalised people in our communities to obtain tenancies. There needs to be a significant increase in resourcing for tribunal and mediation processes along with independent investigative resources increased otherwise landlords will remain very resistant to rent to people they see as marginalised and to high risk. Presently landlords and tenants have diminished belief in the capacity of the current tribunal / mediation service and its capability to provide on call help when required. Long wait times for tribunal and mediation service provision only serve to reinforce this belief. Removing 90 day no cause terminations has to be balanced with increasing the Tribunal's ability to act in a timely and more efficient manner.

2.16 Is there a case for change?

Several landlords pose a question of whether the policy problem has been identified correctly.

It ain't broke so don't fix it! ...Most tenants stay one year - job change, end of studies, bought own home etc. This 'anecdotal' one year term has evolved for a reason. It suits both tenants and landlord.

The current rules already provide suitable redress and need no changing or bias. Everything comes down to a matter of choice and landlords have prerogative to choose to whom they rent their property.

In conclusion, while being a good faith landlord, and one who is consistently polite, friendly and helpful to all my tenants, I believe the balance is currently about right. I would say I do more giving than taking, and I'm sure there are thousands like me, plus of course some exceptions. Nevertheless I still believe if tenants want security and length of tenure it will be forthcoming if they simply meet the conditions of their lease.

One submitter notes that past changes are still being implemented in the sector and that the full effects of those changes are yet to be seen.

Many of the recent changes to the RTA have been making a genuine and meaningful difference to the quality of rental property and the lives of tenants, but this change takes time and it's full impact is yet to be felt.

3. Questions on improving tenant's choice and control over their housing

In this section, twenty-two questions were grouped under nine sub-headings:

- Removing no-cause terminations from periodic agreements.
- Landlords could still end tenancies with 90 days' notice for a number of other reasons.
- Making sure that termination grounds are used fairly.
- Changing notice periods for landlords and tenants.
- How a tenancy could end if we make these changes.
- Additional grounds for termination for public housing providers.
- To make these changes we might need to take a broader look at the types of tenancy agreements on offer.
- Changes to the existing types of tenancy agreements could help improve security for tenants.
- Do we still need two different types of tenancy agreement?

Analysis has been split into two sub-sections, tenancy termination and notice periods (sixteen questions) and six questions on types of tenancy agreements.

3.1 Modernising tenancy law so tenants feel more at home

This section has 16 questions based around the reasons available to terminate tenancies and the notice periods required under seven sub-headings.

For some landlords the most contentious part of the suggested reforms is the removal of the 90 day no-cause terminations. These landlords argued that while no-cause terminations are a rarely used tool they are essential to property management and part of property ownership rights that should not be interfered with. Arguments often mentioned that there is always a reason for ending a tenancy and sometimes this reason is sensitive. Providing reasons, evidence or proof was thought to raise safety and privacy issues or be hard to enforce particularly as an individual's circumstances can change rapidly.

Tenants regularly responded to questions with stories of how stressful and expensive the moving process can be. Increased notice periods were thought to provide some relief as it enabled the opportunity to save for the costs involved in moving and gave more time to search for and find an appropriate property rather than being forced to take anything available due to the looming threat of homelessness.

Both landlords and tenants drew on the concepts of fairness and rights often claiming that the same rules should apply to all groups.

3.2 Removing no-cause terminations from periodic agreements

Question 2.1.1

If no-cause terminations are removed, and a tenant displays anti-social behaviour (to the point where the landlord wants to end the tenancy), should the landlord be required to issue a notice to the tenant to improve their behaviour, before they can apply to the Tenancy Tribunal to end the tenancy?

- Yes
- No

Quantitative analysis of question 2.1.1

Table 5 Question 2.1.1 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,205	42.8%
No	1,612	57.2%
Total	2,817	100.0%

Table 6 Question 2.1.1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	71.9%	26.7%	27.2%	25.0%	79.6%
No	28.1%	73.3%	72.8%	75.0%	20.4%

Table 7 Question 2.1.1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	56.2%	34.8%	5.3%	0.5%	3.2%
No	16.4%	71.2%	10.6%	1.1%	0.6%

Thematic analysis of 2.1.1

Major themes

- Most 'yes' respondents felt a warning was reasonable to give tenants an opportunity to rectify their behaviour or to open up communication about the issue.
- There was concern around the subjective nature of anti-social behaviour, what constitutes proof of such behaviour, how proof could be obtained and the ability of the Tenancy Tribunal to handle anti-social issues in a timely manner.
- Most of the 'no' respondents were concerned that even with notice the behaviour was unlikely to change and giving notice could adversely affect safety and/or cause damage.
- 'No' respondents were also concerned about losing the no-cause termination option as it was considered an essential component of property management.

Minor themes

- Both 'yes' and 'no' respondents thought there was a need for better processes for resolution of anti-social behaviour such as quicker Tenancy Tribunal proceeding or other formalised processes.
- There were some comparisons to employment laws with 'yes' respondents noting that employment contracts provide employees a number of chances to improve.
- Exceptions are needed to giving notice for violent or extreme anti-social behaviours that potentially make it unsafe for landlord. There may be a need for immediate termination in such cases.

Other points of interest

Tenant

It's a no here... It depends on what form of behaviour it is. The landlord may want the tenant out because the tenant disagreed with him for some reason. It's a yes here... If the tenant assaults or starts throwing things and gets abusive, straight to the tribunal

Relevant quotes

Tenant

Unless it is a very serious and repeated matter affecting others, Tenants should not be held to Landlord's subjective ideas on what is anti-social behaviour. Landlords should not be able to evict a tenant unless it is more serious than just anti-social behaviour.

Tenant

I worry that the requirement for offering a 'second chance' to improve the tenant's behaviour would be unnecessarily damaging to the landlord or other affected parties (e.g neighbours) in particularly egregious circumstances or where the landlord or other affected parties are from marginalised groups. For instance if the landlord was gay and subject to homophobic abuse, it's not clear that the landlord should have to suffer the indignity of continuing to interact with the tenant in offering them a chance to improve their behaviour when the behaviour was unacceptable to begin with. It is not the job of already marginalised groups to improve the behaviour of those marginalising them in the first place.

Tenant, landlord/homeowner

The tenant has to respect the property and the tangata. The Tenancy Tribunal's role is to assess the threat and has the ability to end the tenancy if appropriate. Adding another step in this process only adds further liability to landlords, particularly Mum and Dad type landlords, who should be supported. Big corporate property management companies are at risk of discriminating against tenants with bad reputations more. Tenants who are respectful would receive no protection from this additional burden for landlords. It is only tenants displaying dangerous and harmful behaviours who would be rewarded by this change. Overall this proposed change will only reward poor and concerning behaviour of bad tenants, increase Mum and Dad property investor paperwork and liability, and is likely to result in increased discrimination of lower socioeconomic renters by big property management/investment companies and increase social housing demands. I cannot see any benefit in this change (and I am a renter).

Landlord/homeowner, property manager

This to me is the most contentious issue of all the reforms, I have been a landlord and a property manager for over 20 years, and have only used the 90 day notice sparingly. In most cases ending a tenancy for rent arrears, and bad behaviour can be achieved through the Tenancy Tribunal, but in some cases the relationship between the parties just doesn't work. Some personalities just don't get on,...

Question 2.1.2

Do you think the examples listed in the discussion document cover the kinds of behaviour that would interfere with the reasonable peace, comfort, or privacy of any other tenants or neighbours?

- Yes
- No

If not, what other examples would you include and why?

Quantitative analysis of question 2.1.2

Table 8 Question 2.1.2 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,662	70.2%
No	706	29.8%
Total	2,366	100.0%

Table 9 Question 2.1.2 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	82.8%	65.0%	72.6%	50.0%	79.3%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
No	17.2%	35.0%	27.4%	50.0%	20.7%

Table 10 Question 2.1.2 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	46.0%	49.0%	3.0%	0.6%	1.4%
No	25.8%	70.1%	3.1%	0.2%	0.8%

Thematic analysis of 2.1.2

Major themes

- Respondents often brought up examples that were outlined in the discussion document
 - From paragraph 38: harassment, intimidation, repeated unwanted interaction and other behaviours, allowing or inciting dogs to intimidate, sustained noises and light pollution.
 - From paragraph 39: not paying rent, causing or threatening to cause damage, assaulting or threatening specific persons, using premises for unlawful activity, breaching tenancy agreement in way that could not be remedied.
- Both ‘yes’ and ‘no’ responses offered commentary on anti-social behaviour being contextual and hard to define, citing “unreasonably” as an ambiguous and subjective term.
- Landlords thought they should decide what constitutes a disturbance or not have changes to the no-clause termination as the examples give tenants a reason to argue their case. Making it hard for the landlord to prove or measure behaviour, which landlords should not have to police.
- Other examples offered often included reference to keeping premises clean for the comfort of neighbours, generally taking care of the property, allowing access to premise for repairs, not informing landlord of damages or modifying without permission.

Minor themes

- Excessive complaining, receiving too many visitors, excessive alcohol drinking, obnoxious or suspicious behaviour, gang affiliation.
- Blocking shared driveways, inconsiderate parking or reckless driving in shared driveways
- The tolerance level for ‘anti-social behaviour’ differs so clear guidelines are needed.

Other points of interest

Landlord/homeowner, social housing provider

There are tenants with a whole variety of mental health, cultural, social issues with differing needs out in the housing area. Tenancy agreements are legal contracts acting in good faith and trust. When trust is eroded due to frequent and consistent complaints by other tenants, property managers- the landlord must end that relationship - under the term "irreconcilable differences". There are tenants who game the system- getting a 14 day warning letter and ceasing the unsociable actions for 14 days; when they restart the cyclical on-off unsociable behaviours. There are tenants who are habitual complainers and whiners; and who upset other tenants and complains about everyone they come in contact with - lawn mowing contractors; contractors who repair & maintain the tenanted property and even property managers and landlords- so that they can claim they are given notice in retaliation for vexacious and habitual complaining. There are tenants who smuggle in not-allowed pets/living arrangements- and the burden of proof is too high - to bring a prosecution - so the 90 day notice should stay

Tenant

There will always be neighbours / neighbourhoods where people won't be liked. To evict a tenant because of that, is discrimination. If the tenants cause problems, it is a police matter.

Relevant quotes

Landlord/homeowner

Gang members residing in a house and going from 3 people (non gang) to 15 people and unable to locate tenant. Also tenant not on site - as others who are on site are authorised, it is difficult to manage. (unauthorised razor wire additions, cameras on eaves, attack dogs, change locks). Also cost of reinstating unauthorised modifications.

Property manager

Breaches that can be remedied but are not currently seen as unlawful and the tribunal does currently not terminate for I.e. Continual Requests for cleaning that are not actioned. continual careless or accidental damage to the property that is currently not seen as tenant due to osaki case e.g. Burning Benchtops, burning or staining carpets, holes in walls that cannot be proven to be malicious but still done by the tenants. Ongoing wear and tear that landlords have to foot the bill for. Rude, creepy or suspicious behaviour toward landlord that cannot be proven unless you were there eg, sexual innuendo or comments At inspections. To get vacant possession for the purpose of carrying out renovations (not just regular maintenance).

Tenant

I think those examples would cover most of the kinds of behaviour that would interfere with my reasonable comfort, or privacy. I wonder if anything else should be added regarding behaviour that makes you feel unsafe. perhaps add "unsafe" to the end of example 1. For example, we had neighbours once (who rented the flat above us on a hill) and for a few weekends in a row we didn't have any direct contact with them but during parties they would through glass bottles down on our back patio. Luckily we told our landlord who told their landlord and they were evicted. So it wasn't really direct harassment or intimidation but it was behaviour that made us feel unsafe in our property.

Tenant

loud voices" is vague and has the potential to be used to discriminate. Rather than adding examples, I would remove this one.

Landlord/homeowner

You can never provide an exhaustive list of such behaviour. For example, it is very difficult to describe intimidating behaviour - it is a matter of whether someone finds it intimidating.

Landlord/homeowner

Parking a car in a driveway blocking access to other properties can be sufficient to drive other tenants away. This might be careless, casual, or deliberate but is unlikely to meet an intimidation test and doesn't involve dogs or noise.

Landlord/homeowner

The situation is more subtle than that. We own an apartment complex and is made up of a small community. Some of the tenants have been there for over 30 years and we try to pick tenants that would fit in to that environment. Noise that may be considered normal in independent houses may not be acceptable in a complex where people are living in close quarters. How do you legislate for that?

Landlord/homeowner

Sale of prohibited drugs, leaving abandoned vehicles on the property, leaving full rubbish bags and litter that may be a health hazard. These actions illustrate that tenants either do not care for the property they are living at, or for the welfare of others.

Landlords Survey Report

Paragraph 38 on page 12 is far more explicit than the table on pages 14-15. The examples given mention the Tenant or Visitor in a singular capacity. It makes no allowance for group activity. They're too specific and not broad enough.

Question 2.1.3

What kinds of evidence could a landlord produce to prove a tenant was behaving in an anti-social way, if affected people (such as neighbours) did not want to speak out?

E.g. photographs, letters, emails, affidavits, audio recordings, video recordings etc.

Quantitative analysis of question 2.1.3

Table 11 Question 2.1.3 Quantitative overview

Response	Number of responses	Percentage of Answers
All or any suggested	1,580	75.8%
Other, police, noise control, text	128	6.1%
Privacy or safety concerns	377	18.1%
Total	2,085	100.0%

Table 12 Question 2.1.3 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
All or any suggested	71.5%	77.2%	76.6%	75.1%	75.0%
Other, police, noise control, text	7.5%	5.5%	7.2%	9.3%	12.5%
Privacy or safety concerns	21.0%	14.3%	16.2%	15.7%	12.5%

Table 13 Question 2.1.3 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
All or any suggested	27.4%	62.8%	7.6%	1.1%	1.1%
Other, police, noise control, text	10.2%	75.6%	11.1%	0.6%	2.4%
Privacy or safety concerns	16.7%	72.2%	9.3%	1.0%	0.8%

Thematic analysis of 2.1.3

Major themes

- Most respondents agreed that any or all of the examples suggested were reasonable with many also noting that obtaining this sort of evidence could be very difficult due to the privacy and safety implications.
- Police and noise control reports were often suggested as other types of evidence.

Minor themes

- Landlords felt that the onus shouldn't be on them to police behavior.
- Tenants felt solid proof is required whereas landlords were likely to suggest no evidence is required.
- Text messages were also suggested as a form of evidence.

Other points of interest

Tenant

These are all adequate, as long as the witnesses agree to be discreetly interviewed by a Tribunal officer, simply to verify that what they appear to have stated is, in fact, their statement.

Relevant quotes

Landlord/homeowner

No evidence. Often situations happen in the heat of the moment and evidence is not available. If people have not given permission to be filmed on mobile phones I don't think that it could be used as evidence

Tenant, social housing provider

Hmm no to video or audio recordings. That is unquestionably an invasion of the tenant's basic human rights.

Landlord/homeowner

Type of evidence may vary depending on circumstances. Suggest guidance document rather being specific in legislation or "may include but not limited to ..."

Landlord/homeowner

Anything which can be verified as genuine, ie photos/videos with date, text messages, emails. Very important that neighbours or other persons providing complaint or evidence have their identity protected.

3.3 Landlords could still end tenancies with 90 days' notice for a number of other reasons

Question 2.1.4

Landlords are currently required to give tenants 42 days' notice if they:

- have sold the property with a requirement for vacant possession.
- want to move in.
- need it for an employee or family member.

What do you think the impact would be if this notice period was extended from 42 to 90 days?

Quantitative analysis of question 2.1.4

Table 14 Question 2.1.4 Quantitative overview

Response	Number of responses	Percentage of Answers
Minimal, manageable or acceptable impact	227	8.2%
Generally positive impact	772	28.0%
Negative	882	31.9%
Mixed, depends on circumstances	288	10.4%
Unfair, current situation preferred	348	12.6%
Very negative	224	8.1%
Reduce fraudulent use	20	0.7%
Total	2,761	100.0%

Table 15 Question 2.1.4 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Minimal, manageable or acceptable impact	8.1%	8.0%	8.4%	13.6%	11.8%
Generally positive impact	64.1%	9.6%	5.5%	9.1%	66.2%
Negative	10.2%	42.4%	48.5%	36.4%	13.2%
Mixed, depends on circumstances	9.4%	11.3%	9.7%	18.2%	4.4%
Unfair, current situation preferred	4.3%	17.1%	17.3%	9.1%	1.5%
Very negative	3.0%	10.9%	10.1%	9.1%	2.9%
Reduce fraudulent use	0.9%	0.6%	0.4%	4.5%	0.0%

Table 16 Question 2.1.4 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Minimal, manageable or acceptable impact	31.3%	55.1%	8.8%	1.3%	3.5%
Generally positive impact	72.9%	19.3%	1.7%	0.3%	5.8%
Negative	10.2%	74.8%	13.0%	0.9%	1.0%
Mixed, depends on circumstances	28.8%	60.8%	8.0%	1.4%	1.0%
Unfair, current situation preferred	10.9%	76.4%	11.8%	0.6%	0.3%
Very negative	11.6%	75.9%	10.7%	0.9%	0.9%
Reduce fraudulent use	40.0%	50.0%	5.0%	5.0%	0.0%

Thematic analysis of 2.1.4

Major themes

- Landlords were most likely to think the change would have no impact or a minor impact that was manageable, acceptable or reasonable.
- Tenants thought that it would have a generally positive impact as it aligns with the time taken to find a new tenancy, reduces stress and allows time to save for new tenancy costs. This included a group that though the small negative effect on landlords would be outweighed by the positive effect for tenants.
- Landlords and property managers saw the change as a negative as it will; increase costs to the owner, make selling houses harder, the time period is too long for planning, more opportunity for unpaid rent and damage, result in increased bonds.
- Mixed responses highlighted the uncertainty as the impact would depend on the circumstances.
- Landlords thought it was unfair or an erosion of rights and preferred the current state or discussed different notice periods.
- Landlords were most likely to see it as a very negative impact due to; affect on settlement dates, it would cause less rental property investment, properties less appealing to owner occupier buyers, prices increase.

Minor themes

- A small number of landlords and tenants thought it would reduce fraudulent use.

Other points of interest

Tenant

We have been in this situation. The problem for us was actually that when the landlord gave us notice we began flat hunting straight away. We found a new place within the 6 weeks, and then the landlord said we couldn't leave earlier than the vacate date they had given us because then they would be disadvantaged. We were in a lose-lose situation. If a longer notice period is implemented, tenants should be given the right to give notice within that i.e. if 90 days notice is given by landlords and tenants find new tenancy within that time frame, they can give 21 days notice to move out

Landlord/homeowner, tenant

I don't believe any significant changes were required to this section, nor do I believe moving from 42 days (in some circumstances) to 90 days will make it any easier for tenants to find a new home until we increase the supply of rental properties or reduce the demand for them. However, I do believe the landlord should be able to end a tenancy with less than 90 days notice if they a. pay the moving expenses of the tenant, and b. find a suitable, similarly priced rental in the same geographic area. 5km radius for example. I believe this would motivate landlords who have genuine reasons for needing tenants out earlier than 90 days and it would assist tenants

Relevant quotes

Landlord/homeowner, social housing provider

Little impact except in emergencies, so rules should be flexible.

Tenant

It would give a tenant more time to find a home that suits them and their family in a tough and competitive rental market. However, the tenant should also be able to leave anytime in those 90 days, with 7 days notice, if they get lucky and find a place sooner.

Tenant

Having been asked to leave a tenancy because a family member needed it I can certainly say it's a stressful surprise, so from a tenant's perspective the longer time frame allows for the often difficult search for a new premises. I find it hard to understand why a landlord's employees or family have more rights than a tenant. In the workplace it's called nepotism, why is housing different?

Landlord/homeowner, tenant

Any reasonable landlord would give as much time as they possibly can to the tenant, but there are times when having to wait 90 days to move into a property would be unreasonable for the landlord - for example a family break up, they are going into receivership and the only offer on the house wants it ASAP, personal homelessness etc. I would leave it at 42 days notice.

Landlord/homeowner, property manager

Landlords will remove tenants before the house goes on the market. If it does not sell they will get new tenants. Basically removing this will create more situations where tenants are

moved on when investors try to sell. In my experience 1 in 3 times, the house does not sell and the tenants stay.

Landlord/homeowner

While it can be disruptive for tenants to have to move, the impact on owners of extending the notice period would be disproportionate

Landlord/homeowner

Not much impact for the landlord- if the timeframe is known in advance, it could be accommodated. I think the greatest impact is with the tenant- its took much notice. Put yourself in the tenants shoes- start looking now, in case it takes 3 months, then vacate early? Or leave it to the last 21 days when most tenancies require you to move in in 1-3 weeks. The system has to work together....if you stand to 90 days, this won't work.

Landlord/homeowner, tenant

This discriminates against open communication between landlord and tenant. It also discriminates against landlords who lease their home when they have had to move out of town for work/other commitments.

Landlord/homeowner, tenant

I think the best wording here should be between 42 and 90 days, giving flexibility to both the tenant and the landlord with respect to the transition. I gave my tenant 42 days notice expecting them to use it. Once they found new accommodation, they were keen to take it & in fact moved out several days earlier than expected. The flexible arrangement does leave some room for confusion over the terminal day, but most property managers and landlords

Landlord Survey Report

Tenanted properties are invariably less attractive to buyers than vacant properties and this affects their value. Extending this to 12 weeks or three months would put many home buyers off considering buying a rental property

Question 2.1.5

When a rental property is sold, should the new owner only be able to require vacant possession if they want to use the property for a purpose that can't reasonably be accommodated with the existing tenants in place?

E.g. to live in the property themselves, for a family member to live in, to renovate or to convert to a commercial property.

- Yes
- No

Please explain your answer.

Quantitative analysis of question 2.1.5

Table 17 Question 2.1.5 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,404	49.8%
No	1,414	50.2%
Total	2,818	100.0%

Table 18 Question 2.1.5 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	66.7%	42.0%	37.1%	43.5%	57.6%
No	33.3%	58.0%	62.9%	56.5%	42.4%

Table 19 Question 2.1.5 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	43.7%	47.9%	6.3%	0.7%	1.4%
No	21.7%	65.8%	10.5%	0.9%	1.0%

Thematic analysis of 2.1.5

There was significant confusion with the wording of this question resulting in similar explanations with opposing yes/no answers.

Table 20 Question 2.1.5 Thematic overview

Response	Number of responses	Percentage of Answers
Owners' rights	1,313	60.3%
Tenants' rights	368	16.9%
Adequate notice required	116	5.3%
Impact on sales price and/or process	116	5.3%
Used to increase rent, avoid laws	70	3.2%
Fair and reasonable	167	7.7%

Response	Number of responses	Percentage of Answers
Uncertain	29	1.3%
Total	2,179	100.0%

Major themes

- Landlords considered it an issue of owner's rights, they often thought possession should mean you can do what you want (within reason), or noted that a purchaser may want to find their own tenants.
- Tenants also saw vacant possession as a rights issue, and felt existing contracts should be honoured for fixed term leases.

Minor themes

- Both landlords and tenants thought that with adequate notice required such as 90 days, good communication and transparency was possible.
- Landlords expressed concern for the impact on the sales price and/or process, with some commenting that it may exclude first home buyers from purchasing the property.
- Can be used to increase rent, avoid laws, with potential to create more loopholes.
- A group of both landlords and tenants felt it was fair/reasonable/better as it deters land banking, reduces unnecessary vacancy, and encourages tenants to stay in properties.

Other points of interest

Landlord/homeowner

I personally prefer that a term is a term and breaking a lease requires negotiation but a lease agreement could provide for 90 days notice as a first step in the move to longer term tenancies as overseas. It would be very useful to see the overseas terms published country by country for western societies like NZ

Renters United stated:

The landlord should notify the tenant at the start of every tenancy whether they intend to sell the property in the next 12 months. If the property is sold, the landlord should give at least 90 days notice.

Written submission

A new owner should be able to do as they please with the home they purchase. Restricting them but then bringing in a raft of exemptions to allow vacant possession will be unenforceable, unmanageable and complex. There would be significant issues if a tenant challenges an end to the tenancy as part of a sale process and was successful. What impact would this have on settlement? What would happen if by the time a decision was reached the property had already settled? How does this link into property law and the sale and purchase process? People need to be able to enter into property transactions in good faith with clear rules.

Relevant quotes

Property manager

This question is misleading and I will expect you will not get accurate responses to it. Regardless of whether the property is tenanted or not, the owner must retain the right to sell the property and the purchaser must be able to retain the right to have full access and use to the property. My reason for this is that the majority of rental property owners are “Mum and Dad” investors. We need to protect them as well as protecting tenants.

Landlord/homeowner

This is very ineffectual - what may happen is 100% of new owners will need to renovate the property. Why should the new owner be stuck with a difficult tenant that they had no part in letting the property to?

Tenant

If the landlord sells the property then it should be a breach of the tenancy agreement, as they have not been able to provide what both parties agreed to.

Landlord/homeowner

If I buy a house that is a rental property I either wait 90 days for the tenants to leave or I keep the tenants and accept they come with the house.

Tenant

I have experienced the rental market in The Netherlands where a rented property is worth only 70% of its actual value when it is put on the market as a result of a rule that the new owner cannot require the tenant to vacate it. This has made renting out houses very uninteresting to landlords, and there is a shortage of rental houses. It is reasonable for a house buyer to expect to live in the house they buy, and it is reasonable for a home owner to be able to sell their house at the full asset value when their circumstances change. As a tenant, I find this an understandable reason for having to move out. (btw, this question is worded badly. I think that the yes and no's will be mixed up)

Tenant

1) it will give more security to the tenants 2) it may slow down the speculative housing market

Landlord/homeowner

Not having this means a building would be deemed forever a rental

Landlord Survey Report

The tenancy agreement is not attached to the title but the previous owner.

3.4 Making sure that termination grounds are used fairly

Question 2.1.6

Should a landlord be able to end a tenancy so they can advertise the property for sale with vacant possession?

- Yes
- No

What impact do you think this would have on tenants?

Quantitative analysis of question 2.1.6

Table 21 Question 2.1.6 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,929	67.8%
No	918	32.2%
Total	2,847	100.0%

Table 22 Question 2.1.6 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	58.1%	73.7%	72.7%	63.6%	18.9%
No	41.9%	26.3%	27.3%	36.4%	81.1%

Table 23 Question 2.1.6 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	27.9%	61.9%	9.1%	0.7%	0.4%
No	42.3%	46.4%	7.2%	0.9%	3.3%

Thematic analysis of 2.1.6

Major themes

- Both tenants and landlords thought a reasonable notice period (both 90 and 42 days suggested) is required and was a key requirement to encourage good communication and negotiation between parties.
- Tenants and 'no' respondents generally saw a negative impact due to the stress involved with tenancy termination. It was also seen as unfair, and thought to increase vacancy of housing stock.

Minor themes

- Landlords thought there will be some impact but considered it insufficient to displace the rights of ownership.
- Impact will be on the selling process, making it harder to sell with tenants, renovate, inconvenient for tenants to have to live through the selling process.

- There will be little to no impact as it is rarely used, and fixed term contract already provide protection.
- Will depend on other rules/changes/circumstances/lease agreements and tenants.
- Some saw the impact simply as the tenant having to move, which was considered to have some negative consequences but is also the reality of renting.

Other points of interest

Landlord/homeowner

I have had FOUR rentals sold while we were renting the properties. Three times I was pregnant or with newborn baby and young family. It is utterly awful. Highly stressful and extraordinarily invasive.

Relevant quotes

Property manager

It is upsetting for tenants to have to move and I certainly appreciate this having been a tenant. However, if an owner would like to stage the property to ensure they can get the best price possible then sometimes it is preferable to be able to have the property empty for the sales process. In my experience tenants don't like being a part of the sales process and often move or look to move anyway.

Landlord/homeowner

Assuming a landlord cannot do this within a fixed term tenancy, there would be no change to a tenant as the landlord would still be required to give the appropriate notice.

Tenant, landlord/homeowner

As a tenant I have found this frustrating at times but we have accepted that this one of the realities of living in a property owned by someone else. I don't have a right to control what someone else does with their possessions.

Tenant

This is a highly speculative excuse. Moreover, can be used as a backdoor to evade the law: "I want to sell the property as empty, please leave" - then ask for a ridiculous price and bring new tenants in a couple of months' time, for a higher rent price, because the property couldn't be sold.

Landlord/homeowner

Buyers have the option of vacant possession if it is needed, so there is no reason why a landlord should require this as an option. Allowing this would displace tenants, especially given that many property buyers are investors and would then rent the property out anyway, creating significant disruption to the tenants for no reason.

Property manager

If this was not permitted, it would increase tenants' expectations of a stable home.

Tenant

The buyer has the right to stipulate in the sale agreement that the property must be vacant when they take possession. The seller must then give appropriate notice to the tenant to vacate the premises prior to the property changing hands. As above the buyer is under no obligation to carry over the existing tenancy agreement, as they are not party to it. The seller is however and must honour it until the property is sold.

Tenant

A landlord should be entitled to end a tenancy if the vendor and purchaser have signed a contract agreeing that vacant possession will be offered. This would (a) protect tenants against unscrupulous landlords who claim that they wish to sell the property as an excuse to end the current tenancy, but don't follow through, and (b) ensure that tenants are not forced to leave their home unnecessarily (e.g. if it subsequently transpires that the new owner is happy to have tenants in the property).

Landlord Survey Report

More and more tenants are very anti open homes when their possessions are exposed to public viewing. Tenanted properties are invariably less attractive to buyers than vacant properties and this affects their value.

Renters United stated:

No. A landlord selling the property should not be able to terminate the tenancy. The tenancy should transfer with the sale unless mutually agreed between the landlord and the renter. The purchaser should become the new landlord. The purchaser should not be able to terminate the tenancy for any additional reason.

Question 2.1.7

Do you think that landlords should give tenants evidence about why they are terminating a tenancy?

- Yes
- No

Please explain your answer.

Quantitative analysis of question 2.1.7

Table 24 Question 2.1.7 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,382	49.2%
No	1,429	50.8%
Total	2,811	100.0%

Table 25 Question 2.1.7 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	61.6%	42.2%	38.9%	40.9%	89.6%
No	38.4%	57.8%	61.1%	59.1%	10.4%

Table 26 Question 2.1.7 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	41.5%	47.8%	6.9%	0.7%	3.1%
No	25.1%	63.3%	10.4%	0.9%	0.3%

Thematic analysis of 2.1.7

Major themes

- Yes, it is fair and reasonable, basic rights, improves transparency, and can be helpful for future tenancies.
- Yes, it will reduce abuse, improve disputes resolution, increased accountability, and there always should be a reason required to end a tenancy.
- No, it is the property rights of the owner, no evidence is necessary as appropriate notice is sufficient and good tenants are highly desirable so won't be removed.
- No, it could create conflict, opens opportunity for retaliation, evidence is highly disputable, and it will be difficult to enforce.

Minor themes

- Yes, where possible, within reason, if requested, provide a reason rather than evidence, or evidence only required when in dispute.
- No, it impinges on privacy rights as sometimes reasons can be sensitive.
- No, a reason rather than evidence, it should be encouraged rather than regulated, and only given when requested.
- Both landlords and tenants thought it depends on circumstances and relationship between the groups, the type of notice, tenancy agreement, lease and the definition of evidence.

Other points of interest

Landlord/homeowner

... if you decide evidence should be lodged on a new Tenant / LL national register so new Tenant / LL can assess the behaviour of the Tenant / LL if they choose to apply to live in their property. Problematic Tenants / LL and their familiar ties need to be in place to ensure appropriate links are maintained and identified. The register should be freely available to the public to ensure anti social behaviour and problematic tenants / LL are identified.

Tenant

It sounds like a good idea, but I don't know how workable it will be in practice. If the Landlord doesn't provide evidence, the remedy is still going to be for the Tenant to take some kind of enforcement action which I suspect will result in many landlord's hoping that

the application process/fee will be enough to put tenants off from doing this. I think that landlord's should be required to give evidence to the Tenancy Tribunal if a tenant challenges the reasons given for issuing a 90 day notice. The burden of proof should be on the landlord to prove their reason for issuing a 90 day notice was legitimate, as tenants will rarely be in a position to be able to prove that. I would like to point out that I don't think that Section 54 RTA would cover all situations where a landlord uses a false reason to terminate a tenancy. The language of s 54 focuses on whether or not the tenant was exercising any right etc, or whether they had made a complaint against the landlord. It's foreseeable that a landlord may falsely rely on one of the 90 day termination exceptions (such as needing the property for an employee) to avoid the 14 day notice and Tenancy Tribunal application process. This could happen in a situation which is not retaliation against the tenant actively exercising a right or making a complaint, but where there has been a minor breach by the tenant of their obligations. I would strongly suggest s 54 is either amended or a new s 54A is created allowing a tenant to apply to the Tribunal for a declaration that a 90 day notice is of no effect where the landlord has used a false reason generally. I would also like to point out that at least one of the additional termination grounds (para 42 in your Section 2.1 Discussion Document) could create a loophole open for abuse. "when the landlord is not the owner of the premises and the landlords interest in the property ends (for example, the landlord may lease the premises from the owner and the lease ends)" A property owner could potentially lease to a property manager who then sub-leases to the actual tenant. If the landlord wants the tenant gone, they can agree by mutual consent with the property manager to a termination of the principal lease, which would then allow for a 90 day termination of the sub-lease to the tenant. The landlord could then re-lease the property to the property manager for the purpose of creating a new sub-lease with a future tenant. Even if the landlord provided evidence that the principal lease had terminated, it may be difficult for a tenant to detect this kind of abuse if the landlord/property manager disguised their relationship carefully. This kind of possibility should be considered when drafting language for this 90 day notice exception.

Landlord/homeowner

Absolutely, this is a no-brainer. Fairness and equality dictate that explanation must be given. There may be clauses to support this in the Human Rights Act and the Bill of Rights.

Renters United stated:

The Residential Tenancies Act 1986 should recognise that a rental property is a renter's home and it is essential to the renter's wellbeing. The Act should state that its rules are based on the principle that renters should have security of tenure and protection from unwarranted disruption.

Relevant quotes

Tenant

Even if it was only to say "I don't want you as a tenant anymore". Everyone has a right to know why an arrangement has ended

Landlord/homeowner

This educates the tenant and protects the landlord

Tenant

Definitely, and it must be valid reasons, too. I had a situation where my landlord wanted to insulate the house, but because we weren't WINZ tenants, and he couldn't get a discount, he gave us an eviction notice.

Landlord/homeowner

Yes, and this evidence should be searchable for other future landlords. Currently, if a landlord does a search on a potential new tenant, and sees that they have been to the tribunal, there is nothing else that backs that matter up - only that they have been to the tribunal - this always looks unfavourably on the tenant. Reasons need to be given to ensure the tenant was either in the right or wrong for why a tenancy was terminated early. Again, it needs to be FAIR

Landlord/homeowner

However that evidence should be able to be 'evidence of evidence', with the actual evidence only presented on challenge and/or through courts, to respect privacy of landlords or other affected parties.

Landlord/homeowner

Except where privacy is required for any reason. EG health issues, court involvement, domestic violence, financial hardship, marital split etc. These are personal issues tenants should not need to or be entitled to know unless the landlord chooses to.

Property manager

It may be more useful to require landlords to provide the Tenancy Tribunal or another regulatory/enforcement body with evidence. Tenants may not be in a situation to contest a termination or may not have a full understanding of their rights.

Tenant

They should have to give evidence when the reason is about the tenant (anti-social behaviour, etc.) or the property (large-scale repairs or renovation). They should not have to give evidence when the reason is about the landlord (wants to move in, wants to sell, etc.). If this distinction is hard to implement (and I feel that it probably is), then it is safer to err on the side of extra communication / evidence. An affidavit may suffice as an expression of intention to move in or sell, so evidence isn't hard to provide.

Tenant, Landlord/homeowner

The landlord should be free to deal with their property as they see fit provided they give the required notice to the tenant.

Landlord/homeowner

Landlords should be able to issue a 90 day notice without giving a reason. This is essentially a business contract - with a twist that it concerns peoples' personal lives. For this reason it should not be terminated at short or no notice. On the other hand, as a business contract, it should be able to be terminated. Shorter periods of notice should require a valid reason.

Property manager

As long as sufficient notice period is given then the reason is irrelevant. What if it's because the landlord wants to house his mistress? To say that a family member is moving in would be a lie. To say a friend wants to move in may be challenged by tenant in the tribunal for possible unfair dismissal (not sure if they have ground to do this? If not then what's the point of the tenant knowing the reason for termination??). Either way having to

disclose the real reason might be an embarrassment for landlord and it shouldn't be anyone else's business but him.

Tenant

What if a landlord is moving back into the house and does not want the tenant to know because she is scared for her safety because the tenant is associated with gang members and drug dealing?

Tenant, landlord/homeowner

Making landlords provide evidence of their reasons for terminating would only lead to an increase in costs for landlords and hence an increase in rents for tenants. How is a landlord even supposed to provide 'evidence'? In what form would it be? If my reason for terminating is that I want to renovate it, how am I supposed to provide evidence of that? Quotations from tradespeople? What if I intend to renovate it myself? How am I as a landlord supposed to provide evidence of my intention to move into the property myself? There is already protection for tenants around this. If the landlord tells the tenant that they are going to move into it themselves (and therefore gives the tenant 42 days notice) and then the tenant sees that the property is for rent after they move out, they can take the landlord to the tribunal.

Landlord/homeowner

I foresee that various reasons will be tested. Some will work and some won't. The reasons will then be distilled into a short list and Landlords will have them on speed dial.

Landlord/homeowner, property manager

Quote two examples. Number of people are specified on the agreement. No drugs or smoking on the premises. 1. A smoking son and a friend move in and while mother is at work smoke their reefers discarded on the back steps whilst they look hard at women in next two units every time they or their children use back yard. Mother feels son being unfairly accused. 2. New partner moves in. Dress and interaction frightens other women tenants. Smell of substances present. Evidence, visual and smell of smoking. Complete denial by the tenant. In neither case were neighbours quoted as we could observe for ourselves and neighbours, including upstairs home owner next door scared. Gave 90 day notice rather than go through Tenancy court and subject everyone to prolonged intimidation.

Tenant

I answer yes and no, if it's for normal reasons then yes the evidence should be given but if it is for something like suspected criminal activity that I have witnessed but all involved are too scared to give evidence then I should have the right to remove them.

Landlord/homeowner

Landlords should give a valid reason for termination, but asking for evidence to be provided is going too far.

Landlord/homeowner

No. To be fair for both parties and not create any animosity as you could imagine if their was a reason given it could end up being taken the wrong way and end up in court. More tax payers money and wasted time. You should be changing or looking at this document as a cost and time saving and a happy mutual agreement. Maybe there needs to be a confidential site for both parties to have their say if need be so you could see both sides.

Question 2.1.8

Do you think using a false reason to terminate a tenancy should be considered an unlawful act and subject to penalties, such as those described in Section 5 (Enforcing Tenancy Laws) of the discussion document?

- Yes
- No

Please explain your answer.

Quantitative analysis of question 2.1.8

Table 27 Question 2.1.8 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,749	65.7%
No	913	34.3%
Total	2,662	100.0%

Table 28 Question 2.1.8 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	74.2%	60.3%	62.8%	52.4%	96.9%
No	25.8%	39.7%	37.2%	47.6%	3.1%

Table 29 Question 2.1.8 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	39.0%	50.3%	8.3%	0.6%	1.8%
No	26.0%	63.4%	9.4%	1.1%	0.1%

Thematic analysis of 2.1.8

Major themes

- Most respondents considered it reasonable, fair and thought it should reduce abuse.

- Landlord's responses evoked owner's rights arguments, suggesting no reason is required, that giving notice should work both ways, and often commented that most landlords are honest people.

Minor themes

- 'No' respondents were concerned about the implications with other changes, and the difficulties involved in enforcement particularly due to circumstances sometimes changing rapidly.
- Some landlords thought no explanation should also be an option, especially when there was a possible danger to parties.
- 'No' responses thought it may already be the case and current laws are sufficient as it is not currently a significant problem. Adjusting the law will just make the system more complex.
- False reasons are used to protect neighbours, tenants and property.

Other points of interest

Tenant, Landlord/homeowner

I also think that MBIE should consider linking penalties to rent rather than set sums. I'm not sure if this would be appropriate or not but it might help keep rents reasonable as increases will potentially have an impact upon poor landlords. For example, a landlord could face a penalty of between 8-12 weeks rent of the rental property for using a false reason to terminate the tenancy.

Landlord/homeowner

And it already is - it has been tested in the tribunal and works if the tenants know their rights. As a property manager we advise our landlords against this and now will not issue a false reason preferring to hand the tenancy back to the landlord for them to manage - it is too damaging to our company to enact false reasons on behalf of owners.

Tenant

Landlords are in the business of providing accommodation and ought to also comply with Consumer Protection Act and other legislation that applies to businesses.

Relevant quotes

Tenant

Any false statement in any circumstance should attract a penalty as a deterrent. However if the notice period was 90 days with no cause required, this would be mostly irrelevant.

Landlord/homeowner

Yes under current legislation. No if proposed new legislation comes in - as proving anti-social behaviour is hard for Housing NZ, so how can a private landlord be expected to do so without giving the tenant their right to peace and privacy???

Landlord/homeowner

Yes I think that's fair but how do you prove it?

Landlord/homeowner

The point is moot however because I believe the landlord should have the right to terminate the tenancy (with reasonable notice) for any reason i.e. there is no such thing as a "false" reason.

Tenant

Yes without a doubt, but the law should be simplified so that it is universally 90 days with no exceptions.

Tenant

The question needs to be asked why one would do this? The answer is likely to be due to the difficulty in conducting termination correctly and a workaround being sought.

Landlord/homeowner, property manager

If a landlord has to resort to using a false reason to terminate it is probably because the laws have made it too difficult to move bad tenants on.

Landlord

I think if you've got to the stage you have to lie to terminate the tenancy, it's obviously not a good relationship. I don't believe it should be an unlawful act.

3.5 Changing notice periods for landlords and tenants

Question 2.1.9

If landlords are required to give 90 days' notice, should tenants be required to give more or less than 21 days' notice?

- less than 21 days' notice
- 21 days' notice
- more than 21 days' notice

If you would prefer more or less than 21 days' notice, what would be the ideal notice period?

Quantitative analysis of question 2.1.9

Table 30 Question 2.1.9 Quantitative overview

Response	Number of responses	Percentage of Answers
21 days' notice	1,059	37.1%
Less than 21 days' notice	127	4.4%
More than 21 days' notice	1,668	58.4%
Total	2,854	100.0%

Table 31 Question 2.1.9 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
21 days' notice	40.3%	34.9%	35.2%	27.3%	65.2%
Less than 21 days' notice	6.4%	3.2%	5.1%	4.5%	6.5%
More than 21 days' notice	53.3%	61.9%	59.7%	68.2%	28.3%

Table 32 Question 2.1.9 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
21 days' notice	35.2%	53.5%	7.8%	0.6%	2.8%
Less than 21 days' notice	46.5%	40.9%	9.4%	0.8%	2.4%
More than 21 days' notice	29.6%	60.3%	8.5%	0.9%	0.8%

Table 33 Question 2.1.9 Quantitative overview of ideal notice period

Response	Number of responses	Percentage of Answers
0 – 7 days	22	1.9%
7-21 days	129	11.3%
21- 42 days	677	59.1%
42- 63 days	105	9.2%
63- 94 days	213	18.6%
Total	1,146	100.0%

Thematic analysis of 2.1.9

Major themes

- Most suggestions for increasing the notice periods used the justification that notice periods should be the same for both the landlord and tenant.
- Many landlords and tenants thought notice periods should be negotiated and are not currently a major issue.
- Those in favour of retaining the 21 day notice consider it fair as it strikes the right balance for landlord and tenant.

Minor themes

- Of those supporting an increase many thought doubling the notice period was appropriate as it would align with current 21/42 day split.
- Others in favour of an increase suggested it should be 28 days or one month.
- Many thought the ideal period would depend on other changes to the act.
- Some noted that if the notice period was increased, prospective tenants may need to pay rent on a new property to secure it, while still paying rent at their current property.

Other points of interest

Tenant

21 days or one month is a standard pay cycle for many people, if you rent month to month then the notice is fair to remain month to month I believe. If you lose your job and give notice to ensure you don't go into debt, making this notice more may end up with families and renters going unnecessarily into debt despite giving warning as soon as their circumstances have changed.

Relevant quotes

Landlord

Parties usually work things out. Don't need rules for absolutely everything.

Question 2.1.10

If you are or have been a landlord or property manager, what's the longest length of time it's taken you to find a new tenant, after an existing tenant has given notice? (optional question)

Quantitative analysis of question 2.1.10

Table 34 Question 2.1.10 Quantitative overview

Response	Number of responses	Percentage of Answers
0 – 7 days	66	4.9%
7-21 days	216	16.2%
21- 42 days	395	29.6%

Response	Number of responses	Percentage of Answers
42- 63 days	272	20.4%
63- 94 days	216	16.2%
>94 days	171	12.8%
Total	1,336	100.0%

Thematic analysis of 2.1.10

Major themes

- There were large differences between the time taken to find a new tenant in cities and provincial or rural areas.

Minor themes

- The time depends on the market dynamics.

Other points of interest

Landlord/homeowner

The issue for notice period is not about how long it takes to find another tenant. Often after a long tenancy the property needs redecorating. It can often take more than 3 weeks to find and book the required trades people.

Relevant quotes

Landlord/homeowner

In the student area of Dunedin, properties get signed up in July for a lease start date of the 1st Jan the next year, if a property is not leased, it is likely to be vacant for the entire year! This has not happened to me, but I see vacant places and hear of this happening to other landlords. Also, in Dunedin, tenants are not looking for flats in the middle of winter, so a landlord is likely to face a big vacancy if a tenant was to move out mid winter (this is for standard residential properties- if a student flat became vacant in the middle of winter, it would stay vacant until January. Important to note is that the Auckland market (and to a lesser extent Wellington) is unique, and the rest of New Zealand has a flatter rental market- some of the proposed changes could really badly effect the flatter rental market cities and towns.

3.6 How a tenancy could end if we make these changes

Question 2.1.11

If you are or have been a landlord, have you:

- (a) issued a 90 day termination notice because the tenants have behaved in any of the following ways?

- The tenant or their visitor unreasonably interfered with the peace, comfort, or privacy of other tenants, neighbours, or you.
- The tenant breached the tenancy agreement.
- The tenant used the property for unlawful activity.
- The tenant otherwise breached the RTA.
- The tenant caused or threatened to cause significant damage.
- The tenant assaulted or threatened to assault people, including neighbours.

Quantitative analysis of question 2.1.11a

Table 35 Question 2.1.11a Quantitative overview

Reason	Total responses	Percentage yes
The tenant or their visitor unreasonably interfered with the peace, comfort, or privacy of other tenants, neighbours, or you.	1,305	34.7%
The tenant breached the tenancy agreement.	1,440	48.5%
The tenant used the property for unlawful activity.	1,269	27.4%
The tenant otherwise breached the RTA.	1,252	33.1%
The tenant caused or threatened to cause significant damage.	1,290	34.3%
The tenant assaulted or threatened to assault people, including neighbours.	1,254	24.3%

If you are or have been a landlord, have you:

(b) issued tenants with a 42 day termination notice for any of the following reasons?

- You or a member of your family member needed the property to live in.
- The property was needed for an employee to live in.
- The property was sold and the new owner required vacant possession.

Quantitative analysis of question 2.1.11b

Table 36 Question 2.1.11b Quantitative overview

Reason	Total responses	Percentage yes
You or a member of your family member needed the property to live in.	1,308	30.5%
The property was needed for an employee to live in.	1,237	6.3%

Reason	Total responses	Percentage yes
The property was sold and the new owner required vacant possession.	1,289	33.9%

If you are or have been a landlord, have you:

(c) issued a 90 day termination notice because you needed the property for any of the following reasons?

- You intended to carry out extensive alterations, refurbishment, repairs or redevelopment of the premises and it was not possible for the tenant to live there while the work was done.
- You wanted to change the use of the property e.g. from residential to commercial.
- You were not the owner of the property and your interest in it ended e.g. you leased it from the owner and the lease ended.
- A person (such as a mortgagor) became entitled to possession and needed the tenant to vacate the premises, to meet requirements relating to a mortgagee sale process or similar.

Quantitative analysis of question 2.1.11c

Table 37 Question 2.1.11c Quantitative overview

Reason	Total responses	Percentage yes
You intended to carry out extensive alterations, refurbishment, repairs or redevelopment of the premises and it was not possible for the tenant to live there while the work was done.	1,310	32.6%
You wanted to change the use of the property e.g. from residential to commercial.	1,226	4.5%
You were not the owner of the property and your interest in it ended e.g. you leased it from the owner and the lease ended.	1,138	3.6%
A person (such as a mortgagor) became entitled to possession and needed the tenant to vacate the premises, to meet requirements relating to a mortgagee sale process or similar.	1,189	7.2%

(d) In addition to the reasons stated in (a) and (c), have you issued a 90 day termination notice for any other reasons? (optional question)

Quantitative analysis of question 2.1.11d

Table 38 Question 2.1.11d Quantitative overview

Response	Total	Percentage
To sell	31	5.3%
To rent	103	17.8%
For damage, lack of maintenance, poor standard of cleaning	42	7.2%
Due to overcrowding or subletting	25	4.3%
Intimidated, communication breakdown, unpleasant situation, suspected drug use, general distrust, lied on application	58	10.0%
Legal/moral obligations, mental health	8	1.4%
Non extensive repair/maintenance/ for personal use or family member	16	2.8%
No	297	51.2%
Total	580	100.0%

Thematic analysis of 2.1.11

Major themes

- Many choose to state that 90 day notices are rarely used.
- The tenant breached the tenancy agreement was a reason to issue a 90 day notice
- Extensive alterations, refurbishment, repairs or redevelopment of the premises and it was not possible for the tenant to live there while the work was done.

Minor themes

- Respondents simply stated that circumstances can change rapidly.

Other points of interest

Landlord/homeowner

We issued a 90 day notice but the tenant ignored it, then we went to tenancy tribunal - ended up with the house severely compromised - so much so that we had to move into it while we did it up back to a suitable standard for renting - please bear me, the law as it is and as you propose does not protect the rights of the landlord - yes there may be some negative landlords, but the pendulum is too far in favour of the tenant - it is a risk renting a house to tenants - increasingly so - that I'm seriously thinking of getting out of renting houses.

Relevant quotes

Landlord/homeowner

Yes because we wanted free access to the property during sale process. The tenants that were in place wouldn't even allow us to come in to do maintenance they have asked for, so I imagined reaching the agreement with them regarding open homes would be difficult. I chose to give 90 days notice instead. They quickly found a new place and we were able to freely carry on with the sale.

Landlord/homeowner

Yes. Tenants were already in place when the property was purchase. They were paying substantially under market rent. After regular modest rental increase over the next three years, they were still 30% below market rent. At each rental increase the tenants gave my property manger the biggest headache complaining about the rent increases, despite the fact they were reminded each time they were substantially under market rent. We decided rather than give them a 30% rent increase to finally catch them up to market levels, and have the tenants explode in fury, we would give them 90 days notice instead and find new tenants, rather than deal with the drama that the existing tenants would create with a 30% rent increase. As you can probably gather I disagree with removal of landlords abilities to give tenants notice without cause.

Landlord/homeowner

Yes, I have issued a 90 day notice to tenants who have shown total disrespect to the looking after the property whilst living in it. Which I believe they would have caused even further damage than what was already done. I have not given a particular reason just asked them to leave. Speaking with some tenants about cleanliness is like talking through a hole in my head.

Landlord/homeowner

There is a subset of tenants who don't massively break the rules but who are just perpetually difficult to deal with. They make the landlords life a misery unlike most tenants. For example, they complain all the time about things they should take care of themselves, or they require 14 day notice after notice to get them to comply, who eventually managed to pay the rent but require constant pressure to do so. As a private landlord, under the new scheme, there would be no way to move these people on so the landlord would remain in a perpetual washing machine of unpleasant and unnecessary interactions. Why should a private landlord with a couple of properties for their retirement be required to put up with this poor behaviour indefinitely. And if the fixed term contracts are forbidden, and you have to leave those people in if you sell the property, this creates a nightmare for the retiree owning/managing the property. In short, I think the government should trust that landlords rarely remove tenants for no reason and the only people you are protecting with this legislation are the ratbags who need consequences for their actions.

Landlord/homeowner

Yes the tenant was mentally ill and had stopped taking her meds. We asked for support for her but eventually it became untenable. Her behaviour was erratic and she even made a formal complaint to the police about us harassing her when we had given her notice that we needed to access the property for some minor storm water maintenance (not in the house). She was paranoid, forgot what we had already agreed to and didn't recognise us at all sometimes (thought we were 'baddies' coming to get her).

Landlord/homeowner

Yes to paint the property which was not an extensive renovation or repair job but to maintain the property without having the liability of tenant possession or occupation or tenant complaints of paint fumes.

Tenant, landlord/homeowner

Yes, so we could move a vulnerable tenant who we looked after into another one of our rentals after the Christchurch earthquakes. The tenant is in his 70's and has no family. We look after him. After his flat was destroyed in the earthquakes, we asked another tenant to move out so that we could move our vulnerable tenant into that flat. He is not family, so the 42 day notice didn't apply.

Question 2.1.12

If 90 day no-cause terminations were removed and terminations were only allowed for the reasons in the discussion document, what do you think the impact would be?

Quantitative analysis of question 2.1.12

Table 39 Question 2.1.12 Quantitative overview

Response	Number of responses	Percentage of Answers
None or very little impact	120	6.6%
Generally positive	329	18.0%
Generally negative	1,285	70.4%
Unknown, uncertain, mixed	90	4.9%
Total	1,824	100.0%

Table 40 Question 2.1.12 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
None or very little impact	5.8%	7.0%	7.3%	0.0%	4.8%
Generally positive	24.9%	13.8%	11.5%	19.0%	64.3%
Generally negative	62.3%	75.1%	77.6%	71.4%	26.2%
Unknown, uncertain, mixed	7.0%	4.0%	3.6%	9.5%	4.8%

Table 41 Question 2.1.12 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
None or very little impact	25.8%	62.5%	10.0%	0.0%	1.7%
Generally positive	40.1%	44.7%	5.8%	1.2%	8.2%
Generally negative	25.8%	62.3%	10.0%	1.2%	0.9%
Unknown, uncertain, mixed	41.1%	47.8%	6.7%	2.2%	2.2%

Thematic analysis of 2.1.12

Major themes

- All respondents were most likely to see generally negative outcomes such as; less rentals, higher rents, loss of landlord rights, increase compliance costs, and it becoming harder to remove problem tenants.

