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Committee Secretariat Social Services and Community Committee ssc@parliament.govt.nz 3 July 2024

RE: Submission on the Residential Tenancies Act Amendment Bill

Introduction

- 1. Community Housing Aotearoa (CHA) is an Incorporated Society and a peak body for the community housing sector. To achieve our vision of 'all New Zealanders well-housed', we have a strategic focus on supporting a well-functioning housing system and working toward the realisation of the right to housing for all. We are also mindful of the larger institutional and regulatory settings within which our members and other community organisations operate.
- 2. Our 85 organisation members provide homes for nearly 30,000 kiwis nationally across 18,520 homes, and our 44 partner members include developers, consultants, and local councils. Community Housing Providers (CHPs) are primarily not for dividend entities that develop, own, and manage social and affordable housing stock, with rental and progressive homeownership tenure offerings. We work closely with national Māori housing advocate Te Matapihi, which represents lwi-based and Māori community housing providers. More about us can be found here.
- 3. CHA believes any review of the Residential Tenancies Act should guarantee making life better for Aotearoa New Zealand's increasing numbers of renters by improving the security and stability of tenure for renters while maintaining adequate protection of landlords' interests.
- 4. As an organisation that represents socially motivated landlords, we seek to preserve and protect tenants' rights. Our submission is based on the Human Rights Framework for adequate housing. We believe that housing is a human right which must be available to all people, and that all housing should meet the seven standards of 'adequacy' that is, to have legal security of tenure, have appropriate services and amenities, be affordable, habitable, accessible, in a location that allows tenants to participate in society and be culturally adequate.
- 5. The major strength of the community housing sector is our focus on achieving sustainable outcomes for residents and communities being more than a landlord. Our sector develops and applies policies and practices using this lens balanced with the duty to prudently manage the assets we own or lease to protect them for the long-term and wider social good.

Key submission points

We support maintaining the current legislation on ending a tenancy

- 6. CHA strongly supports maintaining the current legislation around ending a tenancy. The current legislation provides a clear, limited, set of reasons that a landlord could use to issue tenants with an eviction notice. We strongly reject reinstating a landlord's ability to terminate a periodic tenancy in any case on 90 days' notice without being required to give the tenant a reason.
- 7. Firstly, we do not agree with the underlying premise that reinstating the 'no cause' 90-day tenancy termination will increase the supply of rental properties. We share concerns that it may instead erode security of tenure for tenants and potentially result in more homelessness.
- 8. Research shows that when banning no-fault evictions, as is the case with Scotland in 2017, the share of households renting privately increased, and at a faster rate than other countries where no-fault evictions were possible¹. Other research in Victoria and New South Wales found that landlords were slightly less likely to exit the market after tenancy reforms². As such, there is very little evidence available to suggest that landlords would leave the private rental sector because of stronger protections for tenants. Another study on evictions showed that evictions are a likely precursor of situations where tenants experience "high rent relative to income, poor quality or overcrowded housing, and homelessness"³. Other research further highlights the impact of evictions on mental health⁴. We urge the Committee to consider the research before them.
- 9. Where there is a need for an eviction, we believe that a responsible landlord should follow the principles of natural justice and take steps to address breaches of the tenancy by informing the tenant of the breach (including by a 14-day notice to remedy) giving the tenant an opportunity to remedy the breaches. If this fails then a Community Housing Organisation will escalate its response through fast-track resolution, mediation and/or the Tenancy Tribunal process to seek a resolution. If these efforts fail, then they will seek to terminate the tenancy. This existing process works, it does not need fixing.
- 10. Some of our members have previously expressed concerns about not being able to use a '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 Community Housing Staff,

¹ <u>https://www.smf.co.uk/publications/anglosphere-rental-regulations/</u>

² <u>https://theconversation.com/do-tenancy-reforms-to-protect-renters-cause-landlords-to-exit-the-market-no-but-maybe-they-should-194900</u>

³ https://onlinelibrary.wiley.com/doi/epdf/10.1002/hpja.526

⁴ <u>https://www.phcc.org.nz/briefing/being-forced-leave-your-rental-home-can-harm-health</u>

anonymous evidence where this is corroborated by several sources, and acceptance of evidence from 'Professional Witnesses' (such as Private Investigators).

- 11. Another option would be to allow Community Housing Organisations to use a 90-day notice as a 'last resort', but we maintain that it is vital that requiring clear reasons be given in writing from landlords and only after at least two 14-day notices have been served.
- 12. CHA believes landlords should be required to provide tenants with evidence and reasons for termination being sought under any proscribed grounds. Giving false grounds should be an unlawful act by a landlord and subject to the penalties for unlawful acts outlined in the Act.

Pet bond

- 13. In principle, CHA does support the introduction of a pet bond. However, we share concerns that this may mean the difference between people accessing housing or not. We understand that those living in homelessness may have a companion pet they do not wish to let go of and we support any measures where they can remain together when transitioning into housing⁵. However, we strongly recommend that the Ministry of Social Development extend the current process of Bond Grants to include pets.
- 14. CHA maintains that the current provisions in relation to tenants keeping pets in rental properties are adequate and at present we would support a retention of the status quo. At present the tenant can request that they can keep a pet and the landlord can refuse. It is reasonable for landlords to stipulate when it is appropriate for tenants to keep pets and the kind of pets they may keep, as this may be influenced by the type or location of a property. For example, it may not be appropriate to keep a large dog in an apartment.

Omissions of concern

- 15. In our October 2018 submission on the proposed changes to the Residential Tenancies Act, we identified concerns regarding residents of Transitional Housing provided by Community Housing Organisations. The current Bill does not address those concerns which we feel present a risk to the Crown's current approach to contracting for transitional housing.
- 16. At present Transitional Housing does not fall into one of the classes excluded from the Act in Section 5(1). The position of Transitional Housing is therefore ambiguous and bringing it into the full protection of the RTA does not align with its policy purpose as short-term accommodation for homeless families or the operational requirements of providers well.
- 17. We propose that Transitional and Emergency Housing provided by not-for-profits and/or funded by the Crown is added as a case excluded from the Act (possibly as an addition to Section 5 (1) (k)).

⁵ Power, Emma R. 2017. "Renting with Pets: A Pathway to Housing Insecurity?" Housing Studies 32 (3): 336–60. https://www.tandfonline.com/doi/full/10.1080/02673037.2016.1210095

18. Noting the introduction of the Code of Practice for Transitional Housing in 2022, we continue to advocate for legislative protections alongside this to fit with the whānau- and outcome-focused, rights- and strengths-based models of Transitional Housing.

Other points on specific amendments

- 19. Noting our concerns raised in paragraph 10, CHA supports Clause 26 section 56(b) where it adds an additional situation in which a tenant may withdraw from a tenancy with two days' notice due to family violence. This is a great step towards clarifying the legislation to support those experiencing family violence.
- 20. Clauses 32 and 33 enable the Tribunal to make a decision by reference only to the documents provided by the parties rather than always being required to hold an oral hearing. CHA recommends that the legislation be clear that this should only occur if both parties have explicitly noted that they are in agreement.

Conclusion

- 21. We thank the Social Services and Community Committee for the opportunity to make a submission.
- 22. We would like the opportunity to make an oral submission if it is possible.

Ngā mihi,

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