Minor themes

- Those that saw generally positive outcomes thought it could reduce abuse, was fair, and would increase tenant stability.
- Respondents that thought there would be no or very little impact on a small number of cases, and some shift to fixed term tenancies.

Other points of interest

Tenant

The only people who would complain about this are the unscrupulous landlords who seek to exploit tenants. In effect, tenancy law would be brought more in line with employment law. Unjustified eviction would be treated as we treat unjustified dismissal. However we would also need to include a more rapid form of eviction, perhaps with as little as 21 days notice from the landlord, for serious breaches. This would be akin to instant dismissal from a job for serious misconduct. For example, deliberately causing damage to the property, using the property for unlawful purposes etc. Anything that would likely involve a criminal act. As I said previously, the 90 day notice period (for landlords to give) could comfortably be reduced, at least in certain circumstances. This would help free up rental properties from problem tenants quicker, providing an earlier opportunity to someone more deserving, whilst better protecting the landlord's asset.

Relevant quotes

Landlord/homeowner

Not much, too easy to game. If you have a good tenant, why would you want them to leave?

Landlord/homeowner

Very little. Most landlords do not get rid of tenants who are paying the rent and caring for the property, and prefer to work out small problems rather than change tenants. There will be some who want to sell a property and think they will get a higher price for an empty house which has been given a coat of paint and a clean. Perhaps it will slow down the house market a bit? Tenants are not very aware of their rights in my experience so may not even realise much has changed.

Landlord/homeowner

Landlords would simply issue 90 day notice for refurbishment. We looked at a property where the woman had been there for thirty years, paint was cracking off the ceiling, floor needed repiling, carpets etc all needed a revamp. Normally we do maintenance between tenancies so super long tenancies could lead to subpar properties as no need to upgrade and sell to a new Tenant.

Landlord/homeowner

It would decrease inflation of rental prices by locking landlords to the initially agreed upon terms (price and duration). I think this should be linked to a price cap in new contracts also - linking them to local averages with certain clearly defined exemptions

Landlord/homeowner

The impact would be: 1) The tribunal would very quickly become overwhelmed with cases brought by landlords who want to get rid of bad tenants and which they are currently using the 90 day notice to get rid of. 2) Landlords would become even more picky about which tenants they allow in their properties making it even harder for tenants to find a home. 3) Landlords would increase the rent to try to mitigate the risk of getting a bad tenant that they can then only get rid of by the lengthy and costly process of going to the tribunal

Landlord/homeowner

As we have personally experienced the worst tendency situations, including 3 fires, countless evictions, 100's of \$1000's of loss we feel well equipped to suggest the major impact is the mum and dad investors in problematic areas will pull out, leaving housing bad tenants to the state to pick up, which will increase tenancy NZ's roll in housing the worst tenants.

Landlord/homeowner

The government cannot anticipate all scenarios. I am strongly against the law specifying all grounds for terminations. I think a reasonable thing to do is for the landlord to negotiate with the tenants, and where no agreement can be reached, tenancy tribunal should be involved to resolve the dispute by finding a middle ground. If no settlement can be reached, landlords have a right to terminate the tenancy with 60 day notice or shorter if the situation is dire - the law should only specify grounds for dire situations. Overuse of the tenancy law is creating adversarial positions between landlords and tenants, and this is antisocial in itself and unhelpful with social progression or market efficiency.

Tenant

I'm not sure, I guess it depends on both parties, it's hard to generalise.

3.7 Additional grounds for termination for public housing providers

Question 2.1.13

If you are a public housing provider, are there other grounds for terminating a public housing tenancy that should be considered in place of no-cause terminations?

- Yes
- No

Please explain your answer.

Quantitative analysis of question 2.1.13

Table 42 Question 2.1.13 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	142	44.2%
No	179	55.8%
Total	321	100.0%

Thematic analysis of 2.1.13

Major themes

- 'No' respondents thought the rules should be the same.
- 'Yes' responses referenced; anti-social behaviour, drugs or criminal activity and gang affiliation as reasons to terminate.
- 'Yes' responses were also likely to point out changes to eligibility, needs or circumstances.

Minor themes

- 'Yes' responses that highlighted; damage, rent arrears, poor maintenance, subletting, violation of rental contract, overcrowding as reasons to terminate.
- 'No' responses thought that no-cause terminations should be kept.

Other points of interest

Landlord/homeowner

It is too difficult to prove a tenant is causing a problem you are aware of. In the event proof is available it could be produced but that is inviting retaliatory action from the tenant. A landlord will not evict a tenant for no cause, it means loss of rent, mental and emotional stress due to lost rent and cost and effort required to bring the property back up to scratch.

Relevant quotes

Tenant, landlord/homeowner

Same rules should be applied to all. If tenants are evicted, then perhaps public housing can provide alternative accommodation.

Landlord

Income exceeding the limit for social housing you need to find a private rental

Landlord/homeowner, property manager

Drugs, antisocial behaviour smoking P in the residence damage unkept grounds and house needed for new developments size not suitable (eg kids have left the state house and another family has a bigger need

Question 2.1.14

What are appropriate notice periods for additional grounds for termination that are specific to public housing? What is your rationale for the notice periods?

Quantitative analysis of question 2.1.14

Table 43 Question 2.1.14 Quantitative overview

Response	Number of responses	Percentage of Answers
0 – 7 days	12	8.5%
7-21 days	19	13.4%
21- 42 days	32	22.5%
42- 63 days	6	4.2%
63- 94 days	47	33.1%
>94 days	8	5.6%
Status quo	9	6.3%
Multiple	9	6.3%
Total	142	100.0%

Table 44 Question 2.1.14 Thematic overview of rationale

Response	Number of responses	Percentage of Answers
Fair and reasonable time frame	21	15.2%
Violence, damage, drugs, unpaid rent	24	17.4%
Periods should be the same	56	40.6%

Response	Number of responses	Percentage of Answers
Specific needs of tenants	27	19.6%
Depends on circumstances	10	7.2%
Total	138	100.0%

Thematic analysis of 2.1.14

Major themes

- The public housing notice periods should be the same as other leases

Minor themes

- For issues such as violence, damage, drugs, unpaid rent respondents considered shorter notice periods useful.
- Rationale was it is a fair and reasonable time frame.
- Depends on the specific needs of tenants or circumstances.

Other points of interest

Landlord/homeowner

I think the threat of 42 notice is the way of keeping the tenant on the right track and the rent paid and the property in good order

Relevant quotes

Landlord/homeowner, property manager

Exactly the same rules as the private sector - should apply (including fixed term tenancy) also no succession of state house to kids of the original tenants

Landlord/homeowner

Public nuisance. Changing the property in anyway or form

3.8 To make these changes we might need to take a broader look at the types of tenancy agreements on offer

Question 2.1.15

Do you agree with our assumption that if no-cause terminations are removed from periodic agreements, landlords could be more likely to offer fixed-term agreements?

- Yes
- No

Please explain your answer.

Quantitative analysis of question 2.1.15

Table 45 Question 2.1.15 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,743	72.0%
No	679	28.0%
Total	2,422	100.0%

Table 46 Question 2.1.15 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	73.6%	71.4%	68.6%	63.6%	88.9%
No	26.4%	28.6%	31.4%	36.4%	11.1%

Table 47 Question 2.1.15 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	34.9%	55.1%	8.3%	0.8%	0.9%
No	32.1%	56.7%	9.7%	1.2%	0.3%

Thematic analysis of 2.1.15

Major themes

- ‘Yes’ respondents thought fixed-term agreement could be used as a work around to the loss of no-cause terminations as landlords look for risk management tools to maintain control of their assets. Some worried it would become the only way to remove a problem tenant, while others just considered fixed-term agreements easier to manage.
- As long as there was no right to renew landlords considered fixed-term to offer more security, certainty and/or flexibility.
- Many ‘yes’ respondents thought there will be more and much shorter fixed-term leases that are used as trial periods.

Minor themes

- 'No' respondents claimed that most tenancies are already on fixed-term leases as they work for both parties with landlords claiming fixed-term leases are currently unenforceable so there will be very little change.
- 'No' respondents were uncertain on the outcome, thought laws would need revision, and outcomes would largely depend on the landlord and tenant relationship or renewal terms.
- Some envisioned little change as tenants prefer periodic and landlords like the flexibility of periodic leases.
- There will be more vetting of tenants, as it is harder and more costly to end tenancies.

Other points of interest

Repeated

Landlord/homeowner

They are more likely to offer fixed term agreements. Without a 90-day termination option, it would take that long to remove tenants causing problems where you cannot obtain documented evidence. A one-year fixed term would be a more certain termination. However the suggestion to remove fixed term tenancies (see below) to force the use of open ended tenancies would be completely wrong. Such a move would demonstrate that only having open ended tenancies would be extremely bad policy.

Repeated

Landlord/homeowner

The 'no cause' provision streamlines the exit of a tenant in a periodic contract without the need for formal hearings in the TT. This can be advantageous to both the Tenant and the LL. The removal of the 'no cause' termination for any unlawful acts or breaches of the RTA provisions under a periodic agreement will have the same impact on the tenant as a fixed tenancy. Only now it will be formalised. The creation of a national Tenant / LL register of claims and evidence need to be set up to ensure bad tenant's / LL are identified and the reason for same. It also allows for evidence adjudicated at TT hearings to be used in criminal proceedings. Making Fixed term agreements makes the Residential properties more akin to commercial properties and there is already a free market approach and penalty regime in place for them, maybe it is time to disband the Tenancy Act provisions and let the District Court of NZ handle issues?

Relevant quotes

Tenant

A rolling fixed-term agreement effectively replaces no-cause termination. A landlord can simply refuse to renew the agreement and the tenant has to move on.

Landlord/homeowner

I've only been in one periodic tenancy, which is my current one. I think the security given to landlords through fixed-term agreements far outweighs those given to the tenants. I think in areas like Dunedin and Wellington fixed-term tenancies have resulted in cartel like situations where demand appears constrained artificially for tenancies beginning in January and February. I think landlords have exploited this resulting in increased rents compared to other times of the year. My experience has been that the only benefit to landlords in having a periodic tenancy is that their asset is more liquid, as they can sell with a vacant

possession. With an increased notice that's quickly eroded. It's probably more beneficial to both tenants and landlords if a cash incentive is provided for breaking a fixed-term tenancy.

Landlord/homeowner, property manager

We have given some prospective tenants a chance in the past, whereby they really were a risk of being a bad tenant (record of bad debt, not paying rent, recently released from jail, kicked out of home and no references / job etc), but we were prepared to agree to them renting the property on 3 month fixed term tenancy and then going from there on a longer fixed term or periodic tenancy if they showed they are reasonable tenants. Thus we have in effect already done this. However, if the minimum fixed term tenancy period is extended then we wouldn't be offering a break to these risky tenants in the future. Our other experience with fixed term tenancies is that tenants don't want them, they want the flexibility of periodic. We try to get tenants to sign up for 1 year but many don't want to and it is not unusual for them to want to break them. We typically agree if they agree to keep paying rent until a new tenant is found but this at times would cost them more than 21 days notice.

Landlord/homeowner

*Tenants say that fixed-term agreements are great until they end up in one they don't like. "What do you mean I have to keep paying rent here for another 6 months, I want to move out now and I can't afford rent in both places". My favourite: "But I really want a 10 year contract so I can keep my family here in *my* home". 6 months later "Thanks for making it a periodic tenancy. My Dad was just killed in a car accident, and I'm shifting to another town so we can take care of Mum" VERY few tenants are ever happy with the fixed term tenancies. Life in NZ is just too much of a desperate poverty scramble, of breaking up relationships, friends who find they can't live together, and changing employment situations. It might work for very wealthy people in higher up jobs or with government backed paychecks or retirees who have freehold rentals and long-term existing tenants. But there is nothing a fixed term tenancy offers to a good tenant that a periodic tenancy doesn't do better.*

Tenant

As it is right now, property managers vastly outweigh landlords managing their own properties and as a result there is zero interest in fixed terms because when tenants are going in and out of properties it keeps the letting fees rolling in. If 'no cause' terminations are removed and letting fees abolished then there will be an actual incentive to find and keep good tenants with an emphasis on fixed/long term.

Tenant, landlord/homeowner

No not at all, in fact I don't understand why that would be the assumption is it felt that landlords prefer periodic tenancies only because it gives ability to give no cause terminations? I do not favour Fixed term tenancies nor have any of my property managers (and I have had four different property management companies.) The simple reason is they are not equitable to both parties. Savvy property managers will rightly advise landlords (and have done so with me) not to lock a tenant into a fixed term tenancy because if you encounter difficulties with rent payments or other issues TT will be less likely to award you an eviction. In short it weakens your position and strengthens the tenants. On the flip side I have had many tenants on fixed term tenancies who decide they want to break the fixed term & never once has tribunal forced them to stay, made them pay compensation etc even to cover cost of advertising or loss of rent, in fact my property managers usually advise us to just let the tenant go as we won't win in a tribunal hearing.

Landlord/homeowner, property manager

I don't like to fix any of my Tenancies, but have had to change my view on this for my properties that are located in desirable school zones, with schooling that requires a minimum 12 month Fixed Term RTA for a child to be enrolled in zone. Aside from this, all of my tenancies are set up as Open Ended Periodic Tenancies, with the tenants being advised on signing the Tenancy Agreement that the house is theirs for as long as they want it, as long as they pay their rent on time, keep the property tidy, and don't break the law. In all cases where I have had a fixed term tenancy, the tenants' circumstances have changed during their tenancy, and they have needed to break the Fixed Term Agreement, so I don't believe they work.

Tenant, landlord/homeowner

We have three rental properties and we have offered all our tenants fixed term contracts for 12 month periods. They all declined and asked for periodic in order to have flexibility in their lives. Two families have been with us for four years and counting, and the other family has been with us for five years and counting. So I believe that is a very poor assumption on behalf of MBIE, and I am sure that there are many more tenants who take the same approach.

Tenant

You may be missing a key downside of fixed-term tenancies: that tenants are locked into a situation where it becomes clear, in due course, that it is not to their liking. Fixed term tenancies should only be allowed if there is full disclosure of all information material to the tenancy - the behaviour of neighbours, presence of dogs or other noise irritants, poor insulation, winter dampness etc included (as well as all the usual criteria). Too often I have seen properties where low-income tenants cannot escape their tenancy because of issues like these - discovered after the tenancy agreement is signed. To leave before the expiry of the fixed term is difficult - finding replacement tenants in this period, while glossing over such issues, locks all parties into a cycle of deliberately incomplete disclosure of material factors. Another remedy maybe to maintain a publicly accessible register of rental properties containing all material information per property. It need not necessarily be expensive.

Landlord/homeowner

These are orthogonal concerns. Perhaps some landlords may consider using fixed term agreements to avoid notice periods more, but the changes proposed do not significantly affect the tradeoffs between fixed and indefinite agreements. However, it may still be worth it to look at introducing additional standard tenancy agreements, such as long and short term indefinite term tenancies with (respectively) lower and upper bounds on tenancy being exchanged for (respectively) longer and shorter notice periods as well as lower and higher initial deposits (bonds, fees, advances, etc), giving both landlords and tenants confidence and assurance while increasing flexibility... and that could incidentally counter-balance the concerns raised in this question.

Tenant

Some landlords prefer fixed and some prefer periodic. I don't think it would matter which kind of tenancy is offered at that point then. There's pros and cons for each type of tenancy and I think that landlords that have always done one with keep doing that.

Landlord/homeowner

From a financial perspective it's better to have a tenant on a fixed agreement. However, periodic agreements have a purpose - usually 1) when the tenant history is poor and you are not sure if they will meet all their obligations, and 2) when you are planning to sell the

property or renovate it. There is a need for periodic agreement and it has a vital function for both from a landlord and tenant perspective (ie plan to move, dont want to sign up to a year straight off). The reforms should focus on how that negotiation and discussion of transition can occur.

Landlord/homeowner

if no cause terminations are removed I will no longer be a landlord

Tenant, landlord/homeowner

The existence of no cause termination is not a significant factor in selecting periodic or term agreements. Other factors are greater.

Question 2.1.16

Have you been a landlord or a tenant in a fixed-term agreement?

Yes

No

Quantitative analysis of question 2.1.16

Table 48 Question 2.1.16 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	2,174	80.3%
No	534	19.7%
Total	2,708	100.0%

Table 49 Question 2.1.16 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	80.3%	80.1%	82.4%	68.2%	100.0%
No	19.7%	19.9%	17.6%	31.8%	0.0%

Table 50 Question 2.1.16 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	34.2%	56.2%	8.8%	0.7%	0.1%
No	34.3%	56.7%	7.7%	1.3%	0.0%

If you have been a landlord or a tenant in a fixed-term agreement, what was the length of the longest fixed term?

- Less than 6 months
- 6-12 months
- 1-2 years
- 2-3 years
- 3-4 years
- 4+ years

Table 51 Question 2.1.16 Quantitative overview

Response	Number of responses	Percentage of Answers
Less than 6 months	49	2.3%
6-12 months	1,132	52.7%
1-2 years	804	37.5%
2-3 years	97	4.5%
3-4 years	18	0.8%
4+ years	46	2.1%
Total	2,146	100.0%

Why did you choose a fixed-term rather than a periodic tenancy?

Thematic analysis of 2.1.16

Major themes

- Fixed term tenancies were favoured for their certainty, stability by both tenants and landlords. Landlords also noted that fixed term agreements helped to minimise tenancy turnover.
- Tenants often claimed that fixed term was the default or standard as they were offered no choice, if they wanted a property it was the only option for the property.

Minor themes

- Both tenants and landlords noted that fixed term agreements often suited their needs, were dictated by the market.
- Landlords used fixed term to ensure tenancy in quiet periods, reduce turnover in difficult periods, claimed they were often requested by tenants, or instructed to do so by a property manager.

- Landlords used fixed-term as a trial period, to reduce the risk of being stuck with a poor tenant, to protect them from law changes, and were sometimes needed for insurance purposes.

Other points of interest

Landlord/homeowner

Either way hasn't proven an issue for me as tenant. In a place like Wellington where student housing is common a fixed term is the expected way to rent for both tenant and landlord, however my goal as a landlord is always to have a tenant in as long as possible in areas where the populace is less transient - it's too much bother finding a good tenant to always be looking for another one!

Landlord/homeowner

I give the following example as a Tenant when I resided in Australia, it may well be a model that works well in NZ. The arrangement was that you signed up for a six month fixed term at (X \$) amount per week. On the fifth month you received a letter from the Landlord advising you that the fixed term would expire in four weeks at which time the Tenancy would change to a week to week basis with an increase of rental amount. However you were invited to sign in for another fixed term period of six months within the four week notice period at an amount less than the week to week basis offered. This was a fair and workable system as I recall when we had a date to return to NZ we elected at around the departure date period, to enter into a week to week arrangement.

Relevant quotes

Landlord/homeowner

Because it allows for more certainty, changing tenants is not generally something you want to do regularly unless - as most tenants are - they are rubbish at looking after your property. Our fixed terms are generally one year and if and when it comes to renew them they are generally renewed for a year.

Landlord/homeowner

I didn't have a choice. All the properties that we looked at, that suited our situation, budget, location were fixed term.

Landlord/homeowner, property manager

Tenant asked for it, so I did it. Doesn't work for the landlord, because if it is fixed term, tenant can still stop paying rent and just leave and landlord can do nothing about it. REALITY IS FIXED TERM ONLY WORKS FOR TENANTS. In real life, at the coal face, tenants can leave anytime, and nothing can be done about it.

Landlord/homeowner, social housing provider

As a trust to assist marginalized, disadvantaged peoples, we want to provide stability/security of tenure, to a carefully scrutinised, selected tenants that meets most of our trust criteria and objectives and purposes. There are let out clauses for both parties but financially, socially, economically the terms favour the tenants to assist them into inter-generational home ownership through rent-to-own schemes.

Landlord/homeowner, property manager

For insurance purposes. Insurance companies will not insure for Meth contamination on short term tenancies. By legislation (RTA) a short term tenancy is one which is under 90 days. A periodic tenancy is one which exists at the pleasure of the tenant on 21 days notice.

Landlord/homeowner

Did so only once as periodic is simpler and easier to administer. Tenants can get out of fixed term reasonably easily under current legislation.

3.9 Changes to existing types of tenancy agreements section questions

This section has six questions in two subgroupings. These cover the feedback received on possible changes to the existing types of tenancy agreements that would help improve security of tenants and what the impact might be from any change on the relationship between landlords and tenants. Tenants and landlord/homeowners views were also canvased on options – such as setting a minimum length for fixed-term agreements, or only allowing open-ended tenancies – for government intervention and what impact this might have on the rental market.

Fixed-term agreements – and whether they provide tenants with adequate security – are certainly a contentious issue.

- Tenants believe that the standard use of fixed-term agreements in the market is too rigid, creating a cycle of uncertainty between when the existing agreement is close to expiring and a new agreement isn't guaranteed. Having the option to use a fixed-term is considered to be beneficial – particularly for short-term / vocational leases – but the current implementation of these agreements for long-term housing / living situations is seen to be undesirable. Some other mechanism for improving tenant security – for example, automatic renewal or periodic/open-ended leases – is needed in their view.
- Landlords/homeowners believe tenancy agreements need to be made on a case-by-case basis. Fixed-term agreements are often preferred as these arrangements make it easier to manage how the property is used and views on offering periodic/open-ended leases as an alternative to fixed-term are mixed. A theme threaded throughout the responses is that landlords/owners have legal ownership of a property and should retain the rights to determine the terms of any tenancy offered. Many considered that any restriction on the landlord/homeowners property rights, by removing fixed-terms from the market, could have potentially perverse consequences – such as increased leases and bond requirements, and reduced rental stock (with owners either selling their properties, shifting to other markets – e.g. AirBNB – or keeping them vacant for longer periods).

A common theme shared by respondents is the need for flexibility in the tenancy agreements being made available to tenants and landlords/homeowners. A “one-size-fits-all” model for tenancy agreements has little support with respondents and both tenants and landlords/homeowners consider options should be available that best suit their circumstances.

Question 2.1.17

Do you think tenants should have the right to renew, extend or modify their fixed-term tenancy (option 1 in the discussion document) if their landlord has not raised any concerns with their behaviour or if specific termination provisions do not apply at the time the tenancy was due to be renewed?

- Yes

- No

What effect do you think this would have on the relationship between landlords and tenants?

Quantitative analysis of question 2.1.17

Table 52 Question 2.1.17 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,249	53.2%
No	1,100	46.9%
Total	2,349	100.0%

Table 53 Question 2.1.17 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	81.0%	35.7%	29.1%	38.1%	78.6%
No	19.0%	64.3%	70.9%	61.9%	21.4%

Table 54 Question 2.1.17 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	53.9%	38.3%	4.8%	0.6%	2.4%
No	13.3%	72.6%	12.4%	1.0%	0.7%

Thematic analysis of 2.1.17

Major themes

Tenants, landlords/homeowners, property managers and social housing providers all agreed that giving tenants the right to renew, extend or modify their fixed-term will:

- Enhance the relationship between landlords and tenants through better communication / building trust through-out the fixed-term / setting and meeting clear expectations.
- Give tenants increase long-term security over their housing situation and encourage them to communicate / have an open dialogue with their landlord.

Tenants and landlords/homeowners also believed that tenants should have the right to renew, extended or modify their fixed term – but:

- Didn't think legislating these rights will have any observable effect because it already happens in practice / landlords value good tenants and will be open to negotiating agreeable terms with these tenants.
- Caveated with landlords being able to express any concerns and aren't forced into accepting new terms where there are legitimate concerns with tenants behaviour / maintain the ability to adjust rent periodically / terminate tenancy contracts within a specified notice period.

However, many tenants and landlords/homeowners didn't consider it reasonable that tenants should have exclusive rights to renew, extend or modify their fixed-term, citing that a landlord/homeowner has legal ownership of the property and should retain the rights to determine the terms of any tenancy for their asset – which should then be agreed on by both parties before entering into an agreement.

Landlords/homeowners and property managers also noted that current legal arrangements allow tenants to pursue negotiating a renewal, extension or modification of tenancy terms – and landlords are incentivised to secure good tenants – so no legal change in law is needed, as this already occurs in practice.

Minor themes

- Some tenants, landlords/homeowners and property managers believed that the proposed changes in rights would incentive landlords/homeowners to raise multiple small issues, to retain the ability – just in case – to decline a lease renewal, negatively affecting the relationship between landlords and tenants.
- Some tenants, landlords/homeowners and property managers also believed that allowing tenants to renew, extend or modify tenancy terms would nullify the purpose of offering a fixed-term contract in the first place and that the proposed changes didn't consider that landlord/homeowner's circumstances may change / have different plans for the property and then end of the existing lease agreement.
- Tenants and landlords/homeowners thought that good behaviour from tenants may be incentivised from those looking to secure long-term tenancy, to ensure that their landlord didn't have any concerns with their behaviour.
- Some tenants noted that they have limited leverage/power in renewal negotiations with landlords and having the rights to renew, extend or modify their fixed-term will balance these discussions.
- Other tenants thought that, while having the rights to renew, extend or modify their fixed-term would be beneficial for them, this could increase the tension on the landlord/homeowner and tenant relationship as landlords/homeowners will search for / raise any small issue to justify ending tenancies at the time it was due to be renewed.
- Some landlords/homeowners said they would seek to offset the risk of reduced property rights through increasing rents to offset future revenue uncertainty or being more selective of tenants / requiring a more rigorous application process.
- Some landlords/homeowners were also concerned that the property could become vacant during off-peak periods, believing that it would be difficult to find new tenants when there is less demand for rentals (e.g. winter months Jun-Aug).

Other points of interest

Both tenants and landlords/homeowners – irrespective of answering yes or no – mentioned that this was effectively happening already at the end of their fixed term contracts and considered a change of law would have little to no impact for good tenants.

Both tenants and landlords/homeowners appear to have possibly misinterpreted the scope of this proposed rights change – for example:

- Some landlords/homeowners objected to this question because they were worried tenants would modify the physical property, rather than the terms of the rental contract.
- Some tenants were supportive of this question because they believed it would give them the rights to set their own rental rate without agreement from the landlord.

Relevant quotes

Tenant

I think this would give good tenants more security in their “home”. It would also allow tenants to feel more comfortable raising concerns with landlords about substandard conditions. Knowing that unless there was good reason, their lease would be renewed/extended. I think a lot of tenants remain quiet about substandard conditions because they are worried they’ll be seen as annoying or troublesome and evicted when their lease comes up in Jan - when everyone else is also looking for a rental. You are literally always one step away from being homeless at that time - even if you earn ok money.

Landlord/homeowner

They become, in effect, business partners, as the on-going nature of the arrangement depends on both parties’ cooperation.

Landlord/homeowner

If tenants have the right to renew than landlords are encouraged to find faults giving them an option not to renew. This will worsen the relationship between tenants and landlords. The vast majority of landlords will want to keep good tenants, e.g. a renewal is virtually guaranteed and can also be negotiated well before the current fixed-term expires. So for good tenants the proposal has no advantages, but lots of disadvantages such as more rigorous inspections or less lenience (e.g. with late rent payments).

Landlord/homeowner

It should not be a tenants right to tell a landlord how they wish to have their tenancy. This is firmly a landlord’s right. Tenants have the choice to choose a tenancy that suits them, if they don’t like the way the tenancy agreement is then they have the right to choose somewhere else to rent.

Landlord/homeowner

This would be an unjust restriction on the owner’s property rights. An agreement is an agreement. Why should one party have the legal option to vary the agreement? There seems to be the unstated belief that once a rental always a rental. What about the property where the owner is absent for a term, and then needs to move back in.

Tenant

I think the majority of tenants would choose to move to periodic. That would likely result in less security for landlords and be less desirable for property managers as their workload would increase as they would actually have an incentive to treat tenants fairly, or good

tenants might choose to leave. I think the ability for a tenant to elect to move to periodic if the landlord has not made significant complaints would definitely balance the power dynamic. It would also encourage landlords to comply with the law and provide more adequate housing in order to provide better housing. I think the notice period required for periodic tenancies should increase to cover this additional risk for landlords.

Question 2.1.18

What do you think would be the impact of setting a minimum length (option 2 in the discussion document) for fixed-term agreements?

Suitable length?

Quantitative analysis of question 2.1.18

Table 55 Question 2.1.18 Quantitative overview

Response	Number of responses	Percentage of respondents
Explanation provided	1,222	55.2%

Table 56 Question 2.1.18 Respondent category split of those that provided an explanation

Response	Tenant	Landlord/ Householder	Property manager	Social housing provider	Other
Explanation provided	66.7%	71.9%	82.9%	69.3%	-

Table 57 Question 2.1.18 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Explanation provided	35.5%	55.0%	8.2%	0.8%	0.6%

Table 58 Suitable minimum length for fixed-term agreements – recommended by tenants and landlords/homeowner

Length	Tenants	Landlords/homeowners	Other
<1 month	0.8%	1.2%	6.7%
1-3 months	11.1%	18.1%	6.7%

Length	Tenants	Landlords/homeowners	Other
4-5 months	1.8%	2.1%	0.0%
6 months	22.2%	24.4%	13.3%
7-11 months	2.4%	2.2%	0.0%
1 year	34.7%	41.1%	40.0%
1-2 years	17.9%	7.9%	20.0%
2-3 years	4.4%	0.3%	13.3%
3-5 years	0.8%	1.5%	0.0%
5+ years	4.0%	1.2%	0.0%

Thematic analysis of 2.1.18

Major themes

- Both tenants and landlords clearly asserted that one size doesn't fit all – and setting a minimum length for fixed-term contracts would remove flexibility that is desired / needed for some tenants and landlords due to work, study and/or changes in personal circumstances.
- Tenants and landlords/homeowners agreed that a minimum length for fixed-term contracts would give both tenants and landlords more security over the length of tenancy – and that tenants will be less stressed about their living situation / feel more “at home” in the rental.
- Landlords/homeowners also believed that:
 - any length for a fixed-term contract should be negotiated and agreed to by both landlord and tenant
 - a minimum length for fixed-term contracts could have distortionary impacts on the available rental stock, with some landlords shifting their properties to alternative providers (e.g. AirBnB) to meet the demand from tenants for short-term leases – which would lead to a situation where less rentals are available and more tenants have fewer rights (i.e. those living in accommodation not covered by the RTA).

Minor themes

- Some tenants and landlords/homeowners were unsure what the impact would be, as it would depend on the length of the minimum term imposed by the government.
- Some tenants and landlords/homeowners were also concerned about the flow-on consequences from imposing a minimum term – such as stricter application processes (to mitigate the landlord/homeowners risk of being unable to remove ‘bad’ tenants), less flexibility to response to changes in circumstance, and increased difficulty selling the property if needed (and therefore affecting property values).

Other points of interest

- Landlords/homeowners suggested that a minimum length fixed-term would have little effect, given that most are for a 12-month term – and 12 months is the longest tenants want to sign up for/tenants typical are the ones wanting to terminate early not landlords.
- Some respondents considered that periodic contract agreements should be viewed as the long-term option, while fixed-term as the short term for people with a clear start and end date in mind. Rather than imposing a minimum fixed term, landlords/homeowners should be encouraged to offer periodic leases, and to do so, provided security through other legal safeguards (e.g. an extended noticed period).

Relevant quotes

Landlord/homeowner

Setting a range of length of times with criteria will help – rather than a fixed figure – and have enough flexibility so that the one size fits all approach is not implemented – due to geographical/tenant type differences (students, employed, unemployed/aged etc.). If the minimum length is too long – it disadvantages those with poor historical records and may cause corruption to deal with past “mistakes” etc.; and litigation to fight for reputation & black marks for life – will increase. If the minimum length is too short – then – “gaming” by unscrupulous.

Tenant

If the objective of changes to the legislation is to help tenants feel more secure in their accommodation, this could be a good option. The stated example considers that this would limit the flexibility of homeowner/occupiers who wanted to rent out their home for a shorter period, which raises a few fundamental questions, namely: is this legislation intended to improve rental conditions for tenants, or provided (further) protection and flexibility for those who own homes? Given the volume of investment properties in New Zealand, how many people would such an example actually impact? And if, in the example, a periodic tenancy was offered, would tenants expect the same level security as a fixed term lease? I would say that a periodic tenancy would address such scenarios adequately, given that tenants can hypothetically seek an alternative rental if they are unhappy with a periodic tenancy.

Landlord/homeowner

It would mean no more short term accommodation available as rental, more people would become airBNB. This part of the act is fine as it is leave it or you will see less rental accommodation available and penalise the very people you want to help.

Landlord/homeowner

I believe it would make fixed-term less desirable for landlords. Maybe a solution would be splitting fixed-term into short-term (0 - 1 years), mid-term (2-5 years) and long-term (5+.) A landlord could list the property for whichever is suited best to them and tenants could look for properties that match their needs.

Question 2.1.19

What else could the Government do to make sure landlords feel comfortable offering periodic agreements, if they can only terminate for the reasons proposed?

Quantitative analysis of question 2.1.19

Table 59 Question 2.1.19 Quantitative overview

Response	Number of responses	Percentage of respondents
Explanation provided	1,222	55.6%

Table 60 Question 2.1.19 Respondent category split

Response	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Explanation provided	32.0%	62.5%	75.2%	45.0%	-

Table 61 Question 2.1.19 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Explanation provided	17.9%	71.7%	9.8%	0.5%	-

Thematic analysis of 2.1.19

Major themes

- A significant number of landlords/homeowners were outright opposed to periodic agreements and said there weren't any assurances the government could give to make them feel more comfortable offering these contracts. These landlords/homeowners wanted to retain the option of offering a fixed-term lease.
- Landlords/homeowners also suggested the government could impose increased responsibilities on tenants – for example, stricter requirements for prospective tenants / a larger bond / having adequate insurance for damages (including unintentional damage) / payment of council rates.
- Tenants and landlords/homeowners suggested that the government could ensure the tenancy tribunal was sufficiently resourced to respond quickly to and resolution disputes or repairs/damages claims – and that the tribunal then had appropriate powers to collect arrears for effects landlords/homeowners.
- Tenants and landlords/homeowners thought the government could establish additional safeguards for landlords that allow immediate removal of tenants (conditional on there being a valid reason – e.g. no meeting their contract obligations) to better protect their property.

- Many tenants believed landlords/homeowners shouldn't need any further assurances from the government because the reasons listed for terminating a tenancy in the proposal provided sufficient protection/security for their property from 'bad' tenants.

Minor themes

- Some tenants and landlords/homeowners suggested the government could offer compensatory risk assurances – such as being the guarantor for any damages/repairs from a tenancy.
- Some tenants and landlords/homeowners also suggested that the noticed period needed to terminate a tenancy should be the same for both tenants and landlords/homeowners.
- Tenants suggested that the government could provide education programmes on tenancy laws/requirements/expectations to facilitate better communication between tenants and landlords/homeowners – which should help ease landlords/homeowners concerns of renting to 'bad' tenants.
- Some landlords/homeowners suggested increasing the legal notice period for tenants to (at least) 90 days.

Relevant quotes

Landlord/homeowner

Tenants must always buy their own tenants insurance to cover the losses of landlord, including property damage, and rental losses. With this Landlord will feel safer and comfortable by following the goodwill of government to protect tenants.

Landlord/homeowner

Speed up the time it takes for cases to get through the Tenancy Tribunal. At present, it takes far longer than it should to process a legitimate eviction and often property is damaged between the time the eviction notice is served and the time it takes to get it enforced. Once an eviction has been ordered by the Tenancy Tribunal the landlord should be able to have bailiffs of the court forcibly remove the tenant and their property. The cost of this should be recorded and the tenant should be liable. The Tenancy Tribunal should receive an increase in resources to allow these things to happen. The biggest risk as a landlord is a legitimately bad tenant who you can't get rid of. Reduce the risk of property damage by increasing the efficiency on the tenancy tribunal and landlords will be happy.

Property manager

The Tenancy Tribunal process has to be more robust and treated more like any other court. It is our experience that Tribunal Adjudicators can be 'tenant-centric' meaning tenants can come armed with nothing more than a sob story whereas landlords are expected to have all paperwork, evidence etc etc. If the SAME diligence was applied to tenants as landlords in this process, then there would be more confidence bad tenants could be removed if needs be. That is not the feeling at this point in time. Basically, it is often out experience that no matter what evidence is taken or presented at a Tribunal Hearing and Adjudicator may willingly overlook this and base a decision purely on what a tenant says, even if no evidence is presented. If changes are to be made ensuring the tenure of a tenancy then tenants have to also take more responsibility and be treated in the same manner as landlords through the Tribunal process.

Tenant

As landlords presently have most of the power in the tenant/landlord relationship, I don't see that the government needs to "do" anything to make landlords comfortable. If a landlord isn't receiving enough in rents to cover his/her costs plus a bit of profit, perhaps the landlord should sell out and get a job

Landlord/homeowner

Become the guarantor for the tenant. If the tenant bails without paying the rent, bails leaving behind a filthy property, bails leaving behind property damage the government pays the landlord and the government can then chase the tenant for the costs. Currently insurance claims are a nightmare, each piece of damage is considered a separate claim with a separate excess making most claims uneconomic, and the costs associated with trying to track and claim against a bad tenant is all on the landlord. The only option too often is to wear the expense.

3.10 Do we still need two different types of tenancy agreement?

Question 2.1.20

Do you think only allowing open-ended tenancies, which the landlord can't end unless they require the property for another purpose or the tenant isn't meeting their obligations (option 3 in the discussion document), is the best way for the Government to meet its objective to improve security and stability for tenants?

- Yes
- No

Quantitative analysis of question 2.1.20

Table 62 Question 2.1.20 Overview

Response	Number of responses	Percentage of Answers
Yes	890	40.0%
No	1,300	60.0%
Total	2,190	100.0%

We note that this question has been— in particular — answered poorly. There were numerous examples of respondents answering either 'Yes' or 'No' and then providing contradictory explanations for these answers. We endeavoured to align their [Yes/No] answer with the explanation provided — however some bias is still likely and it was decided to keep the Landlord survey responses separate.

Examples of respondents answering 'Yes' but seeming to actually mean 'No' include:

Leave it the way it is. They have to prove they're worth hanging on to. Houses cost a fortune and they can wreck them in months

The government needs to get its communist nose out of our retirement plans by having investment properties. Good tenants will always have a roof generally. It's the bad tenants who are homeless because they wreck houses and don't pay the rent. I can say I will be very selective to who I allow to rent my property if any of this goes ahead. I will only rent to Caucasian pensioners if this all goes ahead! No single mother will ever be housed by me!

Examples of respondents answering 'No' but seeming to actually mean 'Yes' include:

Yes, open-ended tenancies are the best way to improve security and stability for tenants because they place the onus on the landlord of proving that there are legitimate reasons for a tenancy to end and prohibit landlords from raising the rent more often than they otherwise could by ending the tenancy, changing the price and re-letting the property.

Table 63 Question 2.1.20 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	62.2%	26.5%	24.2%	45.0%	62.9%
No	37.8%	73.5%	75.8%	55.0%	37.1%

Table 64 Question 2.1.20 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	54.1%	37.7%	5.2%	0.9%	2.1%
No	21.1%	67.0%	10.5%	0.7%	0.8%

Table 65 Landlord Survey – 3A. Do you think the Government should change the way tenancy terms are currently negotiated?

Response	Number of responses	Percentage of Answers
Yes	21	22.3 %
No	73	77.7%
Total	94	100.0%

Table 66 Landlord Survey – 3C. Under the new proposal, tenants will be able to terminate their tenancy any time (regardless of fixed terms) without giving the landlord a reason. Do you agree with this?

Response	Number of responses	Percentage of Answers
Yes	16	17.0%
No	78	83.0%
Total	94	100.0%

Thematic analysis of 2.1.20

Major themes

- A significant number of tenants considered that open-ended tenancies would increase their stability and security of living arrangements – making the property feel more like a ‘home’.
- A significant number of landlords/homeowners considered that only allowing open-ended tenancies to be a removal of property rights and the consequences of this would be perverse – e.g. rental/bond increases to offset tenant risk and/or reduce rental stock with landlords choosing to sell their property/s or keep them vacant for longer.
- Tenants and landlords/homeowners believed that allowing open-ended tenancies, which the landlord couldn’t end unless they required the property for another purpose or the tenant wasn’t meeting their obligations would increase the flexibility for both tenants and landlords to changes in personal circumstances.
- Tenants and landlords/homeowners considered that there still needed to be some flexibility in lease contracts and should be able to choose between offering fixed term and on-going tenancies based on circumstances.
- In response to whether the Government should change the way tenancy terms are currently negotiated, the landlord survey highlighted:
 - system does not need changes / no need for change
 - landlords will keep good tenants
 - negotiation should be between the landlord and tenant
 - don’t change what isn’t broken
 - it is more common for tenants to terminate than landlords
 - fixed term is better due to imbalance in termination periods
 - adding restrictions will deter landlords, leading to fewer rental properties available
 - longer fixed term tenancies should be an option, including a ‘very long term’ option
 - system already favours tenants.

- In response to whether tenants should be able to terminate their tenancy any time (regardless of fixed terms) without giving the landlord a reason, the landlord survey highlighted:
 - very one-sided proposal, would be unfair on landlords
 - completely unfair proposal
 - makes fixed term agreements redundant
 - landlords usually let tenants break a fixed term agreement anyway, to avoid having unhappy tenants in their property
 - fixed term tenancies protect both parties
 - system needs to be fair both ways
 - needs to be safeguards for both parties
 - should be possible, but only with 90 days' notice
 - should be possible if the tenant pays out the fixed term period.

Minor themes

- Some tenants and landlords/homeowners agreed open-ended tenancies would be the best way to improve tenant security – but that this should be caveated with the ability to include a 'trial period' or negotiate some flexibility on the rental period length.
- Some landlords/homeowners agreed that, if the government's only objective was to improve tenant security, then open-ended tenancies would help to achieve this. However, they did not agree with this as a policy and were concerned about increased vacancies in their properties as a result.
- Tenants believed that open-ended tenancies would help rentals to be viewed as a long-term arrangement and incentivise improved and on-going care of the property if tenants wanted to continue living in property.
- Some landlords/homeowners expressed a willingness to offer periodic contracts, so long as there were mechanisms / safeguards for:
 - periodic reviews and adjustments of rents;
 - undertaking necessary property maintenance;
 - minimising the burden of proof to demonstrate tenants weren't meeting their obligations.
- Landlords/homeowners – and to a lesser extent tenants – considered the proposal to be overly bureaucratic and any terms should be agreed between tenant and landlord on a case by case basis.
- Some tenants and landlords/homeowners believed that fixed-term contracts provided tenants with more security than open-ended or periodic contracts.
- Landlords/homeowners also suggested that the best way to improve tenant security was for the government to provide more social housing or incentivise landlords to offer longer-term fixed contracts (for example, by offering tax-rebates, subsidies, or guarantors).

Other points of interest

- Some tenants and landlords/homeowners suggested that open-ended tenancies would significantly improve the rental market by removing unnecessary restrictions on the supply of and demand for rental stock. This could also help improve the quality of both tenants and properties, as both tenants and landlords/homeowners can be more flexible in terminating the contract. Moreover, some considered fixed-terms to be exploitive and create ‘monopolistic-like’ supply shortages of rental properties.

Relevant quotes

Renters United stated:

A rental property is first and foremost the renter’s home. I want a law that makes renters feel secure in their homes.

I therefore support a law change so that only open-ended (periodic) tenancies are permitted with protections against unfair evictions. The only reasons landlords should be able to end the lease are the non-payment of rent, serious illegal or anti-social behaviour, or significant damage to the property.

If these protections are in law, and rent rises are controlled, fixed-term tenancies should be abolished. They would offer no advantage to tenants.

Property manager

I think open ended tenancies would be a disaster and I would rather sell the property than sign such a tenancy.

Landlord/homeowner

If the government wants to have control over private landlords it will soon find itself in the business of buying up a lot of properties to control as landlords give up. This smacks of dictatorship no matter how you wrap it up.

Landlord/homeowner

This is a really complex issue. I think the existing provisions provide flexibility for both tenants and landlords. However, I am aware that there is abuse of the current system by some landlords (e.g. saying they need the house for themselves to give a 42 day notice, then not moving in). I think as a first step there should be some investment in policing the existing provisions properly before introducing more rules. By making property more high risk for smaller investors this will drive them out of the market and the shortfall is more likely to be picked up by large commercial housing providers who will generally be less sympathetic to tenants concerns than someone who knows them face to face and is invested in making the tenancy work. I also think it will make landlords less likely to take on potentially “risky” tenants (e.g. solo parents, lower income, students, beneficiaries, etc.). However, if they can take them on as a ‘trial period’ fixed term tenancy they are more likely to give them an opportunity.

Tenant

It might ease the strain on all the fixed-term tenancies that mostly run 12 months dec/jan/feb when there is peak demand. If tenants have the option to move out earlier or later, it would really help them be able make a comfortable move and not worry about being unable to find a suitable place to live. I like the option of both in theory, but if it’s how it is currently and most properties are fixed term (or periodic ones can be terminated anytime without reason by landlord), there isn’t really much of an option for renters. Also, bad

conditions such as infrastructure that tenants might not realise at first would not be as restrictive (e.g. easier for tenants to move out of a mouldy home than endure it for the remainder of the agreement). It might push to improve housing conditions, too.

Landlord/homeowner

I believe open-ended tenancies are the best option for tenants as they would have much more security. [An] additional clause that the tenant wouldn't be allowed to be evicted within a time period (say 6 months or a year) after first taking residency. The landlord would also need to state any intentions such as renovations or moving in family members within the following two years could be part of the rental agreement so there is clarity between the two parties. Yes, as fixed-term agreements heavily sway the power balance between landlord and tenant in the landlords favour. Alternatively, the rule could change to having a fixed term agreement of up to a year, and then after that has ended it would automatically transfer into a periodic / open-ended agreement.

Question 2.1.21

Do you think the Government should further investigate removing fixed-term tenancies from the market?

- Yes
- No

Quantitative analysis of question 2.1.21

Table 67 Question 2.1.21 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	610	26.6%
No	1,680	73.4%
Total	2,290	100.0%

Table 68 Question 2.1.21 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	50.7%	12.0%	6.2%	26.3%	40.0%
No	49.3%	88.0%	93.8%	73.7%	60.0%

Table 69 Question 2.1.21 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	67.6%	26.8%	2.1%	0.8%	2.7%
No	22.0%	65.9%	10.7%	0.7%	0.6%

Thematic analysis of 2.1.21

Major themes

- A significant number of tenants and landlords/homeowners believed that the number of tenancy options available shouldn't be restricted – rather options should be flexible to both tenant and landlord's circumstances.
- Tenants and landlords/homeowners also believed that fixed-term agreements provided tenants with security – in certain circumstances – and didn't want to government to consider removing this option from the market entirely. Moreover landlords/homeowners considered removing fixed-term tenancies from the market to be an unnecessary bureaucratic restrict.
- Other tenants were opposed to fixed-term agreements, believing that they were too rigid and created a lot of stress/uncertainty for tenants when their circumstances changed or when their existing lease was set end and renewal was guaranteed.

Minor themes

- Some landlords/homeowners expressed objections to the investigation as they considered it to be a potential erosion of property rights – which would have perverse consequences on the market.
- Some tenants and landlords/homeowners thought that the government should undertake an investigation – if only to be better informed about the impacts of different rental options and to develop better evidence-based policy.

Other points of interest

- Landlords/homeowners suggested that there were bigger issues they would rather the government investigated – e.g. providing more resources to the tenancy tribunal and removal of the 90-day notice period.
- Some tenants suggested that a single tenancy agreement would make the market simpler and make it easier to navigate for vulnerable tenants.

Renters United stated:

If these protections are in law, and rent rises are controlled, fixed-term tenancies should be abolished. They would offer no advantage to tenants.

Relevant quotes

Tenant, landlord/homeowner

It's really useful to have this option. I'm in the unique position as being both a tenant and a landlord. Fixed term tenancy allows me to plan around dates set in advance that are tailored to both my needs and my landlord and my tenants. Importantly, it means I can't forget to give appropriate notice of terminating. If I had to give 90 days notice, then I know tenants leave early and it's frustrating to plan around this. It would be a disaster to have the house empty over Christmas and January every year. As a tenant, fixed term tenancies have been really useful when I've been on a placement for study and work in the 4 week to 1 year range. I have rented most of the last 12 years (since leaving high school) fixed term agreements have promoted honest and open communications and expectations between my landlords and me. The nature of my profession has meant I've needed to move to get the best experience and contribute the most for NZ so I'm very happy to have been able to have both fixed term agreements which have exactly met my needs and also periodic tenancies when they've worked better.

Property manager

The large majority of tenants prefer fixed term as it gives them security of tenure, add to that a first right of renewal and the tenure is even more robust. There are other implications for the removal of fixed term tenancies. For example, in the student markets, the properties are rented for a year term. A lot of students work or return home for the summer holidays and the ability to given 21 days notice as the only agreement available is periodic would cause major disruption to this market. The result would be landlords calculating a years rent and putting it into an estimated 8 month period. The result, higher rents per week, greater unintended hardship on students.

Landlord/homeowner

The government needs to allow good landlords to make good decisions and have flexibility.

Tenant

If tenants are meeting their obligations, landlords should not be permitted to eject them from their homes. The current property market is disastrous for tenants, in part because fixed-term agreements allow predatory price increases with each new tenancy, and because tenants who are not currently in tenancy agreements have no recourse to negotiate fair market prices when entering new ones.

Tenant

The existence of different kinds of tenancies can be confusing for tenants, making it harder for them to assert their rights. The availability of fixed-term tenancies gives landlords undue power to control the rental market. If only periodic tenancies existed tenants would still have flexibility as they could terminate when it suits them.

Tenant

Although I find the idea of no fixed term tenancies quite scary, I think it's worth learning more about. I would like to understand how secure tenants feel in countries where they have no fixed term tenancies and whether their property market is as crazy as it is in New Zealand. I would be nervous, for example, that in Auckland people flip their rental properties too quickly so you would always be worried that they were soon going to make a quick buck which would leave you out on the street when the new owner wanted to live there.

Tenant, landlord/homeowner

Well it should investigate this further because it might then realise why the RTA proposal is misconceived and liable to deliver outcome opposite to those intended.

Question 2.1.22

If fixed-term tenancies were removed, what changes could be made to periodic agreements to balance security for tenants and landlords?

Quantitative analysis of question 2.1.22

Table 70 Question 2.1.22 Quantitative overview

Response	Number of responses	Percentage of respondents
Explanation provided	1,486	66.3%

Table 71 Question 2.1.22 Respondent category split

Response	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Explanation provided	58.1%	68.8%	79.8%	75.0%	-

Table 72 Question 2.1.22 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Response	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Explanation provided	31.0%	58.2%	10.0%	0.9%	-

Thematic analysis of 2.1.22

Major themes

Major themes from respondents include:

- Making the notification period the same for both tenants and landlords/homeowners (any range between 21–90 days is OK – just needs to be equivalent)
- Increasing the landlords rights to remove tenants breaching contracts faster
- Keeping no-cause terminations
- Existing system works and don't require government interference / bureaucracy
- Retain fixed term tenancies

- The need to establish a robust mediation or disputes resolution system.

Minor themes

Minor themes from respondents include:

- Ensuring the rights of landlords/homeowners to terminate at any time with reasonable notice period
- Establishing a minimum tenancy period
- Mandatory renters insurance for damages and arrears
- Increase bond
- Having a trial period at start of tenancy
- Establishing a landlord register
- Having lease type agreement that clearly detail responsibilities of the tenants and landlord/homeowner.

Relevant quotes

Landlords/homeowners

90 days notice for both parties ... But Landlords, the owners of the properties should be able to make their business decisions, and choose what sort of Tenancy best suits their property, tenant demographic, and location. If good Landlords opt out of the system because of more rules, and regulations, and less ability to manage their own business - there will be fewer properties available for rent!

Tenant

A lease type agreement could be introduced where the tenants are responsible for general maintenance and the owner only responsible for structural maintenance. With the rent fixed at a long term rate and a detailed agreement laying out both parties rights and responsibilities. Long term being a period of not less than 5 years.

Landlord/homeowner, social housing provider

Bad tenants need to be able to be moved out quickly and with proper redress for damage caused.

Landlord/homeowner

Better tenancy tribunal system so that when things go bad a resolution can come promptly.

Landlord/homeowner

Both tenants and landlords would both need to have the same periods to end tenancies eg 21 days

Tenant

Clear rules about frequency of inspection and maintenance so everyone plays their part in looking after the property

Tenant, landlord/homeowner

Higher bonds and tenants required to have full house insurance

Landlord/homeowner

I don't believe fixed term tenancies need to be removed. There is good reason to keep them. More emphasis should be placed on good faith between landlords and tenants.

Landlord/homeowner

I have no faith in the tenancy tribunal. I have personally given a tenant 90 days notice because of damage to the property and paid for the damage myself rather than fight it out in the tribunal. If a landlord has to go to the tenancy tribunal then the tenant shouldn't be living in the property. I think most landlords would not go to the tribunal unless there was something wrong as it is so time-consuming.

4. Overview of landlord and tenant responsibilities

This section contains 13 questions, six questions on tenant responsibilities and seven on landlord responsibilities.

There are a great number of issues in submissions relating to modifications. Some of these are rights-based but more are about permissions and variations in approach. There is uncertainty in responsibilities captured in one submission as follows:

Either landlords' and tenants' responsibilities for looking after residential property are not articulated well (or at all regarding tenants' responsibility) in the existing legislation. The paucity of provisions in legislation governing the standard of care expected of tenants should be addressed. Better education is also required for both landlords and tenants, regarding their responsibilities for looking after residential property. Having greater transparency about both parties' responsibilities to take care of rental property should encourage better landlord/tenant relations.

4.1 Reasonably strong understanding of the need for partnership

Landlords and property managers both acknowledge the inherent symbiotic nature of residential tenancy relationships.

I have been a landlord for over 10 years. Clearly I have an interest in these proposals and wish to achieve an equitable outcome for both tenants and landlords. Tenancy is a partnership and for the law to work effectively it needs to be practical and fair to both parties.

The facts of the matter are that renting property is a mutual agreement at the time of letting between the owner of the property and the person renting. It is a private transaction between two parties signed in good faith by the landlord and tenant based on mutual respect, reasonableness and understanding.

Our business vision is "leading the property management industry into the new era." We do not fear change. As society changes, and renting becomes more and more of a viable long-term option it is inevitable that "landlording" must also evolve. Tenants deserve better than they get in many instances, but then so do landlords. We are committed to better long-term outcomes for our clients (landlords) and our customers (tenants). We are not alone, many of our colleagues, and many of New Zealand's landlords are responsible landlords.

But first, I state that I have been a property manager and landlord for the past 25 years. I do not charge a letting fee, seek long-term tenancies, tend to charge average-below market rents for well-appointed and presented properties, and have a strong sense of fairness and rigorously preserve tenants' rights. I would not ask a tenant to accept what I would not.

I believe New Zealand is not ready yet to adopt the European model. We would first have to change our perception of 'renting' and the relationship between landlord and tenant. It

would have to be seen more like a partnership with equal rights and responsibilities, where both sides are willing to find a win-win solution in a conflict – like in Europe.

4.2 A common understanding of maintenance in principle

There is a generally common understanding of maintenance between landlords and tenants with the issue being one of aberrant behaviours and subjectivity. There was less interest in the long term/short term differences.

No / the insistence of differences between long term tenancy and short-term tenancy is impossible to monitor due to the difference in upkeep of individual properties. The initial tenancy contract should clearly outline tenants responsibilities for property care and this should be agreed to at the beginning of each new tenancy.

4.3 Strong incentives to maintain good tenants

There are strong incentives for landlords to maintain good relationships with good tenants. In particular, they point to the high cost of finding another tenant, and the risk that they may find a not so good tenant. Thus many landlords incentivise good tenants with reduced rent increases and other permissions. Landlords note there is an over-riding incentive for them to select and retain good tenants.

Most landlords want their tenants to remain for as long as they are good tenants and no landlord wants to evict a good tenant. The BRANZ Report 2017 also shows that for 53% of tenancy surveyed, tenure was more than 2 years and only 6% of tenants surveyed had their tenancy terminated by landlords and most tenants moved out of choice.

The transition costs are high for landlords as well as tenants:

This varies from property to property and the season in which notice is given. It has taken me 2 months to re-tenant a property. If a tenant terminates in end November/early December, it is impossible to find tenants till early/mid January of next year. July is also a difficult month to find new tenants.

4.3.1 There is also often flexibility offered by landlords

Landlords also indicated there is flexibility and pragmatism in the manner in which they administer tenancy agreements.

Most landlords are also somewhat flexible on defaults, especially non payment defaults and do not go running to the Tenancy Tribunal the moment a tenant is in arrears by 2 weeks or more. A lot of leeway is given by landlords, as going to the Tenancy Tribunal has costs as also the costs of vacancy period and repairs in between tenancies.

4.4 Damage and rent arrears particularly problematic for landlords

Landlords are conservative in the manner they select tenants because the cost of getting the wrong tenant is substantial and could lead to deterioration of the asset, requiring reinvestment, or diminution of value in renting. This issue largely revolves around landlord rights and concern from landlords that important matters are left unresolved by the reform process.

I am concerned there is little, if no change in these proposals to improve landlord rights. Landlords continue to be the dominant appellant to the tenancy tribunal on two main matters: rent arrears and damage. Both rent arrears and damage risks are heightened by the collective impact of this reform.

Tenant damage in particular continues to be an unsolved matter. The proposed RTA changes for damage, to utilise landlord insurance cover and not make tenants responsible is fundamentally flawed and unbalanced. It has a 4 week rental cap – sadly damage in reality has no cap and insurance does not cover everything. It continues to leave the issue of ‘accidental’ tenant damage unanswered and an obligation on the landlord. These reforms propose more freedom for tenants to do stuff, but yet totally ignore tenant obligations and responsibilities for damage.

I hope that the tenancy agreements can be changed to reflect both sides- tenants and landlords- it shouldn't be a relationship that is antagonistic. There are always 2 sides- poor tenants who seem to have a lot of rights, and poor landlords who do not care- will never improve their properties and see their tenants as a cash cow.

The proposed tenancy laws will work well if everyone behaves rationally and within the law. Sadly, I have found that society is not always like that.

I believe that Landlords should be able to add interest and collection fees to bad debts. At present an Order from the Tenancy Tribunal does not usually have interest added. If a landlord wishes to do this he has to apply to a District Court. Most other sectors in society can and do charge interest and/fees. It is in their Terms and Conditions. Why are landlords singled out?

While we strongly support changing tenancy law to even up the power imbalance between landlords and their tenants, landlords must still retain the ultimate right to evict tenants who get into serious default on rent payments or who are significantly contravening the tenancy agreement. A few years ago we had the unpleasant experience of reluctantly having to take our tenants who had fallen into serious arrears to the rent tribunal (after months of failed attempts to negotiate a mutually acceptable repayment plan ourselves). Although we did get a decision in our favour requiring them to vacate reasonably promptly and make restitution this all took time and only one partial payment was received so we were left significantly out of pocket.

We believe a tenant is always liable for damage caused the tenant, any person the tenant is responsible for, any visitor to the property and any animals kept at the property, whether accidental or deliberate, severe, moderate or slight. Damage is damage. There should be no question regarding liability in this scenario. In the event that damage results from defective fittings or age, that liability would remain with the owner. It simply untenable that the

owner is expected to have unlimited responsibility and exposure to expense while the tenant (who either cannot, or will not, purchase their own property) has zero, or very limited, consequences.

Failure to pay rent on time, as prescribed and in the correct amount, shall be an offence and attract a penalty to the tenant. Any rent arrears should attract interest at the fair rate prescribed by MBIE being it's determination of the current bank floating mortgage lending rate.

We went into this to help people find houses, but my, have we been taken for a ride by tenants many times. We end up paying for the damage and thoughtlessness.

Every application I have made to the Tenancy Tribunal has incorporated rent arrears. Cases which have rent arrears also have cleaning issues. Rent arrears are directly caused by tenants. It would be reasonable to expect that, of the applications made to the Tenancy Tribunal by landlords, the clear majority would include rent arrears and cleaning.

The best protection is a good tenant, but another solution was suggested by landlords as well:

As an owner of three rental houses, I believe that a good relationship with tenants, is the best way to protect my investment. Due to the perception of tenant bias at tenancy tribunals and hopelessness of receiving reparations from tenants, I'm terrified of getting the 'wrong' tenant and am very fussy with who I let to.

I would like to call for a more streamlined process to address rent arrears. Should there be faster access to the tenancy tribunal for rent arrears? I propose that a new administration section should be established to handle rent arrears, which are factual in nature. This would speed up resolution to rent arrears issues and leave more Tribunal time for other disputes.

4.4.1 Difficulty in recovering costs of damage

Landlords find it very difficult to recover costs even if it is clear that the renter is responsible.

It must get easier for landlords to recover costs from tenants who do not behave like reasonable people in the house/apartment. ...I don't agree with the intentional damage- we have had 2 holes in walls which we paid to get fixed- unintentional holes (large) in walls?

From my many years' experience in renting properties, the current legislation is generally quite adequate and strikes a fair balance between the responsibilities of both Tenant and Landlord. - although it tends to favour Tenants, in-as-much-as unsatisfactory/destructive tenants are better off,. Any costs awarded against them are often unpaid due to their unstable financial situation.

Rent arrears can be difficult to get and we have had one tenant who also trashed the place before leaving. We're still waiting for the \$8000+ that he's owed us from the tribunal 20 years ago.

When bad tenants breaching their obligation, for example, they didn't pay the rent or they damage the property, government need to make sure they pay the rent or damage more easily than going to Tenancy Tribuna court. And government need to be fair on this. If not, government need pay for them, (and then government ask bad tenant pay back). Otherwise,

bad tenants can get away with their obligation easily or pay \$5 a week for 20 years, this won't give any security to landlord at all.

4.4.2 Costs are borne by the landlord

Landlords recognise that costs of major incidents will fall on them. This recognition is reinforced by the Osaka case, where tenants were negligent and burnt the house down. The costs still fell with the landlord.

Holler VS Osaka case, tenant burn the rental property, All they do is say they did not do it deliberately but it was obvious it careless and negligence on the tenant part. so landlord have to pay for the total lost. Where is the fairness? How does this give landlord security? Don't tell me that the insurance will pay for the cost. This insurance is purchased by landlord, and after claiming the premium of insurance for next years will increase a lot, this still cost the landlord.

Most landlords see the extent of recovery is the amount of bond. Landlords would be reluctant to extend further responsibilities to tenants unless those tenants as, at the moment, the ability to recover is very limited.

... ... Any real recovery for tenant defaults is limited to the extent of the bond, as awards given by Tenancy Tribunal are difficult to actually enforce. The bond is limited to 4 weeks' rent and this can be absorbed only by damage to carpet/paint in one room or damage to kitchen appliances and is not enough to actually compensate the landlord.

This submitter goes on to suggest that one option is for tenants to pay for property insurance directly.

Why don't the law be changed and ask tenants buy property insurance when they live in the rental property? Will this make tenant feel more like a home ☐ (every home owner buy their home insurance). Tenants should be responsible for the rental house they live in. Including buying house insurance, content insurance. And Pay full water bill (not say landlord portion, tenant portion).

4.5 Other issues effecting extent of risk to landlords

4.5.1 The landlord may have additional clauses

One submission notes landlords may have additional undertakings that are mutually beneficial to both the tenant and the land lord. For instance, an example was given of a performance based grant from a council, for the landlord to model low waste living in an apartment block. The tenant would need to take specific actions to meet the requirements of the landlord's grant.

4.5.2 Tenants may delay inspections to hide activity

Some submissions note there are issues in organising inspections and not always for good reason.

As well as professionalism of property managers, the ethics of owners and tenants also matter. For example: ...The requirement for the property manager to give notice of the visit to inspect the property is a challenge. We had a situation where apparently the tenants had numerous other people living in our dwelling and the tenants moved them out before the property manager inspection - and then return them afterwards. We found this situation out from the neighbours [who we knew], not the contracted property manager. This is not acceptable. The tenants would have impacted the neighbours with apparently numerous cars and people in and out and we were quite disturbed at affecting neighbours so poorly.

4.5.3 Tenants are not held responsible for notifying landlords in time

A number of submissions note that material damage is done if landlords are not notified of an issue.

We had a tenant who told us that every time she had a shower the bathroom floor was wet. She told us this months after it started (at an inspection). Apparently it happened after we had a plumber do a repair in the step-up shower and the elbow underneath was broken. We had no evidence now that it was the plumber's fault and the damage to the vanity, laundry tub and flooring was enormous. If tenants are made accountable for not telling the landlord in time, a lot of these scenarios will be prevented, avoiding stress, costs and anger on both sides.

Things like not reporting water leaks, not keeping property clean which encourages rodents which cause significant damage etc. are things which one would not do in one's own property but such slight lapses end up causing severe damage to the property for which the landlord has to pay.

4.5.4 Improper airing of rentals is an issue for landlords

Landlords note that tenants may not air properties, or be able to turn heating on. Here are some issues articulated by landlords largely based around dampness and mould entering rentals:

Its warm, dry and fully insulated, and I usually don't increase the rents until the tenants leave. I consider myself a good landlord but I haven't always had good tenants. 1 sprayed the lawn dead so they didnt have to mow it. Another had a cat that shreaded the new carpet. Dogs that scratched up the rimu floors. The ceiling was left black with mould from a combination of gas heating and never opening windows to air the place out (mould is a tenant issue not a landlord issue). Doesn't matter how warm & dry a home is, it will be damp if it isn't aired out.

Tenants should be responsible for ventilation and be held responsible for any maintenance required as a result of the property not being ventilated adequately. More education is required for tenants in terms of heating provided and ventilation practices. Many tenants have adequate heating options provided but choose not to use them because of the perceived cost. This can then lead to increased dampness/mould etc in a property. Rectifying damage caused by this should not fall on the landlord.

Ventilation is a major concern for landlords. The damage done by mould caused by tenants not opening windows is a real issue.

In discussions with property managers, one DHB comments:

Findings from our research with property managers in Taranaki indicated that providing tenants with information on how to prevent the house becoming damp or developing mould by 'airing the house out', was discussed with tenants when conducting property inspections and this one way in which these responsibilities of tenants could be made clear

Fuel poverty is a concern in some regions and may be a contributory factor. One DHB notes

A tenant cannot be obligated to use an appliance that uses power to run. Fuel poverty was evident in our research. The decision to turn on a heat pump (if installed) was dependent on the tenants' ability to pay the power bill at the end of the month. If they were 'in credit' to the power company they were more likely to use the heater. Families juggled trying to keep their house warm to support the health of their family, especially young children, with trying to keep the power bill to a manageable level.

4.5.5 Insurance companies may require three monthly inspection

One landlord notes there are insurance company requirements such as regular, three monthly inspections, whereas they would be more lenient with longer-term tenants.

We find 3 monthly inspections are too frequent given that we have good tenants & we keep on top of maintenance. However this is stipulated by our insurance provider. We feel that 6 monthly is about right to not impinge on tenants privacy while still keeping up with any issues that might arise with the house or section. If insurance companies could be encouraged to stipulate a staged inspection regime that maybe started out at three monthly for say a year & then changed to six monthly, once it was deemed tenants were satisfactory in their treatment of the property. Like a probation period. Then we feel this would make the tenants feel more at home & less disturbed.

4.5.6 Water rates are another issue

An issue noted in some landlord submissions is an issue of unpaid water rates. These are held against the property rather than against the person.

Fixed water charges are an insignificant amount and are a max of about \$4 per week. Having the landlord pay this is an accounting nightmare for landlords, tenants and property managers and no significant benefit is received by tenants. If this was to be paid by tenants, landlords would discount the rent by the equivalent of the fixed water charges as currently landlords (in their calculation of asking rent) add the fixed water charges to the rent. ... Also, rather than asking landlords a collection agent for water utility companies and being left with unpaid water bills, a tenant should be required to get the water connection in his own name, just like power and telephone connections and even prepay connections could be examined.

4.6 Landlords or their agents are not meeting their obligations

Tenants and their representative groups note that landlords are not taking their responsibilities seriously in all cases. They note there is considerable variation in the tenant experience depending on the attitude and experience of the landlord.

They are clear but perhaps not understood and it depends on the experience, expertise and professionalism of the landlord. Many property managers do not understand and/or abide by them so regulating property managers would help to improve this.

A DHB notes, after interviewing whānau:

The findings from our research showed that landlords are not meeting their current obligations in terms of maintenance of their rental properties. While tenants were generally confident in asking for repairs, all participants identified aspects of their rental houses that required repairs. One participant who had taken a case against a landlord for failure to make repairs and had been awarded damages was still waiting to be paid by the landlord, 12 months later.

There are specific examples given.

We have had many cases, particularly of elderly, who will prefer to live with minor maintenance problems than to 'make a fuss.' Furthermore, there are landlords that do not do maintenance in a timely manner. Delaying maintenance requests makes tenants feel undervalued, less inclined to look after the property, and less likely to look after future properties. We have had an instance when a tenant discovered a loose window pane in the bedroom and on reporting it to the landlord received a 14 day notice to tidy the garden. The window was not fixed, and the tenant had to do the garden or risk termination of tenancy. The window subsequently fell out during the night. Currently, if a tenant does attempt to make these repairs and seeks to pursue the cost, they run the risk of termination of tenancy.

We have found that urgent repairs which can impact health and safety are needed because a landlord has not performed their obligations to maintain a property. There are cases in which repairs that a landlord puts into place do not fix the problem and the tenant is blamed for the damages. One case was a tenant in a wheelchair who reported a water leak, which was ignored, and eventually became rotten floors throughout the house. A hole formed in the hallway and the laundry floor started to sag. The landlord chose to board up the laundry, then attempted to pursue the tenant for damages for not reporting the water leak.

There is widespread concern the existing regulations are not well implemented and that a number of landlords and their agents are ignorant of what they need to do.

Many landlords and property managers seem ignorant of their obligations under the Housing Improvement Regulations 1947 to ensure the house is "free from dampness" (clause15). As the rental stock for most of our clients in Wellington is old wooden buildings, these sorts of complaints always arise in the winter months. Tenants who signed fixed term leases in the summer are finding by April that they have a damp and mould problem that no amount of airing the house out will address and they face having to live in

that situation for the whole winter unless the landlord remedies the situation or is prepared to release them for the lease.

4.6.1 Inspections can seem vexatious and inconvenient

One church advocacy group commented that landlords rarely inspect as much as the need to.

At present the landlord can inspect their property every four weeks, however in reality, very few do. Prima facie this seems an unduly high frequency and has the potential to interfere with the tenants' right to peaceful enjoyment of the property. However this needs to be balanced by the landlord's responsibility to ensure that the property is being maintained to the required standard. Where a landlord or property manager trusts the tenant, the frequency of inspections usually reduces as trust and confidence has been built over time.

Some tenants, however, clearly experience vexatious inspections. These visits may seem retaliatory and may also happen at inconvenient times.

Never missed a payment and no damage done....but every 3 months we have to have a house inspection. ! We get a list on what we need to do before the inspection. ..ie.Clean windows, vacuum, tidy, garden, mow lawns, clean bathroom. ...Well ! If I want to live like a pig, and the house is not being being damaged, who are these people to tell me to clean (its always clean , but it's the cheek of it !).When I move out for the final inspection , that's when property managers can demand certain cleaning standards ! ... I also take time off work, because I will not have them in my house when I'm not there. I have to take a whole day off, because they arrange a time between 9am- 16.00

Currently a landlord or agent can say they will turn up between 8am and 6pm on Friday for example, and the tenant has no idea when the landlord will arrive, this is incredibly inconvenient and stressful for the tenant; in almost all cases where a "meeting" is arranged in our society a specific date and time is advised. It is now a matter of course that real estate agencies will send out template notices that comply with the current act by stating the date on which the inspection will occur, within a time window – often a 8 hour time window. , and tenants just have to deal with it. It's inconsiderate on behalf of the agent/landlord and unsettling for a tenant to have to have their activities "on hold" waiting for an inspection.

4.6.2 Tenants also seek greater security

One tenant suggested a list of good practice elements such as:

Ensuring those undertaking investigations or repair work have had a police check

Ensuring security, for instance of+ maintaining a register of who has a key

A tenant should be allowed to choose their own repairman.

4.7 Tenants fear loss of tenancy

Tenants do not feel they are on a level playing field with landlords when raising issues.

There needs to be some way of keeping landlords actions in check without jeopardising the tenancy. For example, my present TA states that the LL is responsible for keeping the gardens etc tidy and yet has done nothing in three years. The hedge is so overgrown that there are mice living in it, they come inside the flat in the summer when we leave the door open. I am afraid that if I complain, or use a ten day notice to remedy, I will be given notice. The imbalance of power is too one sided. I would love to see a remedy for LL's who abuse their position or don't meet their obligations.

One instance of claimed deception by a landlord.

In my case the Tennancy department couldn't do any thing about it The LAND OWNER GOT \$12800.00 OF INSULATION BY DECEPTION ON MY GOLD CARD.

4.8 Neighbours have rights as well as landlords?

A submission raises the issue of neighbours feeling safe

The process of maintaining the 'peace, comfort and privacy of their neighbours ' is not working well here. The neighbours are invisible and have few means to provide for their rights in the current legal frameworks. Neighbours can't take tenants to the tenancy tribunal under current laws. These neighbours feel helpless, intimidated by bullies. This urgently needs to be addressed for our communities to be safe places to live.

4.9 A reasonable state of cleanliness / of repair?

Two topics highlighted to by tenants are the subjectivity of "reasonable state of cleanliness" (s 45(1)(a)) and "reasonable state of repair" (s 45(1)(b)). Several submitters indicated these terms are "too vague, and extremely subjective". The submitter indicated there may be fewer claims to the Tenancy Tribunal if these matters were addressed.

By way of example, when moving into a rental property in Dunedin, the property manager (from a prominent property management company) assured me that the filth from the previous tenants would be thoroughly cleaned prior to my moving into the property. Unfortunately, this was not the case and the house was virtually uninhabitable at the commencement of my tenancy. When I complained, the property manager stated that they believed the property was in a "reasonable state of cleanliness" and complied with the Act. They suggested that I was "fussy" and should "look at some of the student flats if I wanted to see what a dirty house was".

Under the current Act, a landlord's subjective opinion of "reasonable state of repair" may in fact fall well below what is safe and acceptable. He or she may even be doing the work themselves, to a below-industry standard. If a tenant disagrees with this standard, their last resort step would be to bring a claim the Tenancy Tribunal, who will then make a decision on an issue that may have been avoided by a standard having been set in the first place.

Some options were suggested:

Perhaps the standard could be "tradespersonlike", for example, "cleanliness to a standard of a professional cleaner"

Similarly for reasonable state of repair:

Having a "tradespersonlike" standard, or similar, inserted into s 45(1)(b) would provide a state of equality and certainty for all parties, and significantly reduce stress and expense.

4.9.1 Other areas of ambiguity could be clarified

One submitter noted the following list of areas of ambiguity. This submitter, a social business providing independent house assessments, suggested:

- hard wired smoke alarms should provided by the landlord.*
- moisture damage to wall, floor and ceiling linings should be replaced or repaired*
- external cladding, roofing, guttering and downpipes should be maintained to a state that ensures fit for purpose. Example: A south facing bedrooms with moisture damage from external sources (damaged guttering and downpipes) is unable to be occupied due to mould, but landlord is still charging for a 4 bedroom home (there is a responsibility to ensure all rooms are inhabitable).*
- keep trees and shrubs blocking passive solar gain to a minimum to avoid shading*
- should be responsible for outdoor maintenance if grounds are to be kept to a highly manicured level unless agreement by both parties is arranged in writing outlining otherwise.*

4.10 Poor quality housing is an issue

There are comments regarding poor quality of housing.

During my time renting I have had to endure some appalling living conditions such as cockroaches, bedbug infestation, cold mold and leaks with little hope of resolution from either absentee or not my problem landlords and fear of getting evicted because I've caused a fuss; often my only option in many cases was to move which is a very very expensive and stressful situation. ... Some of the properties I've seen advertised and visited, I personally wouldn't house an animal in let alone a person, Broken windows, mold leaks, no functioning stove or oven, ripped carpet and worse

One submission referenced a useful tool for prioritisation of repairs.

Good Homes for Good Lives provide excellent assessment tools on their website (www.goodhomes.co.nz) that renters and housing providers can use to assess and prioritise repairs and maintenance. The tools were developed in partnership with BRANZ and CRESA. Tools such as these can be promoted with renters and rental providers.

For some areas, poor housing may be the norm. The rental housing stock is seen as particularly problematic in some areas.

Slum houses need to be taken off the market- and that includes other centres as well. Wellington flies under the radar for this but when renting in wellington there were overcrowded houses and slums going for a ridiculous amount of money

A lot of Tenants are very clear in their expectations, and others aren't. We are very concerned in Christchurch about the increasing use of the phrase 'As-is-where-is', with Landlords actively implying that the tenants in these unrepaired earthquake damaged homes should accept that they can expect these rental properties to be at a lesser quality than other homes.

4.10.1 A rental WOF may be a good idea

As a counter to concerns from landlords about the stringency of minimum standards for rental housing discussed above, several responders identified that our housing stock in general may need attention. Rental housing in particular is prone to deterioration. This deterioration is likely to happen more than for owned houses because of the mix of incentives on renters and on landlords.

I agree with a WOF for rentals although I understand the WOF they trialled in Wellington went too far as they were being failed for a light bulb that didn't work. It should cover basics- reasonable fit outs, carpet curtains a means of heating (not a plug) insulation, property kept up to a reasonable standard, a decent oven and extractor fans over the oven and in the bathroom that are timed with the light.

Before a newly-purchased property can legally be rented to tenants, it must be certified through a 'Building Warrant of Fitness' - paid for by the proposed landlord [user-pays principle] and gain a 'Certificate of Occupancy' – similar to that used for new dwellings - before being lived in. A Building WOF would improve the situation with mandatory insulation of the building envelop [except where impossible to install]. If it can't be insulated, then it can't be rented seems one solution. Such buildings would return to the owner-occupied pool and have more effort to make it habitable or replaced.

One submitter notes the effects of a poor standard of housing on her and her new-born.

After living there for 2 months, I had respiratory illness. Just before the start of winter. It was really cold inside the house and our heaters are not enough to warm the house to a healthy temperature. The property is 9 degrees Celsius inside or lower. It was just like the outside temperature. While pregnant and with pneumonia from May until August, it was really a nightmare living there. The house is damp and we were able to see moulds inside. We tried the tenancy tribunal but apparently we felt that the adjudicator and the landlord already knew each other and we felt that a miscarriage of justice has been put upon us.

We are getting sick and feeling the damp and mouldy house without proper ventilation.

The unit is on the lower level and sunlight doesn't come in the house. Even on a sunny day you would need to open the lights inside the house as it is really dark inside hence the coldness.

My husband and I are fighting for our baby's health. I have read lots of articles about newborns contacting respiratory illness and being admitted to the hospital because of the house condition.

This family tried to resolve the issue through the Tenancy Tribunal but did not feel that the Tribunal listened or that the situation could be resolved. This tenant was left with the feeling that the system was balanced towards the landlord rather than being neutral in addressing material issues:

I have been looking for help in all government organisations that I can search for and I have applied for a rehearing as well. A mediation with the same adjudicator was granted but was delayed for 2 months since the landlord is not in New Zealand but the first hearing was represented by his son and we are begging the court to hear us sooner but they are not responding anymore. I don't know why the tenancy tribunal are favouring the landlords and making tenants pay so much while the landlords are just sitting there waiting for their money to come to their bank accounts.

One submitter notes that many landlords are leveraged and may not be able to afford the on-going maintenance and occasional up-grading that a rental house might need.

Properties purchased as investments have different driving forces. Individual owners who have mortgaged themselves to the max to purchase an investment property, and even so often can only afford the cheapest houses, have little likelihood of bringing old, cold houses up to a reasonable standard for habitation today.

One submitter noted a power imbalance. :

There is very little repercussion for landlords currently who do not meet existing standards, landlords hold the power and many abuse it. Repercussions need to be such that those with no intentions of fulfilling their role to ethical and legal standards are discouraged from being involved in the rental market, making way for those committed to providing a social service.

Another submission suggests establishing a register and a certificate of compliance.

The Social Justice Working Group believes a public register of rented properties is required and this would record when a property was last inspected, any issues found and when it is next due to be inspected. Landlords should also provide a printed copy of compliance information with the tenancy agreement. ... If a landlord does not have a certificate of compliance, the government (MBIE) should have powers to fine them, and to reinspect, and the landlord should not be allowed to rent their property until any issues are addressed.

5. Questions on landlord and tenant responsibilities

This section contains six questions on tenant responsibilities and seven on landlord responsibilities.

5.1 Tenant responsibilities

A consistent and common theme throughout the set of questions was the need for clarity around current responsibilities. Of particular concern was the subjective nature of some terminology, such as ‘reasonably clean and tidy’. This has been problematic for both tenants and landlords and will continue to be an issue until it is clearly defined and communicated. Wear and tear was also an area causing disputes; problems were mostly centred on unpaid rent, damage and maintenance.

Another theme with common ground is that with more rights come more responsibilities. Most felt that any additional responsibilities should be negotiated and mutually agreed on rather than regulated. In this instance, it is thought good communication can resolve most issues.

Landlords felt that tenants often struggled to fulfil their current and most basic obligations; to keep the place clean and tidy, pay rent and report damage in a timely manner, while tenants had issues with slow and occasionally intimidating responses to requests for maintenance from landlords and property managers.

The issue of accidental damage has many landlords furious. In the wake of the Osaki case, they feel tenants have the right to be careless with a property and can now even get away with intentional damage under the guise of accidental damage. Landlords’ frustration around damage extends to the Tenancy Tribunal, which is considered slow, ineffectual and skewed in favour of the tenants. The system of enforcement for rent arrears was also a pain point for landlords.

Often issues were thought to be at least partially attributable to a lack of awareness of responsibilities, with respondents recommending education programs or training material as a solution.

Question 2.2.1

Have you ever disagreed with your tenant or landlord about whether or not they are meeting their obligations?

- Yes
- No

If yes, how could this have been avoided?

Quantitative analysis of question 2.2.1

Table 73 Question 2.2.1 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,814	64.4%
No	1,004	35.6%
Total	2,818	100.0%

Table 74 Question 2.2.1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	62.8%	62.0%	85.3%	60.9%	83.3%
No	37.2%	38.0%	14.7%	39.1%	16.7%

Table 75 Question 2.2.1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	32.0%	55.2%	11.8%	0.8%	0.3%
No	34.2%	61.2%	3.7%	0.9%	0.1%

Thematic analysis of 2.2.1

Major themes

- Disputes arise when either party reneges on the contract, laws, agreement, landlords suggested that this conflict could be avoided by tenants simply paying the rent and not damaging the property while tenants thought landlords needed to fix and maintain properties as required and in a timely manner.
- There was a consistent call from all groups of submitters for the clarification of rights, laws and wording governing tenancies as it open to drastically different interpretations and is often misunderstood or unknown.

Minor themes

- Both landlords and tenants thought establishing and maintaining communication channels was the best path to avoid disputes.

- There was also agreement that disputes cannot always be avoided as some personalities will always clash.
- Both landlords and tenants thought the tribunal process needed to provide better enforcement and protection measures.
- Again, landlords and tenants agreed that regulation of property managers or some other way to improve property manager behaviour and monitor competency would be useful.
- From a landlord perspective conflict would be avoided through more vetting of tenants, the use of police checks and making more regular inspections. From a tenant's perspective a rental Warrant of Fitness would set minimum standards that needed to be maintained.
- Both sides considered the balance of power in the relationship needed addressing.

Other points of interest

Landlord

Greater penalties for unlawful acts. The landlord agreed that maintenance was required, but made a commercial decision that the maximum fine for not doing the work (\$4000) was less than the cost of the maintenance, and therefore refused to do it. They were proved right when the landlord eventually, after several years, ordered \$1200 as a fine. Imagine the impact on tenants if the maximum fine was \$40,000. The tribunal application number is 4056342 if you'd like to look it up, it makes very interesting reading.

Landlord/homeowner

I as a landlord have to be very careful about dealing with a rogue tenant, again the tenant can pursue me as harassing them but I cannot pursue the tenant for harassment. this always puts me on thin ice, its not equal and I have proven evidence that a tenant can harasses and landlord.

Tenant, landlord/homeowner

There will always be differences of opinion. The problem is the power imbalance between tenants and landlords. Tenants are basically at the mercy of landlords currently. While when I was a landlord I tried my best to see things from my tenant's perspective and act humanely, essentially I was a benign dictator. Since being a tenant, I have had landlords who were benign or tyrants, and because I had to take what was on offer, I had no choice in whom I was in relationship with. A rental WOF is needed in addition to a boarding house WOF. Also, references by landlords and property managers need to be regulated so that they cannot use the fact you complained to them or the Tenancy Tribunal against them.

Landlord/homeowner

I changed to an improved area in which to have rentals. I sold up the rental in a lower social area and that allowed me a better pool of people to select as tenants. No more bad tenants....touch wood....but to date in these last 10 years it has proven the correct move.

Relevant quotes

Landlord/homeowner, social housing provider

...WHAT HAS WORKED- the free no cost, no obligation advice provided by the tenancy mediation services - is working as I have asked my tenants (and have used myself as landlord) to ring and ask for free and frank advice and it has helped us resolved 80% of

our differences of opinions , solutions that are amicable and relationship continued. The 20% that did not get resolved- we went to have formal mediation services and tenancy tribunal hearings.

Landlord/homeowner

There has been disagreement with a tenant about whether or not they were meeting their obligations on a number of occasions. But the breaches were identified by reference to the terms of the tenancy agreement. The matter went to mediation, then adjudication and the matter was resolved.

Landlord/homeowner

The tenant tells me she opens the windows. There is mould on the bedroom window frames and the bathroom. I have given her 2 lots of how not to have mould. I have fitted security latches for the windows. What more can I do? What I am doing, every 3 month inspections I give her one little thing to think about and very very slowly I think I am educating her.

Tenant

I had one landlord with very unrealistic expectations. He made some rather outrageous allegations when we moved out at the end of our lease. He claimed we broke the toilet seat by standing on it! We're in our 60s (my husband is retired) and neither one of us has stood on a toilet seat! He wanted it replaced with a \$200 toilet seat (from our bond). He said we had violated our standard of care due to the toilet seat and threatened us with the Tenancy Tribunal. We just let him take the \$200; wasn't worth the fight and time off work. I don't know how we could have avoided it except by taking pictures of the toilet seat before we moved out! So, the lesson is document, document, and document.

Tenant

I should have been a less pro-active tenant. I fixed something as it was urgent and the landlord refused to pay the bill.

Tenant

The landlord could have been less intimidating when we asked him to do maintenance.

Landlord/homeowner, social housing provider

... If New Zealand follows the Australian law were the property must be presented at beginning of a tenancy to a commercially cleaned standard. This would bring the property healthy safe standard and tenants must give back to the same standard...

Landlord/homeowner

This cannot always be avoided as people have different standards and perspectives in relation to how they live. I am not an unreasonable person but what might be deemed unintentional damage is often carelessness or a lack of due care of the property a tenant is renting with the result that the cost of repairs for the landlord can be quite high. Wear and tear of a rental property is often greater than it would be of a private home.

Landlord/homeowner

If you do nothing else with this reform, you definitely need to clarify what REASONABLY CLEAN AND TIDY means

Tenant

If the landlords were better informed as to what their obligations were, and if a) landlords knew of the penalties and if such penalties were sufficiently enforced that they knew it's not

just an empty promise, and b) there were ways for tenants to report these things after repeated failures by landlords without getting evicted sometime later.

Social housing provider

Better rules around released prisoners or having the ability to have boarding house rules in a house with less than 6 rooms.

Tenant

More repercussions for landlords, less detrimental future impact for tenants, and more privacy. In tenancy it asks if you have ever been to tenancy tribunal, if you answer YES for any reasons (even if taking landlords for breaching THEIR obligations) it severely negatively impacts your ability to rent properties.

Tenant

Third party inspectors available to determine repair requirements, rather than having to go through a full tribunal process.

Landlord/homeowner

1) tenants who have an issue with the landlord should be required to pay rent to Tenancy services in lieu of a hearing. The current regime lets tenants get away without paying rent by making false excuses when often they have no means to pay rent and should be evicted. The delays in Tenancy services making a hearing and the tortuous process for getting a hearing often results in large debts to landlords. Getting these debts enforced by tenancy services and the ridiculous process where landlords have to separately get an enforcement from the DC is dysfunctional. Tenants who know the system do not provide an address for service and there is no enforcement 2) tenants regularly lie in tenancy applications about smoking, pets and who will be living at the address. There are no substantive penalties for these breaches, there should be 3) tenants will damage properties through negligence or wilful damage. They should be required to have renters insurance and there should be a clear definition for wear and tear, Tenancy services believe all damage is wear and tear 4) Landlords should be able to enforce special terms in tenancy agreements, tenancy services too often ignore these and this should change.

Tenant

e.g. a supervising authority that monitors landlord-tenant relationship with possible feedback options maybe similar to what we know from trade-me feedbacks. More pressure on agencies to perform well and be professional.

Tenant

....Rental companies, and property managers should be able to hold their home owners more accountable for repairs and/or renovations.

Tenant

Ensure property managers are licensed professionals

Question 2.2.2a

Do you think tenants should have more responsibilities for the property that they rent?

- Yes
- No

Please explain your answer.

Quantitative analysis of question 2.2.2a

Table 76 Question 2.2.2a Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,649	59.6%
No	1,120	40.4%
Total	2,769	100.0%

Table 77 Question 2.2.2a Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	38.9%	69.7%	69.7%	54.2%	46.7%
No	61.1%	30.3%	30.3%	45.8%	53.3%

Table 78 Question 2.2.2a Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	21.0%	67.1%	10.6%	0.8%	0.4%
No	48.6%	42.9%	6.8%	1.0%	0.7%

Thematic analysis of 2.2.2a

Major themes

- Tenants were more likely to think existing rules and responsibilities were okay, there was a fair split and they are open to negotiation.
- Both tenants and landlords brought up the need to have a balance between rights and responsibilities to encourage tenants to treat rentals as their own. Landlords thought responsibilities should include the basics, such as opening windows to prevent mould while tenants wanted the ability to make simple modifications that encourage healthy homes.
- Landlords were vocal on; accidental damage (Osaki case), the damage of guests, and the timely notification of damage.
- Both tenants and landlords thought some basic care, maintenance and repairs similar to that of a homeowner were reasonable especially in longer term rentals.

Minor themes

- All groups thought there was a need for clarity and education on responsibilities, current laws, especially reasonably clean and tidy.
- Some tenants saw property maintenance as the landlord responsibility and thought it should be done to their standards and preferences as some people choose to rent to avoid property responsibilities.
- Landlords and property managers felt compulsory renters' insurance or increased bond would encourage more care and responsibility for property.
- 'No' respondents felt enforceability of current responsibilities is enough of a problem.
- Tenants thought the landlord or property manager needed to take on more responsibility otherwise it forces costs of ownership onto tenants.

Other points of interest

Tenant, landlord/homeowner

Wear and tear should be recoverable from the tenant I say this and I'm a renter! There has been a few situations where I have offered to pay for accidental scratches or wear because I think the current system is wrong

Tenant

Tenancy insurance should be built into the rental price protecting both tenants and landlords - takes some risk out for landlords and this means tenants get their bond back. When we got a 90 day notice, "no cause" eviction notice, our landlords lodged a claim against us with the tenancy tribunal, we disputed this, and went to the tribunal. We had to borrow money for our bond on our new home, and moving costs. Our landlords sought \$1900 damages, the tribunal ruled we were responsible for \$192.00 of cleaning and one curtain replacement, we had to wait for three months to get the balance of our bond back

Relevant quotes

Tenant, landlord/homeowner

Current laws from the RTA does not hold tenants responsible for damages done to the property due to the Osaki case and claim via owner insurance companies. Premiums are not paid by tenants. No consequences for damages done to the property by tenants.

Landlord/homeowner, property manager

It was actually ok before the Osaki case.

Landlord/homeowner

If they see the property at risk [water leaks, rot, blockages etc.] they must contact the landlord and record the contact a lot are too scared to report problems.

Landlord/homeowner

Minor maintenance due to use should be covered by tenants. (smoke alarms, light bulbs, general maintenance)

Landlord/homeowner

Landlords step away from rentals for quite peace and enjoyment yet are summoned for washers, door latches, pantry doors coming off the runners. When a tenant has been in there for years, surely this forms part of their wear and tear. It is unable to monitored by a landlord yet the responsibility falls squarely on their shoulders.

Tenant

Rights come with responsibilities. If I live in a place for years, I'd like to be able to hang some pictures or add a shelf, etc.

Tenant

Because people are forced to rent by society the "protections" normally available to people who own houses are essentially impossible to be achieved. We need to find ways to make renting as close to owning a house as possible, and this probably means tenants taking on more responsibility for the places they live.

Landlord/homeowner

All damages to property by tenant should be paid for by tenant but tenants should be covering this with a compulsory insurance run by tenancy tribunal

Landlord/homeowner

... There should be a brochure issued when signing the tenancy agreement provided by tenancy services outlining tenants minimum responsibilities and their basic rights.

Landlord/homeowner, property manager

... An owner must pass over the property in its best condition and 90% of owners do this. However the tenant only has to hand it back in "reasonable condition" this is grossly unfair to all landlords and owners. It would solve so many problems if the landlord hand a home over in A1 condition and the tenant handed it back in A1 condition there would be no arguments, and we can tell what is A1 motel clean verses "reasonable"...

Landlord/homeowner

Tenancy law, at present, does not sufficiently take into account how the tenant uses the property. Issues such as damp, mould and vermin are often more about how the tenant uses the home rather than the responsibility of the landlord. Extract fans are turned off, windows closed, damp washing hung indoors, and then the house closed all day whilst the tenants are at work and the result is peeling paint and mould. Rubbish sacks full of food are left outside unprotected and the result is vermin. The landlord cannot prevent these things occurring and yet is held accountable.

Landlord/homeowner

To have national a tenant register so any rent areas are trackable to wherever they go in NZ. This would also make tenants more responsible. Far to many tenants leave owing money and if you don't have their new address it is unrecoverable. If tenants paid the money they owed, landlords would have a larger profit hence the Govt would collect more tax from the landlords.

No

Landlord/homeowner

Status quo is working fine. 'If it ain't broke'.

Tenant

As things stand one of the "responsibilities" is already a problem. Telling the landlord about damage or need for repairs as soon as possible can be unsafe for a tenant. Many landlords can very easily avoid fulfilling their obligation to provide the requisite maintenance, and complaining about it can lead to tenancy termination without cause. That's just not a risk worth taking, most of the time. Some of the proposed changes would eliminate this particular issue, so all of that aside, the tenants' responsibilities are quite fair.

Tenant, landlord/homeowner

This is a hard one. If a tenant is responsible for the property, they may not do something inline with how the landlord would want the the property managed, this could lead to conflict. That being said you often see reports in the media of tenants not asking for things to be repaired as not to burden the landlord and appear to be a "good" tenant, despite being in their rights to make such requests. There is also very little public information for tenants about what constitutes reasonable "wear and tear" I know of cases where property managers have had arguments with tenants (my mates) of small marks and stains on carpet that should be considered wear and tear - often they expect it to be pristine. Many people don't know what would be considered reasonable

Tenant, landlord/homeowner

Some people rent BECAUSE they don't want to maintain a property. How is it a tenant's fault if the landlord has planted cabbage trees everywhere that drop leaves that have to be picked up, how is the lawn mowing the tenant's responsibility, why should they have to weed high-maintenance garden beds??

Tenant, landlord/homeowner

Most property managers want tenants to keep a property in 'showhome' condition. I have even been told I had 'too many fruitbowls' and I needed to remove one of them before the next inspection. Another one didn't like when in the kitchen I had put my fridge and wanted me to move it. You have to jump through all the hoops to keep your home. There is too much responsibility already. When I started renting the landlord paid the water bill - now tenant pays. When I started renting the landlord was responsible for the lawnmowing - now it is the tenant. It's already too much.

Tenant

... I think before a tenant moves in there should be an inspector to take note of all things wrong who is separated from Landlord and tenant.

Landlord

Care for good housekeeping practices In my experience of over the last 15 years as a property manager I'm glad to say that by far the vast majority of tenants make these properties their home and look after them as if they were the owner . However from time to time there are some tenants who treat the property with no respect whatsoever therefore we must have the ability to have recourse for those few, even though vast not required for the most.

Landlord

Most tenants have no idea of what it takes to upkeep a house unless they have previously owned their own home.

Landlord

If they want to make it more of a home then great! But also respect that someone else worked hard to pay for it and provide the home in the first place. Needs to be give and take. If neither party meets their obligations then they should have to make reparation to the other party. At the moment it is heavily in favour of the tenant.

Landlord

*... They need to hold a qualification to show they know how to take care of a property well.
 ... Education is the key!*

Question 2.2.2b

Are there other things a tenant should or should not be able to do?

- Yes
- No

Please explain your answer.

Quantitative analysis of question 2.2.2b

Table 79 Question 2.2.2b Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,680	68.1%
No	788	31.9%
Total	2,468	100.0%

Table 80 Question 2.2.2b Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	66.9%	69.8%	61.8%	65.2%	66.7%
No	33.1%	30.2%	38.2%	34.8%	33.3%

Table 81 Question 2.2.2b Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	32.9%	58.0%	8.1%	0.9%	0.1%
No	33.1%	50.9%	10.2%	1.0%	0.1%

Thematic analysis of 2.2.2b

For this part of the question respondents often gave opposing yes/no answers while expressing similar sentiment.

Major themes

- There was a consensus among the groups of respondents that tenants should keep the property clean and tidy and carry out minor maintenance as required.
- Landlords expressed some frustration at the difficulty of getting some tenants to comply with the terms of tenancy.
- Discussion of issues and wants with the landlord or property manager, establishing and maintaining open and honest communication is the most important requirement.
- Landlords did not want tenants to cause damage or make alterations without permission, and thought tenants should be responsible for minor damage.
- Tenants viewed it as reasonable to have some control over décor and the ability to make minor modifications to feel at home.

Minor themes

- There was agreement among the groups of respondents that clarity over hanging pictures and causing damage to walls was needed as this could be a contentious issue.
- Landlords suggested that rules should be brought in line with commercial leases especially for longer term tenants.
- Tenants thought they should be able to have pets.

Other points of interest

Landlord/homeowner

Huge no of reasons inc. Tenant should always check with landlord before doing things that are not specifically covered in their agreement.

Landlord/homeowner

I have a list of extra clauses in the agreement I have accumulated over the years, here is the list 1. No Pets whatsoever are allow in the flat or surrounding grounds. 2. No illegal drugs of any sort are allowed on the property 3. No Smoking allowed inside 4. No loud music or noises 5. No parties 6. No Rubbish to be thrown anywhere on property. 7. No climbing on the roof below EVER. Any damage will be at the tenant's expense and will probably result in application for eviction. 8. It is the tenants responsibility to maintain

their own courtyard or veranda out front and it MUST be clean and tidy at all times 9. Power is to be in the tenants name. 10. Vehicle Conditions: a. The vehicle must be registered and warranted or it will be towed away. b. If your vehicle obstructs or blocks another vehicle then it will be towed away immediately. c. Only tenants vehicles are permitted in the complex anything else will be towed away at the tenant's expense. 11. Tenants are responsible for all their visitors especially any noise on the property at night in the driveway, disrespectful behaviour by visitors will not be tolerated. 12. Only the names on the tenancy can reside at the flat plus one flat mate 13. Professional carpet clean on vacating if carpets are unclean. 14. Tenants cannot store anything in the walkway in front or behind the flat as a fire hazard 15. Anything that the landlord believes detracts from the ambience of the complex that is caused by the tenant must be rectified by the tenant immediately on notice given. 16. Flat must be left absolutely spotless on vacating, walls, ceilings, carpets, oven, outside must all be cleared. 17. Tenants are responsible for keeping the flat aired. The curtains are expensive and any mould on curtains and in the bathroom is not considered fair wear and tare and will be at the tenant's expense. 18. If an insurance claim arises as a result of the tenant then the tenant is liable for the payment of the excess on the insurance. 19. The landlord takes absolutely no responsibility for the tenants contents and belongings if damaged as a result of the property, i.e. like a burst pipe. It is the responsibility of the tenant to make sure that they have adequate contents insurance. 20. If the tenant owes the landlord money for which the bond does not cover the amount for whatever reason then all fees and costs associated with collection of the money will be added to the amount owed. 21. If the tenant asks for a tradesman (or any other professional) to visit the property and it transpires that they were not required or the damage or cause was as of the result of the tenant's actions then the cost of that visit will be paid by the tenant, this could be the oven not working but is on a timer, electricity not working as it was turn off, a water leak that was in fact the wash tub overflowing.

Tenant, Landlord/homeowner

They should declare gang affiliations. Landlords should have the right to refuse gang members as tenants.

Relevant quotes

Landlord/homeowner

Maintenance should be checked with the landlord first regardless... you have some tenants who think they have "electrical skills" and fix things up Tenants should not be paying for items and deducting it from rent.. tenants should if needed pay for it then the landlord reimburse them accordingly.. when tenants and landlords do deductions and favours it can get messy eg) tenant complains about hot water cylinder, landlord wants to fix it, tenant advises "its not necessary" when tenant starts having problems with rent payments... tenant brings up "you didn't fix the hot water cylinder" and thats why I didn't pay rent.

Property manager

Tenants should be able to make the property their home as long as they do not cause damage to the property and any changes are put right at the end of the tenancy. Tenants should be able to have a pet at the property as long as no damage is caused and the pet is well cared for.

Tenant

Paint walls. Do cosmetic fixes. Things to personalise the home without doing anything structural.

Tenant

I think tenants should be able to have pets at properties. With a pet clause in place stating if any damage occurs because of pets then tenant pays for damage. Maybe also a pet bond set to a max of maybe 1-2 weeks rent

Landlord/homeowner, social housing provider

Degree of evidence & burden of proof for tenant's intentional negligence or retaliation against landlord or other tenants are too high for landlords who cannot be inspecting their properties frequently enough. If the process of letting a property to tenant starts with the landlord checking that the tenant is able, competent, to rent the valuable asset and keep it in good state of repair and maintained; then- the reciprocity of reporting to the landlord that the ongoing competence and maintained state of property must be mandated for tenant reporting. After securing the tenancy, the tenant must report to the landlord on at least bi-monthly basis that the valuable leased asset is still maintained well and fit for purpose and that trust should be still maintained.

Property manager

They should not be able to get away with not paying in accordance with a Tenancy Tribunal ruling. There should be avenues in place to make it far easier for landlords to obtain payment.

Tenant

Tenants should be permitted to have pets unless the property is unsuitable (e.g. apartment building). Tenants should not have to ask permission to make minor alterations (e.g. drill into walls to anchor furniture - it's actually ridiculous that in New Zealand, so many homes are not earthquake safe because landlords will not let tenants drill into walls to anchor furniture, and many tenants are too scared to ask)

Landlord/homeowner

They can't bring in other people too rent the property with them Must notify the landlord and come too an agreement Can't bring anymore pets onto the property without checking 1st

Landlord/homeowner

Keep property clean and tidy

Landlord/homeowner

Clean the property Open windows to air it out Pay the rent on time Run heating during the winter to keep the place dry Mow lawns, maintain gardens Park the car on the driveway and not rip up the lawn Change a light bulb Too many can not do the basic things and you think they will do complex things competently Demonstrate competence and responsibility and I will happily talk with you about redecorating, I will even pay for reasonable costs for materials, want to just paint a giant penis on the wall and call it art and you will get told NO.

Tenant

Change decor to suit how they want it to be. I changed drapes as what was in place were old, faded and torn. I kept them to put back when I left, but was told to put them back up immediately as they didn't want their other tenants expecting new drapes.... umm... petty

Landlord/homeowner

More clarity over hanging pictures

Question 2.2.3

Do you think a tenant's responsibilities to keep a property 'reasonably clean and tidy' make it clear what sort of behaviour a landlord can expect?

- Yes
- No

If not, how could this be made clearer?

Quantitative analysis of question 2.2.3

Table 82 Question 2.2.3 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,237	43.8%
No	1,584	56.2%
Total	2,821	100.0%

Table 83 Question 2.2.3 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	57.1%	39.6%	24.7%	44.0%	28.0%
No	42.9%	60.4%	75.3%	56.0%	72.0%

Table 84 Question 2.2.3 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	42.0%	51.6%	5.0%	0.9%	0.6%
No	24.6%	61.4%	11.9%	0.9%	1.1%

Thematic analysis of 2.2.3

Major themes

- All groups were likely to suggest the terms are too subjective and needed to be more prescriptive with many recognising it will be very difficult to define as everyone has their own standards and cleaning preferences and will often be subject to the specifics of a property.

- Landlords suggested that clearly explaining expectations to tenants at the beginning of tenancy was useful approach, and a government document or series of videos that landlords could direct tenants would be useful.

Minor themes

- Landlords and property managers wanted detailed standards with clear and concise examples. Some suggested adding specific lists in the tenancy agreement had helped reduce issues and clarify expectations.
- Landlord were more likely to suggest commercial cleaning as a requirement when vacating a property but some tenants also thought this was reasonable/sensible and would improve the standard of cleanliness when beginning a new tenancy.
- Both landlords and tenants thought returning to the state when tenancy began with well enforced penalties for non-compliance might help.
- Landlords suggested a guidance document for tenants with simply presented, clearly explained expectations with photos.

Other points of interest

Landlord/homeowner, property manager

You should study Canada and British Columbia laws. Should be laws on how a property should let and how it should look when tenants leave. Should be laws on bond and various items e.g. steam clean carpet (\$200), clean stove (\$100) etc.

Property manager

The word 'reasonable' doesn't seem to mean the same thing to everyone - it needs to be spelt out more clearly what the level of 'reasonable' is. I have noticed in the Tribunal that each Adjudicator has a different interpretation of it - also it seems that the interpretation of a tenant leaving the property in a reasonable clean and tidy condition is a different level that an owner has to present the property to a new tenant in a reasonably clean and tidy condition.

Tenant, landlord/homeowner

A guidance document is needed. It shouldn't matter how messy and unclean a tenant keeps their house, unless it causes damage to the building (e.g. mould build up), or encourages infestations of rodents, cockroaches, fleas, flies or mosquitoes. My concern is that there will be discrimination against people with mental illness and undue distress caused by finicky property managers or landlords, when frankly, the dwelling is the tenant's home first and foremost. This is a very real and significant cause of distress for people who experience depression or other mental illnesses, most of whom rent.

Tenant, landlord/homeowner

Its extraordinary that we are thinking about using legislation to teach people how to clean a house. On the whole I find cleaning is often limited to when an inspection is coming up or the tenant is about to move out. It makes it necessary to get a carpet cleaner and a professional cleaner in between tenants. Some basic things don't get done often enough to maintain a house in a reasonable condition, ... I doubt tenants remember to clean heat pump filters per the manufacturers warranty requirements (it's not a good idea for the landlord to take this on as it would mean monthly visits). I go through properties with tenants ahead of a final inspection to point out what they have to clean, otherwise at the

final inspection there will be dust, grime around light switches and door handles, unwashed floors and uncleaned appliances. The oven always has to be cleaned again after they've gone.

Relevant quotes

Property manager

This is not enforced by the Tenancy Tribunal as the Adjudicators call on Section 85 RTA to ascertain what is 'reasonable'! This section of the Act needs to be tightened so that it is clear what the expectation of clean and tidy is.

Tenant

Examples of what reasonably clean and tidy means

Landlord/homeowner

Should make it as "same condition as move in when move out".

Landlord/homeowner

Different people have different standards, as long as the property is not like a boarder's house. Landlords should make it clear what is expected of the tenants during inspections, window sills clean, oven cleaned, floor clean, bathroom clean.

Landlord/homeowner

Common guidelines need to be established by a regulatory body. Landlords can currently demand whatever they like and retrospectively set those standards.

Property manager

Reasonable is a subjective word, if we get too prescriptive and legalistic we move away from the current model that while not perfect works well for the vast majority of tenants and landlords who are reasonable people. The issue is that people come from different backgrounds and different standards.

Landlord

What is reasonable to you may not be to me. The TT over the years has guessed a lot at what this means. Basically there is no standard and we would not accept that from many other organizations. IMHO it is also a point of argument between LL and tenants. A tenancy agreement should be able to cover much of this between a tenant and a LL.

Landlord

This is the WORST clause in the RTA. no 2 person has the same standard of what is reasonably clean and tidy and is the cause of many a dispute between landlords and tenants at the end of the tenancy. Better to have it defined - eg carpets professional clean, so that tenants know what to expect when they move into a place and then what is expected of them at the end of their tenancies.

Landlord

The ability for a Landlord to write a clear list in the Tenancy Agreement that details the end-of-tenancy cleaning expectations (eg carpets professionally cleaned)

Question 2.2.4a

Should a tenant in a longer-term tenancy have additional responsibilities for the care and maintenance of the property?

- Yes

- No

Please explain your answer

Quantitative analysis of question 2.2.4a

Table 85 Question 2.2.4a Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,103	40.6%
No	1,614	59.4%
Total	2,717	100.0%

Table 86 Question 2.2.4a Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	31.9%	45.7%	39.1%	50.0%	40.0%
No	68.1%	54.3%	60.9%	50.0%	60.0%

Table 87 Question 2.2.4a Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	25.8%	64.1%	8.4%	1.1%	0.5%
No	37.7%	52.0%	9.0%	0.7%	0.6%

Thematic analysis of 2.2.4a

Major themes

- 'Yes' respondents qualified their answer with; additional responsibilities should only apply when mutually agreed and negotiated between parties.
- Tenants expressed their desire for landlords to remain responsible for maintenance.
- Landlords and property managers thought similar responsibilities to a commercial lease could be beneficial to both parties.
- 'No' respondents felt responsibility should be limited to keeping to the current regulation and standards.

Minor themes

- 'No' respondents thought long-term leases should have the same roles and responsibilities as short-term leases.
- 'Yes' responses thought long-term tenancies should be more like commercial leases.
- Tenants suggested they would be happy to take on more responsibilities and maintenance if the rent was reduced.

Other points of interest

Tenant

This is a way to transfer cost on to tenants

Relevant quotes

Landlord/homeowner

Should be an option - tenancies are not a one size fits all.

Landlord/homeowner

Terms are clear in a lease. However large tree chopping, fence painting etc. is a landlords responsibility. Once again you can agree terms at the commencement of a longer term tenancy especially if the landlord is overseas or the tenant loves gardening, painting etc

Landlord/homeowner

Yes. If agreed between both parties it could include paying rates, insurances, maintaining the property etc - just like a commercial lease. This may suit both tenants and owners in a longer term tenancy.

Tenant

Property maintenance directly impacts the value of the property - this should in no way be the burden of the tenant, who receives none of benefit of the landlord's investment.

Tenant, landlord/homeowner

The tenant responsibilities should be the same whether they are on a short or long term lease, or periodic.

Landlord/homeowner

This could be a way of the tenant reducing the rent, i.e. could be undertaken as a lease where outgoings were paid by tenant and lawn maintenance taken into account. would need to be on a case by case basis between landlord and tenant.

Landlord

If they want to have the assurance of being allowed to live there long term then they should treat the home as their own and be responsible for maintenance and all the other responsibilities that a home owner has.

Landlord

Tenants could be made responsible for: -Paying the rates -Paying the insurance -Paying the fixed utility charges. -Maintaining the property. -Returning the property at the end of the tenancy in exactly the condition it was in the day they rented it.

Question 2.2.4b

- At what point during a tenancy should these additional responsibilities be triggered?

Quantitative analysis of question 2.2.4b

Table 88 Question 2.2.4 Quantitative overview

Response	Number of responses	Percentage of Answers
Immediately or in first year	256	41.8%
After first year	171	27.9%
After two years	104	17.0%
After three years	37	6.0%
After four years	8	1.3%
After five years or more	36	5.9%
Total	612	100.0%

Thematic analysis of 2.2.4b

Major themes

- Landlords and property manager felt any additional responsibilities should be immediate, as otherwise they would be hard to apply and enforce. There was agreement amongst parties that everything needs to be explained and agreed when signing a tenancy agreement.

Minor themes

- There was consensus that additional responsibilities should only apply when there is agreement from both sides, it should be optional after a fixed term trial period, and there should not be any automatic triggering of additional responsibilities.

Other points of interest

Landlord/homeowner

I think that carpets should be cleaned after 3 years and every 3 years thereafter. If there are stains caused by the tenant they should get the stains treated straight away. How to get tenants to tell the landlord that they have spilt something on the carpet and what it is, is a big problem. Some stains will not come out unless professionally treated straight away. What is the law at present if a tenant damages a carpet and stains do not come out. Can the landlord claim for something towards replacement of the carpet or full replacement. Insurance only covers carpets that are stuck down not tacked down as tacked is considered non-permanent. I feel that tenant should pay to pay the chimney swept each year.

Relevant quotes

Landlord/homeowner

Some would be triggered immediately such as reporting problems with the house. Others may be part of an annual plan such as cleaning gutters, making sure steps/decks are not slippery, removing mildew or mould after the winter.

Tenant

Between 1-2 yrs so long as they are discussed first and another agreement signed for them.

Tenant

More than two years, when rent prices are reduced to balance the expense.

Property manager

If the average tenancy is 3 years - ie after a longer than average period.

Landlord/homeowner, property manager

I think after 4 years, it would be interesting to see the average tenancy length and then make a decision from there. You wouldn't want to capture tenants who didn't want the long term tenancy and the extra responsibilities associated with it. A discussion you'd need to have further with both groups.

Tenant, landlord/homeowner

The longer the lease, the more the responsibility. In return, the rent should be lowered as a 'maintenance credit' should be deducted from the rent. The tenant should be able to spend that credit on maintenance that used to be landlord responsibility.

Question 2.2.5

What other changes to tenants' responsibilities might be needed to modernise the law so it can appropriately respond to changing trends in the housing and rental markets?

Quantitative analysis of question 2.2.5

Table 89 Question 2.2.5 Quantitative overview

Response	Number of responses	Percentage of Answers
Damage	213	28.2%
Insurance	71	9.4%
Commercial leases	49	6.5%
None	132	17.5%
Clarity on current laws	71	9.4%
Rating system	42	5.6%
Maintenance, modifications	123	16.3%
Rents, rates, water	33	4.4%

Response	Number of responses	Percentage of Answers
Pets	21	2.8%
Total	755	100.0%

Table 90 Question 2.2.5 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Damage	18.6%	31.3%	31.3%	33.3%	0.0%
Insurance	3.6%	10.7%	12.5%	22.2%	0.0%
Commercial leases	2.4%	8.0%	6.3%	11.1%	0.0%
None	24.6%	15.5%	12.5%	11.1%	57.1%
Clarity on current laws	8.4%	8.6%	15.6%	0.0%	14.3%
Rating system	4.8%	6.1%	5.2%	0.0%	0.0%
Maintenance, modifications	21.0%	15.8%	10.4%	11.1%	28.6%
Rents, rates, water	10.2%	2.5%	3.1%	11.1%	0.0%
Pets	6.6%	1.5%	3.1%	0.0%	0.0%

Table 91 Question 2.2.5 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Damage	14.6%	70.0%	14.1%	1.4%	0.0%
Insurance	8.5%	71.8%	16.9%	2.8%	0.0%
Commercial leases	8.2%	77.6%	12.2%	2.0%	0.0%
None	31.1%	56.1%	9.1%	0.8%	3.0%
Clarity on current laws	19.7%	57.7%	21.1%	0.0%	1.4%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Rating system	19.0%	69.0%	11.9%	0.0%	0.0%
Maintenance, modifications	28.5%	61.0%	8.1%	0.8%	1.6%
Rents, rates, water	51.5%	36.4%	9.1%	3.0%	0.0%
Pets	52.4%	33.3%	14.3%	0.0%	0.0%

Thematic analysis of 2.2.5

Major themes

- Landlords were firm in their belief that tenants needed to take on the responsibility for all damages. The Osaki case was frequently cited as having removed the responsibility for accidental damage and that needs addressing. This theme included issues around the Tenancy Tribunal and enforcement of tenant's current obligations especially for rent arrears.
- Some tenants and landlords thought no changes were required as the current law is modern and functional.
- Landlords found some support from tenant in the view that the responsibility for minor modifications and maintenance could be useful, especially with more direct communication and interaction between landlord and tenant to encourage and enable negotiations on a case by case basis.

Minor themes

- There needs to be clarity around current responsibilities and terminology, especially 'reasonably clean and tidy.' Some requirement for tenants to ventilate and clean to a healthy homes standard would be useful especially when combined with penalties for landlords and tenants that don't accept responsibilities for the provision of warm and dry homes.
- Landlords desire to see the introduction of compulsory renter's insurance or increased bonds was often linked to increased responsibilities around minor modifications, also to cover damage and found tenant support as a means to make it easier to have pets.
- Landlords wanted longer leases with more responsibility such as some European models and more like commercial leases.
- There was mixed support for some form of rating system for all parties, increased access to support services, education on how to look after a home and operate a rental property.

Other points of interest

Repeated

Landlord/homeowner, property manager

Offer long term tenancies, potentially along the lines of commercial tenancies. Tenants supply all their own fixtures and fittings, maintain them, pay all costs related to the property. In return they get a 10/20/30 year lease.

Tenant

The whole landlord vs tenant thing has to change. If landlords and tenants could operate as partners not master / servant relationships it would be much better.

Landlord/homeowner

Make negligence a minor offence, if negligence in criminal law does not mean innocence why should it in tenancy law.

Landlord/homeowner, property manager

Residential property is intrinsically different to Commercial property, the Tenant will suffer if you move that way. Retain the RTA just enhance the TT and enforcement structure.

Tenant

Remove most responsibilities from the tenant to encourage the development of low maintenance, hard wearing types of accommodation.

Landlord/homeowner

A recent Consumer survey noted that tenants were less likely to get reasonable responses from rental agencies than from landlords directly.

Property manager

Too broad a question. Each tenancy is different.

Relevant quotes

Landlord

More accountability if damages are made. Currently very hard to enforce and even harder to get reparation from destructive tenants"

Landlord

Over turn Osaki and make all tenants responsible for damage they have done. Either that or legislate insurers to properly cover damage tenants have done. This and remove insurers ridiculous and immoral practice of telling landlords that each piece of damage is a separate incident that requires an excess amount. Landlords have firstly been shafted by Osaki, that whole saga again caused by an insurance company, I believe AMI and now directly by the insurers with their multiple excess practice! Either way landlords have been left completely without cover for damage and this has to change!

Landlord

I wouldn't be opposed to tenancies being like commercial leases where the tenant is responsible for paying the rates, insurance etc, then they can make non-structural changes to the property, as long as they reverse all modifications when they leave.

Landlord/homeowner

As long as they keep the house clean and tidy, pay the rent on time there is no other responsibilities needed.

Property manager

Clarification of the terms such as reasonable, intentional, accidental etc which are all subject to interpretation, again the Tribunal is all over the place in this area.

Tenant

They should be some kind of rating system on a rental house. Maybe a place where photographs of damage etc to a rental property can be kept and monitored if the landlord does not make repairs to these damages / upgrades. At the moment an inspection form is filled out, but that is kept only by the landlord / agent and the tenant. If the landlord / agent is dodgy then the tenant is at a disadvantage with no back up kept at a government agency.

Tenant

The trend in the market is that tenants do not want to be burdened by responsibility for the property. That ought to be part of the choice in renting. We have a situation where tenants are renting places due to a severe lack of options. The housing and rental markets are not delivering in quantity, quality or variety... Remove most responsibilities from the tenant to encourage the development of low maintenance, hard wearing types of accommodation.

Question 2.2.6

Are there sufficient repercussions for tenants who don't meet their obligations?

- Yes
- No

Please explain your answer.

Quantitative analysis of question 2.2.6

Table 92 Question 2.2.6 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	770	28.6%
No	1,926	71.4%
Total	2,696	100.0%

Table 93 Question 2.2.6 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	58.2%	14.7%	13.7%	20.0%	65.0%
No	41.8%	85.3%	86.3%	80.0%	35.0%

Table 94 Question 2.2.6 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	63.4%	29.9%	4.4%	0.6%	1.7%
No	18.2%	69.3%	11.1%	1.0%	0.4%

Thematic analysis of 2.2.6

Major themes

- Landlords and property managers expressed a view that the Tenancy Tribunal is ineffective, slow and favours tenants, with no mechanism for enforcement of rulings.
- 'No' respondents feel that since the Osaki case accidental damage is a major issue for landlords.

Minor themes

- Landlords want stronger repercussions for non-payment of rent.
- A tenancy register or compulsory renters insurance would help to protect landlords from problem tenants.
- 'Yes' responses were mainly tenants who thought the threat of eviction and retaliatory rent rises were significant repercussions.

Other points of interest

Repeated

Landlord/homeowner

Rent arrears are by far the largest reason for applications to the tenancy tribunal. There are no consequences for a tenant not paying their rent and sitting out the time it takes before they can be evicted. It should be unlawful to not pay the rent and consequences should apply, such as exemplary damages or the ability for landlords to charge interest on outstanding rental payments. Landlords need much faster access to the tenancy Tribunal, especially when a sitting tenant has stopped paying the rent. Tenants should be made completely responsible for damage they cause. Access to show the rental property to potential new tenants should be clearer and tenants unreasonable limiting of access should be an unlawful act. Using a rental property for short term letting through websites such as Air BNB should be an unlawful act. Make tenants stopping rent payments when they give notice an unlawful act.

Landlord/homeowner

Tenants who fail to meet obligations should be listed on a public national register of bad tenants for a period relative to the seriousness of their actions/inactions and made to pay fines and compensation to landlords where appropriate.

Tenant

Yes, tenants get screwed over in the tribunal all the time because the property management companies are pros at the tribunals and the tenants are not

Tenant

...I would however suggest that as with employment agreements, confidentiality clauses should apply. That is, the only tenants who should be able to be blacklisted are those who lose cases brought against them by their landlords. Tenants who successfully challenge landlords should be protected from future discrimination by their names being withheld.

Relevant quotes

Landlord/homeowner

Tribunal too slow and ineffective. Big question is how do you get people to do what they morally should - is beyond the landlord

Landlord/homeowner, property manager

Tenants are not penalized in any way for failing to meet their obligations. For instance if they do not pay rent and the landlords are awarded rent by the tenancy tribunal, then they should pay interest (based on the Inland Revenue rate charged to rate payers) to the landlord. this is only fair as the landlord in the meantime must pay rates, insurance, mortgages etc .When damages, rent arrears etc are awarded to the landlord, then a small weekly/fortnightly payment is made to the landlord (typically about \$20pw). Likewise the default should be that they pay the TT filing costs and any debt recovery costs, rather than the landlords explicitly having to request them.

Tenant

No cause evictions, short removal notice/periods, tenants have all the consequences and repercussions.

Landlord/homeowner

The tenants can just ignore repercussions. We take them to tribunal, but they wreck the place; we get attacked, complain to the police, the police say we can't prove anything; we ask nicely they treat us like doormats or give us racist (anti-white) hate speech. If we eventually give them notice with cause (or just a much easier, we don't have to prove you have 6months of garbage bags in the bedroom and you took a swing at me when I looked in there, "no cause" 90 day notice). Then they leave the place damaged, unpaid rent, trash everywhere...we finally clean it up, feeling massively depressed, anxious, poor. Take them to Tenancy Tribunal - the Tribunal ignores the three weeks we had to do free labour in our own time, and the loss of income caused by the mess, tribunal ignores that because they had a dog that wasn't supposed to be there and it did what all animals do and shit the place up, ignores half the costs of damage done to building security, and awards \$3000 of \$6000 damage.... But the tenant didn't leave a forwarding address, didn't turn up for the hearing, and now I have to spend my time tracking them down. Give the Courts the likely current address (don't want to alert the tenant and have them do runner), but bailiffs serve the notice to the _previous_ address despite it being listed as _previous_ address ie the one listed in the case where the case is about tenant vacating and leaving place in mess and damaged! Told have to re-find new address since courts confidential address not reflect the tenants current address (MSD) despite tenant having job (ie IRD records). But probably can't even garnish wages since tenant refused to turn up to initial case. TL; DR? NO repercussions.

Landlord

The Tenancy Tribunal is ineffective. Sure it can rule but, that's where it stops. The rules around penalties and the collection of same need toughening up. The TT is a minor court which is referenced to a full court. If you want to appeal then it goes to a Judge. At the moment any action is a civil action which has no repercussions for those that choose not to meet their obligations to the rulings handed down. This is where the TT needs some muscle. Once a person defaults the TT should be advised and action taken via IRD to sequester wages or benefits. In these days of data sharing that should be real easy to do and already happens with traffic fines and other court fines. Can also happen with council fines. Penalties for defaulting should be attached as well so the Court and the IRD are compensated.

Landlord

Tenants seem to be able to get away with neglectful damage to properties with no consequences unless it can be proven as intentional damage. This should not be left to Landlords to foot the bill as most of us are in this long term and don't have endless amounts of cash on hand. In fact it's the opposite - usually we are in debt up to our eyeballs, having taken the risk of purchasing an extra property to rent to an unknown. I believe a renters insurance should be compulsory.

Landlord

TT is a complete failure, with no working recovery process. It is simply a waste of time but is pointed to by politicians as the protection mechanism against failure in their ignorant ill-conceived proposals.

5.2 Landlord responsibilities

This section has seven questions. It looks at whether landlord responsibilities are appropriate under the RTA currently, and how the responsibility should be shared between landlords and tenants. The questions seek respondents' opinions on whether landlord responsibilities are clear and well understood, any other things a landlord should be responsible for/be able to do, how the law should be modernised in response to the changing trends, and how the responsibility should be shared between landlords and tenants to keep properties warm and dry.

There are a few themes commonly agreed by tenants, landlords/homeowners, property managers and social housing providers, including:

- The need to better educate the market. Education, or even compulsory education and testing, could be the effective approach to achieve a well functioned rental market.
- The usage of "reasonable" in landlord responsibilities under the RTA is too vague, however the "grey areas" can be clarified in the tenancy agreement.
- To keep up with changing trends, adequate insulation should be included in the RTA landlords' responsibilities section.
- Larger fines should apply when landlords do not meet obligations. This is a tenant-led theme, however is supported by some landlords/homeowners. These supporting landlords stated that bigger punishment should apply to bad landlords because they damage the reputation of all landlords.

Many respondents expressed diverse views on the allowed frequency of inspections, from allowing only an annual inspection (or only an annual inspection after the first year) with

more notice time to allowing on-the-spot/short-notice inspections if certain conditions are met. The preferred frequency is more dependent on the individual's assessment of what's reasonable, but not clustered by the type of the respondent, i.e. no clear pattern that landlords want (the right of) more inspections, or vice versa.

A few potential improvements were brought up by individuals (not clustered by tenants or landlords/homeowners or others), such as providing specific examples in the RTA to clarify responsibilities and developing a Warrant of Fitness system for the rental market.

Respondents agreed that the responsibilities to keep a property warm and dry should be shared, however there was no consensus on how to share. While individuals expressed different expectations of what's reasonable, there is a theme led by landlords/homeowners suggested that tenants should be responsible for the ventilation of properties. There is another theme led by tenants suggested that government and/or landlords/homeowners could provide a subsidy to ensure proper home heating, especially to low income groups.

Question 2.2.7

Do you think landlord responsibilities are clear and well understood?

- Yes
- No

If not, how could this be improved?

Quantitative analysis of question 2.2.7

Table 95 Question 2.2.7 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,608	66.8%
No	798	33.2%
Total	2,406	100.0%

Table 96 Question 2.2.7 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	46.2%	79.1%	80.8%	58.3%	36.7%
No	53.8%	20.9%	19.2%	41.7%	63.3%

Table 97 Question 2.2.7 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	21.7%	66.7%	10.3%	0.7%	0.6%
No	54.0%	37.5%	5.2%	1.1%	2.2%

Thematic analysis of 2.2.7

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers all agreed that more education is needed for both tenants and landlords.
- Many tenants and landlords/homeowners suggested that, besides understanding landlord responsibilities, enforcement is the more important issue. Often non-compliance is not enforced well enough.

Minor themes

- A good number of tenants, landlords/homeowners, property managers and social housing providers indicated that better communication of what's expected between parties is needed.
- Some tenants and landlords/homeowners thought
 - more specific examples need to be outlined
 - reasonable state or cleanliness and repair is not clearly defined
 - develop a test to check landlords' understanding
 - development of a booklet/pamphlet could be useful
 - (mostly tenants) a Warrant of Fitness is needed.

Other points of interest

Landlord/homeowner:

Education for both Landlord and tenant should be increased. ie. Hawke's Bay Ready 2 Rent scheme should be established all over new Zealand. Tenancy Services is the logical body to facilitate this

Landlord/homeowner, social housing provider:

Hard but have a look at myrent.co.nz MBIE hosting something like this would revolutionize the industry & weed out bad management/managers

Tenant:

More detailed contract templates that outline each parties duties

Relevant quotes

Tenant:

Again it's education on both sides.

Tenant:

It is not the understanding. It is the enforcing that is failing.

Tenant:

Reasonable state or cleanliness and repair is not clearly defined.

Tenant, landlord/homeowner:

Housing warrant of fitness should be required just as cars are required to have a warrant of fitness.

Landlord/homeowner:

Good communication with the tenants

Landlord/homeowner:

A driving test for landlords? You can't be a landlord unless you attend the course and pass the test? Works for Drivers licenses, Arms Licenses, Health & Hygiene, Worksafe...

Landlord/homeowner, property manager:

more specific examples need to be outlined - such examples should be those being experienced in todays times

Landlord/homeowner:

Perhaps a booklet could be available explaining the rules for both parties

Tenant:

More detailed contract templates that outline each parties duties

Question 2.2.8

Are there other things a landlord should be responsible for?

- Yes
- No

If you answered yes, please specify.

Are there other things that a landlord should or should not be able to do?

- Yes
- No

If you answered yes, please specify.

Quantitative analysis of question 2.2.8

Table 98 Question 2.2.8 Quantitative overview

Response	Number of responses	Percentage of Answers
Are there other things a landlord should be responsible for?		
Yes	635	29.1%
No	1,550	70.9%

Response	Number of responses	Percentage of Answers
Total	2,185	100%
Are there other things that a landlord should or should not be able to do?		
Yes	788	39.1%
No	1,225	60.9%
total	2,013	100%

Table 99 Question 2.2.8 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
other things a landlord should be responsible for					
Yes	47.9%	19.3%	12.3%	29.2%	83.3%
No	52.1%	80.7%	87.7%	70.8%	16.7%
other things that a landlord should or should not be able to do					
Yes	49.2%	34.2%	27.4%	22.7%	100.0%
No	50.8%	65.8%	72.6%	77.3%	0.0%

Table 100 Question 2.2.8 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
other things a landlord should be responsible for					
Yes	53.9%	39.7%	4.0%	1.0%	1.4%
No	22.9%	65.0%	11.0%	0.9%	0.1%
other things that a landlord should or should not be able to do					
Yes	41.7%	51.2%	6.4%	0.6%	0.1%
No	26.8%	61.4%	10.6%	1.2%	0.0%

Thematic analysis of 2.2.8

Major themes

- Many tenants and landlords/homeowners agree that landlords should be responsible for warm and dry homes
- Many respondents, including both tenants and landlords/homeowners, have diverse views on the allowed frequency of inspections, from allowing only an annual inspection (or only an annual inspection after the first year) with more notice time to allowing on-the-spot/short-notice inspections if certain conditions are met. There is no clear pattern that landlords want more frequent inspections, or vice versa.
- A common theme shared by landlords/homeowners is that they should be better protected against troublesome tenants, such as having the right to quickly evict tenants who damaged/will damage the property or not paying rent, organising a bigger bond and organising a pet bond

Minor themes

- A fair number of tenants, landlords/homeowners and property managers suggested landlords should be responsible for external maintenance, such as gardens and trees.
- Some tenants, landlords/homeowners and property managers suggested landlords should be responsible for ensuring the property meets a WOF
- Some tenants and landlords/homeowners suggested landlords should pay the letting fees.
- Some tenants believed that landlords shouldn't be allowed to take photos at inspections (while a small number of respondents indicated that asking-for-consent is needed prior to taking photos).

Other points of interest

Landlord/homeowner:

require "tenants insurance" to be compulsory As part of a mortgage agreement with a bank the bank will require the mortgagee to have insurance, so too should tenants. If they are too much of a risk to be insured they are too much of a risk to be tenants . This could be WINZ (or whom ever they are called) being the holder of such liability or a 3rd party.

Landlord/homeowner, social housing provider:

...I have to collect and maintain a register of next of kin- especially if my tenants are vulnerable.

Relevant quotes

Tenant:

The landlord should be responsible for the house being of a livable standard - warm and dry

Landlord/homeowner:

A landlord should be able to terminate the tenancy of a tenant who will not comply with the tenancy agreement in an expedient manner. The Tenancy Tribunal process is protracted and favours the tenant. Although the landlord allows the tenant to live in the property in return for rental payments, the tenant does not own the property and does not have the same rights to the property as the owner does.

Landlord/homeowner

increase bond to five weeks

Landlord/homeowner

Charge a pet bond.

Landlord/homeowner

Only do annual inspections, unless there is a specific concern/reason for needing to do another one.

Landlord/homeowner

Should be able: An on the spot inspection (with police presence??) if the property is suspected of being a P lab or drug sales outlet Access the property at short notice if utility problems arise, leaks or something that requires immediate attention so as not to damage the property further than necessary Not: Drop by without notice

Tenant

(should be responsible for) – External maintainance (lawns, gardens etc).

Landlord/homeowner

The property should pass a govt WOF

Landlord/homeowner

(should be responsible for) – “Paying the letting fee.”

Tenant

I don't think landlords should be able to take photos in the home during inspections. I feel like it is an invasion of privacy...

Question 2.2.9

Do you think the current responsibilities make it clear what tenants can expect from landlords in terms of maintenance?

- Yes
- No

If no, how could this be made clearer?

Quantitative analysis of question 2.2.9

Table 101 Question 2.2.9 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,433	62.2%
No	870	37.8%
Total	2,303	100%

Table 102 Question 2.2.9 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	46.4%	70.8%	74.4%	62.5%	42.9%
No	53.6%	29.2%	25.6%	37.5%	57.1%

Table 103 Question 2.2.9 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	23.9%	64.2%	10.6%	0.9%	0.4%
No	46.9%	45.1%	6.2%	0.9%	0.8%

Thematic analysis of 2.2.9

Major themes

- Many tenants, landlords/homeowners and property managers thought the word "reasonable" is too vague
- Many tenants and landlords/homeowners suggested the "grey areas" need to be clarified in the Tenancy Agreement.

Minor themes

- Some tenants and landlords/homeowners suggested that better education for tenants is needed so they can understand their rights and responsibilities
- Some tenants and landlords/homeowners proposed that in order to solve the problem a rental WOF system is needed
- Some tenants suggested that there needs to be specified timelines of maintenance and clear associated penalties if fail to comply

Other points of interest

Landlord/homeowner

With regulatory guidelines/standards which are scenario based, to set a 'normal' expectation between landlords and tenants. This should cover timeframe for responding, an expectation of like for like repair, and what urgent repairs are reasonable for tenants to Commission. A chat service could be useful for tenants to contact to seek advice which can later be confirmed by the landlord.

Relevant quotes

Tenant

A "reasonable state of repair" is also too relative of a term. To some, windows that aren't weather-tight are considered 'reasonable', black mould building in bathrooms, broken extractor fans, overgrown yards. Again this term needs more specific definitions, pictures etc, that are made as a clear expectation between the tenants and landlords.

Landlord/homeowner

add to responsibilities to the rental agreement.

Tenant

Most tenants have very little understanding of what their rights and responsibilities are, and will take whatever a landlord says as truth. Civic education, starting in school. Deterring unscrupulous landlords from taking advantage of tenants lack of understanding.

Tenant

The housing WOF. A tenant can then expect a landlord to maintain the property to that standard.

Landlord/homeowner

Specifics about standards for particular elements of a property, timelines for "reasonable" repairs, repercussions for violations.

Question 2.2.10

What other changes to landlords' responsibilities might be needed to modernise the law so it can appropriately respond to changing trends in the housing and rental markets?

Thematic analysis of 2.2.10

Major themes

- Many tenants, landlords/homeowners and property managers suggested to keep up with changing trends adequate insulation should be landlords' responsibilities
- Many landlords/homeowners believed more education is needed to keep up with changes

Minor themes

- Some tenants and landlords/homeowners thought a register and options for longer term rentals should be made available
- Some tenants suggested a cap on rental increases and frequency of rental increase should be included in the responsibilities
- Some landlords/homeowners and property managers suggested availability of access to internet should be made available
- Some landlords/homeowners suggested that landlords should be responsible to surrounding home owners
- Some tenants and landlords/homeowners suggested the law should allow relationship development between landlords and tenants (rather than being too prescriptive).

Other points of interest

Landlord/homeowner

Cultural sensitivity and awareness documentation - education for all - have rented to Chinese and other cultures and we all have different lens on the world

Tenant

Require people to rent houses if empty for a certain length of time - rather than airbnb.

Tenant

Increased use of technology instead of administrative burdens Automate the lodging of bonds for example

Tenant

I think instead of constant inspections by landlord's there should be 3rd party random inspections to check that houses are fit for living, so that the landlord is living in constant fear of being inspected rather than the tenants. Then the tenant can show the 3rd party inspector what the issues are and they can make a list and serve it on the landlord (by the agent) and be forced to fix the problems within a certain time (like car WOF).

Tenant, landlord/homeowner

Make tenants responsible for all repairs - landlords should only rent out the "shell" and tenants are responsible for everything inside the house (e.g. painting walls, installing kitchen etc.) - the rental laws in Germany are a good example. Tenants need to invest into their rental property, but as a result can suit it to their individual needs, and can also stay for long time - often for life. More rights equals more responsibilities.

Tenant, landlord/homeowner

I think the standards on insulation etc are appropriate but I actually think it should go further and apply to ALL home sellers as someone goes to sell a house/property they also need to have improved the insulation etc .up to min standards ... targeting just landlords on this issue is wrong ... end of day we want to improve standards across the board and if ALL house/property sales were targeted then the standards would rise significantly over time.

Property manager

Renting could mimic home ownership in exchange for lower rents. Tenants responsible for all upkeep and maintenance, once yearly inspections.

Landlord/homeowner

I would like to see a restriction on when an owner can place a property on the market for sale. For example, if they have a new tenant, they shouldn't be able to sell within the first 12 months of that tenancy.

Relevant quotes

Landlord/homeowner, property manager

Mostly education to keep up with change

Landlord/homeowner

Landlords should provide good insulation for the houses.

Landlord/homeowner

Options for longer term rentals

Landlord/homeowner

I am happy to be listed on a landlords register. I treat my tenants well and fix problems as soon as possible. In return I expect the tenants to be clean, tidy and respectful at all times. In fact the rental property is in better condition than the home I live in.

Landlord/homeowner

If it gets too prescriptive there will be no room for negotiation. For example, while i would generally say NO PETS I would be prepared to discuss this with a prospective tenant

Landlord/homeowner

If there is anything else, it should be made optional which the tenant can discuss with the landlord at the time of signing the lease.

Landlord/homeowner

Seems that modernising the law means imposing a whole heap of rules and regulations to force people to do things. Many of us are already doing these things and much more! Not all landlords are bad! And not all tenants are bad! All these rules are lumping all the good ones in with the bad and distroying the many relationships built on plain old fashioned communication.

Tenant

Internet accessibility needs to be kept with the times, if fiber is available in the area, fiber should be provided to the property.

Property manager:

Agree with annual increases only

Landlord/homeowner

Landlords have a responsibility to surrounding home owners as well. 1. To be careful who they allow in their property. 2. To let surrounding homeowners know who they are and where they can be contacted. That way any problems can be quickly attended to.

Question 2.2.11

Are there sufficient repercussions for landlords who don't meet their obligations?

- Yes
- No

If not, what would you change?

Quantitative analysis of question 2.2.11

Table 104 Question 2.2.11 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,240	56.0%
No	975	44.0%
Total	2,215	100%

Table 105 Question 2.2.11 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	25.3%	72.5%	83.7%	60.9%	22.2%
No	74.7%	27.5%	16.3%	39.1%	77.8%

Table 106 Question 2.2.11 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	14.4%	71.1%	13.3%	1.0%	0.3%
No	57.6%	36.7%	3.5%	0.8%	1.3%

Thematic analysis of 2.2.11

Major themes

- Many tenants believed larger fines should apply when landlords do not meet obligations. This is agreed by some landlords/homeowners, stating bigger punishment should be applied to bad landlords because they make good landlords look bad.
- Many tenants and landlords/homeowners suggested there should be a register/landlord blacklist/ rating system.

Minor themes

- Some tenants suggested that repercussions (to landlords) should not affect tenants who raised issues (e.g. being evicted, knowledge that they will not be blacklisted by future possible landlords)
- Some tenants suggested that landlords should refund the rent (proportionate) if not fixing issues in time
- Some tenants and landlords/homeowners suggested criminal prosecution if the breaches are deliberate

Other points of interest

Tenant

For the worst offenders, there should be a prosecution option that forces the sale of their rental property.

Relevant quotes

Tenant

Larger fines. Landlords blacklisted from owning rentals where they are repeat offenders.

Tenant

I would like a blacklist for bad landlords. Or a rating system (not tenant-rated, but government/local government-rated, like the A-F certificates given to restaurants).

Tenant

Make actual repercussions for landlords that don't also negatively impact tenants. Tenancy tribunal cases are public record and so future landlords can see the names of tenants who have raised issues in the past and may choose not to rent to them in future

Landlord/homeowner

landlords should be obliged to materially compensate tenants at a fixed rate proportional to rent for time beyond a reasonable time taken to perform repairs if maintenance is not conducted.

Tenant

Financial compensation to tenant for breaches of negligence and criminal prosecution for deliberate breaches or illegal activity.

5.3 How can landlords and tenants work together to keep a property warm and dry

Question 2.2.12

How do you think landlords and tenants should share the responsibility for maintaining heating equipment, ventilation methods, and any other improvements installed under the Healthy Homes standards?

Thematic analysis of 2.2.12

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers agreed the responsibility should be shared.
- Tenants, landlords/homeowners, property managers and social housing providers expressed diverse views on who to maintain what. These views reflected individual assessment of what's reasonable, however with no clear correlation with the type of the respondent (i.e. tenants or landlords/homeowners). Common ones are:
 - landlord maintains all
 - insulation maintenance is landlords' responsibility, heating and ventilation maintenance is tenants' responsibility
 - the owner of the appliance is responsible for its maintenance
 - landlords to maintain, but tenants do regular cleaning (e.g. heat pump)
 - tenants to maintain and take due care
- A common theme led by landlords/homeowners and property managers is that, specifically, tenants should open windows regularly, which is also brought up and agreed by some tenants.

Minor themes

- A theme led by landlords/homeowners is that tenants should not dry clothes inside.
- Some tenants and landlords/homeowners suggested that government should step in and offer a subsidy (e.g. to put in proper heating and insulation, for low income group)

Other points of interest

Landlord/homeowner

EDUCATION I am a qualified eco designer but many people dont know how to operate there home and blame others for mould - my son rented a mould invested shack of a flat with a ridiculous contract - RECOMMEND ALL contracts must be by law though Tenancy Services with specified addendums only approved by Tenancy Services – standardisation

Relevant quotes

Property manager

Yes both parties

Tenant/landlord

generally, maintenance & installation of heating equipment, ventilation methods, insulation & other improvements should be the responsibility of landlords...

Tenant/landlord

Heating Landlord responsible to install tenant responsibility to maintain Insulation Landlord responsibility Ventilation Tenants responsibility and address any issues arising from lack of ventilation during tenancy, drapes and window treatments must be regularly drawn...

Landlord/homeowner

How would they 'share' responsibility? The owner of the appliance is responsible for its maintenance and costs. If the owner installs a heat pump or ventilation system he maintains it, and the cost is included in the rent. If the tenant has their own appliances they look after them. That is clear.

Landlord/homeowner, property manager

Its up to the landlord to Maintain Heating equipment, sweep chimney's ect but Tenants could clean Heatpump Filters

Landlord/homeowner

The landlord should have the responsibility of providing good ventilation and insulation as far as possible and tenant's responsibility is to maintain and use it with due care.

Tenant/landlord

Tenants need to open their windows regularly to allow air flow - This has been our biggest problem. Even though we have good insulation and heat pumps, they are still letting the place get mouldy

Tenant

Landlords need to make sure properties are dry. Tenants need to play their part by not drying clothes inside all the time, opening windows when practicable etc.

Landlord/homeowner

No portable gas heaters, These are banned in Australia. Subsidy for landlords to put in proper heating including HRV and heated and ventilated bathrooms...

Question 2.2.13

If a landlord makes improvements to a property to make it warmer or drier, should tenants have to use those improvements?

- Yes
- No

Quantitative analysis of question 2.2.13

Table 107 Question 2.2.13 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,499	64.1%
No	840	35.9%
Total	2,339	100%

Table 108 Question 2.2.13 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	60.9%	65.7%	71.0%	56.5%	41.7%
No	39.1%	34.3%	29.0%	43.5%	58.3%

Table 109 Question 2.2.13 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	30.3%	58.4%	9.9%	0.8%	0.6%
No	35.2%	55.0%	7.3%	1.0%	1.5%

Thematic analysis of 2.2.13

Major themes

Tenants, landlords/homeowners, property managers and social housing providers expressed diverse views on whether tenants must use those improvements provided by landlords.

These views reflected individual-based assessment but are not significantly clustered by the type of respondents, i.e. tenants or landlords/homeowners. Common views are:

- Ventilation - yes heating - no
- It will be difficult to monitor/enforce
- Yes—the tenant has an obligation to care for the property and this comes under this obligation.
- Yes—there's no point obliging a landlord to provide something if it isn't to be used (this view is led by landlords/homeowners)
- No—it's a personal choice
- No—unless their choices are causing damages to the house, the tenant should have the freedom to make their own choices.
- No—if the landlord chooses a more expensive option, then the tenants shouldn't need to use it (e.g. heat pump)

Minor themes

- Some tenants suggested that landlords could offer allowances/subsidise power cost
- Some tenants, landlords/homeowners, property managers and social housing providers suggested that it is better to let tenants supply and pay for any heating
- Some tenants, landlords/homeowners, property managers and social housing providers suggested that affordability should be taken into consideration and assessed on a case by case basis.

Other points of interest

Tenant

The following comments are made as an experienced Architect (20 years) working with a wide range of residential buildings including Social Housing, very old buildings, and homes for vulnerable users (disabled, elderly, young). In terms of heating, the use of this installation should be entirely at the discretion of the tenant and allow for them to control their expenses and to use the installation only at the times when they deem that it is necessary for their comfort. While lack of heating can lead to issues with condensation within rooms, this is less of an issue than the failure to operate ventilation. In terms of ventilation, I would strongly advocate that ventilation installations for bathrooms, kitchens and laundries should include automatic humidity sensors and timer over-runs to ensure that ventilation does take place as necessary, and should be required to be of a high level of energy efficiency to alleviate any concerns that tenants may have over costs of ventilation. This type of installation is widely available and commonly used in other countries, at costs which are only a small increase over standard ventilation fans (I note that these products are rarely imported into NZ at present, but could easily be provided at low cost). If installations of this standard are provided, there should be an onus on the tenant to allow these systems to operate without intervention. The different approach to these reflects the high level of awareness that most people have regarding desirable room temperatures, and the low level of awareness that most people have regarding internal humidity conditions. This simply reflects human physiology which easily detects temperature to a finely calibrated degree, with ambient humidity far less easily detected.

Property manager

This is important. If the owner is required to install a HRV/DVS type system, the tenant should be obligated to use this to keep the house warm and dry. My thoughts are that owners will be forced to install Heatpumps or heaters, however tenants may not use them due to the high cost of electricity. Instead of making it mandatory, why not make it mandatory only if a tenant requests to have one installed. This would show that the tenant is likely to make use of this.

Relevant quotes

Landlord/homeowner

ventilation - yes heating – no

Landlord/homeowner

It's totally unenforceable to say they 'have' to use a heater etc. They should be liable for damage to the property (mould on ceilings, curtains etc) if they haven't used them.

Property manager

The tenant has an obligation to care for the property and this comes under this obligation.

Landlord/homeowner

a twofold answer ... 1. there's no point obliging a landlord to provide something if it isn't to be used 2. the tenant has an obligation of care ... if a capability is provided to keep a house dry and warm, it should be used. If not, there is a significant risk/likeness of excessive deterioration and maintenance requirement.

Landlord/homeowner, social housing provider

That is their choice. They are adults.

Landlord/homeowner

The tenant should have the freedom to make their own choices, as long as they do not have a negative effect on the property. If they choose to use a heater or hot water bottles, or blankets, instead of a heat pump, it should be no-one else's business. Unless their choices are causing mildew build up or water damage to the house.

Tenant

No - because Landlord may install a cheap heatpump. Cheap for them, means expensive to run for the tenant...

Tenant

Yes, as long as they are at an affordable level. Landlords could offer power allowances/subsidies during high use months to encourage more use.

Landlord/homeowner

If heating has to be supplied - then the tenant must only use that source of heating, otherwise why should the landlord pay for heating that will not be used. Best way to solve is for the Tenant to supply and pay for any heating requirements

Tenant

Only if they can afford to do so.

6. Overview of modifications to rental properties

Modifications are pursued with less heat than other issues but there is still considerable tension between renters and landlords. The renters' stance is as follows:

Renters have limited rights to personalise their home and make it safe in the event of an earthquake. This is another instance of how renters are disadvantaged compared to homeowners. Renters should have a statutory right to make specified minor modifications, such as hanging pictures, securing furniture, attaching shelves and books, and gardening. They should not have to obtain the landlord's permission or notify the landlord in advance. Renters should not be obliged to reverse the changes at the end of the lease.

The situation is, as portrayed in submissions, quite complex. There is a very consistent set of issues identified in submissions by landlords.

6.1 Modifications is a major area of concern for landlords/property managers

In general, submissions from landlords and property managers did not suggest that modifications are a major concern:

My tenants have asked to make modifications on very rare occasions, mostly painting, putting up shelving, or planting in the garden. Based on my experience, I think that this issue of making modifications is overstated.

... given that this law does not need to be changes as it is clearly operating well in our experience both as tenants and landlords.

Requests for modifications are relatively rare and are usually agreed to:

We have not withheld permission when tenants have asked to plant a vegetable garden but have advised them where we thought would be suitable.

We rarely decline reasonable requests for modifications that would improve the value of the home for current and future tenants if they are completed in a workman-like manner.

Modifications are sometimes made and considered minor by tenants, but have a major impact on value and cost of repair.

At times I have had tenants change decor without permission. This has included alterations such as painting rooms black with a poor standard of work. I would not want to loose control over decor. It will just end up costing more for everyone in terms of maintenance.

6.2 The decision to permit a modification is contextual

One group of landlords submitted comment on the issue of modifications, that it is very much in the context of the modification, the house and the tenant.

We have granted permissions to put decks, fences, hang paintings, even to put up a wooden removable bar in the living room. We have denied permission to put up large paintings to tenants who are already causing damage to property. A number of tenants had put stickers on walls (damaging the paint) and had hung things on walls which were noticed only on the end of the tenancy. ... The problem is that even a small screw required to be put on a wall to hang a painting, needs to be professionally installed (costing \$6-80) and tenants try and do it themselves, thus causing several holes or larger than necessary holes in the wall. If the subsequent tenant does not want to hang a painting at the same place, the landlord has to get the hole filled in and get the entire wall painted (sometimes the entire room). A tenant may agree to repair the damage caused but they only d a patchy job and landlord and tenant will hardly ever agree on the quality of repairs done by the tenant- whether they restore the premises to the same condition in which they were let out. ... For example, we have an old house which we plan to demolish after the end of the tenancy- we have permitted the tenant to make whatever modifications he wants. In contrast, we have a brand new house in an upmarket area, where we have not permitted the tenant o put anchors/screws in the wall to hang paintings and have asked him to use only Blue Tack to put up posters etc.

An industry survey documented the range of landlord opinion. We set this table out below.

	Yes	With permission and reversed	With permission	No
Curtains	33.41%	24.42%	36.87%	5.30%
Picture hooks	29.95%	32.49%	32.03%	5.53%
Sky aerial	29.13%	11.01%	55.05%	4.82%
Vegetable garden	25.12%	28.80%	41.94%	4.15%
Shelving attached to walls	3.26%	37.06%	33.33%	26.34%
Appliances attached to walls	2.54%	40.18%	29.33%	27.94%
Power points or fixed lighting	3.70%	7.39%	58.66%	30.25%
Replace carpet or lino	2.30%	4.84%	58.53%	34.33%
Painting walls	1.62%	14.32%	52.89%	31.18%
Pet doors	4.20%	18.18%	44.52%	33.10%
Kitchen cabinets	1.16%	4.42%	47.67%	46.74%
Build a deck	1.15%	4.61%	45.39%	48.85%
Install a window	0.69%	4.15%	37.33%	57.83%

6.3 Communication is the key

Landlords are not consulted on all modifications.

One tenant painted all the kitchen cupboards a hideous colour without even asking me & I spent hours and dollars scraping it back & repainting.

We have seen modifications already completed before permission was asked, that impacted weathertightness, the character of the home or its surroundings, modifications that have permanently damaged the property, and workmanship that is not completed in workman-like manner.

Financial penalties for modifications will not get paid. The tenant moves on and the property owner is left with a mess. A case in point was a security system installed by an outside contractor, which when removed left holes in the walls. No request was made for modification. In fact, tenants put up pictures etc without asking. Only one tenant asked to have a garden and that was because she wanted me to pay for it.

Right to hang pictures, curtains, plant gardens. No right to do carpentry, cut trees, paint, change floor coverings, remove doors, install equipment, without landlords approval.

Communication and agreement are central issues for landlords considering tenant-led modifications:

It is always the best idea for landlords and tenants to discuss these matters and that adequate protection as to the risk and quality of the work be considered.

Ensuring that any work is agreed to is essential. It is abhorrent that it is even being considered that a tenant could make changes without agreement.'

Giving tenants the right to make changes without the landlord's agreement will mean considerably increased risk of poorly done and illegal changes that will result in the landlord having to cover the expense.

I think the definition of minor alterations needs to be more clearly defined. I don't believe in a "no response from the landlord means yes", clause. If you have the responsibility of being a landlord, you can say no also.

Tenants should be encouraged to have open honest communication with their landlord or property manager. When issues arise, they are to solve problems outside of tribunals. And talk to the other party. This behaviour should be encouraged in order for a quicker resolution.

In respect of the 21 working day amount of time for a landlord to consider a tenant's request to make minor modifications, landlords agreed that that was sufficient, but highlighted the importance of clear communication:

...the tenant should not then go ahead with making the modification without first receiving a reply from the landlord. E-mails and snail mail can get lost. Don't assume that the landlord has given agreement just because he/she hasn't replied to the contrary. The tenant should not proceed until he/she has received a clear response from the landlord.

Agreement was also highlighted by landlords around the range of alterations that tenants have a right to make without landlord agreement:

What you're trying to do here is to make an exhaustive list, but that's not necessary. Leave it up to tenant and landlord to agree. Each property is different.

I think the definition of minor alterations needs to be more clearly defined. I don't believe in a "no response from the landlord means yes", clause. If you have the responsibility of being a landlord, you can say no also.

I agree with minor alterations such as hanging picture frames. But in my experience, tenants will take the definition of minor alteration as to extending to removing internal walls! While we would like to assume all tenants are up to date with tenancy laws, rights and obligations. Many are not! So I believe this clause would result in unlawful (and expensive) property damage, and a huge burden on the tenancy tribunal system.

6.4 There are differences of view on what is reasonable

One landlord highlights that there is an issue of interpretation and that is unwise to assume the tenant is familiar with the definition of minor alterations;

I agree with minor alterations such as hanging picture frames. But in my experience, tenants will take the definition of minor alteration as to extending to removing internal walls! While we would like to assume all tenants are up to date with tenancy laws, rights and obligations. Many are not! So I believe this clause would result in unlawful (and expensive) property damage, and a huge burden on the tenancy tribunal system.

There are likely to be differences of opinion about what is reasonable or not. For instance the consultation document asked about minor modifications such as planting a vegetable garden. Gardens come in for special note:

I know that what one person considers "good workmanship" another would call shoddy. My concern about the proposal is that the term 'reasonable' is completely subjective if not ambiguous.

If you are an owner, have you withheld or granted permission for tenants to modify a property, and, if so, in what instances? Yes. _____planting a vegetable garden in the lawn which was not appropriate for the property. Our experience is the tenant loses interest and leaves a mess of weeds and dug up lawn for us to repair.

We have had tenants who were keen to grow vegetables, but after a while the garden looked really chaotic and unpresentable, making it hard to re-tenant. Our agreement is generally, except the lawn and bushes, the tenant can plant in the garden what they want, as long as it looks nice when it comes to the end of the tenancy. I would also withhold a modification request from a tenant when the house and property already look like the tenant is struggling to maintain a good standard.

6.5 Despite that, most landlords have horror stories

Landlord concerns relate both to the skills of tenants to undertake work and many landlords have stories of damage they need to rectify

How can the law better help owners and tenants agree to tenants making reasonable modifications or minor changes to their rental home? The discussion document gives as examples hanging pictures, putting up shelving, affixing furniture or appliances to a wall, or planting a vegetable garden. Property owners have no indication of the level of handyman skills a tenant may have and are likely to be concerned at possible damage resulting from

an unskilled person attempting such tasks. Some owners have horror stories of interiors being painted red and black, walls removed, and gang fences constructed.

A council gave the following examples of modifications that went wrong. One in particular relates to fibre installation. A supplier of broadband services has submitted that fibre installation should be as of right so one of these examples is particularly pertinent.

Installation of a satellite dish. : A contractor was approached by a tenant to install a satellite dish. The contractor drilled a hole through the timber window frame adjacent to the glass. This weakened the frame, and as the wire was simply poked through, and the hole not stopped/sealed, water was allowed to ingress into the frame and the interior space. The wiring has been allowed to fall through to the floor allowing a path for water.

Fibre installation. A commercial fibre installer was approached by a tenant to connect fibre to a block of EPH units. They proposed to dig a shallow channel to lay the cables but did not have a solution for crossing a concrete path and had no plans to relay the turf. Fortunately Council were approached before work began and signalled to the contractor that these issues needed to be addressed. Their solution was that the tenant could dig a deeper ditch, which was entirely inappropriate and impractical given the tenant was elderly, did not know where existing pipes or cables were located and would have been undertaking work on our site for which we have responsibilities under the Health and Safety at Work Act.

6.6 Landlords and property managers have strong preference for qualified people to undertake modifications

There were somewhat mixed views on what a tenant can and cannot do themselves. Some landlords and property managers generally agree that relatively minor modifications such as gardens, hanging pictures and possibly curtains can be done by tenants, while others thought all modifications should be done by qualified tradespeople:

The tenant should NEVER be allowed to make modifications by themselves but should invariably have to hire an independent, qualified trade-person at their own expense. Modifications that require Council-consent should be obtained at the tenants' expense before being provided to the landlord for consideration/approval.

Other responses state:

A landlord should be able to request that the tenant get in a tradesman to do anything that involves carpentry, plumbing or electrical work. These put the structure of the property and the safety of occupants at risk – especially in a multi-flat property.

We have seen people wiring into houses illegally to set up a portable stove by tapping into the house's wiring in a dangerous manner already.

We don't agree with allowing tenant modifications, but should that occur then yes, electrical, plumbing, or works that require a licensed building practitioner must be done by a qualified professional. All other works should be completed to trade standard.

6.6.1 Safety is in the minds of landlords and property managers

While impacts on value and financial costs of rectification are important considerations, landlords and property managers cite safety as an important factor in regards to objecting to a tenant's request for modifications:

If modifications will harm the structure of the property, cause danger to other people, or if the modifications will be difficult or costly to reverse at the end of the tenancy

Similarly, in response to the question of requiring a suitably qualified trade person to undertake a modification, one landlords response sums up the tenor of comments:

Yes, for modifications that might require a building consent or for modifications that might affect the structural integrity of the building or cause potential harm to other people if not done properly.

6.6.2 Modifications for safety should be allowed

A number of modifications were pointed to that may increase safety for the elderly and children, and in the event of earthquake. The types of initiatives suggested were broadly as this public health submission suggests:

Some examples of these sorts of modifications that reduce injury hazards and increase safety:

- earthquake proofing by affixing appliances to the wall
- affixing safety gates to protect children especially around stairs
- affixing child safety latches to cupboards

A children's interest group raised the issue of providing safety equipment to reduce child falls, crush or cut injuries or poisonings.

Installations such as window latches and safety gates are the type of modest home modifications that we believe should be included in Residential Tenancy Act Reform.

6.7 Landlords and property managers are clear that modifications should be reversed at the end of the tenancy

Landlords and property managers were clear that modifications, where agreed, should not be left in place at the end of the tenancy if they do not want them, highlighting the role of preferences and future prospects for rental:

Yes – everyone's taste is different and if the modification would put future tenants off, then it should be expected that the tenant return it to its prior condition.

Absolutely the tenant should be required to reverse any modifications at their expense. One can imagine garish colours on walls, poorly conceived and constructed awnings, fences or similar being left for the landlord to have to clean up before having any chance of being able to rent out the property.

It will leave landlords scrambling to return a property to its prior state before new tenants can move in. It's in the public interest that old tenants leave the property ready for the new tenants to move into so that the transition of occupancy is smooth.

A landlord might agree to a modification to suit a sitting tenant but it may not suit future tenants. For example, I agreed for my tenants to paint the inside of their apartment. They painted it in colours that they liked, but they were very weird colours and definitely not acceptable to other tenants. The landlord should agree at the start for the tenant to make the modification only if the tenant will either put it right at the end of the tenancy, or if the landlord agrees that the modification can remain. Otherwise, if there is no penalty and the tenancy simply leaves the property, the landlord is left with a non-agreed modification that he/she may need to reverse before he/she can let out the property to new tenants. The penalty for the tenant should be the cost of putting it right.

In European countries, longer tenancies, tenants must reinstate the property at their cost, similar to commercial properties. Are tenants ready for this in NZ? I suspect not. They want all the rights of ownership with no responsibility nor cost.

7. Questions on modifications to rental properties

In this section there are 10 questions on the rights and ability of tenants to make reasonable modifications or minor changes to rental properties and the appropriate form permissions should take.

The ability to make minor modifications was important to tenants as they felt it could make a property feel more like home. Overall experiences of having requests for modifications denied or accepted were evenly balanced. Often tenants had good experiences with requests for modifications and they felt lucky to be in this situation. Modification requests were generally managed better when dealings were directly between tenant and landlord rather than through a property manager. Landlords were supportive of some modifications as they saw it as an easy means to encourage longer term tenancies but they were passionately opposed to allowing modifications without permission. Many shared horror stories of modifications done without permission that were extremely costly to reverse or remedy.

Requiring work to be done to a certain standard and be reversed was generally considered fair and reasonable by all concerned. Both tenants and landlords often said that any action or policy would need to be dependent on the particular circumstances of a modification, property, tenant, and landlord.

A major point of contention was fixings that put holes in the walls. Tenants commonly felt they had the right to hang pictures or secure furniture to walls while landlords felt this could cause considerable damage. Both parties felt there were cases where this needed clarity but it could usually be worked out with negotiation.

7.1 Tenants should feel at home in rental properties

Question 2.3.1

If you are or have been a tenant, what has been your experience seeking agreement from the landlord to make modifications (that you considered to be reasonable) to rental properties? (Optional question)

Quantitative analysis of question 2.3.1

Table 110 Question 2.3.1 Quantitative overview

Response	Number of responses	Percentage of Answers
Not allowed	147	23.6%
Difficult or slow	74	11.9%

Response	Number of responses	Percentage of Answers
Mixed	84	13.5%
Positive	231	37.1%
Unaware possible	43	6.9%
Done without permission	12	1.9%
Do not expect to be able to	31	5.0%
Total	622	100.0%

Table 111 Question 2.3.1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Not allowed	27.3%	9.9%	0.0%	0.0%	0.0%
Difficult or slow	12.6%	9.0%	0.0%	100.0%	0.0%
Mixed	14.0%	11.7%	11.1%	0.0%	0.0%
Positive	32.5%	54.1%	77.8%	0.0%	100.0%
Unaware possible	8.0%	2.7%	0.0%	0.0%	0.0%
Done without permission	2.0%	1.8%	0.0%	0.0%	0.0%
Do not expect to be able to	3.6%	10.8%	11.1%	0.0%	0.0%

Table 112 Question 2.1.1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Not allowed	92.5%	7.5%	0.0%	0.0%	0.0%
Difficult or slow	85.1%	13.5%	0.0%	1.4%	0.0%
Mixed	83.3%	15.5%	1.2%	0.0%	0.0%
Positive	70.1%	26.0%	3.0%	0.0%	0.9%
Unaware possible	93.0%	7.0%	0.0%	0.0%	0.0%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Done without permission	83.3%	16.7%	0.0%	0.0%	0.0%
Do not expect to be able to	58.1%	38.7%	3.2%	0.0%	0.0%

Thematic analysis of 2.3.1

Major themes

- Tenants reporting positive experiences felt lucky and often considered their experience to be an exception rather than the norm.
- Some tenants felt requests were denied automatically or without any serious consideration. Others thought the process was made so difficult or slow it discouraged any future requests.
- Many reported a difference in experience related to circumstances particularly between requests going directly to landlords and those going through property managers, with much better outcomes and communication when dealing directly with a landlord.

Minor themes

- Not worth asking as only on short-term tenancy or assumed any request would not be granted.

Other points of interest

Tenant

I think non-renters overestimate how much this concerns actual renters. We're concerned with mouldy wallpaper peeling off walls as the rain trickles behind it - not whether or not we can put up a poster.

Tenant

I've never made any but I think it something is reasonable to do and the landlord doesn't agreed there needs to be somewhere free for tenants to go so that they can do them.

Landlord/homeowner

The information provided suggests that hanging pictures on the wall is modifying a property. In my experience tenants consider this their right and never ask permission. Sometimes they ask to secure TV's or bookcases but don't necessarily in this case. My suggestion is that the law should be silent on this. Let landlords and tenants negotiate this among themselves.

Relevant quotes

Tenant

I was not allowed to secure a tall bookcase to a wall in order to prevent it from falling over in earthquakes (this was immediately after the 2016 Kaikoura earthquake). They did not give a reason, but flat out refused. I presume they didn't want holes in the walls, which I understood by consider safety to be more important.

Landlord, tenant

Very difficult to get landlords to comply. Multiple requests required.

Tenant

Terrible. Mostly through rental agencies. Private landlords I've had good experiences with as the whole relationship is more personal

Tenant

Usually positive. I've been lucky to usually have direct relationships with owners over several years and by building a positive relationship have been able to make some modifications to rental properties. This does not seem to be the standard and tenants are usually just told 'no' upfront.

Tenant

Not confident in asking for changes as I don't want to risk losing the place I rent or seem like a bother. With less rentals around, there is more pressure to stay and not lose the place.

Tenant

Both landlords so far have found it reasonable to want to hang up pictures. I have not asked for permission for earthquake safety measures such as securing furniture to the wall. I believe that my safety comes before the tenancy act.

Tenant

The less care of the property the landlord takes the more ok they are with modifications like hanging pictures or installing shelves. The more they "care" about the property the less modifications are accepted. Generally this has inclined us to go with less maintained properties because then at least we can set them up to be comfortable homes that meet our lifestyle needs.

Tenant

Yes, I asked if I could do a few things around the outside and was granted permission. These were things that the landlord did not seem to care about, but I wanted my place to look nice. I would have included this within the landlord's responsibilities but I felt like it would be better for me to just do it and not rock the boat.

Tenant

I've never requested it, because there are so many limitations in place already it never seemed like modifications would be approved.

Question 2.3.2

If you are or have been a landlord or property manager, have you:

- (a) Withheld permission for tenants to modify the property?
- (b) Granted permission for tenants to modify the property?

What were your reasons for doing so?

Quantitative analysis of question 2.3.2

Table 113 Question 2.3.2 Quantitative overview

Response	Number of responses	Percentage of Answers
(a) Withheld permission for tenants to modify the property?		
Yes	798	54.3%
No	672	45.7%
Total	1,470	100.0%
(b) Granted permission for tenants to modify the property?		
Yes	1,149	76.1%
No	361	23.9%
Total	1,510	100.0%

Table 114 Question 2.3.2 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
(a) Withheld permission for tenants to modify the property?					
Yes	47.4%	51.2%	73.9%	80.0%	75.0%
No	52.6%	48.8%	26.1%	20.0%	25.0%
(b) Granted permission for tenants to modify the property?					
Yes	78.0%	74.4%	82.6%	88.2%	100.0%
No	22.0%	25.6%	17.4%	11.8%	0.0%

Table 115 Question 2.3.2 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
(a) Withheld permission for tenants to modify the property?					
Yes	9.3%	70.1%	18.8%	1.5%	0.4%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
No	12.2%	79.3%	7.9%	0.4%	0.1%
(b) Granted permission for tenants to modify the property?					
Yes	11.1%	72.5%	14.9%	1.3%	0.2%
No	10.0%	79.5%	10.0%	0.6%	0.0%

Thematic analysis of 2.3.2

Major themes

- For granting a request the grounds given were it was a reasonable request, and/or there was an agreement reached on the property being returned to original state at the end of tenancy.
- Requests where permission was withheld were justified as being the landlord's right and any changes to a property are subject to the preferences of the owner.

Minor themes

- Landlords granting permission to modify felt it helps to keep a tenant, makes tenants to feel at home, encourages long-term tenancies, and builds a trusting relationship.
- Landlords expressed concerns over the quality of workmanship and denied requests where they decided modifications would have a negative impact on the value or desirability of a property.
- Modification were agreed when it was considered there would be a positive impact on the property
- Denied due to safety, legal, or consent concerns.
- Wall fixtures drew significant comment with requests denied because the owner didn't want holes in walls or accepted as a few holes in the wall were considered minor.

Other points of interest

Tenant

As a property manager working with Social Housing tenants in Scotland, tenants were given a grant when entering a property to decorate in a way that suited them, or given a maintenance grant if they needed for instance a new kitchen but preferred to do it themselves. Working as a property manager with private landlords in New Zealand tenants were not allowed to make any modifications to their property.

Landlord

We say that it is our house - but your home and you can add your pictures but not make permanent changes to the decor. We supplied materials for our tenant to repair fences and a deck as he approached us and we believed he would complete the job to a workman standard. He had been with us for a number of years.

Relevant quotes

Landlord

So long as the modification is minimal, and the tenant is happy to return the property to its pre-modification status, then I generally don't have an issue.

Property manager

As a property manager my job is to follow the instructions given by owners as long as they adhere to the RTA. I have given and withheld approval for modifications and owners reasons for this are varied ranging from not trusting tenants to do minor modifications, not wanting particular property damage to occur and such and allowing the tenants to do small modifications also. It is typical I have noted that the longer a tenant is in place at a property the more open to modifications the owner is. Perhaps this could be an addition to the RTA in which if a tenant is in place at a property for greater than 5 years then they have the right to conduct some modifications such as picture hooks, small shelving etc so that this right is earned through being a good tenant and showing this. Most people would not hang onto a tenant of 5 years if they were not good.

Landlord

Tenants wanted to make alterations that could have caused moisture issues. I wasn't convinced that at the end of the tenancy the tenants would put things right. With the best will in the world tenants will want to make alterations to a property and promise to put it right at the end. At the end of the tenancy however they are looking at new horizons and putting right alterations they have made (which inevitably they think improve the property) is the last thing on their mind. Introduce this and I'm getting out!

Landlord

I will always say yes, unless there is a good reason not to. A happy tenant = happy landlord.

7.2 Should tenants be responsible for reversing modifications?

Question 2.3.3

Should a tenant be required to reverse any modifications they make in rental properties, unless the landlord agrees to take on the modification?

- Yes
- No

Please explain your answer.

Quantitative analysis of question 2.3.3

Table 116 Question 2.3.3 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	2,347	89.4%
No	277	10.6%
Total	2,624	100.0%

Table 117 Question 2.3.3 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	81.5%	92.5%	95.5%	87.0%	89.7%
No	18.5%	7.5%	4.5%	13.0%	10.3%

Table 118 Question 2.3.3 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	27.1%	61.0%	10.0%	0.9%	1.1%
No	52.0%	41.9%	4.0%	1.1%	1.1%

Thematic analysis of 2.3.3

Major themes

- 'Yes' respondents thought that it is fair and reasonable to have unwanted modifications reversed so the property is returned to its original state at the end of a tenancy.
- Due to dependence on the specific nature of properties landlords thought modifications should only be conducted with mutual agreement, permission and good documentation.

Minor themes

- Blanket rules are difficult as the impact depends on size and scope of modification, the length of tenancy, if it is possible to reverse the modification, if a tenant is qualified to undertake the work or has gained the trust of a landlord.
- Some landlords thought any/all modifications cause damage and devalue the property as tenants usually lack the skills to reverse/remedy and work is generally poorly done.

- Landlords and property manager were likely to think no modifications should be allowed as it creates more opportunity for disputes.
- Those that thought reversal of modifications should not be required argued that modifications can add value for tenant, the property and future tenancies and should not be agreed to unless they are accepted as permanent.
- Tenants think it is within their rights to make minor adjustments.
- It is the landlords right, to have modifications done to their tastes and preferences.
- A separate bond should be lodged for modifications needing reversal.

Other points of interest

Tenant

I think we should be allowed to modify but should have to put it back when we vacate but only for long term fixed rentals. I would hate to modify and then have to move out in 90days and the remodel it back in that time

Landlord

It should be assumed that landlords will be willing to allow the modification, and that reversal of the work is the exception to the rule

Landlord

If the modifications are agreed with in writing by the landlord, I think they become permanent

Relevant quotes

Tenant

Upon ending a tenancy, the tenants should revert the property to the way it was upon beginning the tenancy.

Tenant

Helps eliminate any cause for landlords to deny modification requests while allowing tenants to feel at home.

Landlord

If they were not agreed in writing, would be challenging to enforce as bond property wouldn't cover it. I have a tenant that has turned the lawn into a huge garden. I am torn between leaving it as it gives them food and they probably sell or barter some of the vegetables and getting them to fix it as I know it's going to cost me thousands to rectify when they leave and their bond won't cover it. My property manager is trying to get them to save a few dollars a week so it can be done when they leave but it is proving to be challenging.

Property manager

This should remain in place as some properties have specifications and having this changed by the tenants or an alteration added may inhibit possible insurance, resale values etc. I had one example in which the tenant of a property I manage repainted the garage walls for reasons known only to her. As a result this had to be redone after she vacated as the paint she painted over was mould resistant paint to prevent growth of spores and the like so by painting over this she actually made the property more hazardous for herself without realizing it.

Landlord

This should be documented when they do modifications with the landlord expectation agreed on then. Otherwise the LL shouldn't have to accept anything.

Landlord

This ensures the landlord is not left with rectifying aspects they do not view as value add. Should involve a quote of the cost of rectification before executing the modification and an understanding that all work, both modification and rectification is to be to a professional standard.

Landlord

As a landlord I do not believe the property should be modified in the first place if there is going to be a need to reverse whatever has been done to the property during the tenancy. If it is in need of reversing then it clearly indicates that it probably should not have occurred in the first place. Any modification to a property should be undertaken under the approval and guidance of the owner. If we are going to have properties that are continually being modified and reversed for every tenancy then we are going to end up with some very shabby houses as a result, because not everything can be seamlessly reversed.

Landlord

You should not compel landlords to accept modifications by tenants unless you also bind tenants as liable to reverse those modifications. It is the tenants home, but the landlord's house. Respect property rights.

Landlord

There are many pitfalls: The landlord probably did not want the modification and was forced by law to agree to it, and wants it reversed. However if this is put into law the problem is that tenants may not do this reversal - they may leave the tenancy in arrears, or have no means of financing the reversal. Who will determine if the reversal is 100% satisfactory or as good as it was? What will happen if the landlord is not happy with the standard / safety of the reversal? Who will pay for the landlord's or property manager's time and costs to attend to disputes about this. It's not a good idea to put these financial implications on tenants at the end of the tenancy. They will not want to pay for the reversal, just will want to move on.

Landlord

I have made a claim to the Tenancy Tribunal (and won) for unpaid rent in the past - it was never paid. The system is broken.

Question 2.3.4

Do you think that if the landlord doesn't wish to take on a modification at the end of a tenancy and the tenant doesn't reverse it, that this should be an unlawful act with a potential financial penalty?

- Yes
- No

Please explain your answer.

Quantitative analysis of question 2.3.4

Table 119 Question 2.3.4 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	2,179	84.9%
No	389	15.1%
Total	2,568	100.0%

Table 120 Question 2.3.4 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	69.1%	91.7%	94.2%	77.3%	65.2%
No	30.9%	8.3%	5.8%	22.7%	34.8%

Table 121 Question 2.3.4 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	24.2%	63.9%	10.4%	0.8%	0.7%
No	60.7%	32.4%	3.6%	1.3%	2.1%

Thematic analysis of 2.3.4

Major themes

- It will depend on the agreement, permission, length of tenancy, cost of modifications and standard of work.
- It should not be an unlawful act but costs should be recoverable as they currently fall unfairly onto the landlord.
- Some landlords expressed concern around compliance, enforceability and accountability

Minor themes

- Landlords considered modifications vandalism or wilful damage especially if done without permission or not reversed.
- Those that didn't think an unlawful was required suggested landlords can use the courts, and/or bond system. They felt the current laws cover the issue sufficiently.

- Tenants thought the cost of reversal should fall on the landlord as they accepted the modification to be carried out.

Other points of interest

Repeated

Landlord

Yes. It can be extremely expensive and time consuming to reverse modifications. It needs to be made completely clear to tenants that putting the property back to how they found it is expected and consequences will occur if it isn't completed to a good standard.

Relevant quotes

Tenant

But the tenant shouldn't be making fixed modification changes without dealing with the landlord or agent for example if I was to rip out and reinstall the fireplace I would expect to have to show the landlord/agent what was planned and the make and model first, if approval is granted then that should be the landlords acceptance of the modification. Otherwise Bad landlords could agree to modifications have a personal falling out with a tenant move them on and force them to change everything back just out of spite.

Tenant

The division between "modification" and "vandalism" is unclear.

Tenant, landlord/homeowner

Making a modification and failing to carry out the lawful undertaking of reversing it is the same as wilful damage. The cost of reversing the modification is imposed on the landlord and this becomes an unreasonable cost. It is no different to causing deliberate damage and refusing to make repairs.

Tenant

I think a tenant should have to sign an additional form at the start of a tenancy stating that any changes they want to make must be reverted at the end of the tenancy and giving an example of the fines they could face. If at the end the tenant is refusing to comply, they should be issued a warning with a copy of the form they signed and if they still have not fixed the issue then they should be fined.

Tenant

Only to the extent of a REASONABLE cost to reverse the modification. There should be a schedule or similar given of what comprises a reasonable cost for the usual modifications (pictures in walls etc.) to stop landlords from ripping others off

Tenant

I am going to assume that the agreement around reversing or not reversing the modification was done at the time of the agreement and that it was put into writing - in which case the tenant's responsibility would be per the agreement and enforceable through the Tribunal

Tenant, landlord/homeowner

Depends on the level of the alteration. Leaving a picture book up should not, painting the wall bright pink and not painting it back yes.

Tenant

There is so much more to this question than can be covered in this survey. It needs to be case by case for the specifics included in the tenancy agreement.

Tenant

This could lead to pettiness. Tenants shouldn't modify things without permission anyway, but no decent human being really gives a hoot about a picture hook or a cat door. Nor would such changes substantively alter the value of the property.

Question 2.3.5

What are reasonable grounds to object to a tenant's request to make minor modifications to a rental property?

Quantitative analysis of question 2.3.5

Table 122 Question 2.3.5 Quantitative overview

Response	Number of responses	Percentage of Answers
Any	508	24.4%
Irreversible or unreasonable	470	22.5%
Value	496	23.8%
Not minor	306	14.7%
None	69	3.3%
Negotiated	96	4.6%
Depends	140	6.7%
Total	2,085	100.0%

Table 123 Question 2.3.5 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Any	14.8%	27.7%	28.1%	44.4%	15.4%
Irreversible or unreasonable	23.7%	21.4%	28.1%	22.2%	11.5%
Value	29.2%	23.3%	16.7%	11.1%	0.0%
Not minor	17.5%	13.2%	17.1%	0.0%	19.2%
None	8.2%	1.2%	1.4%	0.0%	19.2%
Negotiated	2.9%	5.5%	1.9%	0.0%	19.2%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Depends	3.6%	7.6%	6.7%	22.2%	15.4%

Table 124 Question 2.3.5 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Any	15.9%	70.1%	11.6%	1.6%	0.8%
Irreversible or unreasonable	27.7%	58.3%	12.6%	0.9%	0.6%
Value	32.3%	60.3%	7.1%	0.4%	0.0%
Not minor	31.4%	55.2%	11.8%	0.0%	1.6%
None	65.2%	23.2%	4.3%	0.0%	7.2%
Negotiated	16.7%	74.0%	4.2%	0.0%	5.2%
Depends	14.3%	70.0%	10.0%	2.9%	2.9%

Thematic analysis of 2.3.5

Major themes

- Any grounds are reasonable as it is the landlord's property and therefore their right to manage as they please (excluding modification directly related to safety, health, warm and dry homes).
- If it is irreversible, unreasonable, unnecessary, the skill or the ability to undertake the modification and its reversal is unproven, also the length and reputation of tenancy impact any decision on modification.
- Landlords thought grounds included anything that could impact the value or sale process, cause damage or reduce the desirability of a property to next tenancy.
- Not a minor modification that has some impact on the structure, safety, code or insurance.

Minor themes

- None, tenants were likely to think there is no reasonable reason to object to minor modifications.
- Modifications should be negotiated, agreed at the beginning of tenancy with an extra bond payable.

- Depends on modification and definitions, it will be difficult to define ‘minor’ modifications.

Other points of interest

Landlord

With Osaka in place it cannot be trusted that the full cost of compensation will be awarded to the LL by TT.

Relevant quotes

Tenant

The minor modifications involve the outside of the house and affect the look of the neighbourhood as a whole. The minor modifications are a nuisance to neighbours. The minor modifications have major ramifications to things like the heating or electricity or how the house should function normally.

Landlord

Modifications are a "non-event" for well-built properly maintained property. They rent is "as they inspect it" Landlord has an obligation re security, and keeping it warm and dry and well maintained as "fit for purpose"

Landlord

Any non-permanent modifications are fine by me (includes picture hooks, child proofing, furniture anchors) ... tenants should expect to have to pay for permanent damage at the end on a tenancy (e.g. \$100 for replastering nail holes, and touch up paint for multiple rooms)

Landlord

This opens up the property to a whole raft of modifications that may be outside the building code, which will then be at the landlord's cost to fix.

Renters United stated:

I think renters should feel at home in the houses they rent. It's therefore important that renters should be allowed to make minor alterations without a landlord's approval. The types of alterations they should be allowed to make include hanging pictures, securing furniture in case of earthquakes, attaching shelves and hooks, and gardening. Renters should not have to reverse these changes at the end of the lease.

Question 2.3.6

Do you agree that 21 working days is a reasonable amount of time, for a landlord to consider a tenant's request to make minor modifications to a rental property?

- Yes
- No

If you answered no, what would you consider to be a reasonable amount of time and why?

Quantitative analysis of question 2.3.6

Table 125 Question 2.3.6 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	2,050	77.1%
No	610	22.9%
Total	2,660	100.0%

Table 126 Question 2.3.6 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	77.3%	76.6%	78.6%	71.4%	89.7%
No	22.7%	23.4%	21.4%	28.6%	10.3%

Table 127 Question 2.3.6 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	29.7%	59.0%	9.3%	0.7%	1.3%
No	29.3%	60.7%	8.5%	1.0%	0.5%

Table 128 Question 2.3.6 Quantitative overview of reasonable amount of time

Response	Number of responses	Percentage of Answers
0 – 7 days	71	22.7%
7-21 days	85	26.5%
21- 42 days	85	27.2%
42- 63 days	26	8.3%
63- 94 days	43	13.7%
>94 days	6	1.6%
Total	316	100.0%

Thematic analysis of 2.3.6

Major themes

- Landlords thought they may need more time to get quotes from trades people, and for consulting affected parties, or general consideration of the impacts of a particular modification.
- What is a reasonable amount of time depends on the specifics of the modification and the tenant.

Minor themes

- A longer period is required or exceptions are needed for absent landlords, such as those on holiday, based overseas, or busy with other commitments.
- 'Yes' respondents felt it is part of the responsibility of a landlord to provide a timely response to requests from tenants.
- Those suggesting a shorter response period felt some requests may be essential or urgent such as those required for medical or health and safety reasons.
- 'Yes' responses thought since the modification is only minor the suggested timeframe is reasonable.
- A better period would standardise timeframes to align with 14 day notice to fix, or a 90 day notice.
- Should be discussed and agreed on signing tenancy agreement, needs negotiations, not a place for more regulation.

Other points of interest

Landlord

Though, I would rather have a standardised list of minor modifications that I wouldn't need to check in about.

Relevant quotes

Landlord

A Landlord doesn't have to get someone to look after the management unless they are out of the country for over 21 days therefore this should be a few more days - say 30 days giving them time to catch up on things they have to do on their return.

Landlord

1 week. To weigh up cost vs investment gain. There is no such thing as a minor modification.

Tenant

21 days is a long time to consider putting up a picture hook! 5 working days seems reasonable.

Landlord

If the extent of work has been completely described. If only a vague indication of work is given then it is reasonable to withhold authority until it is completely understood what the work will be.

Landlord, property manager

Yes but maybe 28days, tenant should have to provide quotes and full details of modifications so the landlord fully understands what's going to happen and how it will be reversed at the end.

Question 2.3.7

Depending on the type of modification, should a landlord be able to require the tenant to use a suitably qualified trade person? If so, what modifications should or should not be subject to this requirement?

Quantitative analysis of question 2.3.7

Table 129 Question 2.3.7 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	617	95.7%
No	28	4.3%
Total	645	100.0%

Table 130 Question 2.3.7 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	93.8%	98.1%	100.0%	100.0%	96.6%
No	6.2%	1.9%	0.0%	0.0%	3.4%

Table 131 Question 2.3.7 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	56.4%	34.2%	4.5%	0.3%	4.5%
No	82.1%	14.3%	0.0%	0.0%	3.6%

Thematic analysis of 2.3.7

Major themes

- All modification as it is the landlords right and DIY should only be a right in your own home.

- Anything structural, with health and safety or compliance issues. Work should always be done to an appropriate, professional and safe standard.
- Yes but it should exclude small and minor modifications when done to a sufficient quality standard.
- The threshold could be cost based, where anything over a certain value or with potential to cause significant damage or devalue the property.

Minor themes

- Depends on the reversibility and permanence, should be case by case and by agreement only.

Other points of interest

Landlord

It is the landlord's asset and it should be their choice. Imagine down the track another tenant might go the landlord for unsatisfactory modifications. What then? Landlords have to be able to protect and future-proof their assets.

Tenant

YES. Oh please yes. Most of our work as architects involves fixing dodgy fixer-upper work by unqualified people. Anything falling under the Building Act requires a suitably qualified trade person, and often a certificate proving compliance (lack of this affects insurance/resale) - therefore electrical work, retaining walls (which are structural), decks and balustrades (which are structural), stairs, insulation (poorly installed insulation can cause fires in the roof space), kitchen cabinets and tiling (because unqualified people make a real mess of it), concreting.

Relevant quotes

Landlord

Any type of modification requiring a qualified tradesperson is NOT a minor modification,

Tenant

A landlord should only be able to require a tradesperson to be used by tenants, if landlords are also required to contract a tradesperson for maintenance instead of doing it themselves/calling in an unqualified friend.

Landlord

If we see the need for modifications, we will employ a trades person, not the tenant.

Landlord

ABSOLUTELY. Tenants should not be exempt to the building code. Landlords should be able to stipulate any conditions on any modification. Conditions to agree to a modification should include, but not be limited to adhering to insurance (contents, house, building etc), council, NZ Government Law requirements. Furthermore, modifications will increase the landlord's work because they will have to inspect more. I have major concerns about how the tenant will be held liable if the modification goes wrong (even if it not their fault, if the builder they contracted was at fault, it should be the tenant who is liable, however if the tenant leaves the country, they will be very difficult or impossible to trace).

Renters United stated:

Renters should be permitted to make specified minor alterations to the property (those listed above) themselves. Other alterations should be carried out by qualified tradespeople, unless the landlord gives written permission otherwise.

Question 2.3.8

What types of modifications could be included on a list of alterations tenants have a right to make, without seeking their landlord's permission?

- Adding hooks or nails for pictures
- Fixing furniture or free-standing objects to walls
- Painting walls
- Growing additional plants or vegetables in any gardens
- Child proofing their home (e.g. by adding child gates or guards)
- Adding or fixing shelves to walls
- Adding access ramps or mobility aids
- Installing additional smoke alarms
- Installing a security system or sensor lights
- Other (please specify)

Quantitative analysis of question 2.3.8

Table 132 Question 2.3.8 Quantitative overview

Response	Number of responses
Adding hooks or nails for pictures	1,564
Fixing furniture or free-standing objects to walls	1,010
Painting walls	451
Growing additional plants or vegetables in any gardens	1,908
Child proofing their home (e.g. by adding child gates or guards)	1,591
Adding or fixing shelves to walls	631
Adding access ramps or mobility aids	663
Installing additional smoke alarms	1,755
Installing a security system or sensor lights	1,107
For tenancy safety (other)	146
Changing fittings (other)	252
No modifications (other)	287

Response	Number of responses
Modifications negotiable (other)	255

Thematic analysis of 2.3.8

Major themes

- For tenancy safety and health benefits such as leaks or fixing furniture in earthquake prone areas, fencing for pets or children (all subject to professional tradesman standard).
- Changing fittings such as curtains or faucets, replacing old things, things that can be easily reversed such as removable shed or holes that can be painted or filled in from hooks, minor repairs such as broken fence.
- No modifications should be allowed without the landlord's permission.
- Modifications are negotiable but need to be discussed due to structural concerns such as load bearing, council consenting, safety issues and damage.

Minor themes

- For the hooks question many respondents said no to nails and suggested to use adhesives instead. Blue tac was also disliked, 3M adhesive hooks were suggested as a compromise and some suggested a maximum number of hooks per room.
- Landlords were more open to modifications with longer term tenancies.
- Anything provided it's specified in a written agreement. Should be negotiated on a case by case basis.
- None of the above as all need to be completed by professionals.
- Maintenance that makes it more comfortable for tenants

Other points of interest

Landlord

NA - I do not believe simplifying this a to a set list is workable as there are so many other relevant factors - an example would be certain waterproof exterior cladding where a tenant wishes to screw in a sensor light. Repairing this could potentially be expensive & affect the weather tightness of the property. Instead of making it a right to modify, the tenant would discuss this with the landlord under the framework of a standard good faith tenancy relationship

Tenant

These should only be allowed under long term tenancies and the tenant intends to stay longer than 2 years.

Relevant quotes

Landlord

None, it isn't their property and I wouldn't trust any of the tenants I have had to do a proper job as most can't even keep a property tidy. Adding a non-fixed temporary access ramp while I sort out getting one put in would be OK. A tenant shouldn't have any

right to freely interfere with a property that isn't theirs, if they don't like it they should find somewhere else to live.

Landlord

The answer depends on the property. in some instances it may require too much remediation to repair a wall. Tenants do not seem to understand that if they damage one part of a wall, usually the entire wall has to be painted. I have also had to clean up where they created gardens and left a mess on what was the lawn. One even dismantled part of the fence to make planters and to add insult to injury, took the planters with him when he departed. Access ramps or mobility aids should typically be installed by ACC certified installers.

Landlord

Any of the above create damage to the walls, it's generally acceptable that tenants put in books and so on to hang paintings, but securing furniture will leave damaging marks. If a tenant stays a few years, (and I have had tenants stay 10 and 20 years) then it doesn't matter , but if it's a newly painted flat and the tenant stays six months then it's not acceptable to have to repair walls .

Landlord

A reasonable landlord should accept adding pictures etc but should expect it to be done the least damaging way possible, some people are terrible at hanging pictures/wall mounted tvs etc and can cause quite a bit of damage trying

Question 2.3.9

Do you think the advantages, disadvantages and impacts of each of the options in the discussion document have been correctly identified?

- Yes
- No

If you answered no, what would you add or change?

Quantitative analysis of question 2.3.9

Table 133 Question 2.3.9 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,312	64.2%
No	731	35.8%
Total	2,043	100.0%

Table 134 Question 2.3.9 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	82.4%	55.7%	55.3%	55.6%	57.1%
No	17.6%	44.3%	44.7%	44.4%	42.9%

Table 135 Question 2.3.9 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	41.1%	49.8%	8.0%	0.8%	0.3%
No	15.7%	71.1%	11.6%	1.1%	0.4%

Thematic analysis of 2.3.9

Major themes

- The options are skewed too far in favour of the tenant, landlords need protection.
- Blanket rules are too hard to apply to the diverse range of locations, types of rental property and tenancies. There is too much subjectivity in the language and too many variables that are particular to each circumstance.

Minor themes

- Permission is needed; an affirmative response is required as no alterations should be possible without prior discussion.
- No, the options need more work. There needs to be some consideration of health and safety issues, and liability.

Other points of interest

Tenant, landlord/homeowner

... landlords and property managers are required to get references from their tenants ... but land lords and property managers we have to take at face value, we don't get to check them out.

Relevant quotes

Landlord

The whole premise is one sided. The unintended consequences would be large.

Tenant

No. Your example of Oscar with his shelf could ruin gip and paint. This is not cheap to fix for the landlord. All modifications should require a request to the landlord.

Tenant

There are so may variables and different situations to every renting situation. One rule cannot fit all.

Landlord

Each option lists one advantage and disadvantage. (Well, some options list two disadvantages.) I have no confidence that signification consideration has been given to each option. Someone has come up with one or two obvious advantages or disadvantages and said "job done, box ticked!" I'd like some evidence of rigor.

Question 2.3.10

If the government was to develop either option 1 or 2 further, which model do you prefer and why?

- Option 1 - a landlord has 21 days to consider a tenant's request, after which they are deemed to have agreed to reasonable modifications.
 - Option 2 - tenants have a statutory right to make specified modifications.
- Please explain your answer or provide an alternative option.

Quantitative analysis of question 2.3.10

Table 136 Question 2.3.10 Quantitative overview

Response	Number of responses	Percentage of Answers
Option 1	1,752	78.1%
Option 2	492	21.9%
Total	2,244	100.0%

Table 137 Question 2.3.10 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Option 1	81.1%	77.1%	78.9%	68.2%	31.3%
Option 2	18.9%	22.9%	21.1%	31.8%	68.8%

Table 138 Question 2.3.10 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Option 1	31.9%	58.0%	9.0%	0.9%	0.3%
Option 2	26.4%	61.4%	8.5%	1.4%	2.2%

Thematic analysis of 2.3.10

Major themes

- Option one as it is a landlord's right to refuse modifications that don't meet their personal preferences for their property. Landlords must be able to refuse modifications to maintain control of their assets.
- Option one is fair and reasonable, more respectful or at least better than option two.
- Option one - written agreement is required for modifications as it means less contention, modifications can be included in the tenancy agreement.
- Option two is better than one as it is a tenant's right to make minor modifications that enhance the property or are easily reversible.

Minor themes

- Option one - the 'reasonableness' of the request depends on specifics of; property, tenancy, tenant, quality of the work, reinstatement costs, the ability of the tenant and the value of the property.
- The 21 day time period may need to have the option of extension in certain circumstances.
- There should be no passive agreement and there needs to be a process to prove the request has been received.
- Option two - it depends on details, both or a combination of options should be developed.
- Some modifications can be urgent meaning 21 days is an unreasonable timeframe.

Other points of interest

Tenant

Statutory right to make specified modifications but then a process to consider tenant's request and the ability to have a third party evaluate whether it's reasonable if declined (third party through tenancy tribunal etc., tenant paying nominal fee for the advantage)

Tenant

How about option 3: non-response of a landlord is a "no" to the request, at which point a tenant can bring up the issue with the tenancy tribunal if they feel this is unreasonable

Tenant

Hanging pictures could leave 100 holes in a wall. There needs to be real guidelines on what can or can't be done.

Tenant

(Option one) Encourages a relationship between the landlord and tenant and covers a wider range of issues than a statutory provision allows. It also reduces risks for both landlord and tenant e.g. if a tenant wants to put screw hole in the wall and damages a water pipe or electrocutes themselves - who's liable? The landlord is better positioned to advise where it's safe to hang hooks and what would be considered a reasonable type/number of hooks and in being involved in the decision is more likely to take some responsibility for any damages.

Relevant quotes

Tenant

For Option 1, tenants have to ensure landlords received the request. Acknowledgement is required by landlords.

Landlord/homeowner

I don't like the idea of unauthorised modifications so want to have considered the request and responded without any "deemed to be agreed to".

Tenant

Under no circumstances should the tenant have a right to make changes to a rental accommodation without the landlord's written consent. That would create a costly legal nightmare and the tenancy tribunal would be unable to cope with this. Tenancy bonds would need to increase for the removal of unwanted modifications.

Tenant, landlord/homeowner

Specified modifications cannot account for the different house builds. Eg. For some houses you cannot place hooks or nails into the walls without causing significant damage, such as cinderblock walls, so it is preferable to have flexibility. However there does need to be a caveat for if a landlord is unable to be contacted by the tenant, so the request must be acknowledged before the 21 days starts.

Tenant

Earthquake-proofing measures should be undertaken as soon as anyone will do it. There shouldn't be a delay on something like that. A bookcase falling on a kid could kill them.

Tenant

Only for very minor options. Anything other than screws/nails/ fixing furniture to walls no passive acceptance of the request should be allowed.

Tenant

Tenants have a statutory right to make x, y, z, modifications. Landlord has the right to notification AND to object (and there might be valid objections such as this is a heritage house and you don't make holes in 100 year old kauri). No work starts unless tenant comes up with \$4000 bond for fixing the kauri timber afterwards (if it's possible to fix) at which point tenant decides they don't want the modification anyway. TT can still decide if agreement not able to be reached. I don't see it as a Option 1 or Option 2, you can have a predefined list but also allow for the other path for items not on the list. I would prefer the Option 2 solely because my current experience is you get a 'no' as a standard response. Then I have had to go to TT to get the modification as a tenant, whereas, if the landlord had to go to TT to stop me they might be more reasonable in the first place. Now for

someone like me who has gone to TT so many times it's unlikely a landlord would ever rent to me again if they checked, going to TT doesn't matter for something like a heat pump. But if you've never been and want to keep your clean record, the landlord basically can say no in confidence a tenant wouldn't risk their reputation over getting a heat pump, no matter how unreasonable they are being.

Tenant

Refer Option 2 - 82. An advantage would be "less time taken to reach an agreement". It is not hard to flick an email saying I want shelves in my bathroom and receiving a reply saying yes or no. If more discussion is needed then it was never going to be acceptable under Option 2.

Tenant

This is a presumptuous and leading question that should have had three options - the first being to retain the status quo. Option 2 is the lesser of the two evils as it results in the least amount of cumbersome communications about minor matters. It does not prevent DIY Disasters by tenants who have no practical skills, but 'have a go' anyway

Renters United stated:

The above proposals are just a start. To fix renting, much more is needed to address the power imbalance between landlords and tenants. This should include licensing and regulating property managers; funding tenant advocacy services; reforming the Tenancy Tribunal; and requiring all landlords to register when they lodge bonds.

8. Overview of keeping pets in rental properties

This section contains 10 questions on the challenges with keeping pets in rental properties. A considerable number of submitters commented on the desire to make it easier to have pets.

8.1 Tenants with pets have difficulty finding accommodation

Many report difficulties finding accommodation with pets.

My husband and I have been in our current rental for over 3 years and have proven ourselves to be good tenants (we also have excellent references from previous landlords) but we are not allowed to have pets.'

It's a really struggle for me and my husband to find a house with pets. We have two long haired chihuahuas, and find it so hard to be able to have them live with us when we find try to look for a new rental place, it's 1 in every hundred will actually consider it.

As a long term renter and pet owner, I would so appreciate being able to have my pet in my rental without the struggle I have now. I would say only 10% of current rental properties allow pets and most of the time they classify that as a goldfish or cat, so for someone like me who has a dog, I always have to spend a lot of extra time trying to find a property. Those looking to rent indicate there are few opportunities to rent with a pet.

We have offered to pay an additional pet bond and any additional costs like installing a new gate but still we have been refused. We have looked at moving but only a very, very small percentage of rentals allow pets.

I sold my family home three years ago and since have found it extremely difficult finding a place to rent with my dog.

I am currently in the process of looking for a rental and have a small dog it is very stressful trying to find a property to rent that allows pets and nine times out ten they will give it to the ones who don't have pets.'

'I have been living in my car off and on for two months because I have a dog. People continue to judge and reject me based on the fact that I am a dog owner and don't fit their no dog policies.

Would like this to change, we are a retired couple with a small dog and a cat, we live miles away from our family as the rent is not only cheap, our landlords allow pets. We have been looking to move closer to family because of health reasons, and lack of doctors in our area, sadly pets are not allowed in most rentals now.

I'm wanting to get my own dog next year but as it's near impossible to get a flat in Wellington that allows pets, let alone dogs, I'm having to rethink whether I can go through with my decision.

We brought our 2 dogs from South Africa with us. The reason we did this was because they are part of our family and because South Africa has so many unwanted pets in their rescues we could not leave them behind. It is nearly impossible to get a decent rental that allows pets. I have also noticed that many New Zealanders have to give their beloved pets up when they have to move.

We are now in our 60s and there are no rentals that will allow us to have our dog with us up here.

Owning a pet may incur additional cost or reduce attractiveness to landlords.

Even then once I find one that is suitable (i.e. will allow dogs), those without pets are always given priority over those with, or you are asked to pay exuberant amounts of additional money per week for each pet you have.

8.1.1 Tenants are attached to their pets and see them as part of the family

The reasons given range from the close nature of attachment between the pet and the family, through to emotional and wellbeing benefits from pet ownership. Some of those referencing security and attachment include statements such as:

Having pets in a rented property is beneficial on so many levels: it's proven that dogs, even small ones, can prevent theft and alert of an intruder (mine did!).

My dog ... most importantly is a part of my whanau, who deserves a warm, loving home.

My housing manager said I wouldn't be allowed my dog at my new home they are transferring me to. This breaks my heart, she has been a great friend to our children, she has kept burglars at bay. Before we had her our house had been broken in to 4 times over 3 years. Housing wouldn't allow us an alarm so we got a dog and hid her on the property. She has been with us for 6 years and is part of our family. She is well trained, loving, sociable and loved by our whole family. Please help us keep our fur baby

My husband is [deaf], and therefore when I fall he can't hear me, yet our wee dog can let him know I need his help, she also let's us know when someone is at the door or on the property! She's a great comfort to us, just as the cat is.. they are not just pets but family!

I have two German Shepherds that are well behaved and i can tell you know if i had to move out of my rental in which i have been currently renting for 15yrs i would go and live in a bustop with my dogs there is no way i would give them up they are the only thing i have got and i am single and now my kids are adults and have left home my dogs are very much part of me.

The benefits of having a pet, for our family, has been phenomenal! I suffer from depression and besides my own kids, my fur baby brightens up my day. ... It's also a great deterrent for break ins etc. everyone that comes to our gate would not dare think of just walking in. Our dog is not vicious, (she is a husky), but just the sight of a dog keeps unwanted persons away.

The references to mental health were general but consistent across submissions:

He [the golden retriever] helps so much with my mental health.

I truly believe the importance of having cats, dogs and rabbits in a human life. It helps the mental health and stress of our human mind [immensely].

... ..pets seem to have a calming, helpful and positive benefit for those people so how can they not be positive for everyone I absolutely believe, 100%, that pets should be allowed in rentals.

I have a dog and as a sufferer of severe anxiety and depression, not to mention loneliness, my dog is more than just a companion. She is family and a critical part and role in emotional support and helping to manage my illnesses. With my dog I am better able to cope with daily living and related tasks. She is a reason to get up in the morning, a reason to keep going. A comfort when having an off day. Without my dog, it is not long before I am unable to leave the house or even go outside at all. I don't look after myself and the thoughts of suicide evermore present and more constant. My stress levels go through the roof. I am more angry, unable to focus. I don't sleep. When dog is with me, all these symptoms fall away to a manageable level, to the point where I can consider re-entering the workforce.

I struggle from anxiety and absolutely love having animals around as they reduce stress for me.

Some other health benefits are identified by submitters

New Zealand got one of the highest statistics for asthma, and having pets from infancy could potentially lower asthma symptoms according to a study done by the American National Institutes of Health(<https://www.nih.gov/news-events/nih-research-matters/infant-exposure-pet-pest-allergens-may-reduce-asthma-risk>)

8.1.2 Tenants may want pets and choose not to have them, or have them without consent

Tenants acknowledge they would like pets but can't have them.

I feel sad that my kids won't be able to grow up to know the value of a pet and learn how to care for it. Nor will they learn the beauty of an animal's love. I had hoped my kids would be able to learn to deal with grief and loss through having a pet, rather than my own death.

Landlords report that some go ahead and keep pets anyway without consent. Here is one example of a landlord's statement on the issue.

Many of our tenants have gotten cats even though it is stated in the tenancy agreement no pets. Which then led to fitting a cat door. We have been lenient when this has occurred as the tenant has usually proved they are a good tenant by then. Unfortunately cat doors allow stray cats to enter. We have had cats spray inside which is horrendous. We have had cats cause damage & staining to carpets. Quite frustrating when you have new carpets.

8.1.3 A sense of unfairness and references to other cities/ countries having different attitudes

There is an innate sense of lack of fairness expressed by some pet owners:

If we are paying \$580 per week surely we deserve the opportunity to make our rental our home.

Me and my husband both 30 will not be able to afford to buy a house in a long time, and having no children we class our pets as our children.

Pets should be allowed in any rental as part of the family. Children cause more mess

Overall, I would like to rent a property without being discriminated against as a pet owner, and think the legislation should be changed to reflect this.

I find it to be almost prejudice.

Pets should not be looked at as a luxury item or a hinderance just because someone cannot afford to buy a large house. As long as they are cared for, the owners takes care of the costs and they are not hurting anyone, they should be allowed. I really do feel this is discrimination against the younger generation who have less money to make major purchases such as a large house but still have enough money to care for a pet.

Submitters note that other cities and places are more amenable to including pets in renting situations.

Hi there, I['d really like the committee to consider allowing tenants to have a dog or car as they now do in Melbourne. It's so hard for me to find a place to live even though [I] have excellent references ...

I would like you to allow pets in rental properties as they now do in Melbourne.

I don't understand why it is so unfair in New Zealand regarding this - in America for example you can just pay an extra fee to have pets in apartment dwellings and rentals and it's normal.

There is a sense of hardship if pets can't be owned because of limited access.

As a renter for the past five years I have not ever been able to own a pet which has been depressing for my husband and I.

People like myself - single, on a single income, are marginalised in terms of not being able to own property and therefore get a dog.

8.1.4 There is less sympathy for the landlords perspective

Renters are not sympathetic to landlord concerns.

1. We pay enough in rent with nothing being actually done to a lot of homes whilst the tenant is in there. 2. Pets are only messy if you allow them to be messy and if they do make a mess any normal tenant would clean it up anyway. 3. Houses need to be cleaned before you move out - this would obviously be to a standard that any dirt or fur etc would be cleaned up.

If one has good references and you are prepared to pay damages should your pet destroy something we should not be discriminated against. I have seen rentals that are disgusting and filthy and these tenants don't even have pets.

8.1.5 The suggested solution is legislative and extends to body corporate rules as well as rentals

The issue of pets and body corporate rules came in for some comment.

A significant issue for both tenants & landlords in respect of apartment/unit titled rental properties is that compliance with body corporate rules is an essential requirement of any tenancy. One issue is that rules commonly prohibit pets on the basis of possible nuisance to other building occupants & other rules are common that could be in conflict with any legislative requirements that are not designed to accommodate common body corporate rule regimes.

Just wanted to email in and express how much I'd like to see the law changed around landlords and bodycorps being legally allowed to ban pets from houses and apartments whether rental or owned. Please change the law so that people are allowed pets again.

The solution seen is legislative.

I would like there to be a change in legislation that will allow pets in rental homes, unless a special exemption is applied for.

Please change the tenancy act to allow me to rent with my dog. It would be a million times easier to then find a house that won't be crappy and cold or live far away from work.

Please allow pets in rentals as mandatory by law. These rules need to change to be more inclusive to families with pets.

I am writing to you to please take in to consideration and adoption of the pets allowed in rentals in similar fashion of what's recently come in the Australian state of Victoria

8.1.6 Those that do find a rental are very positive

A number of renters report they have found rentals and are positive about it, but these submissions are few in number.

As an animal lover and dog owner I am very grateful that our landlord put our rental as an animal friendly place . The section is well fenced and the exceptional big section allows lots of room to exercise. We have had this rental now for 8 years and had a dog for 7 years.

I am lucky to have found our current rental, and I must say it was hard, but it would be lovely to be able to secure a rental without so much heart ache or disappointment just because we have a pet.

8.2 Landlords feel equally strongly

Landlord submissions on pets were numerous.

8.2.1 Private property rights arguments are prominent

Landlords and property managers raised rights-based arguments in favour of their choice not to allow pets. In essence, as an owner who has paid a large sum of money for an asset, they thought that decisions on pets should be made by them, not anyone else.

I believe that the owner of a property should have ultimate discretion on allowing pets. It shouldn't be an owners choice.

A land lord owns the property. They must be able to specify whether a tenant can keep a pet to be able to protect their investment. It is not a 'right' to own and keep a pet. if tenants want a pet then buy their own home.

Allowing animals – especially dogs is unreasonable. I have never gone to a house where the tenant is first to open the door, the dog is always first. Dogs do not wipe their paws, brush their coats or wash regularly. Owners are too lazy to assist them in these duties. My houses have carpets and there is no way I want a dog inside, that is why I don't own a dog.

Yes, it's a landlords property. He/she should have the ability to set the conditions under which he/she rents it out. Tenants have a choice: don't have a pet and secure a property, or have a pet and risk not finding a property.

This is a person's private property and if he/she doesn't want pets on his property that's his/her right.

The grounds to refuse a tenants'request are that the landlord owns the property.

Firstly, I would like to say that these reforms are ignoring a very important principle. That is, the asset belongs to the landlord. It does not belong to the tenant.

Our current rental property is ruraly situated. We allow our tenants to have some pets, But I think it should be at the discretion of the landlord, as I have seen the thousands of dollars of damage that unfit animal owners have made to property, and neighbouring property. I don't believe there could be a sound, fair process to decide whether a person who hasn't had pets in the past, can be a responsible pet owner. I have also seen thousands of dollars of neighbouring stock killed by irresponsible naive, pet owner tenants. therefore I believe it should be at the sole discretion of the landlord.

8.2.2 Potential for costly damage is major concern for landlords

Landlord experience of tenant's pets has not always been positive. Damage to their property is often cited by landlords as the main concern with pets:

We have had tenants keep pets, mostly dogs and cats. They have inevitably resulted in damage to the house and its surrounds without appropriate remediation or compensation. As a consequence, we have refused pets. Problems have been due to noise from dogs upsetting other tenants; dog droppings destroying grass and lawns; doors being scratched to the point

that they have to be replaced (the cost being well above the bond); failure to adequately clean following end of tenancy (even with a commercial cleaner dog hair continued to be found in furniture and fittings for months afterward.

Another had a cat that [shredded] the new carpet. Dogs that scratched up the rimu floors. ... I don't want animals in my home after I've seen the damage they do and tenants have no way of paying for the damage even if we were able to get them to fix it.

It is reasonable to expect that pets will cause damage. Having said that, it is not unreasonable for the court to deny compensation to landlords for pet damage as, by letting the pet reside in the property, the landlord has accepted that damage will occur.

In my experience as a landlord, the times pets have been on my properties, has resulted in fleas, stained carpets and excessive dog barking, upsetting neighbours.

I have allowed some pets, but only if the tenants have convinced me they are responsible. I know of one property, where the tenants had cats, and when they moved out, all the flooring had to be lifted and replaced. However, worse was that the floors beneath were wooden and retained the stench of cat pee, so areas of floor also had to be lifted and fixed – a very expensive exercise.

Pets increase the risk of damage to property by orders of magnitude. I lived with a woman for a while that had a cat. The house had an old, basic electric underfloor heating unit. However the cat liked to pee down the floor vent. The smell completely ruined the system and it had to be removed.

My first tenant got a pet dog without my consent, and it immediately started to know everything it could: toilet roll holders; knobs; handles. By the time the tenant left I had to replace all those things, and given the fractious nature of the relationship by then, having them leave was more important.

Animals cause additional damage / wear and tear that we will have to pay for. There is no point in saying that renters will have to do things like clean carpets when they leave as it simply won't happen and this will clog up the system with landlord complaints. In fact your example of cleaning carpets is the only cheap option of trying to restore your property after a pet. What about the expensive examples like structural damage, holes in land, smells that get into curtains etc.

One landlord highlights that she allowed a dog in one apartment but not another because of the lack of access to open space. She did not allow cats because of the difficulty of removing cat urine's smell and because that smell can't be removed by cleaning. If there were damage, then it would mean replacing an expensive carpet, currently not available, therefore requiring carpeting of the apartment.

8.2.3 Peace and privacy may be disturbed by animals

In addition to concerns about potential damage, landlords and property managers consider that pets could have negative effects on neighbour and the living environment:

Yes a landlord should be able to refuse a tenant not having a pet without giving a reason. Disruption of the peace and privacy of other tenants in a multiple occupancy setting with the potential for retaliation is always a concern.

Some apartment blocks where people live right next to each other or on top of each other are not appropriate for pets because of potential noise.

[N]ew tenants with cat allergies being ery uncomfortable due to the lingering effects of cat hair.

We have applied and allowed pets in some circumstances but made them aware that permission will be revoked if the pets become pests for other residents. We have a clause in the contract that at the end of the tenancy, a full disinfectant and clean will be taken form the bond if necessary.

8.2.4 Some currently allow animals and others could be willing to, and others have tried and decided not to

As is evidenced by stories of damage, landlords do allow pets to occupy rentals with their families. Others might be willing to do so if there were ability to hold a larger bond.

A large pet bond, three month's rent would be suitable.

Here is an example of a landlord who now does not allow pets but used to:

We had pets before, but don't allow any now. We had damage like ripped. curtains, scratched wallpaper and doors, damaged carpets (water bowl without mat underneath, scratching by entrance). This was at a time when our properties were looking a bit tired and tenants were still prepared to pay for damage. Because we have now renovated our properties and the new ruling basically means that landlords have to cover the bulk of the costs, we will not allow pets.

One landlord highlights a particular, religious issue with dogs:

Dogs, in my cultures, are considered sinfully unclean. That is, my culture and the religion of Islam cast dogs in a negative light because of their ritual impurity.

8.2.5 Landlords may become more cautious with proposed changes

The consequence of proposed changes has possible ramifications for landlord behaviours:

As a person who owns a two flat property, I have on occasions let people have a pet if I felt the person was responsible and the pet was not going to disturb the other tenants. To date I have never had issues from the pets. Under the proposed legislation I would be more hesitation in accepting a pet if I knew I was going to have more problems with dealing with a problem if it arose. For example a dog that barked and disturbed the other tenants. The proposed legislation may make it harder for some people with pets to find a flat.

If you're proposing restrictions like this, some people may not want to become landlords and that would reduce the rental housing stock available.

Post Osaki we have seen less people prepared to risk pets due to the uncertainty around damage liability. It is grossly unfair to force people to accept a risk they often can't adequately insure against and carry that liability personally.

This landlord predicted they would seek bonds for animals but, as these bonds would be unlikely to cover damage, and insurance would be too expensive, they may likely select on intention to have animals or not.

If it became a tenants right to keep pets we would require a larger bond. Having a bond per animal may stop people keeping large numbers. Even then carpets would most likely exceed being covered. We would not provide gardens as there would be no point. All our properties are fully fenced as they are family homes & we like to provide security for children. To discourage dog owners we would consider removing fences. And we would explore options for insurance to cover damages. However insurance is already costly & this would add to costs increasing rents. Ultimately we would select our tenants based on whether they wanted to keep animals.

8.2.6 Landlords are, to some extent, conditioned by experience

Landlord preference seems to be based on past, negative experiences in some instances. In this example, the landlord had a poor experience of a small dog causing considerable damage.

If the law was changed to allow tenants to have pets we would sell up. Over the years we have had properties destroyed by dogs and cats. We had a small dog in one house. The carpet in the family room was completely wrecked with urine and the dog chewed door frames and the deck. We do allow cats occasionally depending on the age of the cat and the condition of the carpet.

8.2.7 Landlords favour insurance, higher bonds and additional rent as compensation for allowing pets

Notwithstanding the clear signal from landlords against the prospect of pets being routinely allowed as part of tenancies, they did suggest compensatory measures such as mandatory insurance, higher bonds and additional rents:

It would be far cheaper, easier to administer, and more equitable if, as previously suggested the tenant had to carry personal, tailored rental insurance for their rental accidents and indiscretions. Moreover, they could take the insurance with them and their pets, from one tenancy to another.

As already stated, the requirement that the tenant gets insurance to cover the full cost of any damage their pets do and be fully responsible for the damage is required if landlords will be forced to accept tenants with pets. The costs that we have incurred in addressing the damage have always been more than we have been compensated for.

Allow landlords to charge a higher bond amount, more than the maximum four weeks. Introduce a clause in the rental agreement that neighbour complaints about animal noise or misbehaviour are reasonable grounds to remove a tenant.

I would want a much larger bond to cover potential damage caused by pets, or grounds to terminate a tenancy if a pet is causing damage and is likely to cause damage.

The best option would include additional rent to cover the risk of damage – being able to charge an extra \$50 a week for the presence of pets would be an additional option not considered here. Also, not the option of mandatory tenant insurance for pet damage.

I prefer new tenants without pets. If the tenant proved to be responsible, and after time asked to have a pet, I would consider it with a pet bond Again, financial penalties will be uncollectable.

A pet bond is often talked about. Under the current legislation, any security obtained other than 4 weeks rent from a tenant is unlawful. Pets can cause extensive and expensive damage.’ ‘Two options I suggest. ..A large pet bond, three months’rent would be suitable .. The ability to easily garnish a tenant’s income

I wouldn't mind paying an extra \$100 onto the one off bond payment but paying \$100 per week is beyond my budget, especially given the current cost of living and renting in Auckland.

Maybe paying an extra bond would be acceptable.

I would rather pay an extra fee than not being allowed to have a pet at all.

The problem with dogs for example is that no matter how careful tenants are dogs get dirty, wet and if allowed in carpeted rooms it creates an issue in regard to who pays to keep the carpet clean. Depending on tenants to do this regularly or at the end of the tenancy will not work. Trying to recover a bond for not having the carpet cleaned will not work. So if you want people to have pets- the rent would go up to cover the costs. Perhaps this could be a solution? A dog or a cat would generate extra rent by \$10 a week?

8.3 Farmers raise concerns

Farmers raise a number of concerns around the pets on farms in addition to issues of damage and wear and tear. Those concerns are about health and safety of other workers, about food safety and animal welfare.

For our Sheep, Beef and High Country members, dogs are a requirement of the job and will come with the tenant. For others, particularly those in the dairy sector, pets are not allowed on on-farm accommodation because they can create animal welfare issues with the livestock and a Health and Safety risk to other employees. Above all of this is the view that pets, especially those allowed indoors, create wear and tear on the property. Making Tenancy Agreements more enabling of pets, that is permission is no longer required from landlords, could therefore be especially problematic for the farming sector. While yes, we recognise that pets are companions, sometimes in farming they can also cause an issue.

8.4 The evidence base

One submission contained a summary of the evidence base. We replicate this summary of the evidence as submitted in the table below.

Health effects of companion animals

General health and wellbeing:

A number of studies have shown beneficial associations between pet ownership and owner health and wellbeing (Krause-Parello 2012, McConnell et al. 2011, Larsen et al. 1997, Raina et al. 1999). However, where studies have shown that people with pets tend to be healthier and more physically active, the direction of the relationship is unclear (Barker et al. 2008), eg we cannot tell whether physically fit people are more likely to acquire a dog, or whether acquiring a dog makes the owner more likely to become/remain fit. There is also some contradictory evidence suggesting pet ownership may be detrimental to elderly mental and/or physical health (Parslow et al. 2005).

Allergies

Cat and dog allergies are common, with prevalence estimates ranging from 6% in Spain to 25% in Europe (Davila et al. 2018), and animals assessed as the third leading cause worldwide of allergic asthma after mites and pollens (Quirce 2009). Pet ownership was estimated at 64% of households in 2015, with cats the most common household pet (New Zealand Companion Animal Council Inc 2016). Cat allergens can give rise to asthma symptoms in those who have asthma and are already sensitized (Quirce 2009). Removing cats significantly lowers allergen levels and this is enhanced with thorough vacuuming and air filtration to remove existing allergens, though cat allergens remain difficult to remove once introduced (Wood et al. 1989), and they tend to travel: cat allergens have been found on Scott Base in Antarctica, despite the fact no cat has ever lived there (Siebers et al. 1999). The biggest reservoirs are carpets and bedding materials. Cat allergens are often carried on clothing, and are frequently found in low concentrations even in houses that have never had a cat (Custovic et al. 1998). Requiring landlords to accept pets may make it more difficult for people with cat or dog allergies to find suitable rental properties not previously contaminated with a given animal allergen.

Noise

Noise from pets, particularly dog barking and/or whining, may cause stress to neighbours as part of the urban soundscape (Basner et al. 2014).

Zoonotic diseases – cats and dogs

Companion cats and dogs present a range of health risks as vectors for zoonotic diseases (Esch et al. 2013).

Zoonotic diseases – other pets

Rats can spread leptospirosis (Mori et al. 2017); and birds host a range of diseases potentially transmissible to humans (Contreras et al. 2016).

Climate change

There are also health implications from the environmental burden of pets. While cats' environmental toll on bird life is not a human health risk, pet ownership has a heavy carbon footprint (Ravilious 2009) and thus contributes to climate change and associated health risks (Butler 2014).

9. Questions on keeping pets in rental properties

In this section there are 10 questions. While tenants (for) and landlords (against) were at odds on whether pets should be allowed, many of the other questions had similar outcomes between the two groups. For instance, both had similar thoughts about what might be reasonable grounds for a landlord to deny the keeping of a pet. Both tenants and landlords also agreed that should pets be allowed, the tenant should be responsible for any costs or damages caused by the pet, for example, through a pet bond.

Majors themes

There were some common themes between both landlords and tenants

Landlords thought that there should be additional responsibilities for tenants if they were allowed to keep pets, and tenants generally agreed. These responsibilities included:

- Tenants should pay a pet bond and/or increased rent;
- Tenants should provide a reference for pets;
- Tenants should be fully liable for any costs incurred due to the pets;
- Tenants should have the property professionally cleaned at the end of a tenancy;
- There should be a make-good clause; and/or
- Tenants should have insurance for damage caused by pets.

Both landlords and tenants believed that there may be a number of reasons relating to the property itself that might make them inappropriate for pets. These reasons included:

- Property is too small to house a pet
- Property is not fenced
- No outdoor areas (often in specific mention of animal welfare or excretion)
- Poor access (e.g. upstairs, no cat/dog door, unsafe due to proximity to roads or highways)
- Proximity to neighbours such as in apartments
- Body corporate rules
- Nearby native wildlife or farm animals.

Landlords are unwilling to allow pets

There was an overarching theme that the decision to allow pets or not should be at the sole discretion of the landlord. Some noted that owning pets was a privilege and not a right and that tenants that wanted pets should either find somewhere that allows them, or buy their own home. Some noted that even allowing tenants to give reasons for being able to keep pets in rental properties would give too much expectation to the tenants.

Landlords noted that they were worried about a number of things relating to allowing pets in rental properties including:

- Damage to property

- Smell
- Urine and faeces
- Allergies
- Safety/were scared of dogs
- Noise/disturbing neighbours

Many of these issues would result in costs to repair, clean or replace items in the property with many mentions of soiled or damaged carpets and scratched doors. Landlords mentioned that under the current rules (whether they had allowed the pets or not) the tenants are not held liable for these costs (based on experience and/or recent Tenancy Tribunal and court cases).

There were a number of landlords that had previously allowed pets in properties. Of these landlords, there were mixed opinions:

- Some landlords had not experienced any issues or had positive results e.g. tenants tended to stay longer or were grateful for allowing pets
- Others had poor experiences involving the same issues as mentioned above. Many of these landlords noted that they were often left with the costs of repair and cleaning, even if the tenants had previously agreed to do this. Landlords also noted that they have had tenants that broke the rules:
 - tenants agreed to outdoor only dogs that were subsequently let inside
 - tenants had kept pets even without permission.
- Some landlords had had both good and bad experiences

Many noted that the decision to allow pets or not and the overall experience could depend on a number of things:

- The tenant – landlords were more likely to allow and had more positive experiences when tenants were long-term and had already established themselves as being responsible. Some landlords also mentioned a reference check of the tenants being responsible pet owners.
- The pet – many landlords were more positive regarding smaller pets, especially those contained e.g. fish. Cats were more likely to be allowed than dogs, although a number of landlords had previously had poor experiences with cats too. There were a number of mentions regarding the age of the pet and how long the owners had previously owned them for; with an older pet being more likely to be allowed due to a lower likelihood of damage
- The property – many landlords mentioned that they were more likely to allow pets in an older property, rather than a newer or renovated one. In addition there were a number of points regarding the property as being more or less suited to pets (e.g. size), which is elaborated on further in the common themes section

Tenants think pet ownership is a right

Many tenants responded the current situation is unfair, and pet ownership should not be a privilege of homeownership. There were a number of reasons why they thought that pets should be allowed in rental properties; for instance:

- They are a part of the family
- They are good for wellbeing/mental health
- Should not have to explain why they want pets, especially when they don't need to explain why people want children
- Should be innocent until proven guilty
- Children and tenants can cause more damage than pets

Most tenants that have wanted to keep pets in a rental property found it difficult to get agreement, or were told that they were not allowed.

As in the common themes, many tenants agreed with additional obligations regarding the property, however, many disagreed with additional obligations regarding neighbours. These people noted that they should not have any more obligations than homeowners do regarding their pets and neighbours, and all of this should already be covered under existing rules and regulations.

Minor Themes

- Some tenants were against an increased bond or rent, arguing that these were already high enough.
- Allergies were also given as possible reasons why pets should not be allowed in rental properties.
- Some landlords noted that, even if tenants were required to pay costs, it was difficult to get them to actually pay, and that this process/enforcement should be improved. If damage were to occur, some landlords noted that they should reserve the right to terminate the tenancy (including fixed-term arrangements).
- Some tenants have been allowed to have pets, especially cats and 'enclosed' animals such as fish. While many found it hard to be allowed dogs, others have had positive experiences with dogs. A number of tenants mentioned that additional clauses were added to the tenancy agreement to facilitate the keeping of pets e.g. end-of-tenancy cleaning.

Relevant quotes

Landlord/homeowner,

why shouldn't a landlord be empowered to make a choice about a property s/he owns? i like many landlords I'm sure have had considerable damage done to rental properties where authorised or unauthorised animals caused damage.

Tenant

Pets are often considered part of the family, and with most current rentals refusing pets, it makes moving very difficult for those with pets. Pets should not be a status symbol to be owned only by those who own land.

Landlord/homeowner, Property Manager,

Make civil debt easily enforceable and ensure the Tenancy Tribunal does not think that, as I allowed a pet, I allowed the pets damage.

Tenant

normally once i apply for a property, i mention that i have a dog and offer to pay either an increase in rent or bond, such is my confidence that she wont damage the property.

Tenant, Landlord/homeowner

Don't force landlords to accept pets but do introduce a pet bond. Many landlords love animals and would welcome pets but for concerns about property damage, so a bond might be all you need to increase the availability of properties that a pet welcoming. Carpet cleaning bond is too restrictive as animals damage other things. If a pet has been kept inside the tenant ought to get the carpet cleaned as a matter of course to remove allergens and traces of faeces before the next tenant moves in. Next tenant should not pay for past tenants actions but probably does a lot.

Tenant

Keeping a pet is a human right, and vastly increases the quality of life of the pet owner(s). Unless the property is unsuited to keeping a pet (e.g. outdoor dog on a property that has insufficient fencing, livestock in an urban environment), there should be no reason to refuse the request to keep a pet. Issues with nuisance pets can be enforced through the usual channels (Council etc). Issues with damage/cleaning can be handled in the usual way (tenant must clean/repair/pay for professional cleaning).

Renters United stated:

No, the tenant already provides a bond, from which the landlord can recover any pet-related maintenance costs. Any other form of payment to landlords for the right to keep pets should be considered key money and prohibited.

Renters United stated:

Renters should not be required to disclose if they have a pet when applying for a rental property as this may expose them to unfair discrimination.

Question 2.4.1

Should a landlord be able to refuse a tenant's request to keep a pet without giving a reason?

- Yes
- No

Quantitative analysis of question 2.4.1

These tables contain the data from the landlord survey data responses question 5A

Table 139 Question 2.4.1 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,821	63.6%
No	1,042	36.4%
Total	2,863	100.0%

Table 140 Question 2.4.1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	27.0%	84.5%	89.8%	87.5%	22.0%
No	73.0%	15.5%	10.2%	12.5%	78.0%

Table 141 Question 2.4.1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	13.0%	75.2%	10.3%	1.0%	0.5%
No	67.4%	26.5%	2.3%	0.3%	3.5%

Thematic analysis of 2.4.1

Major themes

- Many of the landlords that responded yes noted that it was their property and therefore their right to refuse. They also noted that pet ownership was a privilege and not a right
- Many of the 'yes' respondents noted that one or more of the following reasons
 - animals cause damage to properties;
 - the required cleaning after the end of tenancy;
 - issues for people with allergies e.g. landlords or future potential tenants;
 - noise; and/or
 - safety issues.

They also noted the cost to repair, and some noted that the responsibility of the costs often ended up with the landlord since the Osaki case precedent.

- Many of the tenants that responded no noted that it pet ownership is a right, and not a privilege of home ownership. They also noted that pets can be part of the family, good for wellbeing.

Relevant quotes

Landlord/homeowner, Property Manager

The Osaki high court case decision still continues to drastically effect the landlords confidence in offering pet friendly homes. Once tenants return to being liable in full or careless and negligent damage the landlord must still remain in power to deny tenants pets in their homes. If a reason is needed that suggests there would be cases where there may not be a "sufficient" reason, which opens up the landlord to risk of tenant retaliation.

Tenant

Keeping a pet isn't a right, and pets can and do damage houses. If a landlord has to keep a property warm, safe and dry and well repaired and modified etc - then it is reasonable to allow them to prevent animals that can devalue their asset that they are required to maintain out if they want to - give the owners some rights as well. If the govt is so keen on enabling tenants to have pets then allow them in state houses.

Tenant

Pets are part of people's family. There are many instances of people having to give away their pet because they have been unable to find a home where their pets are allowed. I also know of situations where people have just hidden their pets at their rental properties because it was either that or be homeless - abandoning a member of one's family is just not an option. What makes it particularly ridiculous is that these people would have been perfectly happy to pay a pet bond/ pay for any damage but they just weren't given this option. I just searched rental properties on TradeMe. There are 9210 available nationwide. When I limit it to "Pets OK" it goes down to 1302. When I limit it to Dunedin there are 584 properties altogether but only 24 allow pets. That's about 4% of rentals in Dunedin that allow pets. Apparently about 64% of households contain at least one pet. This situation unfairly discriminates against renters.

Question 2.4.2

If you are or have been a tenant, what has been your experience seeking agreement to keep a pet in a rental property?

Thematic analysis of 2.4.2

Major themes

- Many respondents noted that there were very few properties that allowed pets, and therefore more difficult to find these properties
- Many respondents noted that they have often been denied pets, while many others noted they have had no issues, especially after establishing themselves as responsible tenants
- Many noted that it depended on the animal, e.g. landlords were more agreeable to cats (and other smaller animals) than dogs. Some also noted that enclosed pets, such as fish, were more likely allowed

Minor themes

- Some respondents noted that they agreed to pay additional rent/bond to own a pet
- Some respondents noted that they have not attempted to ask as there is a no pets clause in their agreement

Relevant quotes

Tenant

It was very difficult! With one old cat we had a lot of places that did not allow pets of any kind (including one that stated we were not even allowed to have any fish!!!), i cant even imagine how difficult it is for people who have dogs.

Tenant

They've always said no without reason - just because they "don't like pets" personally

Landlord/Homeowner

We were able to have pets, but were able to show we were responsible owners. We had the carpets cleaned at our expense on moving out.

Question 2.4.3

If you are or have been a landlord or property manager, what has been your experience allowing tenants to keep pets at your rental property?

Thematic analysis of 2.4.3

Major themes

- Many of respondents that have allowed pets noted that they have had some poor experiences. These respondents noted damage, such as chewed/scratched doors and floors, damaged or soiled carpets, ripped curtains, smell, urine and feces. Some of these respondents noted that the tenants failed to repair or clean, resulting in costs to the landlord
- Many respondents noted that they have not had any issues yet

Minor themes

- Some noted that they have allowed pets to longer term tenants, and this can help keep tenants
- Some noted that tenants had broken the rules. For instance, owning pets when they were not allowed, keeping dogs inside when an outside dog had been agreed, or keeping more pets than initially agreed.

Relevant quotes

Landlord/homeowner

mixed, if the property is suitable and the pet is well cared for i am happy to allow this, but i need to know that the house and the pet will be safe. in my experience pet owners stay longer so i like them and the only damage i have had to properties are from tenants and children, never pets so i have no problem with pets

Landlord/homeowner

They usually break the rules!!! Increase numbers, and have dogs inside. No respect

Landlord/homeowner

More damage than can be claimed at the Tenancy Tribunal because, as a landlord, I should have expected that a pet would dig holes, scratch walls etc. It was, and often is, classed as normal wear and tear considering I let a pet into the property.

Landlord/homeowner

Usually people with one or two animals are more reliable than people without pets but there is always avoidable damage that has occurred to the property, the dog doesn't know it can't scratch the door etc. And it would be really really nice if tenants would keep the dogs toileting cleaner, so as not to always be in danger of stepping in something you shouldn't

when trying to access the property. I did have one tenant who had a cat that she kept permanently in her bedroom and it 'toiled' everywhere, it was disgusting, destroyed the carpet and also I had to have the timber flooring replaced as the urine had seeped through to that as well and the smell could not be got rid of.

Question 2.4.4

If you are or have been a landlord or property manager, and you withheld permission for tenants to have pets, why did you do so?

Thematic analysis of 2.4.4

Major themes

- Many of the respondents repeated the same issues surrounding damage (and inability to recoup costs for repair), cleaning, allergies, and safety. Some noted their previous poor experiences involving these issues

Minor themes

- Some noted that the property was not suitable for pets; for example, body corporate rules, lack of fencing, lack of cat/dog door, proximity to road or highway, proximity to neighbours and/or lack of outdoor space

Relevant quotes

Landlord/homeowner

I own a unit in a body corp and it is our ruling that no dogs are allowed and we discourage tenants with cats. Our units are too close to one another and also unsuitable for pets as there is not much grass we are also beside two busy roads which are very dangerous for cats to live beside.

Question 2.4.5

Which of the following might be reasonable grounds for a landlord to object to a tenant's request to keep a pet?

Question 2.4.5.A

Suitability of premises for a specific type of pet.

- Yes
- No

Table 142 Question 2.4.5.A Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	2,235	92.5%
No	180	7.5%
Total	2,415	100.0%

Table 143 Question 2.4.5.A Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	92.7%	92.2%	95.8%	100.0%	95.0%
No	7.3%	7.8%	4.2%	0.0%	5.0%

Table 144 Question 2.4.5.A Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	32.4%	57.9%	8.0%	0.8%	0.8%
No	32.8%	62.1%	4.5%	0.0%	0.5%

Question 2.4.5.B

Body corporate rules or a covenant which prevents residents from keeping pets on the property.

- Yes
- No

Table 145 Question 2.4.5.B Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,896	86.7%
No	291	13.3%
Total	2,187	100.0%

Table 146 Question 2.4.5.B Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	86.0%	87.1%	85.3%	89.5%	92.3%
No	14.0%	12.9%	14.7%	10.5%	7.7%

Table 147 Question 2.4.5.B Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	32.6%	58.5%	7.6%	0.8%	0.6%
No	34.5%	56.1%	8.5%	0.6%	0.3%

Question 2.4.5.C

The condition of the property is such that the type of pet requested could cause a level of damage that could not reasonably be recovered from the tenant.

- Yes
- No

Table 148 Question 2.4.5.C Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,884	80.8%
No	449	19.2%
Total	2,333	100.0%

Table 149 Question 2.4.5.C Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	58.2%	93.0%	95.0%	100.0%	92.9%
No	41.8%	7.0%	5.0%	0.0%	7.1%

Table 150 Question 2.4.5.C Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	22.8%	66.2%	9.5%	0.8%	0.6%
No	74.8%	22.6%	2.3%	0.0%	0.2%

Question 2.4.5.D

The landlord believes that allowing a pet will interfere with the reasonable peace, comfort or safety of other tenants, neighbours, or representatives exercising functions on their behalf.

- Yes
- No

Table 151 Question 2.4.5.D Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,748	77.0%
No	523	23.0%
Total	2,271	100.0%

Table 152 Question 2.4.5.D Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	76.5%	77.4%	72.3%	63.2%	0.0%
No	23.5%	22.6%	27.7%	36.8%	0.0%

Table 153 Question 2.4.5.D Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	33.1%	59.1%	7.2%	0.6%	0.0%
No	33.3%	56.5%	9.0%	1.2%	0.0%

Question 2.4.5.E

Other

- Yes
- No

Table 154 Question 2.4.5.E Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	408	69.3%
No	181	30.7%
Total	589	100.0%

Table 155 Question 2.4.5.E Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	68.3%	68.4%	64.0%	66.7%	92.9%
No	31.7%	31.6%	36.0%	33.3%	7.1%

Table 156 Question 2.4.5.E Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	31.0%	58.7%	7.0%	0.4%	2.8%
No	31.4%	59.0%	8.6%	0.5%	0.5%

Themetaitc analysis of 2.4.5

Major themes

- Most of the respondents of all types agreed that the suggested reasons were reasonable grounds to object to a tenant's request to keep a pet
- Many noted that some properties were not suitable for a pet due to:
 - Lack of fencing, outdoor area, cat/dog door, access
 - Proximity to neighbours, children (and therefore safety), wildlife, the road or highway
 - Body corporate rules

- The property is too small
- Potential large damages to new or newly renovated properties, which may not be able to be recovered
- Those that responded no to these questions often noted:
 - Body corporates should not be allowed to prevent a pet
 - A pet bond could cover damages
 - It should not be for the landlord to decide on whether the neighbours would be disturbed
 - Disturbing the peace is relevant for homeowners and tenants alike, and therefore should be dealt through the same process

Minor themes

- Some landlord respondents also reiterated their belief in the right to say no, while some tenants reiterated their belief in the right to pet ownership

Relevant quotes

Tenant

Other tenants perhaps if it is a shared flat and they are organising the other flat mates But neighbors? No A landlord who has never met my dog cannot say that he will break the peace or comfort of others

Landlord/homeowner

We have had experience of a large barking and growling dog which we agreed to on the basis the owner and her mother insisted it was a lovely quiet dog. This dog came with a reference, yet scared the neighbours' children and barked while its owner was away at work. It also killed the grass in it's fenced area. Other tenants in the same property have had cats which have made themselves at home in a neighbour's home when she left the door open and used her garden as a toilet. She doesn't like animals so why should she be subjected to other people's?

Landlord/homeowner

I would agree with this statement from a safety and noise perspective but a landlord would have no idea whether the animal was dangerous or noisy until after the tenant moved in.

Tenant

This is an issue, but - as per anti-social behaviour - it's one applies equally to tenants and homeowners, and should be handled through the same mechanism in all cases.

Question 2.4.6

Would it be more effective if tenants instead gave reasons why they should be able to keep pets in rental properties?

- Yes
- No

Table 157 Question 2.4.6 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	911	37.5%
No	1,519	62.5%
Total	2,430	100.0%

Table 158 Question 2.4.6 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	46.1%	32.2%	33.8%	47.6%	27.3%
No	53.9%	67.8%	66.2%	52.4%	72.7%

Table 159 Question 2.4.6 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	41.3%	49.8%	7.6%	1.0%	0.3%
No	28.5%	61.7%	8.8%	0.6%	0.5%

Thematic analysis of question 2.4.6

Major themes

- Most respondents noted the same or similar reasons to those in question 2.4.1
- Many respondents noted that a tenant could make their case, but the landlord should have the final decision

Minor themes

- Some landlord respondents noted that giving tenants the ability to provide a reason would create too much expectation and could lead to disappointment and conflict
- Some tenant respondents noted that they should not have to give a reason (or not give a reason beyond wanting a pet).

Relevant quotes

Landlord/homeowner

Opens up too great an expectation and could lead to disappointment and conflict. Owners should have an overriding say on what happens in their property.

Landlord/homeowner

perhaps, but emotional reasons to modify legal agreements that affect financial assets is a recipe for disagreement!

Tenant

The reason is just they want a pet! They should be allowed to make it a home without an indexed list of reasons.

Question 2.4.7

Do some premises have specific attributes that mean they are inappropriate for some types of pet? If so, can you give examples?

Thematic analysis of 2.4.7

Most respondents responded very similarly to question 2.4.5

Question 2.4.8

What changes to the law could be made to compensate landlords for potential damage to rental properties, if tenants keep pets?

Landlords survey question

What could the Government do to make you feel more comfortable about allowing pets on your property? Please select a MAXIMUM OF 3 responses.

Table 160 Landlords survey question 5D Part 1.

Response	Number of responses
Compulsory renter's insurance or some kind of 'insurance' that pays for reparation if required	72
Laws where tenants are accountable for damage done by their pets	73
Specific pet bond	64
The ability to increase rent (update tenancy agreement) to compensate for the risks of having pets	57
Compulsory professional cleaning after tenant vacates (including carpet/drapes)	63
Compulsory professional cleaning of carpet only after tenant vacates	66
Laws where tenants who leave their pets behind are charged with animal neglect	46

Thematic analysis of 2.4.8

Major themes

- Many respondents noted that compensation for potential damage could be covered by:
 - pet bonds
 - increased rent
 - compulsory professional cleaning (many specific mentions of carpet and curtains
 - responsibility of tenants for all damage, unintentional or not
 - pet insurance

Minor themes

- Some landlord respondents noted the lack of enforcement/ability to get tenants to pay for repairs and that this needs to be improved

Relevant quotes

Landlord/homeowner

Surety of compensation would be a start. None of this accidental versus deliberate. Also how does one get compensation from a former tenant who has no funds to pay or dissapears? Will govt pay me?

Tenant

tenants should seek rental insurance that covers damages by pets, and that should be in the tenancy agreement.

Tenant

Pet bond would be obvious, perhaps of equal value to tenancy bond. Increased frequency of rental inspections. Maybe even trial period i.e. short term tenancy extended to longer in some cases, if landlords felt tenant's animals were suitable for property.

Question 2.4.9

Do you support the introduction of specific obligations in the RTA for tenants who keep pets, in regards to their rental property and the peace and comfort of their neighbours?

- Yes
- No

Table 161 Question 2.4.9 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,802	76.6%
No	549	23.4%
Total	2,351	100.0%

Table 162 Question 2.4.9 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	79.2%	74.8%	76.2%	70.0%	40.0%
No	20.8%	25.2%	23.8%	30.0%	60.0%

Table 163 Question 2.4.9 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	34.4%	56.1%	8.4%	0.7%	0.3%
No	28.9%	60.4%	8.4%	0.9%	1.4%

Thematic analysis of 2.4.9

Major themes

- Many respondents who answered yes noted similar concepts to previous questions, including:
 - liability for damages
 - cleaning
 - pet bonds and pet insurance
 - respect for neighbours/consideration of others
- Many respondents who answered no stated that both homeowners and tenants should have the same responsibilities when it comes to owning pets

Relevant Quotes

Tenant

Tenants are no different to owners, we all live in the same space under the same rules already in place to regulate these issues, why do you want to segregate renters?

Tenant

Tenants should be responsible for keeping the property clean and free from damage, as well as to reduce the amount of disturbance to neighbours as much as possible.

Landlord/homeowner

*Yes, in that it is absolutely clear that any animal *if permitted* (including any not declared) is the total and full responsibility of the tenant, and a separate bond may be required to cover animals damages, and that the liability of the tenant is not limited to the*

amount of the bond. And that the privilege of owning a pet, and having it at an address is at the discretion of ALL parties who are signatories to the contract.

Question 2.4.10

If you are a landlord, are there any other options not covered in this section that would make you feel more comfortable with tenants having pets?

- Yes
- No

Table 164 Question 2.4.10 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	392	31.4%
No	856	68.6%
Total	1,248	100.0%

Table 165 Question 2.4.10 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	33.1%	31.0%	38.8%	40.0%	66.7%
No	66.9%	68.5%	61.8%	60.0%	33.3%

Table 166 Question 2.4.10 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	11.1%	73.9%	13.4%	1.2%	0.4%
No	10.9%	77.7%	10.5%	0.9%	0.1%

Thematic analysis of 2.4.10

Major themes

- Many respondents reiterated that allowing pets should be at the sole discretion of the landlord
- Many respondents noted similar requirements as previous questions, such as:
 - pet bonds

- specific pet insurance for the tenant (and that the landlord's insurance should not need to cover for this)
- uncapped liability of the tenant for any damage caused
- professional cleaning

10. Overview of setting and increasing rents

This section has eight questions. It covers how rents are set and how and when rents can be increased. The questions cover the practice of rental bidding, the ability of tenants to challenge rent that is substantially higher than market rent, and the frequency of rent increases. There were numerous submissions from tenants and landlords on setting and increasing rents.

10.1 Rental bidding should not be allowed

The submissions generally state that rental bidding should not be allowed, whether from tenants or landlords. Rent bidding arouses strong feelings amongst tenants and their advocacy groups because of the perceived inappropriateness of having to bid for a human necessity.

We strongly support outlawing rent bidding. A home is not an average market good and a rental tenancy is an ongoing contract, not a purchase on the open market. Thus, we recommend controls in place to ensure that a home is treated as a human right, and not an income bearing asset.

There is general agreement amongst renters and landlords that rent bidding is not good practice and is rare.

No. In our opinion, rental bidding is very rare and happens only in areas with extreme shortage. However, landlords often negotiate downwards from advertised rent. Even if this practise was to be barred, landlords would circumvent this by advertising at very high rents and then negotiating downwards in a limited fashion in a “reverse bidding”

The practice of rental bidding allows landlords to exploit their significant market advantages; it pushes prices upwards and needs to be outlawed.

Rent bidding is immoral and exploitative. It should be prohibited. Landlords should not be allowed to request or accept rental bids than those originally advertised.

Having said that, one tenant advocacy group notes that rent bidding happens:

We have had rent bidding occur only relatively recently in the Manawatū area, with a property management company recommending that tenants engage in the practice in local media. It encourages people to pay higher rents, removes options for those on low incomes, introduces unnecessary strain on those on moderate incomes, and perpetuates desperation. A case for us with rent bidding was that the property manager got in contact with an Indian couple after the viewing and the applications, claiming that they would like to offer them the property. However, there were other rental offers \$50 above the asked for rent. So that if they wanted the property, they would have to increase their offer or lose the house. They agreed, fearing that not doing so would mean they could no longer live there, and potentially leave New Zealand if they could not find somewhere else.

10.2 Annual frequency of rent rises a mixed bag

On the whole, submitters accepted that annual rent rises seemed about right, though there was some divergence between parties and responses to this set of questions need to be considered in light of the incidence of multi-year rent stability described above (for “good” tenants).

10.2.1 Most private landlords agree with annual frequency

Some landlords submit that a 12 month period between rent rises was acceptable, as that accords with relevant cost increases (e.g. rates, insurance) and was seen as fair.

I only increase rents once a year. So would be happy to remove 6 monthly. One of the few changes that is worthwhile. It's not fair to increase rent 6 monthly, would never do that. 2 years is not reasonable with rising costs (eg. rates 3%+, insurance 25%+). I don't know why 2 years is even suggested?

The market price for rentals having regard to value, size, age and locality should be how rents are set. If there is to be one increase (or decrease) per year then it should be a fair one having regards to market price increase. Both parties should “get used” to there being an increase.

Many landlords increase rent only once a year. I have no problem with this but better to leave things as it is.

We review all rents annually but do not increase all rents annually. We don't object to rent reviews been limited to annually with exceptions remaining in place that allow for tenants and landlords to mutually agree upon an increased rent in return for improvements to the property.

We have only raised rents on existing tenants at twelve months unless there has been additional work done on the house at the tenants request but our expense where we have agreed a rent rise would occur. This option should allow for that to continue.

Acceptable. I would take the approach that costs during the latter part of the upcoming 12-month period could be quite high (eg when my insurance premiums are renewed), so I would err on the side of a larger increase than if increases were every six months.

I don't make six monthly adjustments. I look at the current market rent supplied by MBIE and make an assessment of whether I prefer to increase the rent or keep it a bit lower in recognition of a longer term tenant. When tenants leave, that is when I usually reset the rent back to market levels. As long as I am able to reset the rent before the beginning of a new tenancy. For example, if a tenant leaves after 15 months, and I reset the rent after 12 months, I should be permitted to set it again at the start of the new tenancy.

10.2.2 Other private landlords prefer having the option of more frequent rises, if needed

Other landlords prefer to maintain the six-month frequency, as an option:

Increase rent should be allowed after 6 months. It may not always be required.

Limiting rent increase to once yearly will achieve nothing as greater rent increments will be forced on landlords and thereby place more stress on tenants as the increase will be greater.

We generally (but not always) increase rent every six months, market dependant, with the regulatory notice of 60 days prior to the increase. The market is unpredictable and it would be unfair to either one or other party if the increase was a set figure that was incorrect in relation to the market over a 12 month period. Every six months allows the rents to stay in line with current market demands. Most landlords are fair and do not risk the loss of a good tenant for a few extra dollars.

10.2.3 Some property managers prefer more frequent review/rise

Landlords appear to want to keep the option of being able to increase rents more frequently rather than necessarily increasing rents more frequently.

No. It is unfair to limit rent increases to every twelve months. Market conditions can change quickly and these can impact on cost to landlords. Landlords need to be able to respond to these in a timely manner.

No. The present provision of permissible increase every 180 days is working fine. Most landlords do not increase rent on day 181 and sitting tenants, if they have good record, do get a significant discount to market rates anyway, as no landlord wants to incur costs of change of tenancy and the interim vacant period. Input costs (interest, insurance, rates, and maintenance costs) can go up anytime and it would be extremely unfair to restrict a landlord from increasing the rent for 1 year when there is no restriction or control of prices on the input costs.

10.2.4 Tenants prefer annual rent increases only

There is strong support for annual rental increases only in the submissions by tenants and their advocates.

10.3 Fairness and affordability are significant issues

Rental increases can leave tenants in a difficult position and most tenant advocates are concerned at rental affordability, the amount of a rental increase and the possibility of a formula for rent increases.

We were renting a house for 250.00 a week the house was sold the new Landlord wanted sitting tenants which was okay with us and he told the rent increase wouldn't be high. He put the rent up another 150.00 dollars which made it 400.00 which to us was our power money so I had to go and find a job to pay the extra as we couldn't survive without power and food. Now a year later hes put the rent up another 30.00 so now the rents 430.00 a week such much for keeping the rent at a reasonable level.

10.3.1 Rents are becoming unaffordable

At the centre of this issue is another of rental affordability. A number of submissions note affordability of rent as a growing issue with larger increases in rental costs than in wage growth.

A major issue for people visiting Financial Mentors is the high cost of rent. It is common place for clients to be paying rents that exceed 60% of their net income, leaving very little money to meet other essential living costs such as food, utilities, healthcare and asset building (whiteware, furniture and cars). Many people in this situation are forced into high interest consumer debt, putting further pressure on an already tight budget.

For many of our members, the cost of rental housing is crippling and is causing significant hardship and stress.

These issues may be more prevalent in Auckland:

There are many tenants in Auckland living in substandard or overcrowded rental conditions, moving further away from work or social supports, or compromising on other essential expenses in order to attain and afford housing

10.3.2 Limiting rental increases

Experiences of rent increases and high rentals are unpleasant, particularly for those on fixed incomes.

My husband earns 640.00 a week and I earn 150.00 a week and our power bill is 480.00 a month. Doesn't leave much money for any extra as our food bill is 150.00 a week. ... So good luck I have no idea what is going to change but anymore rent increases will see us living on the streets as their isn't even enough pensioner flats where we live in Keri keri the whole thing is so depressing I understand now why there are so many suicides.

Mostly we have had tenants coming in facing rental increases of up to \$70 per week after multiple years without a change. These have resulted in substantially limiting their ability to purchase basic necessities, yet the rent remains at the lower end of the market. We have had a man paying child support approach us after a rent increase as he would have only \$10 a week to spend on food and power. For tenants, the sudden change is a substantial negative impact on their budgets as they have not accounted for such a large increase, nor considered it as a possibility.

Several submissions suggest rules for affordability A tenancy advocate group suggests introducing a rule that limits increases and defines a band of equivalence. Another considers a rule based on housing affordability.

Thus, there should be limits on what counts as 'reasonable' increases, with rents only increased for a maximum of CPI + 1% per year. Furthermore, a new tenancy should not have rent exceeding 5% of the previous tenancy without the ability to show substantial improvements have occurred. Alternatively, rents should be within a 10% band of similar properties in the area. A tenant paying \$400 a week rent has no more security if it becomes \$500 per week at the end of the first year.

My preference: If we want to achieve an objective of housing affordability, so that people generally pay no more than 30% of their income on housing, I think we should index rent increases to the median wage.

... rent increases should be limited to no more than inflation, based on the Consumer Price Index (CPI) in the preceding 12 months. Our reason is that there is a public good in keeping housing affordable. While in the long term, increased supply may achieve this, short-term it can only be achieved through rent caps. Reasonable and proportionate rent increases above the CPI could be permitted where the landlord has made significant improvements to the quality or facilities of the home beyond ordinary maintenance. Such improvements would not include those made in order for the property to comply with minimum standards.

DHBs that responded to the consultation are also keen to see that rentals remain affordable and suggest:

... recommends that rental increases are linked to general inflation or wage increases as opposed to market increases

10.3.3 Setting rents is a mix of comparable rents and subjectivity

Landlords note there is no formula for setting rental levels or increases in those levels.

Market rent is defined as what a landlord might reasonably expect to receive and what a tenant might reasonably expect to pay for the tenancy based on comparable premises in the same or similar locality. There is enough variance in market rent for a given property as in the eyes of a particular tenant, the property might be more suitable for him due to its location, size or interiors so he may be willing to pay a slight premium as also in the eyes of the landlord as he may not want to leave property vacant, may like the tenant's references, the tenant's desired term may exactly match the landlords requirement etc.' Any two properties are hardly ever exactly alike. So market rent is generally a range of rents and not an exact dollar amount.

10.3.4 Fair rentals?

Renters question the value they are receiving for what they now need to pay.

A strong theme of our members' comments was that they did not feel that the rents they were paying reflected the quality of their housing. They also felt they had little choice but to pay these rents, without complaining about standards.

The concept of a fair rental is a difficult one.

Fair rates for rentals- this would be a good idea but who sets these? I see people paying a ridiculous amount for rent because the landlord sets it as high as they can to try and get tenants that can afford it the reasoning being that a person with more money will look after the property.

Our experience is that there are substantial barriers to disputing rent increases at Tenancy Tribunal. There has been one case that we know of where a rent increase went to Tenancy

Tribunal and rejected. This was a house that was priced \$100 above market rent, and it took a lot of research to be able to prove this to the Tenancy Tribunal.

Some had firmer views.

When setting the rent for a new tenancy, the landlord should have to set the rent within 3% of the median rent of comparable rented houses in the same area. Such data can be readily available through the rental bond data collected by MBIE.

10.3.5 Steep and frequent rent increases alleged

A few submissions identify examples of frequent rent rises.

Others have been given steep and frequent rent hikes, this combined with poor rights for tenants are often abused by landlords with little to no regard for NZ tenancy laws and with their landlords eyes on the maximum dollar return on their rental property.

10.3.6 The elderly are particularly at risk

Several submissions note the elderly are particularly vulnerable because of a lack of confidence in challenging any rent increase and fixed incomes.

Studies carried out by experts involved in the Ageing Well National Science Challenge have a focus on older people and the challenges they face finding secure, affordable housing. This work provides valuable insights to help address what the researchers describe as a looming crisis for elderly renters. 21 Dr Kay Saville-Smith, a lead researcher with the Challenge says that “older renters are particularly vulnerable to tenancies being terminated and rent increases. Older people can’t increase their incomes very easily if at all, so they’re some of the people who get really squeezed in an overheated market”.

10.4 Proposed changes may increase rents

Market forces suggest pass-through of cost increases by landlords to tenants.

The rental market is a market. So any changes in legislation that affect the relationship between a tenant and a landlord will have an impact on the market. We can argue about how big those changes will be, but there will be some affect. I notice that the Minister has suggested he has done research that “proves” that the proposed changes will not increase the rents tenants. I also note that he has said that any landlords that don’t like the changes should sell their rental property. Logically, these two statements contradict each other. If landlords leave the rental market because of the change in legislation, then economic theory would suggest rental costs will increase. I would be interested in knowing how the Minister has proven this is not the case.

10.4.1 Pass-through not automatic - landlords use discretion, based on tenant behaviour

Not all landlords and property managers commented on rent-setting in their submissions. Those landlords and property managers who did frequently submitted that their ultimate goal is to find and keep good tenants (i.e. those who pay on time, look after the property and do not upset the neighbours). Where landlords are able to secure such tenants, not only are

tenants able to stay in the property for as long as they like, but rent tends to be more stable over time.

Some of my tenants have been in the same property for many years and I have not raised the rent as they are good tenants. MBIE needs to understand that not all landlords are in it just to maximise their income. We do look after people who look after our properties. You'll find landlords are generally reluctant to raise rents on sitting tenants as it's such a hassle advertising a property and going through the process to secure new tenants. The current system works. Good tenant behaviour = no reason for a landlord to treat the tenant badly.

Generally I have tried not to raise rents on sitting tenants but review rents when tenants move out.

We have only raised rent on existing tenants at twelve months unless there has been additional work done on the house at the tenants request but our expense where we have agreed a rent rise would occur.

Rental increases are geared to incurring increased ongoing costs such as mortgage, insurance, council rates etc. and when tenants have asked for substantial improvements, such as new facilities or new appliances. This tends to be random, but usually every two to three years. But if the (new) tenant should prove to be "high maintenance" then one is tempted to increase the rent asap. in order to cover the increased liability of accommodating them.

A great tenant is worth looking after, and many landlords are wary of increases at reviews because they don't want to lose the tenant and they are thankful for them.

Rent adjustments are made as and when required, within the law, to enable the clients investment to perform as a business investment should.

Our private landlord has kept our rent the same for the last 5 years and we have done the same for our tenants also. In fact over 23 years we have never increased the rent on a sitting tenant.

If we have good tenants we do not increase their rent annually, because we prefer to have good reliable tidy tenants. The tenants in our first rental property stayed for 7 years, we never increased their rent the whole time they were there and they only left because they bought their own property. We have already completed insulation top and bottom in all our properties and any windows that have needed replacing, we have used double glazed units.

As it is a lot of work to get new tenants, we have always had a 1 year minimum reverting to a periodic tenancy and, if the tenants are good ones, we let them have the property as long as they want. We rarely put the rent up if they are good, easy tenants.

10.5 Rental caps for slum housing

One suggestion was to cap rentals for housing that is not up to scratch, and that market rental can only be charged at the time the house is fully compliant.

Should be a cap on what can be charged for a type of property not up to any standard.

10.6 Additional fees may be charged

Some letting agencies may charge an additional fee. One submitter highlighted an example of a service fee being charged before the tenancy agreement was sent. The agreement then had an unusual aspect, that the oven was not included in the rental.

Also as a recent tenant I was shocked to be paying a \$724.50 letting fee to Crockers Property agency. My partner and myself are in the upper income bracket and are renting a house to ourselves, and we feel very fortunate to be able to afford the letting fee. But my heart goes out to families or those who are struggling to put together the bond let alone also be asked to pay the service fee charged by property agents and it would block many people in being able to rent a number of properties, possibly being forced to choose a lower quality rental. Whilst I accept the current laws regarding letting fees, I did find it harder to swallow the pill because of the incorrigible practices of a Crocker's Property agent who put undue pressure on me to pay the letting fee before sending the tenancy agreement. I immediately requested it and waited a week before she came back and again spoke about paying the letting fee. I went against my instincts and did as instructed.

This submitter went on to highlight the issue of paying a letting fee and finding the property is unsuitable.

If the letting fee is not covered not covered by the landlords it increases the risk that tenants may pay a letting fee not have been sent the tenancy agreement and have to forfeit the fee because of unknown conditions or they may have to simply accept problematic tenancy agreements.A classic example of something in the tenancy agreement I just signed is the ovens are not listed as chattel and I was not aware of this until AFTER paying the letting fee, despite requesting the agreement.

10.7 Price controls may not have the desired effect

A number of tenants or their agents suggest capping rentals at the rate of growth in the consumer price index. A consortium of 60 landowners provides comment that the desired effect of price caps may not be the outcome of government intervention in the setting of rental levels.

Economists have shown that rent control diverts new investment, which would otherwise have gone to rental housing, toward investments giving better returns. They have demonstrated that it leads to housing deterioration, fewer repairs, and less maintenance. For example, Paul Niebanck found that 29 percent of rent-controlled housing in the United States was deteriorated, but only 8 percent of the uncontrolled units were in such a state of disrepair. Joel Brenner and Herbert Franklin cited similar statistics for England and France.

11. Questions on setting and increasing rents

This section has eight questions. It covers how rents are set and how and when rents can be increased. The questions cover the practice of rental bidding, the ability of tenants to challenge rent that is substantially higher than market rent, and the frequency of rent increases.

Rental bidding was not commonly experienced by submitters. A common observation for rental bidding by tenants was how the process was unfair, particularly on the low or fixed waged, or the disadvantaged. The majority of submitters also expressed a desire to ban rental bidding, though some observed the practical difficulties of enforcing a ban.

The length of time to apply for a rent adjustment at the Tenancy Tribunal of 90 days was supported by a majority of submitters, both tenants and landlords. Where it was not supported, tenants and landlords were opposed, with tenants arguing for a longer period, and landlords for a shorter period. With regard to guidance for substantially above market rent, a majority of submitters of all types supported there being guidance, though there were very few examples of how to define the term

A significant majority of submitters of all types stated that rents increased at most yearly, or longer. However, there was strong support for limiting rent increases to at most yearly by tenants. There was not support for landlords being required to disclose how they would calculate future rent increases, with similar lack of support from tenants.

A minor theme that emerged through many questions in this section was the observation that the current imbalance between supply and demand for rental properties was contributing to the practices of rental bidding and the increases of rents, primarily by landlords, but also mentioned by tenants.

11.1 Rental bidding

Question 3.1.1

Rental bidding is where a prospective tenant offers more than the advertised rent for a property, either because they are encouraged to or make their own decision to do so.

Have you been involved in rental bidding?

- Yes
- No

Quantitative analysis of question 3.1.1

Table 167 Question 3.1.1 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	337	14.7%
No	1,955	85.3%
Total	2,292	100%

Table 168 Question 3.1.1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	13.3%	14.8%	17.5%	20.0%	0.0%
No	86.7%	85.2%	82.5%	80.0%	100%

Table 169 Question 3.1.1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	31.7%	57.3%	10.0%	1.1%	0.0%
No	35.0%	56.0%	8.0%	0.7%	0.3%

Thematic analysis of 3.1.1

Major themes

- Tenants observed when not being successful in renting a house that landlords had advised that there was a higher bid on the rental house, or that they knew other potential tenants had offered more, or property managers had asked potential tenants to specify how much extra to they were prepared to bid.
- Tenants observed their reasons for offering higher prices were primarily because they wished to overcome a perceived negative factor, such as a pet, or that they really wanted the rental so they offered more to give themselves an advantage
- Landlords often observed that when potential tenants offered more than the advertised rent, they refused to select those tenants. It was a belief that it signalled that there was something amiss with the prospective tenant.

- Landlords observed their focus was on finding the best tenant for their property, one that would look after the house the best, rather than the one that would pay the most rent.

Minor themes

- Respondents, both tenants and landlords, who had not experienced rental bidding observed that the practice was not desirable.
- Some respondents did not think it was a problem as they had not experienced or heard of it, particularly in their local market. This was noted by property managers and landlords.

Relevant quotes

Landlord/homeowner

I have in fact been in situations where the rental-bidding practice actually REDUCED the asking price, where the anticipated asking price was ultimately over-optimistic. It is common knowledge that a landlord that asks for rent too far above the rental-market will sit with long vacancies, and will be forced to drop the asking price to meet the bid.

Tenant, landlord/homeowner

It was awful. The rental market was very tight and it was the only way we could get somewhere to live in the time period we had to find something. We paid way too much for the property and nearly ended up in financial difficulties because of it.

Landlord/homeowner

Tenants have offered more unasked by me, which is the free market in operation. I don't encourage bidding but if it happens I'm breaking company law not to maximise profits for my shareholders.

Landlord/homeowner

Tenant initiated, and reluctantly agreed to by us as landlords. The tenant secured the property who otherwise would not have got the flat (or quite possibly any other flat).

Question 3.1.2

Do you think rental bidding should be banned or controlled?

- Banned
- Controlled
- Neither

Quantitative analysis of question 3.1.2

Table 170 Question 3.1.2 Quantitative overview

Response	Number of responses	Percentage of Answers
Banned	1,599	54.9%
Controlled	328	11.3%

Response	Number of responses	Percentage of Answers
Neither	986	33.8%
Total	2,913	100%

Table 171 Question 3.1.2 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Banned	65.2%	36.0%	37.8%	23.8%	80.0%
Controlled	9.0%	12.9%	13.8%	14.3%	12.7%
Neither	25.8%	51.1%	48.4%	61.9%	7.3%

Table 172 Question 3.1.2 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Banned	56.3%	35.5%	5.2%	0.3%	2.8%
Controlled	33.7%	55.3%	8.2%	0.8%	1.9%
Neither	27.8%	62.6%	8.2%	1.0%	0.3%

Thematic analysis of 3.1.2

Major themes

- Landlord/homeowners observed that they avoided the practice and would prefer to choose the best tenant for their rental.
- Tenants and landlords/homeowners believed a landlord should set a price and stick to that, and then select the most appropriate application, not the highest price.
- Other landlords/homeowners observed there is a free market, and drew comparisons to home auctions. They observed a desire for no interference in the market.

Renters United stated:

Yes, rents should be set at no more than the advertised amount and requesting or accepting rent bids should be illegal. Tenants should be able to bring a complaint to the Tenancy Tribunal if the property is rented for a price higher than advertised.

Minor themes

- A number of submitters, both landlords and tenants, noted rental bidding was a function of the current imbalance between demand and supply.
- Tenants thought 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.

Relevant quotes

Landlord

Bidding gives tenants who very correctly perceive themselves as a greater risk than other applicants an opportunity to potentially gain access to a rental property, treat it well, pay the rent, and recover a better reputation in the rental market for the next home they wish to rent.

Landlord

Set a fair market price and be bound by that in selecting the right tenant for that property situation.

Tenant

Competition is hard enough so don't make it up to the landlord to increase the rent to a level that is above the market and shut out good tenants who simply do not have the funds to go way above what is reasonable. Just because you have a tenant who is able to participate in rental bidding and pay the premium price does not mean that that person is also a good tenant.

Question 3.1.3

If you think something should be done about rental bidding, do you have a preference from the options below?

- Prohibit landlords and property managers from both asking for and accepting rental bids
- Prohibit people wanting to rent a property from being able to bid against each other.
- Both

Quantitative analysis of question 3.1.3

Table 173 Question 3.1.3 Quantitative overview

Response	Number of responses	Percentage of Answers
Prohibit landlords	298	23.9%
Prohibit renters	65	5.2%
Both	884	70.9%
Total	1,247	100%

Table 174 Question 3.1.3 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Prohibit landlords	23.4%	23.9%	16.7%	26.7%	33.3%
Prohibit renters	4.3%	3.9%	5.8%	0.0%	40.0%
Both	72.3%	72.3%	77.5%	77.3%	26.7%

Table 175 Question 3.1.3 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Prohibit landlords	29.7%	60.0%	6.1%	1.2%	3.0%
Prohibit renters	26.1%	46.4%	10.1%	0.0%	17.4%
Both	29.9%	59.1%	9.2%	1.1%	0.8%

Thematic analysis of 3.1.3

Major themes

- Noting that this question sampled those that wanted to do something, tenants were in favour of banning the process as it was unfair on those with limited incomes, and there was a desire for a level playing field for prospective tenants.

Minor themes

- Some tenants and landlords observed that tenants should be allowed to bid, in an open and controlled manner.

Points of interest

- A number of submitters of all types noted if landlords are prohibited from accepting bids, then there is not a requirement for people wanting to rent a property being prohibited from bidding.

Tenant/landlord

This discussion document says its unknown how common this is, its bad practice to try to ban or control something when you dont even know the scale of the problem or if it is in-fact

a problem. This section also conflates bidding with negotiation, these are not the same. One of the examples given is the idea that the rent could be lowered for a long-term more secure tenancy at the start of the document it appeared that this was the whole goal of the reform. Rent bidding (not negotiation), if it is occurring, is likely to become uncommon as the supply of housing stock increases

Relevant quotes

Tenant

It should come down to suitability and not who has the biggest income.

Landlord

If a rent is deemed to be unreasonable by the Tenancy Tribunal there is already a mechanism to rectify it.

11.2 Challenging rent increases at the Tenancy Tribunal

Question 3.2.1

An application for a rent adjustment under a fixed-term tenancy agreement must be made to the Tenancy Tribunal within 3 months of the last rent review or from the start of the tenancy. Do you think 3 months is an appropriate amount of time to allow for this?

- Yes
- No

Quantitative analysis of question 3.2.1

Table 176 Question 3.2.1 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,257	61.2%
No	796	38.8%
Total	2,053	100%

Table 177 Question 3.2.1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	61.7%	61.8%	58.0%	68.8%	53.8%
No	38.3%	38.2%	42.0%	31.3%	46.2%

Table 178 Question 3.2.1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider
Yes	33.0%	57.9%	7.8%	0.8%
No	32.7%	57.1%	9.0%	0.6%

Thematic analysis of 3.2.1

Major themes

- For those that answered no, there was an even mix between the period being too short and too long. Tenants were broadly in favour of a longer period, and landlords were in favour of a shorter period.
- Landlords wished for a shorter period of time to mitigate their risk of having to pay back the higher rent, or to align with their notice periods for rent increases.
- Tenants wished to challenge excessive rents at any stage in their tenancy.

Minor themes

- Many submitters, especially tenants, misinterpreted this question as is the time period concerning rental increases, not applications to the tenancy tribunal.

Relevant quotes

Landlord

This relates to a tenant wishing to challenge a rent increase which is not clear from the question wording. The landlord must give 60 days notice of a rent increase so 3 months is more than enough time to evaluate its fairness and submit an application to the Tribunal. Possibly it should be reduced to 60 days to reflect the landlords notice period.

Tenant

The market can change a lot in a short amount of time. It's enough of a hassle (and I suspect many don't know it's even possible to re-negotiate the rent) that I doubt increasing this to any time would be that bad. However it might help if a market somewhere crashes and some unfortunate tenants are locked into paying excessively above-market rent (or vice-versa for landlords)

Landlord

Should be less time as there is a risk that the tribunal will disallow the rent increase and the landlord has to pay it back. This needs to be handled expeditiously.

Tenant

3 months was too little time for my case. I had not received the letter notifying of the increase, and spent most of the three months arguing about the lack of notice, then went on holiday for a month. Then it was too late to challenge the rent increase itself which was above market rent.

Landlord

Yes, because the rent goes up and down a bit depending on the season and supply and demand. You can't compare the rent from Summer to Winter.

Question 3.2.2

Do you think the RTA should include guidance on what constitutes 'substantially exceeding market rent'?

- Yes
- No

Quantitative analysis of question 3.2.2

Table 179 Question 3.2.2 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,501	66.4%
No	758	33.6%
Total	2,259	100%

Table 180 Question 3.2.2 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	65.0%	67.2%	67.0%	72.2%	93.1%
No	35.0%	32.8%	33.0%	27.8%	6.9%

Table 181 Question 3.2.2 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	31.3%	58.2%	8.2%	0.8%	1.6%
No	33.8%	57.2%	8.1%	0.6%	0.2%

Thematic analysis of 3.2.2

Major themes

- Submitters that chose yes, both tenants, landlords and property managers, suggested clarification would be useful for both tenants and landlords compared to the vague wording.
- Landlords observed that the market rent is what someone is prepared to pay for, and a property will remain empty if priced above market rent.
- Landlords and tenants observed rental properties have many unique characteristics that make comparison to an average property difficult.

Points of interest

Tenant/property manager

Narrow definitions are not necessary and not used in statute.

Landlord

A property that exceeds market rent will not be able to find tenants. The free market needs to be left

Relevant quotes

Landlord

Both tenants and landlords need guidance with useful examples of the phrase, so they know whether their rent is too high or not. Given that the rental market, like all markets fluctuates, the “substantially exceeding market rent” needs to be a substantial difference, ie more than 5 or 10%, than market rent. A small variation (ie 5%) one month could be market rent next month.

Tenant

It only makes things clearer if numbers and guidance are included in the law. Otherwise, it becomes non-enforceable.

Landlord

No. Every rental property is different so it is difficult to compare two properties without understanding the specific nature of those properties. Applying say a simple formula as a guide to what might substantially exceed market rent will necessarily fail to consider the specifics of the property.

11.3 How and when rents can be increased

Question 3.3.1

If you are a tenant or a landlord, how often has the rent for your rental property increased?

- Every 6 months
- Every year
- Other

Quantitative analysis of question 3.3.1

Table 182 Question 3.3.1 Quantitative overview

Response	Number of responses	Percentage of Answers
Every 6 months	237	11.6%
Every year	878	43.0%
Other	928	45.4%
Total	2,043	100%

Table 183 Question 3.3.1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Every 6 months	12.1%	11.4%	11.1%	5.9%	11.1%
Every year	38.4%	45.2%	46.0%	52.9%	55.6%
Other	49.5%	43.4%	42.9%	41.2%	33.3%

Table 184 Question 3.3.1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Every 6 months	36.1%	55.4%	7.8%	0.4%	0.4%
Every year	30.9%	59.0%	8.7%	0.9%	0.5%
Other	37.7%	53.7%	7.7%	0.7%	0.3%

Thematic analysis of 3.3.1

Major themes

- Submitters that chose Other indicated the most frequent change was in the two to three year range. These were primarily tenants and landlords, but property managers and social housing providers were also represented.
- Landlords observed that often their decision was based on market conditions, or at a change of tenancy and that good tenants were unlikely to see their rents increased.

Minor themes

- Some submitters (tenants and landlords) noted long periods between rent increases, some noting upwards of ten years.

Relevant quotes

Landlord/property manager

Usually well over a year. I believe it is best practice to increment by a small amount annually but for good long term tenants, which I tend to have, then it is often several years between increases and then the increases are still modest. The opportunity to significantly increase rent often comes when a tenant moves on.

Question 3.3.2

Do you agree that rent increases should only be allowed once every 12 months (currently they can be increased every 6 months)?

- Yes
- No

Quantitative analysis of question 3.3.2

Table 185 Question 3.3.2 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	2,016	69.4%
No	888	30.6%
Total	2,904	100%

Table 186 Question 3.3.2 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	74.0%	63.9%	69.3%	55.0%	88.9%
No	26.0%	36.1%	30.7%	45.0%	11.1%

Table 187 Question 3.3.2 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	44.8%	45.9%	6.7%	0.5%	2.2%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
No	34.8%	57.2%	6.5%	0.9%	0.6%

Thematic analysis of 3.3.2

Major themes

- Both landlords and tenants observed that changing rents annually is the current practice.
- Landlords preferred to keep tenants than to increase rents.
- Tenants observed that wages do not change more often than annually.
- Both tenants and landlords noted that smaller changes (if rents changed 6-monthly) would be preferred to larger annual changes, and landlords observed restricting rents to annual changes would make annual rent changes more likely as no change after a could see rents not change for two years.
- Landlords observed that costs are changing constantly (with less than annual notice) and they value the flexibility of changing rents in response of those cost changes.

Renters United stated:

Uncontrolled rent rises are worsening poverty and inequality. Rising rents push more renters into queues for social housing, and hinder others from saving to buy a home. Meanwhile, landlords enjoy even higher rental incomes. Fixing this unfairness should be a priority.

Rents should not be able to be increased more than once a year, and by no more than inflation – unless the landlord has significantly improved the property beyond what is required by law.

Relevant quotes

Tenant

In line with rates and insurance increases and even annual wage reviews

Landlord

No responsible owner would risk upsetting a good tenant with an extra-ordinary rent increase. The hassle of finding/ changing tenants is more trouble than the increase is worth.

Landlord

In practice all that will happen is rents will go up more each time to compensate for the inability to put up for the next year.

Question 3.3.3

Should landlords be required to disclose how they will calculate future rent increases when a new tenancy is entered in to?

- Yes
- No

Quantitative analysis of question 3.3.3

Table 188 Question 3.3.3 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,047	43.8%
No	1,345	56.2%
Total	2,392	100%

Table 189 Question 3.3.3 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	40.4%	45.4%	37.3%	42.1%	90.0%
No	59.6%	54.6%	62.7%	57.9%	10.0%

Table 190 Question 3.3.3 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	30.3%	60.1%	6.7%	0.7%	2.3%
No	34.5%	55.9%	8.7%	0.7%	0.2%

Thematic analysis of 3.3.3

Major themes

- Both landlords and tenants observed that it may be better to explain at the time.
- Landlords noted that it is difficult to forecast what costs might change, especially uncontrollable costs such as rates or insurance. They also noted that market forces are a factor in changing prices.
- Submitters, primarily landlords, observed other industries such as banks or insurance companies are not obliged to explain their price changes.
- Where submitters (of all types) were in favour, they suggested costs, CPI and market rates should form the basis for the calculation. Submitters in favour also suggested a transparent regime would help tenants to plan into the future.

Minor themes

- Landlords and tenants thought setting out the basis of rent changes would improve clarity, transparency and trust in the landlord/tenant relationship.

Relevant quotes

Tenant

How is useful... but could easily lose tenants in jargon. Or, can be used against them i.e. the calculation may include "cost of maintenance" which will leave the tenant feeling they can't raise issues (or try to DIY potentially dangerous issues) or they'll be penalised for it later. When is more valuable.

Landlord

This proposal is far too rigid as future circumstances are very difficult to foresee. Fundamentally, rents are price based, not cost based. Rents are set based on what the market will bear - limited by tenants ability to pay, availability and choice. Each landlord is in a different situation re costs. For example, I am mortgage free so changes in interest rates don't worry me.

Tenant

The tenant should have information on how this calculation is made, so they can know in advance if it is fair. It should be a more transparent process.

Landlord

Most tenants would be worse off if there was a calculated rent increase written in to the tenancy agreement, RTA already requires rents to be at Market rates

12. Overview of boarding houses

Although there were fewer submissions on boarding houses, submitters' views were consistent.

12.1 Vulnerable tenants with little recourse

Boarding house tenants are seen as much more vulnerable.

'Tenants in boarding houses are significantly more vulnerable and have fewer options, making them much less able to enforce their own rights without the risk of termination. We regularly work with tenants who have their tenancies at boarding houses terminated with little or no notice, restricted from gaining entry to retrieve property, assaulted, disturbed, and harassed by other residents and subject to harassment and unprofessional behaviour from boarding house managers. It is however very rare that tenants will pursue any of their complaints. One boarding house we had six of the tenants come to us over feeling pressured to join the boarding house manager's church or face termination. Despite the discomfort, none wished to pursue the issue further.'

Issues of privacy and abuse may be more prevalent.

Yes, there needs to be a more robust complaints process for tenants to utilise when boarding houses become places where vulnerable women and men are being victimised.

12.2 A warrant of fitness is needed – self certification is not

Many boarding houses appear not to meet current guidelines let alone an increased standard.

Compliance with existing rules would go a long way to improve Boarding Houses. For example we suspect there are widespread breaches of the Housing Improvement Regulations 1947. eg inappropriate cooking facilities in individual rooms, too many people occupying bedrooms etc.

There is a general desire to improve standards.

Proposal doesn't go far enough. Why go for minimum standards? Why not put in further requirements to allow boarding house tenants a decent quality of rental for example sound proofed walls? They are not hard to retrospectively fit and this could be a requirement put in over the years like insulation. Security for tenants such as alarms in rooms, sprinklers and cooking facilities that enable people to actually cook- not a jug and a hot plate should be mandatory.

There was an overwhelming desire for an active assessment of fit-for-purpose functioning of the boarding house, with active inspection, and a building warrant-of-fitness.

We do not support a self-certification regime and would prefer to see a licencing or warranting system which considered both the operator and the physical property. There is a

relationship between the landlord and quality of premises which is why both need to be considered in any new regime introduced.

We strongly support a Warrant of Fitness approach to boarding houses. This reduces the onus on vulnerable tenants, and ensures that landlords have less scope to ignore compliance requirements. Furthermore, the ability to remove inappropriate boarding houses from the market is greater. The additional cost is worthwhile to improve the living of vulnerable members of society. A self-certification scheme, while cheaper, is unlikely to result in significant change as the onus remains on tenants to speak to encourage investigation.

12.2.1 A possible hybrid

One submission set out an alternative model of WOF and self-certification.

We suggest if self-certification is used as part of an enforcement regime, it be used only after a property has been inspected and passed a minimum standard or Boarding House Warrant of Fitness (BHWF). Self-certification could be appropriately used for boarding houses that are found to be in excellent repair, in the second or third years after initial inspection or until a subsequent BHWF is required. This would reduce the overall cost of implementation, and resources could be used to address those boarding houses in poorest condition.

12.2.2 Audit and inspection is required

Audit and inspection are generally seen as necessary.

Access as of right by government officials to boarding house interiors looks like a breach of the Privacy Act, being a breach of tenants' rights to privacy.

12.3 A boarding house may be defined by its clients rather than the number of rooms

Several submissions question what a boarding house is and isn't. On the one hand, room by room tenancies are used to house workers. On the other hand, they are important accommodation options for those with mental health and disability issues. The level of intervention for one might be very different than for the other.

The definition of boarding houses and the regulations that go with it need to be specific enough and broad enough to ensure that other housing providers are not able to 're-brand' and slip through the gaps.

No. Our room-by-room tenancies cater for overseas visitors on work permits who have full-time employment and are happy to keep their costs down by flatting with several other people. By having individual tenancy agreements, their accommodation is not affected every time one of the other tenants decides to vacate the building. They do not have mental health issues, are not vulnerable to exploitation by landlords, and usually intend to stay for 6-12 months or longer, just like any other flatting situation. However since there are 6 or more rooms in the building, it becomes classed as a Boarding House, and the tenants only have to give 3 days' notice to terminate their tenancy. This is unfair on landlords as it does not allow sufficient time to re-let the room before they leave, hence there can be a 3-week gap

between tenants. In the case of a standard residential tenancy where 3 weeks' notice is required, this provides enough time for advertising and interviewing new tenants, such that the gap between tenants is shorter.

12.4 Recognising the therapeutic role more fully

The soft services seem as important as the building.

There needs to be evidence of how the landlord or facility management has engaged with tenants and contributed towards their wellbeing and safety. This could be evidenced through regular feedback sought from tenants or hosting resident meetings following a quasi-body corporate format.

Another former boarding house operator suggests:

We recommend that a "certified boarding house operator" (certified by a MBIE process), is able to operate with fixed term tenancies of 12 months. This will create the opportunity for the client, and the operator to establish a positive and caring relationship. A quality driven operator will have systems in place to create harmonious living environments, whereby clients feel safe and secure, in a warm, and friendly pace.

12.5 Through local or central government?

There was more debate about local or government operationalization of the regulations with no clear direction. The following comments show the differences of opinion.

There was general agreement that the guidelines need to be developed nationally by central government and be implemented by local government bodies. This would allow local nuances to be taken into account and protect changes from being influenced by election cycles. In the Auckland context, any changes need to be linked to the unitary plan.

Local authorities also have inconsistent approaches to poor quality housing.

It should be a central government responsibility. Currently local government has not been provided with the funding for housing support and has spent many years being told that this is outside their jurisdiction. Furthermore, engaging with housing has been something that local authorities have consistently avoided in the course of NZ history despite having the power to do so (Dupuis & Thorns, 1998; Hargreaves, Hearn, & Little, 1985). Whereas Tenancy Services have staff dedicated to performing this role.

We are concerned local government has not been able to satisfactorily enforce standards for boarding house tenants using the Building Act 2004, the New Zealand Building Code, the Housing Improvement Regulations 1947 or the Public Health Act 1956.

12.5.1 A rating system

A rating system was suggested for boarding houses.

Yes, but this needs to occur alongside public notifications and a visible rating system that is easily understood. Downgrades in rating could incur additional penalties such as effects on

'preferred provider' contracts Property managers and landlord with good ratings can earn the right to have fewer reviews and inspections. It is believed that these actions will support change and moderate the market.

12.6 On period of notice

There was discussion about periods of notice which in boarding houses are short.

No, there should be a period of notice that is the same as any other tenancy. Boarding houses are people's homes and privacy should be respected.

12.7 Concern about sustainability

There was general concern about the sustainability of boarding houses. Many felt that more intense scrutiny and increased standards could reduce supply in this niche but important segment of rental accommodation.

The group agreed that an increase in cost was justified but did not agree that implementation of a WoF system would increase the cost for tenants. It was thought that the cost is more likely to be borne by the government as any increase will be covered by the accommodation supplement paid by Work and Income. Currently, the quality of boarding house does not seem to have a significant impact on cost, with a very small price difference between good and poor providers.

One submitter highlighted that supply of boarding houses is diminished and may diminish further.

The 2010 enactment change led to our decision to reconfigure boarding houses into flats, as our quality-boarding-house occupancy levels reduced from 95/98% to 30%, with the provision that enabled tenants to provide 48 hours' notice to vacate. Tenants in the CBD were using the boarding house as their opportunity to reside at the boarding house, then once a flat was secured, they moved out. This had nothing to do with vulnerable people moving out, as our boarding houses were presented in "hotel" condition. If the boarding house provisions are tightened, there will be further moves by the quality operators to reconfigure to flats. There is a market for quality/well located boarding houses.

There was a substandard boarding house which provided accommodation for the mentally disabled. If reasonable conditions had been enforced then the occupants would have been homeless.

12.8 An inter-sectorial view

One DHB canvassed a number of non-governmental and departmental staff in a world café styled workshop. This DHB and participants identified the following:

Current situation

1. People with mental health issues experience discrimination when seeking accommodation. This means they are left with few choices besides living in boarding houses

2. Boarding house quality is variable; most are of poor quality and pose health and safety risks to tenants. There are examples of boarding houses that provide good quality accommodation which is safe. Due to the small number of these facilities, they select tenants carefully. This often means that mental health clients are excluded from these boarding houses and are forced to stay in a less safe and poorer quality option.
3. Onus is currently on tenants to raise issues through complaint processes. Current system requires tenants to raise complaints. Tenants not likely to complain due to their vulnerability
4. Tenants should have their basic rights met to live in a safe and healthy environment
5. Services represented at this workshop visit the poorer quality boarding houses in pairs due to safety concerns. This increases the costs for providers, alongside safety concerns for tenants residing in these facilities

What we would like to see

6. There is a need for increased regulation for boarding houses to improve the overall quality and safety for tenants
7. We support the implementation of a licencing or Warrant of Fitness system which is publically visible and removes responsibility from tenants.
8. Robust minimum standards need to be developed
9. Incentives and disincentives for landlords of boarding houses need to be introduced alongside a regulatory regime. This could be achieved through using an easily understood grading system (such as the food hygiene, A, B, C & D) and requiring boarding houses to publicly display these
10. Increased transparency through the use of a register of property owners allowing concerns identified to be addressed in a timely way.
11. We would like to see a wellbeing approach taken which considers more than just the physical environment and the operators of boarding houses. The psychosocial environment needs to be assessed and controlled for in order to promote social cohesiveness and mental wellbeing

13. Questions on boarding houses

In this section there are thirteen questions grouped in three sub-sections. Most tenants believed that something needed to be done about the quality of boarding houses. However, many of those who answered this section had not experienced living in a boarding house first hand. Of those who had experienced living in a boarding house, there were a similar proportion of positive and negative experiences.

Many people also mentioned the need to protect the vulnerable, who were often the tenants of boarding houses. Both tenants and landlords generally disagreed with a self-certification regime, but thought that a Warrant of Fitness system could work to improve the quality of boarding houses. While there was general agreeance that the costs of a Warrant of Fitness regime would be justifiable, many noted that this cost would likely be passed on to the tenants via increased rent, and were worried about the impact on the most vulnerable.

A number of respondents spoke of the implications of the boarding house rules on flatting (often student) situations. This potentially shows a lack of clarity in the definition and understanding of a boarding house.

13.1 Quality standards for boarding houses and improved accountability for their operators

Question 4.1.1 Part 1

Do you think landlords' current responsibilities for boarding houses are fit-for-purpose?

- Yes
- No

Quantitative analysis of question 4.1.1

Table 191 Question 4.1.1 Part 1 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	292	50.2%
No	290	49.8%
Total	582	100.0%

Table 192 Question 4.1.1 Part 1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	36.0%	62.3%	70.3%	40.0%	30.8%
No	64.0%	37.7%	29.7%	60.0%	69.2%

Table 193 Question 4.1.1 Part 1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	26.9%	58.3%	12.6%	1.1%	1.1%
No	51.7%	38.1%	5.7%	1.8%	2.7%

Thematic analysis of 4.1.1 Part 1

Major themes

- Many of the 'no' respondents referred to the substandard nature of boarding houses
 - This was mostly from tenants, and related to the lack of: cleanliness, quality (e.g. insulation), safety and/or prevalence of overcrowding of these properties
- Other 'no' respondents, both landlords and tenants, and mentioned that boarding houses are often used by the more vulnerable in society and therefore need more protection
- Many of the 'yes' respondents, both landlords and tenants, noted that it is not the landlords' responsibilities but the lack of compliance, implementation and/or enforcement of them

Minor themes

- Some landlords and tenants mentioned that the rules need to be clearer
- There were also some landlords that wanted a change to the notice periods; less notice period for landlords, and more for tenants

Other points of interest

Many of the answers were based on second-hand information; e.g. from the media

Relevant quotes

Tenant

It is not okay for a landlord to charge people to live in a house that is below standard - i.e. un-insulated, un-ventilated, mouldy, dirty, unsafe to live in.

Tenant

Boarding houses are often where the most vulnerable are tenants and they need more protection from exploitation.

Question 4.1.1 Part 2

Do you think tenants' current responsibilities for boarding houses are fit-for-purpose?

- Yes
- No

Quantitative analysis of 4.1.1 Part 2

Table 194 Question 4.1.1 Part 2 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	325	60.5%
No	212	39.5%
Total	537	100.0%

Table 195 Question 4.1.1 Part 2 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	56.7%	64.0%	67.2%	37.5%	20.0%
No	43.3%	36.0%	32.8%	62.5%	80.0%

Table 196 Question 4.1.1 Part 2 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	36.1%	52.3%	10.6%	0.8%	0.3%
No	42.8%	45.6%	8.0%	2.0%	1.6%

Thematic analysis of 4.1.1 Part 2

Major themes

- Many of the tenant 'no' respondents noted that the rules need to be more explicit/clearer

- Similar to Part 1, many of the 'yes' respondents, particularly landlords, noted that it is not the tenants' responsibilities but the lack of compliance, implementation, and/or enforcement of them

Minor themes

- Similar to Part 1, some of the landlord 'no' respondents noted that tenants should be required to give more notice

Question 4.1.2

If you are or have been a tenant of a boarding house, what has been your experience of the quality of boarding houses?

- Very poor
- Poor
- Average
- Good
- Very good

Quantitative analysis of question 4.1.2

Table 197 Question 4.1.2 Quantitative overview

Response	Number of responses	Percentage of Answers
Very poor	28	17.5%
Poor	33	20.6%
Average	43	26.9%
Good	36	22.5%
Very good	20	12.5%
Total	160	100.0%

Table 198 Question 4.1.2 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Very poor	25.0%	10.3%	0.0%	25.0%	0.0%
Poor	22.6%	16.1%	23.1%	0.0%	100.0%
Average	26.2%	24.1%	30.8%	25.0%	0.0%
Good	15.5%	32.2%	23.1%	50.0%	0.0%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Very good	10.7%	17.2%	23.1%	0.0%	0.0%

Table 199 Question 4.1.2 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Very poor	67.7%	29.0%	0.0%	3.2%	0.0%
Poor	51.4%	37.8%	8.1%	0.0%	2.7%
Average	45.8%	43.8%	8.3%	2.1%	0.0%
Good	28.3%	60.9%	6.5%	4.3%	0.0%
Very good	33.3%	55.6%	11.1%	0.0%	0.0%

Question 4.1.3

Are stronger enforcement powers needed to improve the quality of boarding houses?

- Yes
- No

Quantitative analysis of question 4.1.3

Table 200 Question 4.1.3 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	402	69.6%
No	176	30.4%
Total	578	100.0%

Table 201 Question 4.1.3 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	82.3%	57.1%	40.3%	80.0%	94.1%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
No	17.7%	42.9%	59.7%	20.0%	5.9%

Table 202 Question 4.1.3 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	48.7%	40.6%	5.5%	1.7%	3.5%
No	21.1%	61.4%	16.2%	0.9%	0.4%

Thematic analysis of 4.1.3

Major themes

- Many of the 'yes' respondents, both landlords and tenants, noted that there needs to be regular inspection to improve the quality of boarding houses
- Many 'yes' respondents, both landlords and tenants, noted that there were cleanliness/quality (e.g. insulation)/safety/overcrowding issues
- Other 'yes' respondents, both landlords and tenants, noted that the people inhabiting boarding houses are often the vulnerable and therefore need more protection

Minor themes

- Some landlords who responded no stated that the cost will be passed on to tenants
 - Some of these comments noted that the vulnerable population are also the least likely to be able to afford this cost
- Some landlords and tenants who responded yes, thought that there should be a minimum standard for all rental properties, not just boarding houses

Relevant quotes

Landlord/homeowner

If you increase enforcement and compliance. The running costs increase and need to be past on to those who can least afford it.

13.2 Self-certification

Question 4.1.4

Do you think a self-certification regime would:

- lift the quality of boarding houses?

- Yes
- No
- mean standards can be effectively enforced?
 - Yes
 - No

Quantitative analysis of question 4.1.4 Part 1

Table 203 Question 4.1.4 Part 1 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	238	39.5%
No	365	60.5%
Total	603	100.0%

Table 204 Question 4.1.4 Part 1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	35.5%	42.0%	41.9%	50.0%	21.4%
No	64.5%	58.0%	58.1%	50.0%	78.6%

Table 205 Question 4.1.4 Part 1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	35.0%	52.9%	9.3%	1.8%	1.1%
No	41.0%	47.0%	8.3%	1.2%	2.5%

Table 206 Question 4.1.4 Part 2 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	233	39.6%
No	355	60.4%
Total	588	100.0%

Table 207 Question 4.1.4 Part 2 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	36.9%	41.1%	41.7%	60.0%	20.0%
No	63.1%	58.9%	58.3%	40.0%	80.0%

Table 208 Question 4.1.4 Part 2 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	36.7%	51.3%	9.1%	2.2%	0.7%
No	41.0%	47.9%	8.3%	0.9%	1.9%

Thematic analysis of 4.1.4

Major themes

- Many landlords and tenants who responded no noted that nothing would change as bad landlords will still be bad; they are already non-compliant, so why would they change?
- Other 'no' respondents, both landlords and tenants, believe that self-certification doesn't work. There were additional sub-themes to this answer that to make a change, there would need to be externally and independent validation, regular inspection and/or enforcement.

Minor themes

- Some of the tenants who responded yes believed that having a self-certification scheme would generate awareness of the requirements and allow landlords to be held accountable
- Other 'yes' respondents, both landlords and tenants, noted that self-certification would help enforcement as there would be information on where boarding houses are

Other points of interest

A few answers noted the possibilities of any increased costs being passed onto tenants, and whether or not this population could afford it

Relevant quotes

Tenant, Landlord/homeowner

Bad boarding houses will stay bad, and good boarding houses will face increased compliance costs.

Question 4.1.5

Do you think self-certification should focus on

- The physical property
- The operator
- Both

Quantitative analysis of question 4.1.5

Table 209 Question 4.1.5 Quantitative overview

Response	Number of responses	Percentage of Answers
The physical property	81	15.1%
The operator	9	1.7%
Both	445	83.2%
Total	535	100.0%

Table 210 Question 4.1.5 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
The physical property	13.1%	18.6%	21.6%	20.0%	11.1%
The operator	2.4%	1.3%	0.0%	0.0%	0.0%
Both	84.5%	80.1%	78.4%	80.0%	88.9%

Table 211 Question 4.1.5 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
The physical property	31.4%	55.2%	10.5%	1.9%	1.0%
The operator	60.0%	40.0%	0.0%	0.0%	0.0%
Both	41.1%	48.1%	7.7%	1.5%	1.5%

Thematic analysis of 4.1.5

Major themes

- Many of the respondents, both landlords and tenants, stated that the physical property and operator could not be separated. Some comments noted that the property reflects the owner or that a bad property or bad owner makes for a bad result. Of those that noted both and gave a preferential weighting, there was a bias to noting that there should be more emphasis on the physical property
- Many of the physical property respondents, both landlords and tenants, stated that there is no need to get the operator involved if the property is in good condition

Other points of interest

- There was a lot of disagreement to self-certification in the answers from both tenants and landlords

Relevant quotes

Landlord/homeowner, Social housing provider

Boarding houses often cater to vulnerable groups, they work best when the operator is sympathetic to the groups needs

Question 4.1.6

Are there any other standards boarding house landlords should need to meet in order to self-certify?

Thematic analysis of 4.1.6

Major themes

- Many respondents, both landlords and tenants, answered in the negative for this question
- Many respondents, both landlords and tenants, noted that landlords should have to provide a property that is of decent standard; it should be healthy, warm, safe, dry, and/or not overcrowded
- Many respondents, both landlords and tenants, thought that independent inspections/audits should be required for certification

Minor themes

- A few respondents, both landlords and tenants, noted that landlords of boarding houses should show awareness of/ability to cater to vulnerable persons needs

Other points of interest

- There was a lot of disagreement to self-certification in the answers

Relevant quotes

Landlord/homeowner

They should be clean, warm and basically the same standards as to a rental property.

Question 4.1.7

If you are or have been a boarding house landlord, how do you think a self-certification regime would affect you? (optional question)

Thematic analysis of 4.1.7

Major themes

- Many respondents stated that a self-certification regime would not affect them greatly as their boarding houses are already above standard so it would just be a box ticking exercise
- Many respondents thought that it would put an increased burden on their time and/or costs and therefore would pass this on to tenants via increased rent

Minor themes

- A few respondents note that the additional burden would mean that they would stop running the property as a boarding house

Other points of interest

- Once again, there was a lot of disagreement to self-certification in the answers

13.3 Warrant of Fitness

Question 4.1.8 Part 1

A Warrant of Fitness is a check to ensure that a property and/or landlord meets minimum required standards before being granted a licence to operate a boarding house.

Do you think a Warrant of Fitness would lift the quality of boarding houses?

- Yes
- No

Quantitative analysis of question 4.1.8 Part 1

Table 212 Question 4.1.8 Part 1 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	538	81.4%
No	123	18.6%
Total	661	100.0%

Table 213 Question 4.1.8 Part 1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	91.1%	71.6%	69.4%	66.7%	95.2%
No	8.9%	28.4%	30.6%	33.3%	4.8%

Table 214 Question 4.1.8 Part 1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	45.0%	43.4%	7.0%	1.3%	3.3%
No	17.2%	67.5%	12.1%	2.5%	0.6%

Thematic analysis of 4.1.8 Part 1

Major themes

- Many of the 'yes' respondents, both landlords and tenants, noted that a warrant of fitness regime would clearly improve the quality of boarding houses. Answers were often along the lined of:
 - of course
 - how can it not?
 - obviously
- Many respondents, noted that a building warrant of fitness would increase costs.
 - Of these respondents that answered yes, they often noted that this increased cost would be passed onto the tenants as increased rent.
 - Of these respondents that answered no, they often noted that this would increase the running costs too much, and therefore boarding houses would close

These respondents were primarily landlords, although there were also some tenants
- Many of the 'no' respondents, both landlords and tenants, stated that a warrant of fitness regime would only increase costs while not impacting the quality of boarding houses.
 - Already good quality boarding houses would pass, and therefore the quality of these would remain the same. There would only be increased burdens on time and costs for the landlords, which would be passed on to tenants.
 - On the other hand, landlords of bad quality boarding houses would choose to still not comply and operate illegally (as they are already doing)

Minor themes

- There were some landlord respondents who thought that it should be left to the market decide (rather than regulate)
- Some 'no' respondents thought that it would not have a major impact on the quality of boarding houses. This is because landlords would do the minimum to get the warrant of fitness, then nothing will happen until the next inspection (similar to car warrants)
- Some landlords noted that some boarding houses already require a building warrant of fitness, and shouldn't have to comply with another?

Other points of interest

Landlord/homeowner

In many cases it's likely to result in lower standards for higher quality properties.

Landlords will realise that they can meet a lower standard so will not make any effort to exceed it.

Relevant quotes

Landlord/homeowner

But it would increase running costs due to enforcement and compliance. And increase rents onto those who can least afford it. It would cause some to close leaving some homeless.

Question 4.1.8 Part 2

A Warrant of Fitness is a check to ensure that a property and/or landlord meets minimum required standards before being granted a licence to operate a boarding house.

Do you think a Warrant of Fitness mean standards can be effectively enforced?

- Yes
- No

Quantitative analysis of 4.1.8 Part 2

Table 215 Question 4.1.8 Part 2 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	435	79.2%
No	114	20.8%
Total	549	100.0%

Table 216 Question 4.1.8 Part 2 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	87.8%	69.7%	64.0%	71.4%	88.9%
No	12.2%	30.3%	36.0%	28.6%	11.1%

Table 217 Question 4.1.8 Part 2 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	49.0%	42.0%	6.4%	1.0%	1.6%
No	23.3%	62.3%	12.3%	1.4%	0.7%

Thematic analysis of 4.1.8 Part 2

Major themes

- Many of the 'yes' respondents, both landlords and tenants, noted that enforcement of standards would be easier as there will be a standard to measure against
- Other themes were very similar to question 4.1.8 Part 1

Question 4.1.9

The introduction of a boarding house Warrant of Fitness would result in new costs for tenants, landlords and the government. Do you think this would be justified?

- Yes
- No

Quantitative analysis of question 4.1.9

Table 218 Question 4.1.9 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	457	71.6%
No	181	28.4%
Total	638	100.0%

Table 219 Question 4.1.9 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	77.3%	65.6%	57.8%	83.3%	88.9%
No	22.7%	34.4%	42.2%	16.7%	11.1%

Table 220 Question 4.1.9 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	44.0%	45.5%	7.0%	1.9%	1.5%
No	30.4%	56.3%	12.1%	0.9%	0.4%

Thematic analysis of 4.1.9

Major themes

- Many of the 'yes' respondents, both landlords and tenants, noted that regulation comes at a cost, but if it improves housing then it's a necessary cost to improve housing
- Many tenants stated that they should not be the ones to pay more
 - Rent is already high enough
 - Why should they pay more for something that they should already be getting (quality housing)?
 - Government and/or landlords should pay
- Many respondents, both landlords and tenants, noted that the increased costs to landlords would be passed on to tenants. Some of these respondents noted that many of these tenants are the most vulnerable and least able to pay. Some also elaborated further noting that this would mean that the government will end up paying most of the costs via increased benefits to help the vulnerable pay
- Many of the 'no' respondents, both landlords and tenants, stated that for the majority of places it will be adding cost for no benefit. As such, the advantages do not outweigh the costs

Minor themes

- A few respondents noted that there may be potential offsets in other government expenditure (e.g. health sector costs) due to better quality housing

Relevant quotes

Tenant

If it makes a place safer and healthier than it would be worth it. Hopefully it wouldn't cost too much for tenants though. Because rental costs are already high enough as it is.

Question 4.1.10

If additional protections were introduced for boarding houses, which model would you prefer?

- A self-certification regime
- A Warrant of Fitness

Quantitative analysis of question 4.1.10

Table 221 Question 4.1.10 Quantitative overview

Response	Number of responses	Percentage of Answers
A self-certification regime	142	22.9%
A Warrant of Fitness	479	77.1%
Total	621	100.0%

Table 222 Question 4.1.10 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
A self-certification regime	13.2%	34.6%	35.3%	27.3%	8.3%
A Warrant of Fitness	86.8%	65.4%	64.7%	72.7%	91.7%

Table 223 Question 4.1.10 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
A self-certification regime	21.7%	65.6%	10.0%	1.7%	1.1%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
A Warrant of Fitness	47.2%	41.1%	6.1%	1.5%	4.1%

Thematic analysis of 4.1.10

Major themes

- Many of the respondents, both landlords and tenants, that answered warrant of fitness believed that this would mean better checks and more clarity.
 - Can be enforced
 - Independent
 - Don't trust landlords/don't trust self-certifying
- Many of the respondents, both landlords and tenants, that answered self-certification thought that it was a better option due to it being the option with the lower cost (and therefore less burden on tenants), less change and/or easier implementation or compliance

Minor themes

- Some respondents thought that self-certification could be implemented first, and reassess or move to a warrant of fitness regime later if necessary

Relevant quotes

Landlord/homeowner

a warrant of fitness would be carried out by an independant person who one would assume has been trained in all aspects, this gives the tenant a clear idea as to the standards to expect, and what is acceptable and what is not.

Question 4.1.11

If a Warrant of Fitness were to be introduced for boarding houses and their operators, do you think responsibility for the regime should sit with:

- Local government?
- Central government?

Quantitative analysis of question 4.1.11

Table 224 Question 4.1.11 Quantitative overview

Response	Number of responses	Percentage of Answers
Local government	281	46.7%

Response	Number of responses	Percentage of Answers
Central government	321	53.3%
Total	602	100.0%

Table 225 Question 4.1.11 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Local government	46.6%	48.8%	50.8%	50.0%	0.0%
Central government	53.4%	51.2%	49.2%	50.0%	100.0%

Table 226 Question 4.1.11 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Local government	40.2%	49.4%	8.9%	1.5%	0.0%
Central government	41.3%	46.4%	7.7%	1.3%	3.2%

Thematic analysis of 4.1.11

Major themes

- Many of the respondents, both landlords and tenants, who answered local government thought that local government is more understanding of local needs such as:
 - climate
 - housing stock
 - communities
- Many of the respondents, both landlords and tenants, who answered central government thought that this option would mean that there would be consistency in the way the standards were applied

Minor themes

- Some respondents noted that both local and central government should be responsible. For instance local government carrying out the day to day work, with central government making the rules and oversight

Relevant quotes

Landlord/homeowner, answered local government

Boarding houses in different regions have different needs or requirement to be operated safely for their house guests, a single "one size fits all" solution does not make economic sense nor ensure the right level of quality control is instilled for compliance.

Tenant, answered central government

Needs to be independent, impartial, and consistent across the country.

Question 4.1.12

Is the definition of a boarding house understandable and does it capture all the premises you think should be treated differently, because of the shared nature of the accommodation?

- Yes
- No

Quantitative analysis of question 4.1.12

Table 227 Question 4.1.12 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	408	72.2%
No	157	27.8%
Total	565	100.0%

Table 228 Question 4.1.12 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	73.3%	71.6%	76.2%	88.9%	41.7%
No	26.7%	28.4%	23.8%	11.1%	58.3%

Table 229 Question 4.1.12 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	39.0%	48.3%	9.9%	1.7%	1.0%
No	37.3%	50.3%	8.1%	0.5%	3.8%

Question 4.1.13

Should all room-by-room tenancies be treated as boarding houses?

- Yes
- No

Quantitative analysis of question 4.1.13

Table 230 Question 4.1.13 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	332	54.1%
No	282	45.9%
Total	614	100.0%

Table 231 Question 4.1.13 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	62.5%	46.3%	46.3%	63.6%	42.9%
No	37.5%	53.7%	53.7%	36.4%	57.1%

Table 232 Question 4.1.13 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	45.7%	43.6%	8.1%	1.8%	0.8%
No	30.6%	56.6%	10.5%	1.2%	1.2%

Thematic analysis of 4.1.13

Major themes

- Many 'yes' respondents, both landlords and tenants, agreed as they thought that they are essentially the same. Some of these respondents thought that both mean that tenants are likely living with strangers and sharing facilities. This in turn means more responsibilities for the landlord and therefore should be treated similarly. Others noted that the same rules should be applied to like properties/tenancies
- Many 'no' respondents, both landlords and tenants, thought that the additional cost would be too high for places with a small number of rooms to comply
- Many 'no' respondents, both landlords and tenants, thought that there would be too many exceptions:
 - homeowners letting out spare rooms
 - homestays
 - AirBnB

Minor themes

- These themes were the same as in question 4.1.11

Other points of interest

- As noted in the "Other points of interest" section under Question 4.1.12, many respondents answered no to this as flatting should not fall under the boarding house definition, this potentially skews the responses due to misunderstanding the definition of room-by-room tenancies.

Relevant quotes

Tenant

They ultimately function in the same way so why not.

Landlord/homeowner

If someone only has one or two room-by-room tenancies then the cost of the warrant of fitness and administration of this isn't warranted

14. Overview of enforcing tenancy laws

There were a large number of submissions on issues of regulation as well as enforcement and therefore we have expanded this section to include that commentary.

14.1 More common ground on enforcement options

The extent and scale of enforcement was a topic of discussion but not the need or importance of that enforcement. In this, landlords and their agents, and tenants and their advocates, were able to reach more common agreement.

There was general agreement on a number of issues around Government enforcement options. The areas of largely common ground are:

Yes, the regulator, the Ministry of Housing and Urban Development, should be able to take a single case in multiple breaches

Yes it is appropriate to enter into enforceable undertakings with landlords, and that will also assist with educating landlords.

There seems to be general agreement around graduated improvement notices, enforceable undertakings and then infringement notices.

There is a more complex discussion about levels of penalty with all agreeing there should be a penalty.

14.2 Widespread concern that existing regulations are not being implemented

There is general concern that the existing regulations are not well implemented and many issues are generated from this lack of implementation.

The experience of our volunteers is that the existing legislation (the Housing Improvement Regulations 1947) is not well understood, applied or enforced. The Healthy Homes Guarantee Act 2017 provides property owners with clearer guidelines of actions they need to take to provide a safe warm home. Our concern though is that unless the new Act is enforced by Local Territorial Authorities and the Tenancy Tribunal the current situation of non-compliance will continue.

14.3 Property managers are an important part of the rental market structure

Property managers are an important part of the rental sector and there was a reasonable amount of comment on their role. Undoubtedly, they have become the agent for many landlords.

Representative of the overall market, the majority of our landlords are hardworking kiwi families who have worked hard to acquire a small investment portfolio that will help them in providing for their retirement. Our landlords supply tenants with warmer, drier, safer homes and almost without exception they value their tenants and work to ensure they stay long term.

They note the scale of the changes in the current legislative regime but identify issues in understanding and enforcement.

14.3.1 Most behave ethically but there is evidence of others being less long-term focussed

Property managers generally espoused an ethical, long-term view of their activity.

We are committed to better long-term outcomes for our clients (landlords) and our customers (tenants). We are not alone, many of our colleagues, and many of New Zealand's landlords are responsible landlords.

One submitter drew attention to other, more short-term behaviour exemplified in a series of advertisements with a statements like: "Afraid to man up, we aren't" or "Your tenants hate us. You will love us!" or "Cheers to you! Are you financing your tenant's social lives?".

14.3.2 Licencing or regulating property managers?

The topic of licencing or regulating property managers is noted as an omission in several submissions. For instance, a community housing umbrella group notes:

An important omission from the proposed changes is regulation of property managers. Many of our members are already regulated by the Community Housing Regulatory Authority as Class 1: Social Landlords. We support the positions stated in the open letter prepared by [a church advocacy group] and endorsed by many advocacy organisations 2 and property management professionals. The responsibilities property managers have are too great to be left open to untrained and unqualified operators.

If a professional regulatory body investigated complaints against rogue property managers, imposed appropriate sanctions and granted redress, there would be less burden on renters and the state to enforce the law. Further, if the regulator ensured property managers were appropriately qualified and aware of their legal obligations, there would hopefully be fewer breaches of the law in the first instance.

The issues of unregulated property managers and behaviours in general were raised by both tenants and landlords. Property managers also commented on this market.

Require all rental properties to be managed by a licensed property manager. ... All property managers to be trained and licensed to a far higher standard than is apparent by some at present. ... Regulate licenses through an independent, external body [not voluntary or 'in-house'] with penalties for poor professionalism – more than token gestures so are a real incentive to provide a high-quality service.

If changes need to be made to benefit the tenant, then an overhaul of the currently unregulated property management system may be the answer. We see that having a private landlord that a tenant can build a personal relationship with is key to enjoying a functional rental experience.

Firstly- where are the proposals to license the Property managers? I live in Dunedin and have seen first hand the predatory nature of their activities their treatment of tenants and their disdain for the tenants. The students in Dunedin have had an appalling run from property managers and it must be said from a lot of landlords.

We hear stories of tenants having quite serious issues which they cannot resolve because the landlord (or his agent, who are in many cases inept) simply does not respond or makes promises that are not kept.

The incentives for property managers were seen as different from those of landlords and not necessarily better. For instance, this submitter preferred renting off a landlord directly rather than dealing with a property manager as the relationship was longer term.

We currently rent off a private landlord which is certainly better than the property management services which have an incentive to jack up rents every 6 months as their commissions are related to the rents they collect.

There were also questions about property managers' role and charging.

The most effective change our Government can make in regards to renting is to regulate property managers. Property Managers currently operate in their own best interest. Whether it be ignoring tenants requests to fix existing problems within a house or pushing for replacement of chattels, stovetops etc when they can be fixed because the property managers get a 30% fee from the landlord for such replacements. They need oversight.

14.3.3 Auditing landlords and property managers

One property manager felt that some form of audit or third party accreditation would be a useful addition to regulation of the sector.

... extending MBIE's ability to audit landlords and property managers is one of the single most important ideas in this discussion document. The laws are already strong enough, compliance and enforcement are the issue. Anything that empowers MBIE to get on with weeding out poor landlords, (as long as due process is followed) is a positive thing.

The introduction of enforceable undertakings as a further regulatory intervention was not seen negatively by this property manager.'

Enforceable undertakings would be a good way to give landlords who have the best intentions but have failed to act responsibly due to a lack of knowledge, experience, or systems, an opportunity to improve before prosecution is sought.

Others agreed but also suggested that this notion of enforceable undertakings could be reciprocal, with tenants.

Yes, as long as the same applies to tenants.

Others disagree. In the following quote, a property manager challenges whether MBIE has the skills to undertake any kind of audit.

No, this is very intrusive. If things go wrong, they are dealt with through the Tenancy Tribunal. In which other organisations does MBIE have the right to audit business models, processes, and practices? What makes you the expert in such things?

14.4 A rating system for tenants and landlords?

One submitter suggests a rating system that could apply to both tenants and landlords:

I suggest that investigation be made into a registration/licensing system of both tenants and landlords (or shareholders of companies). This could be done as part of the bond process. Both parties would be rated on 4-5 factors annually and at the end of each tenancy. Negative ratings would have to be backed up with evidence to be validated.

This rating system is in line with a suggestion from another tenant. This tenant dislikes the informality of the checking process currently used by landlords. This person suggests a centralised database could be the answer.

the current system commonly sees agents gathering personal information that should have no bearing on a successful application and discrimination does occur when home owners are presented with such information . another problem around application time is that references are done by contacting previous landlords , this sees tenants beholden to a landlord for years after they have left his / her dwelling . in many cases a tenant whom has been aggrieved by a landlord may be scared to take action against him / her knowing that soon they may be called upon ... this has happened to myself to rectify both of these issues a centralized database should be established by the ministry as the only legal source of checking references . it must be mandatory for a landlord to lodge details about the regularity of a tenants rent payments at the time the tenancy is terminated - because tenants are subject to periodic inspections we must assume that no significant damages have occurred unless that is the specific reason for the tenancy ending - also on the same form could include details that were picked up on inspections such as whether the gardens were kept , the general state of cleanliness or details of antisocial behaviour ... all of which are perfectly relevant information and need to be past on . at the same time the tenants must have an opportunity to express how the landlords actions and attitudes have impacted their lives . this information could be tallied to provide a rating system for tenants and landlords alike. thus rendering it all but impossible to rent a house with false references .

14.5 Tenants tend not use the Tenancy Tribunal

There is considerable disgruntlement with the Tenancy Tribunal. This disgruntlement extends across both tenants and landlords.

14.5.1 Tenants fear blacklisting and avoid the tribunal

There are significant repercussions for tenants not securing positive references. The landlord submissions suggest these references have become more important over time as the risk and cost of a poor tenant increases over time. A negative reference has significant repercussion for renter and one tenancy advisory group noted a decade old arrears order appeared to be the barrier to a person seeking a rental gaining access to a property. One tenancy advocacy group expands on this context:

There are significant repercussions for Tenants who don't meet their responsibilities. Their tenancy can be ended, they can fail to secure references or the positive reputation required to secure a new tenancy. If they appear on a Tenancy Tribunal Order online then this definitely disadvantages them. It can advantage Landlords to know the history of a Tenant when choosing who they rent their property too. Protocols regarding references and tenant selection processes should have been part of the scope of this review. They sit outside the RTA and yet play a significant role in the functioning of the sector. In part, some of this could be dealt with via a compulsory Property Management Code of Conduct. This would not assist the owners who manage their own tenancies.

One renter submits the notion of a third party, independent reference.

A third party standardised reference systems with specific rating forms needs to be established and made a mandatory part of the process of renting. This will provide a fair and just rental history that's creditable for every renter. Having a compulsory third party mediator present at every final inspection as a mandatory requirement creates the means to establish a fair and trusted final score rating.... not unlike credit scores or trade-me ratings and removes the imbalance of power, this power should under no circumstances be left in the hands of the landlord if equity is ever to be established.

14.5.2 Tenants fear retaliation

Tenants state they do not complain or otherwise may receive some form of retaliation. This retaliation may be an inspection, a rent increase or, in the extreme, a no-cause termination.

We find the fear of termination is the main cause for tenants to not express their rights, this is supported by multiple pieces of research (August & Walks, 2018; Bierre, Bennett, & Howden-Chapman, 2014; Chisholm, Howden-Chapman, & Fougere, 2017; Morris, 2018; Witten et al., 2017).

Removing 90 day "no cause" terminations would provide greater security and stability for tenants and allow them to interact with their landlords without fear of having their tenancies terminated for no good reason. In our rental survey, 30 percent of renters had held off complaining about a problem because they worried it would result in eviction.

Many tenants and their advocates note that many tenants stand aside from the Tenancy Tribunal.

An enormous number of the tenants we talk with decline to proceed with Tenancy Tribunal action due to fears of diminished reputation, black listing, risk of not securing future properties. They know that the complainant is often seen as difficult, even if the reason for their complaint is justified.

The tenancy tribunal is currently the very last option for renters as it will cause damage to their ability to be able to secure future properties and landlords are very aware of this, with many using it to their advantage and those with the most need are often the less educated about their rights to file the complaint. ... Renters advocacy services is a smart additional extension to tackle this problem also.

Many clients choose to take no action under the Act when they encounter problems with their landlords; their initial response is to seek information on how to exit the tenancy. The reasons for this may include not understanding that there are other options available to them, negative feelings they may have developed about the landlord or the flat, the perceived hassle of taking a matter to the Tribunal and fear of the landlord's reaction.

Remedy is not available because of fear of retaliation or through intimidation.

In our capacity as a housing charity we hear daily of stories where private tenants are unwilling to approach their landlords for a range of matters due to fear of losing their tenancy. Issues include rotten floorboards, leaking roofs, unsafe decking, broken window latches, leaking taps etc. The list is endless.

We see this occur regularly. Generally a tenant feels too scared or intimidated by the landlord to act. This can often result in them agreeing to an unfavourable outcome, or not turning up to the Tenancy Tribunal when taken by the landlord.

There is fear of blacklisting.

Our experience with the Tenancy Tribunal is that tenants can come to us with valid reasons but will not go to Tenancy Tribunal out of fear of their current or future tenancies. Tenants will often prefer to avoid the legal process and escape the tenancy, unless they are desperate. We have had a case where a bathroom tap caused significant damage to the carpet. We advised the tenant that it is covered by 'Osaki,' however the property manager demanded payment for the damages. During mediation the property manager threatened that the tenant would be black listed if they did not make the payment. Subsequently the tenant chose to pay rather than go to Tenancy Tribunal. One way to rectify this would be to ensure that Tenancy Tribunal rulings are anonymised to prevent this information being used to discriminate against tenants.

One tenancy protection group notes the difficulty in navigating the process.

A significant number of tenants struggle to navigate the Tenancy Tribunal process, and require advocacy and assistance to best participate in it. [This group] recommends advocacy services are funded by government, for example on the interest from unclaimed bonds at the bond centre.

Tenants can't easily deal with retaliatory notices from landlords.

Many Tenants have told us that they believe their 90 day notice to vacate has been motivated by the Landlord not wanting to comply with requests for necessary repairs or maintenance. The Tenant has insufficient proof to apply to the Tenancy Tribunal to declare the notice retaliatory, is unaware they could do so, or is not wanting to take the risk of applying and failing to have the notice overturned. ... When a tenant is issued with what they believe is a retaliatory notice to vacate, they often do not challenge this at the Tenancy Tribunal. If they are unsuccessful and the notice to vacate is upheld – this leaves very little time to secure alternative accommodation ie the Tenancy Tribunal hearing date and the expiry of the 42 day notice of are often very close.

There is limited recourse to a termination notice.

While there is scope to dispute termination notices this is rarely used, and we have found there is limited ability to do so through the Tenancy Tribunal. Tenants have limited time to both find somewhere new and to fight the termination notice. Even when successful, the reward is often small, a termination date still imposed, or the landlord issues another soon afterward.

The end result may not work for tenants anyway.

Due to the power imbalance, there are not sufficient repercussions for landlords who breach their obligations. The amounts awarded through Tenancy Tribunal are rarely the maximum and landlords can still terminate a tenancy or avoid maintenance despite tribunal orders. We have had a case which lasted for 18 months of a property management company that failed to do a carpet repair and the tenant awarded \$200 as part of a wider case at the Tenancy Tribunal. The property management company refused to pay, and debt collectors were unable to proceed due to the company lacking any assets that could be seized. The eventual result was the tenant moving elsewhere, not receiving the ordered money, and the carpet remaining unrepaired for the next tenant.

14.5.3 There are few mechanisms to hold landlords accountable

DHBs note the need for health homes and the difficult of getting some landlords to meet those requirements. These issues do not seem to be dealt with through the Tenancy Tribunal. It is not clear where these issues would be dealt with.

[DHB] recommends greater repercussions for landlords who do not meet their obligations. In our local area, tenants have shared examples of contacting tenancy services or the Tenancy Tribunal about situations of concern, only to find that their landlords are well-known for their lack of compliance or questionable practices. Greater repercussions may provide some impetus for compliance.

14.6 Landlords find decisions are not enforceable or collectable

Some also note the extensive damage and related cost that can happen where they have allowed pets. In this example, the landlord indicated it took a year to repair pet and tenant damage, none of which could be recovered because of fear of retaliation against the

neighbour. This would be an instance where, otherwise, a claim would be made to the Tenancy Tribunal.

All our houses had been upgraded for new insulation standards. The old underfloor insulation had been silver foil and had been replaced with better product. Instead of building dog kennels for dogs they let them under the house. They pulled down and wrecked some of brand new insulation. Also dogs chewed power and coolant leads to heat-pump , scratched doors.

Others have pursued tenants for arrears in payments:

We have had tenant defaults in rental payments well beyond the 14 day default and have not taken action, but given tenants leeway to pay the arrears. Due to the time taken in the Tribunal to get final judgements and the difficulty in recovering Tribunal wards from tenants (we have Tenancy Tribunal awards of up to \$8000 which we have tried to enforce through bailiffs, debt collectors and have collected only about \$50!) and it is a tough call to decide when to take action and when to grant leeway to tenants. Tribunal costs time and money and for small arrears of rent (say under \$1000) if the tenant vacates peacefully and without causing damage to the property, we feel it is not even worth going to the Tribunal and we have no option but to write off this debt.

There are a number of examples from landlords of damages awarded but of long collection times, which are subject to uncertainty of ability to collect.

Mainly we have had good tenants who respect the property, but occasionally we have had tenants who have cost us a lot in damage, stress, time and loss of rent. The tenancy tribunal system has certainly not worked in our favour. The last tenant who left the property but left their son living in the house. By the time we finally got a hearing, it cost us about \$4000 in loss rent and repairs. That was about 5 years ago. The ex-tenant is paying off the debt at \$10 a week, but at anytime she decides to stop paying we have no way of tracking her down.

One suggestion is making it a Crown function to track down the tenants rather than the landlord having to take full responsibility, without means of doing so.

When issued a notice in favour of the landlord, the landlord should be able to get information on the tenant's whereabouts through other government agencies. The onus is on the landlord to track down the tenant when there is no way for them to do that

The effectiveness of the Tenancy Tribunal appears to be affecting investor confidence.

Lately I have contracted my house to a Church as my experiences with tenants and the tribunal was horrifying.

One submitter also notes that client fraud can be an additional cost on landlords meaning, in this example, that bonds cannot be recovered.

For example, we had a situation in recent years where a tenant who was moving on submitted a bond release form after having badly forged our signatures on it (Really badly by the way, it was obvious if compared to the bond submission that we had not signed it). Not only is it obvious that Tenancy Services risk controls around this are inadequate, they would do nothing to address the situation. They took no accountability for it, did not

apologise for the error, did not pursue the person for committing fraud and left us with the financial impact (we were claiming against the bond for cleaning and damages).

14.6.1 Experienced landlords are innovative in dealing with issues outside the formal processes

It is difficult to assess the level of damage and loss suffered by landlords as much of the solution is through alternative forms of dispute resolution. It is clear from submissions that situations of damage, arrears or unsociable behaviour are common and need to be dealt with on a continuous basis. The most innovative solutions appear to be in the worst situations.

In the past where a tenant has caused difficulties, it has often been easier and better to quietly remove them without confrontation (for example taking them to the Tenancy Court). The worst example I have had was when a tenant in a two flat property was selling drugs from the property. The other tenants became concerned and so I quietly removed them, partly by offering them money to leave (if the flat was left in good condition), rather than confronting them. I suspect a tyre on my car was slashed by them, but the problems could have been far worse.

Another submitter lists a number of situations where he had come to agreements and solutions that did not require the Tenancy Tribunal.

- ‘Tenant 1. Left district of own accord. Owed significant arrears which they have paid back on drip feed. Nice guys but have confided in me of drug and mental health problems. We came to own arrangement. No Tenancy Tribunal.’
- ‘Tenant 2. Left area of own accord. Destroyed a brand-new carpet in 12 months with 40 odd burn holes and numerous wine spills. She had several young children whom left the inside walls which had been newly painted with shoe marks everywhere. Also broke a couple of cupboards by climbing up them. Went soft on her and she paid for half of materials. Came to own arrangement. No Tenancy Tribunal’

14.7 Tenancy services are seen as being of variable quality

One tenancy advocacy group notes that it used all tenancy services and made a number of comments about what could be improved.

We have had dealings with all aspects of Tenancy Service’s services. We receive regular complaints about the call centre, Mediation, and the manner in which paperwork is delivered.

Call centre: Many Tenants report that call centre staff tell them what the outcome of a Tenancy Tribunal hearing will be. They cannot do this, only an adjudicator decides the outcome. It is not for call centre staff to offer an opinion as fact.

Mediation: Often a Mediated Order is not made, but rather a ‘report’. This is unacceptable. All outcomes should be recorded in a Mediated Order. We have had occasions where a Landlord has refused to participate in Mediation, given the reason as being they believe the issue is sorted, and then the Mediator appears to consider the tenants application to have been withdrawn. On these occasions often the full content of the Tenants application has not been covered, and remains outstanding.

Paperwork: Many notices of Hearings have their attachments stripped from the email. This can result in Mediation occurring without the responding party knowing what is in the application.

14.8 Various other groups may have tenancy protection needs

A number of groups were identified as possibly needing tenancy protection. One tenancy advocacy group identified the following three groups.

International Tenants' Day this year emphasised the need to look after the elderly, who can often find themselves in this situation experiencing elder abuse with little recourse.

Furthermore, inter-flatmate abuse and violence has been identified as an issue by the Otago University Students' Association .

For tenants already living in the same house as their landlord, there exists an unbalanced power dynamic, and there can be considerable pressure to not opt into the RTA.

Victims of domestic violence are identified as particular at risk of tenancy issues, housing access and costs relating to fixed term agreements.

There needs to be legislation to ensure that tenants who have experienced domestic violence and abuse are not trapped within an existing tenancy, such as a fixed term, or due to inability to move elsewhere. These tenants are particularly vulnerable and the longer period that they must remain in unsafe housing increases the likelihood of significant physical and mental damage to themselves and the property. Thus, they need to be able to move on quickly and easily without imposing additional financial burdens on an already stressful and costly time.

Another group that needs to be given consideration is those individually renting rooms.

There are flat-sharing arrangements in which tenants individually rent rooms in houses with common living spaces that can be on the border line of boarding houses.

15. Questions on enforcing tenancy laws

In this section there are 18 questions. It looks at whether the enforcement of tenancy law can be made more effective and efficient.

The overall theme shared by all groups of respondents is that MBIE should have greater power, including the ability to:

- carry out audits of a landlord or property managers
- take a single case in respect of multiple breaches of the RTA
- enter into enforceable undertakings with landlords
- issue improvement notices
- issue infringement notices in straightforward breaches
- apply to the Tenancy Tribunal to award exemplary damages.

A theme led by landlords/homeowners suggested that, for equity, if there are additional regulation/fines/audits applicable to landlords/homeowners then the same term should be applied to tenants.

It is a matter of contention whether MBIE should have the power to enter the common spaces of boarding houses without prior agreement of any tenant. Respondents from all groups argued for and against this power depending on individuals' understanding of privacy and the nature of boarding houses. A fair number of respondents from all groups also believed granting this power to MBIE will help disadvantaged tenants by protecting them from potential backlashes and not allowing time for landlords to hide the issue.

A common theme shared by respondents is that the current Tribunal process is too slow. Many respondents from all groups suggested that because the Tribunal is too slow they will not use it. Many tenants also commented they are unwilling to engage the Tribunal because it's too stressful and will leave a black mark for future tenancy applications. On the other hand, many landlords/homeowners argued that the Tribunal is biased towards the tenants.

Regarding the current list of unlawful acts in the RTA (a list of breaches which are serious and potentially eligible for exemplary damage), respondents from all groups suggested additional ones to be included in the list. Commonly mentioned ones are pet damage, criminal activity, drug use, threatening behavior, failure to pay rent and others.

15.1 Ensuring the right penalties are enforced by the right authorities under the RTA

Question 5.1.1

Have you ever had a situation related to your tenancy where you felt that some form of action was warranted but decided against it?

- Yes

- No

Quantitative analysis of question 5.1.1

Table 233 Question 5.1.1 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,003	52.4%
No	912	47.6%
Total	1,915	100.0%

Table 234 Question 5.1.1 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	57.7%	49.1%	56.9%	58.8%	71.4%
No	42.3%	50.9%	43.1%	41.2%	28.6%

Table 235 Question 5.1.1 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	35.3%	53.6%	9.8%	0.9%	0.4%
No	28.9%	61.9%	8.3%	0.7%	0.2%

Thematic analysis of 5.1.1

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers indicated that the experience and the belief of taking action with the Tribunal is too costly (often timewise) compared with the reward
- Many tenants argued it is very hard for a renter to take a case to the Tenancy Tribunal: it can be stressful and some tenants might not feel confident to argue their case. There needs to be funding for advocates who can support or represent tenants
- Many respondents (from all groups) never had such a situation.

Minor themes

- Some tenants and landlords/homeowners suggested that they always take action
- Some tenants and landlords/homeowners indicated that no action was taken due to the expectation of damaging the relationship
- Some tenants and landlords/homeowners indicated that verbal intimidation deterred actions being taken.
- Some tenants and landlords/homeowners mentioned the problem is often resolved once brought up the prospect of taking action (e.g. threatened to go to the tribunal).

Other points of interest

Landlord/homeowner

With tenants taking on pets without first asking permission the best action was to raise rents more at the next review and not try to get rid of the pets via the Tenancy Tribunal.

Tenant, landlord/homeowner

"not in Aotearoa. this did occur when we lived in the United States & the main cause for deciding against action was lack of funds to pursue legal proceedings, which are the only option available in that country."

Renters United stated

The winner of a tenancy tribunal case should be anonymous. Publishing tenancy tribunal cases where the tenant wins allows landlords to discriminate against tenants who are prepared and able to stand up for themselves. There is no reason to publish tenants names or identifying information if they win the case.

Relevant quotes

Landlord/homeowner

...After having gone to the tenancy tribunal once, I would never go again. Totally disproportionate amount of effort and time required for the reward received...

Tenant, landlord/homeowner

...Tenants cause considerable damage, but property manage and lawyer advised that time spent before court and tenancy tribunal would not be worth it ...

Renters United stated

It is very hard for a renter to take a case to the Tenancy Tribunal: it can be stressful and some tenants might not feel confident to argue their case. There needs to be funding for advocates who can support or represent tenants

Tenant

Have not experienced it.

Landlord/homeowner

...Always take action when needed...

Tenant

...Hassle of going to tribunal and ruining somewhat positive relationship with landlord resulted in no action taken....

Tenant

Landlord failure to fix issues, decided against it as it would hinder future rental applications

Tenant

Landlord threatened to evict all flatmates over outstanding issues with leaking windows which had not been fixed. So we didn't.

Tenant

A landlord tried to take money from the bond for having the carpets professionally cleaned, eventually he backed down when I threatened to go to the tenancy tribunal.

Question 5.1.2

Please select which tenancy services you have previously used (if any) and comment on the quality of that service.

- Tenancy Services website
- Service Centre (0800 numbers)
- Service Centre (info@tenancy.govt.nz)
- Mediation
- Compliance and Investigation team
- Tenancy Services' Facebook page
- Tenancy Tribunal
- Other (please specify)

Did you have any problems with your experience with these tenancy services? If so, why do you think this was?

Quantitative analysis of question 5.1.2

Table 236 Question 5.1.2 Quantitative overview

Response	Number of responses	Percentage of Answers
Tenancy services website		
Very good	368	24.7%
Good	589	39.6%
Average	420	28.2%
Poor	78	5.2%
Very poor	34	2.3%
Total	1,489	100.0%
Service centre (0800 numbers)		
Very good	278	28.5%

Response	Number of responses	Percentage of Answers
Good	323	33.2%
Average	231	23.7%
Poor	92	9.4%
Very poor	50	5.1%
Total	974	100.0%
Service centre(info@tenancy.govt.nz)		
Very good	125	19.1%
Good	242	37.1%
Average	202	30.9%
Poor	59	9.0%
Very poor	25	3.8%
Total	653	100.0%
Mediation		
Very good	128	17.7%
Good	200	27.6%
Average	197	27.2%
Poor	125	17.3%
Very poor	74	10.2%
Total	724	100.0%
Compliance and investigation team		
Very good	27	10.0%
Good	41	15.1%
Average	77	28.4%
Poor	73	26.9%
Very poor	53	19.6%
Total	271	100.0%
Tenancy Services' Facebook page		
Very good	31	13.5%

Response	Number of responses	Percentage of Answers
Good	72	31.4%
Average	69	30.1%
Poor	36	15.7%
Very poor	21	9.2%
Total	229	100.0%
Tenancy Tribunal		
Very good	154	14.8%
Good	256	24.6%
Average	292	28.1%
Poor	203	19.5%
Very poor	134	12.9%
Total	1,039	100.0%

Table 237 Question 5.1.2 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Tenancy services website					
Very good	20.1%	25.5%	25.8%	33.3%	100.0%
Good	35.9%	41.6%	45.1%	33.3%	0.0%
Average	33.1%	25.9%	24.4%	16.7%	0.0%
Poor	7.6%	5.0%	3.3%	11.1%	0.0%
Very poor	3.3%	2.1%	1.4%	5.6%	0.0%
Service centre (0800 numbers)					
Very good	25.8%	28.9%	25.0%	41.7%	100.0%
Good	32.6%	35.0%	34.4%	16.7%	0.0%
Average	24.8%	22.4%	24.5%	16.7%	0.0%
Poor	9.9%	8.7%	12.0%	8.3%	0.0%
Very poor	6.8%	5.0%	4.2%	16.7%	0.0%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
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Service centre(info@tenancy.govt.nz)

Very good	17.2%	19.0%	19.3%	30.0%	-
Good	27.1%	41.1%	40.7%	20.0%	-
Average	35.0%	29.0%	32.1%	40.0%	-
Poor	14.3%	7.8%	5.7%	0.0%	-
Very poor	6.4%	3.1%	2.1%	10.0%	-

Mediation

Very good	16.4%	17.2%	19.8%	40.0%	0.0%
Good	19.4%	26.9%	37.3%	10.0%	0.0%
Average	21.2%	28.7%	30.5%	30.0%	100.0%
Poor	24.2%	16.8%	8.5%	20.0%	0.0%
Very poor	18.8%	10.4%	4.0%	0.0%	0.0%

Compliance and investigation team

Very good	6.0%	8.2%	19.0%	16.7%	100.0%
Good	9.5%	15.4%	23.8%	16.7%	0.0%
Average	25.0%	26.4%	39.7%	33.3%	0.0%
Poor	32.1%	29.1%	7.9%	16.7%	0.0%
Very poor	27.4%	20.9%	9.5%	16.7%	0.0%

Tenancy Services' Facebook page

Very good	15.0%	11.9%	19.5%	16.7%	-
Good	23.0%	31.9%	39.0%	33.3%	-
Average	29.0%	31.1%	31.7%	33.3%	-
Poor	21.0%	16.3%	4.9%	0.0%	-
Very poor	12.0%	8.9%	4.9%	16.7%	-

Tenancy Tribunal

Very good	15.9%	14.0%	14.7%	6.7%	-
Good	22.8%	24.7%	28.9%	13.3%	-

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Average	30.4%	27.4%	30.5%	40.0%	-
Poor	17.4%	19.7%	18.3%	20.0%	-
Very poor	13.4%	14.2%	7.6%	20.0%	-

Table 238 Question 5.1.2 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
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Tenancy services website

Very good	24.6%	60.9%	12.9%	1.4%	0.2%
Good	26.3%	59.4%	13.4%	0.8%	0.0%
Average	35.2%	53.7%	10.6%	0.6%	0.0%
Poor	40.0%	51.0%	7.0%	2.0%	0.0%
Very poor	40.5%	50.0%	7.1%	2.4%	0.0%

Service centre (0800 numbers)

Very good	25.4%	58.1%	14.7%	1.5%	0.3%
Good	26.1%	57.1%	16.4%	0.5%	0.0%
Average	29.0%	53.3%	17.0%	0.7%	0.0%
Poor	28.3%	50.4%	20.4%	0.9%	0.0%
Very poor	33.8%	50.8%	12.3%	3.1%	0.0%

Service centre(info@tenancy.govt.nz)

Very good	23.3%	56.7%	18.0%	2.0%	0.0%
Good	18.5%	61.7%	19.1%	0.7%	0.0%
Average	28.4%	52.0%	18.0%	1.6%	0.0%
Poor	40.3%	48.6%	11.1%	0.0%	0.0%
Very poor	41.9%	45.2%	9.7%	3.2%	0.0%

Mediation

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Very good	17.1%	58.2%	22.2%	2.5%	0.0%
Good	13.2%	59.3%	27.2%	0.4%	0.0%
Average	14.2%	62.3%	21.9%	1.2%	0.4%
Poor	27.2%	61.2%	10.2%	1.4%	0.0%
Very poor	33.0%	59.6%	7.4%	0.0%	0.0%

Compliance and investigation team

Very good	14.7%	44.1%	35.3%	2.9%	2.9%
Good	15.4%	53.8%	28.8%	1.9%	0.0%
Average	21.9%	50.0%	26.0%	2.1%	0.0%
Poor	31.4%	61.6%	5.8%	1.2%	0.0%
Very poor	33.8%	55.9%	8.8%	1.5%	0.0%

Tenancy Services' Facebook page

Very good	37.5%	40.0%	20.0%	2.5%	0.0%
Good	27.4%	51.2%	19.0%	2.4%	0.0%
Average	33.7%	48.8%	15.1%	2.3%	0.0%
Poor	46.7%	48.9%	4.4%	0.0%	0.0%
Very poor	44.4%	44.4%	7.4%	3.7%	0.0%

Tenancy Tribunal

Very good	24.3%	59.1%	16.0%	0.6%	0.0%
Good	20.3%	60.8%	18.3%	0.6%	0.0%
Average	23.3%	58.3%	16.7%	1.7%	0.0%
Poor	20.2%	63.4%	15.1%	1.3%	0.0%
Very poor	22.6%	66.5%	9.1%	1.8%	0.0%

Thematic analysis of 5.1.2

Major themes

- Many landlords/homeowners and property managers commented that the Tribunal is biased toward tenants.

- Many landlords/homeowners suggested that Tribunal order to pay outstanding rents/damages-caused-by-tenants is unenforceable and good landlords are disadvantaged.
- Many tenants suggested that, to fix renting, much more is needed to address the power imbalance between landlords and tenants. This should include funding tenant advocacy services; reforming the Tenancy Tribunal; and requiring all landlords to register when they lodge bonds.
- A common theme led by landlords/homeowners and property managers suggested it's very slow to access tenancy tribunal.
- Many landlords/homeowners commented that property manager takes care of these issues so they do not know.

Minor themes

- Some tenants stated that they are unwilling to be engaged by the tenancy tribunal as it will leave a “black mark” for future tenancy applications.

Other points of interest

Landlord/homeowner:

Tenants are favoured over landlords. My experiences were very black & white but it was easier to agree to the mediation than a protracted process where I was unable to re let the property.

Relevant quotes

Property manager

Biased. Expect huge amount of proof and when given still take a tenants word over a landlord evidence

Tenant, landlord/homeowner

Tenancy Tribunal are acting in Poor Faith. They issue “notices” and then wipe their hands of the matter, but know full well that almost all the notices they issue against tenants for damages beyond the bond will be unenforceable... while not-good landlords get to flourish with much more profits - treating Tribunal rulings to do the right thing (that a good landlord is already paying) as just a “cost of doing business

Renters United stated

To fix renting, much more is needed to address the power imbalance between landlords and tenants. This should include funding tenant advocacy services; reforming the Tenancy Tribunal; and requiring all landlords to register when they lodge bonds.

Landlord/homeowner

Tribunal access is WAY too slow, but once you finally get a hearing it is fair, just and timely. Need to speed up the process of getting to hearings. Delays have cost us tens of thousands of dollars over the years, as rent arrears and repairs are rarely able to be recovered from tenants once they have up and gone.

Landlord/homeowner

Property manager took care of things on my behalf.

Tenant

As a tenant, I wouldn't use the tenancy tribunal due to the lack of anonymity

15.2 Enabling effective and efficient information and evidence gathering

Question 5.1.3 and 5.1.4

5.1.3 Do you consider it appropriate for MBIE to have the power to enter the common spaces of boarding houses, without the prior agreement of at least one of the tenants?

- Yes
- No

5.1.4 How much notice should MBIE be required to give a boarding house landlord before exercising this power?

- no notice
- 24 hours
- 48 hours
- other (please specify)

Please explain your answer or specify an alternative notice period.

Quantitative analysis of question 5.1.3

Table 239 Question 5.1.3 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	616	49.6%
No	627	50.4%
Total	1,243	100.0%

Table 240 Question 5.1.3 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	50.5%	48.1%	44.6%	46.2%	85.7%
No	49.5%	51.9%	55.4%	53.8%	14.3%

Table 241 Question 5.1.3 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	37.9%	50.6%	8.1%	0.8%	2.5%
No	36.0%	52.9%	9.8%	0.9%	0.4%

Table 242 Question 5.1.4 Quantitative overview

Response	Number of responses	Percentage of Answers
no notice	292	24.5%
24 hours	353	29.7%
48 hours	424	35.6%
other (please specify)	121	10.2%
Total	1,190	100.0%

Table 243 Question 5.1.4 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
no notice	29.8%	21.3%	17.5%	14.3%	23.1%
24 hours	30.8%	29.6%	20.6%	14.3%	30.8%
48 hours	33.1%	37.1%	42.1%	57.1%	38.5%
other (please specify)	6.4%	12.0%	19.8%	14.3%	7.7%

Table 244 Question 5.1.4 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
no notice	46.1%	45.8%	6.6%	0.6%	0.9%
24 hours	39.4%	52.7%	6.4%	0.5%	1.0%
48 hours	33.9%	53.0%	10.5%	1.6%	1.0%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
other (please specify)	22.4%	58.5%	17.0%	1.4%	0.7%

Thematic analysis of 5.1.3 and 5.1.4

Major themes

Tenants, landlords/homeowners, property managers and social housing providers expressed diverse views on MBIE's power to enter a boarding house. These views reflected individual-based assessment but are not significantly clustered by the type of respondents, i.e. tenants or landlords/homeowners. Common views from all groups of respondents are:

- MBIE should be able to enter common spaces without prior tenant's agreement because a boarding house is not a private home. Outside of individual rooms, common spaces are public.
- MBIE should be able to enter common spaces without prior tenant's agreement but a legitimate reason is needed.
- MBIE does not have the power to enter the common spaces of boarding houses without prior tenant's agreement, because it's a breach of privacy. At least a warrant is needed.
- MBIE gives no notice prior to visit so no time to hide the issue and this will help disadvantaged tenants without potential backlash on them.
- 24 hours or 48 hours of notice is needed—the same notice period as a landlord has to notify a tenant.

Minor themes

- Some tenants and landlords/homeowners believed MBIE has the right to enter any commercial/industrial property without notice, and a boarding house could be deemed a commercial premise.
- Some tenants, landlords/homeowners and social housing providers argued that boarding house is still the residents' home and should be regarded in the same way as a private home.
- Some tenants and landlords/homeowners suggested one week or more notice is needed.

Relevant quotes

Landlord/homeowner

Common spaces should be allowed to be entered but private rooms not without

Property manager

As long as there is a valid reason.

Tenant

An invasion of privacy

Tenant

No search of private property should be done without a warrant

Landlord/homeowner

Best way to catch bad things is to catch it red handed not give notice to hide the issue.

Landlord/homeowner, social housing provider

(48 hours) -- Same as a landlord has to notify a tenant

Tenant

MBIE has the right to enter any commercial/industrial property without notice and a boarding house could be deemed a commercial premises, so should be treated as such

Landlord/homeowner, social housing provider

This is still the residents' home and should be regarded in the same way as a private home.

Tenant

A week so the LL has time to notify the tenants!

Question 5.1.5

Do you think it's appropriate for MBIE to carry out audits of landlords or property managers?

- Yes
- No

Quantitative analysis of question 5.1.5

Table 245 Question 5.1.5 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,504	75.6%
No	486	24.4%
Total	1,990	100.0%

Table 246 Question 5.1.5 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	93.3%	60.7%	67.5%	53.3%	91.9%
No	6.7%	39.3%	32.5%	46.7%	8.1%

Table 247 Question 5.1.5 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	48.7%	40.9%	8.0%	0.5%	2.0%
No	10.1%	77.0%	11.2%	1.2%	0.5%

Thematic analysis of 5.1.5

Major themes

- Many tenants, landlords/homeowners and property managers agreed it is totally appropriate for MBIE to carry out audits
- Many tenants suggested property managers should follow the law, act like professionals and be regulated. If a property manager has breached the law, a renter should be able to complain to a professional body that can discipline the property manager
- Many landlords/homeowners believed that current law works and there is no need to change
- Many landlords/homeowners and property managers suggested tenants should be audited as well

Minor themes

- Some tenants and landlords/homeowners believed the target of audit should be property managers.
- Some landlords/homeowners suggested that good landlords have nothing to hide
- Some landlords/homeowners believed auditing is too draconian so would deter landlords
- Some tenants, landlords/homeowners, property managers and social housing providers believed auditing is too expensive and unnecessary (and some suggested it's better to focus on complaints and then follow through).
- Some tenants, landlords/homeowners and property managers agreed audits can be carried out however only if MBIE has a good case for doing so.
- Some landlords/homeowners and property managers thought allowing audit activities could risk the possibility of abuse of power by MBIE.

Other points of interest

Tenant

There should be an independent body that polices what is going around.

Relevant quotes

Landlord/homeowner

Absolutely!

Renters United stated:

Property managers should be regulated. They should follow the law and act like professionals. If a property manager has breached the law, a renter should be able to complain to a professional body that can discipline the property manager

Landlords Survey Report

Laws are already in place - if not RTA - then Consumer laws, Fair Trading Act, Privacy act etc. Why should Landlording and Property management be so audited, regulated and inspected over other professions? Different landlords and PM's would have different systems and processes. Cost of supervision would be better spent in providing effective and timely tenancy tribunal hearings.

Landlord/homeowner, property manager

also carry out audits of tenants and have a system of rating poor tenants

Tenant:

Property managers perhaps more so than private landlords.

Landlords Survey Report

However, if tenancy tribunal has found landlord has severely breached their obligations and awarded in tenants favour if HUD choses to pursue landlord they should be able to. Random audits no.

Landlords Survey Report

Yes. LLs who carry out their duties fairly will not have a problem with this. Would the powers of HUD to inspect/audit/investigate include ALL LLs, both public and private? Ie: Would the powers include Housing NZ?

Landlords Survey Report

80% of Landlords own one house. The next 10% only own two. These are all just Ma & Pa trying to be responsible by saving for their retirement through property. If you make it all too complicated, they will sell up, creating rental shortages and rent increases. This treatment of Landlords as being evil wrong-doers needs to STOP!! The Govt should be supporting Landlords, saying "How can we make things better for you to want to supply nice homes to your tenants?"

Landlord/homeowner

No, this is an expensive, unnecessary and arbitrary undertaking.

Landlord/homeowner, property manager

Fishing trips are a waste of time. Focus on complaints and then follow through to be effective.

Tenant, landlord/homeowner

Audits are time-consuming and costly, so should only be done if there is a good reason for this. Focus on the bad landlords, and don't make life even more difficult for the good landlords.

Landlord/homeowner:

It has the potential to be an abuse of power by MBIE

Question 5.1.6 and 5.1.7

5.1.6 Do you think it's appropriate for MBIE to be able to take a single case to the Tenancy Tribunal representing multiple breaches of the same type?

- Yes
- No

5.1.7 What level of penalty should MBIE be able to seek when taking a single case representing multiple breaches of the same type?

Quantitative analysis of question 5.1.6

Table 248 Question 5.1.6 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,240	77.5%
No	361	22.5%
Total	1,601	100.0%

Table 249 Question 5.1.6 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	88.4%	70.2%	68.9%	84.6%	100.0%
No	11.6%	29.8%	31.1%	15.4%	0.0%

Table 250 Question 5.1.6 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	37.2%	51.3%	8.9%	0.8%	1.8%
No	15.8%	70.6%	13.1%	0.5%	0.0%

Thematic analysis of 5.1.6 and 5.1.7

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers *agreed* that MBIE should be able to take a single case representing multiple breaches because it's efficient

- A moderate number of tenants, landlords/homeowners, property managers and social housing providers *disagreed* MBIE can take a single case representing multiple breaches because all cases are different
- Tenants, landlords/homeowners, property managers and social housing providers suggested different levels and formats of penalty MBIE should be able to seek, e.g. different levels of monetary penalty, amount proportionate to the rent and closing down of business. The suggested levels/formats are mostly based on assessments by individuals and showed no clear pattern of any group differs from the others.

Minor themes

- Some tenants and landlords/homeowners suggested
 - MBIE should be able to take a single case as anything to reduce red tape is good.
 - this kind of issue can be a class action type of case
 - if these breaches occurred within a limited time frame, then yes
- Some tenants, landlords/homeowners and social housing providers thought MBIE should be able to take a single case however each case must be proved with individual evidence
- Some tenants, landlords/homeowners and property managers suggested landlords should be accountable for not holding up their obligations.

Other points of interest

Landlord/homeowner

(Taking a single case to the Tenancy Tribunal representing multiple breaches) -- ...is likely to be implemented in an inconsistent manner. Tenants and landlords should be allowed to settle their dispute before the Tribunal, according to what's allowed by the RTA. Tenants and landlords should be allowed to settle their dispute before the Tribunal.

Landlord/homeowner

(Taking a single case to the Tenancy Tribunal representing multiple breaches) -- "Each case should be discussed on its merits and circumstances as with Tenants—both parties should be treated equally."

Tenant

(Regarding the level of penalty) -- Ask a housing/legal expert.

Relevant quotes

Tenant:

(Yes) -- Far more efficient in terms of time and resources.

Landlord/homeowner

(No) -- all cases are different

Landlord/homeowner

(Regarding the level of penalty) -- At least \$5000 fine so that landlords can be made an example of.

Landlord/homeowner

(Regarding the level of penalty) -- 20% of annual rent

Tenant

(Regarding the level of penalty) -- Fines and disqualifications from renting properties.

Landlord/homeowner

cut down on red tape

Tenant

It is like a class action law suit. Saves money and time.

Landlord/homeowner

If there are multiple breaches in a defined time frame - then yes - why waste taxpayer money on separate cases?

Landlord/homeowner

Yes, but each case must be proven on it's own merit ie a breach cannot be deemed to have occurred just because a similar breach has already been proven - each case must be proved with individual evidence.

Landlord/homeowner/property manager

to bring the breaches to account

15.3 Enabling effective and efficient enforcement action

Question 5.1.8

An enforceable undertaking is an agreement between a landlord and MBIE that sets out the circumstances that led to a breach of the RTA, the steps that need to be taken to remedy the breach, and a timeframe and consequences for failing to adhere to the agreement.

Do you consider it appropriate for MBIE to enter into enforceable undertakings with landlords?

- Yes
- No

Quantitative analysis of question 5.1.8

Table 251 Question 5.1.8 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,277	76.7%
No	389	23.3%
Total	1,666	100.0%

Table 252 Question 5.1.8 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	89.2%	67.9%	72.6%	61.1%	90.9%
No	10.8%	32.1%	27.4%	38.9%	9.1%

Table 253 Question 5.1.8 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	38.2%	49.7%	9.9%	0.7%	1.4%
No	14.2%	72.4%	11.5%	1.5%	0.4%

5.1.8 Thematic analysis of 5.1.8

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers agreed MBIE should enter into enforceable undertakings with landlords because it's cost effective
- Many landlords/homeowners and property managers suggested that the same rule should apply to tenants, not just landlords

Minor themes

- Some landlords/homeowners and a small number of tenants suggested MBIE shouldn't be able to enter into enforceable undertakings with landlords because there is already Tenancy Tribunal
- Some tenants, landlords/homeowners and property managers suggested yes and this can be seen as an educational, transitional arrangement to a more punitive regime. Education first.
- Some landlords/homeowners and property managers suggested this will be expensive and unnecessary.

Other points of interest

Property manager

Everyone should be given the chance to better a situation before being taken to the tribunal, similar to a 14 day notice.

Tenant

Absolutely! Currently no enforcement so Tenancy Tribunal orders treated as a joke

Tenant/landlord/homeowner

An entire regime would need to be wrapped around this to ensure that MBIE was not over-zealous, that landlords could pursue MBIE for compensation where MBIE gets it wrong etc. Why not stick with the current Tribunal but work on making it easier and lower cost to access and rebalance the current bias towards tenants.

Landlord/homeowner

again, segregation of power, such notice should be issued by the court of law

Relevant quotes

Tenan:

Good and cost-effective way of reaching an outcome without necessarily having to go through a long tenancy tribunal/court process.

Tenant/landlord/homeowner

As long as landlords have the same rights with tenants - level playing field

Landlord/homeowner

Leave it to the Tenancy Tribunal

Tenant/landlord/homeowner

Given just how ignorant many landlords are now this can be seen as an educational, transitional arrangement to a more punitive regime.

Landlord/homeowner

This would be an expensive, unnecessary and arbitrary undertaking.

Question 5.1.9 and 5.1.10

5.1.9 Do you think it's appropriate for MBIE to issue improvement notices? If yes, in what situations should notices be issued?

- Yes
- No

If you answered yes, in what situations should notices be issued?

5.1.10 What should the penalty be for failing to comply with an improvement notice?

Quantitative analysis of question 5.1.9

Table 254 Question 5.1.9 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,332	78.5%
No	364	21.5%
Total	1,696	100.0%

Table 255 Question 5.1.9 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	89.9%	70.5%	74.8%	66.7%	95.7%
No	10.1%	29.5%	25.2%	33.3%	4.3%

Table 256 Question 5.1.9 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	37.5%	50.4%	9.8%	0.8%	1.4%
No	14.6%	72.4%	11.4%	1.3%	0.2%

Thematic analysis of 5.1.9 and 5.1.10

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers agreed it's appropriate for MBIE to issue improvement notices if it's health and safety related.
- Many tenants, landlords/homeowners and property managers agreed it's appropriate for MBIE to issue improvement notices if it's a minor issue.
- Many tenants, landlords/homeowners, property managers and social housing providers suggested the penalty for failing to comply should be a fine depending on a range of things, such as track record, rental income and relative position of each party.

Minor themes

- Some tenants, landlords/homeowners, property managers and social housing providers suggested the penalty for failing to comply should be loss of rental income and paid to the tenant.
- A theme led by landlords/homeowners and supported by some property managers suggested MBIE should not issue improvement notices and the Tenancy Tribunal is where this should occur.
- Some tenants and landlords/homeowners suggested it's good to have a variety of enforcement options.
- Some tenants suggested tenants should be made aware of their rights, with an advocacy service provided.

- Some tenants, landlords/homeowners and property managers opposed the idea that smoke alarm does not pose an immediate risk (as stated in the discussion document for Q5.1.9).

Other points of interest

Landlord/homeowner

I have answered yes, but are these notices to be based on inspections by practical, experienced tradesmen?

Landlord/homeowner

If there are breaches ie: lack of insulation, heating, maintenance etc. Remember, this should also be applicable to Housing NZ. Their stock is disgusting and consequences should be more harsh as the government should know better!

Tenant

Income from the rental property should be put into a trust and used to comply with the improvement “/”The tenants rent should begin going to MBIE, where it is used directly to fix the issue. Landlord to forgo rent during this time, and pay a decent fine, to deter other landlords as well...

Relevant quotes

Tenant

Health and Safety.

Landlord/homeowner, property manager:

for minor issues

Landlord/homeowner

(Regarding the level of penalty) -- “Track record should be taken into account for good landlords, and bad ones Take into account rental income, large or small player so mom and pop landlords aren’t crippled...

Landlord/homeowner

(Regarding the level of penalty) -- “Loss of rent, returning some or all rent to tenant.

Landlord/homeowner, property manager

The Tenancy Tribunal is where that should occur.

Landlord/homeowner

Improvement notices also offer another tool in the toolbox to fit the process/solution with the issue or breach. Used as a proactive response they can achieve fast resolution and free up the tribunal to also be more effective.

Renters United stated:

Tenants should be made aware of their rights, with an advocacy service provided.

Tenant

I disagree that the example of smoke detectors not being installed is a situation that does not pose an immediate risk.

Question 5.1.11

Do you agree MBIE should have the ability to issue infringement notices in circumstances where a breach of the RTA is straightforward to prove?

- Yes
- No

Quantitative analysis of question of 5.1.11

Table 257 Question 5.1.11 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,562	81.6%
No	352	18.4%
Total	1,914	100.0%

Table 258 Question 5.1.11 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	93.1%	70.1%	69.4%	64.7%	96.4%
No	6.9%	29.9%	30.6%	35.3%	3.6%

Table 259 Question 5.1.11 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	47.9%	42.1%	7.8%	0.6%	1.5%
No	14.0%	70.8%	13.6%	1.4%	0.2%

15.3.2 Thematic analysis of 5.1.11

Major themes

- The most common theme is that many tenants, landlords/homeowners, property managers and social housing providers agreed MBIE should have the ability to issue infringement notices because this approach will be efficient.
- Many tenants, landlords/homeowners, property managers also suggested MBIE should have the ability to issue infringement notices but only if it's straightforward to prove.

Minor themes

- Some tenants, landlords/homeowners, property managers and social housing providers did not believe MBIE should have the ability to issue infringement notices because that is the realm of the Tenancy Tribunal.
- A theme led by landlords/homeowners, supported by some property managers, suggested the same should apply to tenants as well.
- A theme led by landlords/homeowners, supported by some property managers, suggested MBIE should not have the ability to issue infringement notices because this will lead to too much power for MBIE.
- Some tenants, landlords/homeowners and property managers believed MBIE should have the ability to issue infringement notices however only if warning/improvement notice has been issued first.
- A theme led by landlords/homeowners, supported by some property managers, suggested this could be too stringent.

Other points of interest

Landlord/homeowner

There is City Councils to do that. MBIE should not have powers without going through City Council or Tribunal

Relevant quotes

Landlord/homeowner

more efficient. saves time and money.

Tenant

If it's straightforward and obvious there's no point going through the tribunal

Renters United Stated

Yes. If a landlord has clearly breached the law, the government should have power to fine them. The money from the fine should be given to the tenant

Landlord/homeowner

This is the realm of the Tenancy Tribunal

Landlord/homeowner/property manager

But this needs to apply to tenants too ... EQUITY PLEASE !!!!!

Landlord/homeowner

It has the potential to be an abuse of power by MBIE

Tenant

But only if warning has been given

Landlord/homeowner/property manager

we do not want a police state

Question 5.1.12

Do you think infringement notices for landlords would be effective in:

holding them to account for poor behaviour?

- Yes
- No

encouraging positive behaviours?

- Yes
- No

Other (please specify)

Quantitative analysis of question 5.1.12

Table 260 Question 5.1.12 Quantitative overview

Response	Number of responses	Percentage of Answers
holding them to account for poor behaviour?		
Yes	1,317	79.3%
No	343	20.7%
Total	1,660	100.0%
encouraging positive behaviours?		
Yes	1,176	72.4%
No	448	27.6%
Total	1,624	100.0%

Table 261 Question 5.1.12 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
holding them to account for poor behaviour?					
Yes	88.8%	73.0%	73.3%	72.2%	87.5%
No	11.2%	27.0%	26.7%	27.8%	12.5%
encouraging positive behaviours?					
Yes	81.2%	65.3%	69.2%	66.7%	92.3%
No	18.8%	34.7%	30.8%	33.3%	7.7%

Table 262 Question 5.1.12 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
holding them to account for poor behaviour?					
Yes	37.5%	51.0%	9.7%	0.9%	0.9%
No	17.1%	68.3%	12.9%	1.2%	0.5%
encouraging positive behaviours?					
Yes	38.0%	50.3%	10.0%	0.9%	0.9%
No	21.7%	66.1%	10.9%	1.1%	0.2%

Thematic analysis of 5.1.12

Major themes

- Many tenants, landlords/homeowners and property managers suggested:
 - education can be more effective in promoting positive behaviour
 - a black mark or rating system
 - infringement notice should be backed up with enforced penalties.

Minor themes

- A theme led by landlords/homeowners, supported by some property managers, stated the same should apply to tenants as well

Other points of interest

- The majority of written responses are from landlords.

Relevant quotes

Landlord/homeowner, property manager

...Education for private landlords is important as so many don't know the Act well.

Tenant

Education, MBIE building up a record of poor behaviour

Landlord/homeowner

there needs to be a rating system for landlords and tenants

Landlord/homeowner

An infringement notice would need to be backed up with enforced penalties and these must be followed up on otherwise infringement notices wouldn't be worth the paper its written on.

Landlord/homeowner/property manager

This is the same for tenants: non payment of rent attracts a straight forward infringement of \$100 etc.

Question 5.1.13

In what situations would it be appropriate to issue an infringement notice in?

Thematic analysis of 5.1.13

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers suggested under the following situations it would be appropriate to issue an infringement notice:
 - health and safety related
 - if they were warned and didn't comply, e.g. an improvement notice has been ignore
 - repeated breaches
 - not lodging bond
 - smoke alarm
 - insulation

Minor themes

- Some tenants, landlords/homeowners, property managers and social housing providers suggested under the following situations it would be appropriate to issue an infringement notice:
 - over crowding
 - harassing tenant
- A theme led by landlords/homeowners, supported by some tenants and property managers, suggested under no circumstances MBIE should issue an infringement notice —should leave this issue to the Tenancy Tribunal.

Relevant quotes

Tenant

health and safety issues.

Landlord/homeowner

When an improvement notice has been ignored, so long as the landlord has had enough time to rectify

Landlord/homeowner, property manager:

Only when there are repeated breaches.

Landlord/homeowner

not lodging bonds

Landlord/homeowner

smoke alarms missing

Landlord/homeowner, property manager

In the case of ignoring the insulation regulations

Landlord/homeowner

Overcrowding. Poor state of rented property.

Tenant

...harassing tenant

Landlord/homeowner, property manager

Isnt the Tenancy Tribunal the authority for these issues?

15.4 Exemplary damages

Question 5.1.14

An exemplary damage is a financial penalty paid to an affected person by the person who committed an unlawful act. The maximum amount the Tenancy Tribunal can award as an exemplary damage for each unlawful act ranges from \$200 to \$4,000, depending on the breach.

Do you think these existing exemplary damage levels are appropriate for breaches considered to be unlawful acts?

- Yes
- No

Quantitative analysis of question 5.1.14

Table 263 Question 5.1.14 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	913	54.1%
No	775	45.9%
Total	1,688	100.0%

Table 264 Question 5.1.14 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	50.4%	53.4%	72.5%	50.0%	43.8%
No	49.6%	46.6%	27.5%	50.0%	56.3%

Table 265 Question 5.1.14 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	29.4%	55.7%	13.6%	0.7%	0.7%
No	34.4%	57.7%	6.1%	0.8%	1.0%

Thematic analysis of 5.1.14

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers suggested the current level is appropriate, where equally common is belief that the current level should be increased.
- A theme led by landlords/homeowners, supported by some property managers, suggested exemplary damage should be applicable to tenants too.

Minor themes

- Some tenants suggested the amounts landlords are required to pay renters should be big enough to deter landlords from breaching the law
- Some tenants, landlords/homeowners and property managers suggested:
 - inflation should be taken into account
 - the amount should depend on the amount of rent.

Other points of interest

Property manager

In many cases they are not deterrent enough. This was noted today in a District Court result of an appeal CIV-2018-085-000349 Nice Place Property Management Ltd v Jeff Paterson, judge C N Tuohy said "[8] The maximum amount of exemplary damages under s 44 of the Residential Tenancies Act is the inadequate sum of \$1,000" The list of exemplary damages needs to be reviewed in line with inflation !

Tenant/landlord, homeowner:

An in-depth analysis of exemplary damages claimed/awarded historically needs to be carried out to provide greater insight before level are changed.

Tenant

\$4000 is nothing for some people Should look at their financial position and adjust fine accordingly

Relevant quotes

Landlord/homeowner

They are punitive enough. Most landlords are well meaning and operate well. I don't see what would add value here if the levels increased. Perhaps tenancy tribunal just need to use them more

Social housing provider

Why limit the amount? How much damage done , how much penalties!

Landlord/homeowner

\$4,000 is not enough depending on the type of unlawful act

Landlord/homeowner

But also what about tenant who has non approved pet won't get rid of, tenant who removes fire alarms repeatedly, parking car on lawns not allowed, harassment of landlord, changing o flocks etc. Fair & reasonable on both parties.

Renters United stated

The amounts landlords are required to pay renters should be big enough to deter landlords from breaching the law

Landlord/homeowner

Inflation

Landlord/homeowner

it should be on the base of rent amount

Question 5.1.15

Unlawful acts include discrimination, harassment of a tenant or neighbour, a landlord's failure to meet maintenance or health and safety obligations, unlawful entry by a landlord, and abandonment of a premises without reasonable excuse.

Do you think there are any other breaches of the RTA that could be considered unlawful acts?

- Yes
- No

Please explain your answer and give examples.

Quantitative analysis of question of 5.1.15

Table 266 Question 5.1.15 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	664	43.4%
No	866	56.6%
Total	1,530	100.0%

Table 267 Question 5.1.15 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	43.6%	42.8%	48.6%	46.2%	57.1%
No	56.4%	57.2%	51.4%	53.8%	42.9%

Table 268 Question 5.1.15 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	30.9%	55.8%	12.0%	0.8%	0.5%
No	31.1%	58.0%	9.8%	0.7%	0.3%

Thematic analysis of 5.1.15

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers suggested a list of breaches (in addition to the existing one), with common ones being: pet damage, any criminal activity, drug use, threatening behaviour, failure to pay rent, overcrowding, harassment by a landlord, subletting (inc. airbnb) and failure to comply with a Tenancy Tribunal ruling.
- Many tenants, landlords/homeowners, property managers and social housing providers suggested that they can't think of anything else in addition to the list.

Minor themes

- Some tenants, landlords/homeowners, property managers and social housing providers suggested any/deliberate/repeated damage to the property should be considered unlawful.
- Some landlords/homeowners and property managers believed the question is one-sided (against landlords).

Other points of interest

Landlord/homeowner

*Some of the penalties for unlawful acts should be increased * Using the premises for unlawful purpose raised to \$3000 * Subletting raised to \$3000 * Abandonment of premises raised to \$4000 Unlawful acts should include * Not paying the rent * Stopping paying rent as soon as you give notice to end the tenancy * Keeping a pet where contrary to the TA *Overcrowding*

Landlords are more likely to put down written comments than tenants are.

Relevant quotes

Landlord/homeowner

having a pet without permission

Landlord/homeowner

Sub letting, criminal activity by the tenant, Air BnB letting by tenant

Tenant

harassment of landlord...

Tenant

It is not in the tenancy about landlords who abuse, threaten and intimidate a tenant and their family. Sexual harassment from a landlord.

Tenant/landlord, homeowner

Use of, cooking of, or storage of illegal substances

Landlord/homeowner

Damage to property Failure to pay rent

Landlord/homeowner

Can't think of others

Landlord/homeowner

Wilfull damage to landlord's property Continuous or repeated "accidental damage" to a landlord's property ie broken windows, holes in walls/ceilings, repeated tearing up of lawn by cars etc

Property manager

...you are highlighting only things that a landlord may do wrong - but where are all of the issues that a tenant also does wrong

Question 5.1.16

Do you think changing the name of exemplary damages to 'penalty' would better clarify its purpose?

- Yes
- No

Quantitative analysis of question of 5.1.16

Table 269 Question 5.1.16 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,260	76.3%
No	392	23.7%
Total	1,652	100.0%

Table 270 Question 5.1.16 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	83.4%	71.0%	72.9%	64.3%	60.0%
No	16.6%	29.0%	27.1%	35.7%	40.0%

Table 271 Question 5.1.16 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	35.5%	53.2%	10.2%	0.6%	0.4%
No	21.3%	65.4%	11.5%	1.0%	0.8%

Thematic analysis of 5.1.16

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers all agreed 'penalty' is easier to understand.

Minor themes

- Some tenants, landlords/homeowners, property managers and social housing providers thought:
 - "exemplary damages" explains the idea better
 - the word choice between "exemplary damages" and "penalty" makes no difference
- Some tenants, landlords/homeowners and property managers believed "penalty" is too negative.

Other points of interest

Landlord/homeowner

Damages, reparation, there are many ways to say the same thing. This is why the enish language is weird. There are more important things than semantics.

Relevant quotes

Tenant

I asked my partner who has no background in law/finance/etc. (science nerd) and he had no idea what exemplary damages meant. A lot of landlords are "mum and pop" type landlords and the law, where it is so directly impacting those without a legal background or the ability to get lawyers, should be written in a friendly way.

Property manager

Exemplary damages explains it better.

Landlord/homeowner, property manager

I don't think it makes any difference.

Tenant, landlord/homeowner

Exemplary is something positive, and penalty is something negative.

Question 5.1.17

Do you think MBIE should have the ability to apply to the Tenancy Tribunal to award exemplary damages (a 'penalty') where unlawful acts have been committed?

- Yes
- No

If yes, what would be the appropriate maximum penalty MBIE should be able to apply for?

Quantitative analysis of question 5.1.17

Table 272 Question 5.1.17 Quantitative overview

Response	Number of responses	Percentage of Answers
Yes	1,519	78.7%
No	410	21.3%
Total	1,929	100.0%

Table 273 Question 5.1.17 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	92.1%	68.1%	63.4%	83.3%	85.7%
No	7.9%	31.9%	36.6%	16.7%	14.3%

Table 274 Question 5.1.17 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Yes	47.4%	44.4%	7.2%	0.6%	0.4%
No	13.9%	71.2%	14.3%	0.4%	0.2%

Thematic analysis of 5.1.17

Major themes

- Many tenants, landlords/homeowners, property managers and social housing providers all agreed MBIE should have the ability to apply to the Tenancy Tribunal to award exemplary damages.
- Respondents expressed diverse views on the amount of appropriate maximum penalty, ranges from a few thousand dollars to tens of thousand dollars. The views are mostly based on assessments by individuals and showed no clear pattern of any group is higher than the others.

Minor themes

- Some tenants, landlords/homeowners, property managers and social housing providers also suggested the maximum penalty can take one of the formats as below:
 - proportionate to the rent or income (e.g. x weeks of rent, annual rent, a percentage of income)
 - depends on the actual cost, e.g. actual costs to repair, lost rents, court costs, time to prepare, travel costs, phone calls, debt collection costs
- Some landlords/homeowners suggested that MBIE should *not* have the ability to apply to the Tenancy Tribunal to award exemplary damages, and that is the role of the Tenancy Tribunal.
- Some tenants, landlords/homeowners and property managers suggested that inflation should be considered.

Other points of interest

Tenant, landlord/homeowner

See fair trading act. 200 - 600 k.

Relevant quotes

Tenant

10000 nzd or more

Tenant/landlord, homeowner

3x monthly rent for the property.

Landlord/homeowner

The amount should be set at actual costs and not capped.

Landlord/homeowner, property manager

Leave to Tenancy Tribunal

Landlord/homeowner

...The penalties should be increased by 5 or 10% every few years to reflect inflation.

15.5 Clarification of existing provisions

Question 5.1.18

Do you think a landlord, tenant, or MBIE should be able to take a case and seek exemplary damages after 12 months from when the act was committed?

- Landlord Yes/No
- Tenant Yes/No
- MBIE Yes/No

Quantitative analysis of question 5.1.18

Table 275 Question 5.1.18 Quantitative overview

Response	Number of responses	Percentage of Answers
Landlord should be able to take a case		
Yes	685	40.4%
No	1,009	59.6%
Total	1,694	100.0%
Tenant should be able to take a case		
Yes	541	41.0%
No	777	59.0%
Total	1,318	100.0%
MBIE should be able to take a case		
Yes	582	47.5%
No	644	52.5%
Total	1,226	100.0%

Table 276 Question 5.1.18 Respondent category split

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
Landlord should be able to take a case					
Yes	38.1%	43.5%	27.3%	42.9%	66.7%
No	61.9%	56.5%	72.7%	57.1%	33.3%

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
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Tenant should be able to take a case

Yes	55.8%	31.7%	19.1%	0.0%	78.6%
No	44.2%	68.3%	80.9%	100.0%	21.4%

MBIE should be able to take a case

Yes	65.1%	36.9%	24.2%	25.0%	70.0%
No	34.9%	63.1%	75.8%	75.0%	30.0%

Table 277 Question 5.1.18 Answer category split of tenant, landlord/homeowner, property manager, social housing provider, other

Respondent Answer %	Tenant	Landlord/ Homeowner	Property manager	Social housing provider	Other
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Landlord should be able to take a case

Yes	27.2%	63.7%	7.1%	0.8%	1.3%
No	30.0%	56.2%	12.7%	0.7%	0.4%

Tenant should be able to take a case

Yes	50.7%	43.1%	4.3%	0.0%	1.8%
No	26.3%	60.6%	11.9%	0.9%	0.3%

MBIE should be able to take a case

Yes	50.4%	43.5%	4.7%	0.3%	1.1%
No	22.9%	63.3%	12.6%	0.8%	0.4%

Thematic analysis of 5.1.18

Tenants, landlords/homeowners, property managers and social housing providers expressed diverse views on whether tenants, landlords/homeowners and MBIE should be able to take a case and seek exemplary damages after 12 months from when the act was committed. These views reflected individual-based assessment of what's reasonable but are not significantly clustered by groups, i.e. neither tenants group nor landlords/homeowners group has a particular preference. Common views are listed below (views are expressed by all groups unless otherwise stated):

Re: Landlord should be able to take a case (listed from major to minor)

- 12 months a reasonable period

- 6 months
- 3 months
- (Theme led by landlords/homeowners) 12 months from when act was discovered (or should have reasonably been discovered), not committed
- at the end of the tenancy
- there should be a time limit
- 12 months is too long
- (Theme led by landlords/homeowners) longer timeframe (e.g. 24 months, 5 years) if there is a good reason for the delay (e.g. time taken to discover the damage, trace runner tenants, injury prevented further action).

Re: Tenant should be able to take a case (listed from major to minor)

- (Theme led by tenants) A renter should be able to seek penalty compensation (exemplary damages) from the landlord up to three years after the landlord broke the law
- 12 months a reasonable period
- 6 months
- 3 months
- within the tenancy period or within 2–3 months of the ending of the tenancy
- there should be a time limit
- longer timeframe if there is a good reason (e.g. the damage such as health issue occurred after 12 months)
- longer timeframe since many tenants are unaware of their rights and they may not realise they have a case until later
- a time period starting from the date of vacancy of property MBIE
- there should not be a time limit.

Re: MBIE should be able to take a case (listed from major to minor)

- there should be a time limit
- 12 months a reasonable period
- 6 months
- 3 months
- longer timeframe if there is a good reason (e.g. late discovery)
- longer timeframe since government process is slow
- within the tenancy period or within certain period after the tenancy
- there should not be a time limit.

Relevant quotes

Landlord should be able to take a case

Landlord

Absolutely, otherwise the tenant has the opportunity to simply lie low for 12 months then be absolved from all responsibility and accountability.

Landlord/property manager

As a property manager I think that we should be able to take a case against a tenant up to 12 month from the end of the tenancy.

Landlord

Just as one example... If a tenant smoked methamphetamine (P) in a property (which should be considered an unlawful act) it can be costly to decontaminate, and the landlord might not become aware of contamination for some time.

Landlord

A serious situation demands quick timely action and taking a case for exemplary damages after 12 months from when the act was committed is too long a period and the defendant mightn't be able to recall the facts that they are being charged against.

Tenant

12 months is a long time. If they weren't able to organized to seek exemplary damages after all this time, then they should not get to after that. An exception should be made for cases involving criminal activity

Tenant should be able to take a case

Renters United stated:

A renter should be able to seek penalty compensation (exemplary damages) from the landlord up to three years after the landlord broke the law

Tenant

A tenant able to bring a case after 12 months would be likely to have relevant evidence and may have experienced trauma that caused the delay, it's their life, not just their business

Tenant

As some landlords can be so intimidating and moving so stressful tenants often need that extra time once away from the landlord to compose and get thier case sorted.

Landlord

After the bond has been released i would assume that everything has been signed off as ok

Tenant/landlord

if they are not aware of it with 12 months there is something wrong

MBIE should be able to take a case

Landlord

Because cases may be delayed due to circumstances outside of anyone's control and this should not let the offender get out of their responsibilities.

Tenant

Allow time for multiple cases to be brought, see big picture answers

Landlord

Creates too much uncertainty for both LL and tenant.

Tenant

Issues should be brought forward within three months by any party.

Question number Correspondence

We note there is a minor numbering mismatch in this section between the discussion document and the survey. Question number correspondence is in Table 278 below.

Table 278 question numbering correspondence

Survey numbering	Discussion document numbering
1	1
2	2
2	3
3	4
4	5
5	6
6	7
7	8
8	9
9	10
10	11
11	12
12	13
13	14
14	15
15	16
16	17
17	18
18	19