

## Aide-memoire

Meeting with Tenant Advocates' Network (TAN) 30 August			
Date 24 August 2022 Security level In Confidence		In Confidence	
Priority	Medium	Tracking number	HUD2022-000098

INFORMATION FOR MINISTER(S)	
Hon Dr Megan Woods Minister of Housing	Note the contents of this aide-memoire in preparation for your meeting with the Tenant Advocates' Network on Tuesday 30 August.

CONTACT FOR DISCUSSION			
Name	Position	Telephone	1st contact
Claire Leadbetter	Manager, Policy and Legislation Design	04 832 2431 s 9(2)(a)	<b>√</b>
Darashpreet Johal	Policy Advisor	04 832 2403	

# OTHER AGENCIES CONSULTED Ministry of Business, Innovation and Employment

MINISTER'S OFFICE TO COMPLETE	
<ul> <li>□ Noted</li> <li>□ Seen</li> <li>□ See Minister's notes</li> <li>□ Needs change</li> <li>□ Overtaken by events</li> <li>□ Declined</li> <li>□ Referred to (specify)</li> </ul>	Comments



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#### **PURPOSE OF MEETING**

 You are meeting with the Tenant Advocates' Network (TAN), who would like to discuss a range of issues in the rental market. This aide-memoire provides suggested talking points as **Annex A** to support you at the meeting.

DETAILS			
Date	30 August 2022	Place	Ministerial Meeting Room 2.1, Level 2 Executive Wing, Parliament Buildings
Time	15:30 pm	Key contact	Greg Rowe, Senior Engagement Advisor, s 9(2)(a), MBIE

#### **EXPECTED ATTENDEES**

- The following officials from Te Tūāpapa Kura Kāinga (the Ministry) and the Ministry of Business, Innovation and Employment (MBIE) will attend to support you at this meeting:
  - a. Claire Leadbetter, Manager, Policy and Legislation Design, the Ministry
  - b. Alexandra Jackson, Principal Advisor, MBIE
  - c. Greg Rowe, Senior Engagement Advisor, Information and Education, MBIE
- 3. The following representatives from TAN will be in attendance:
  - a. Hamish Jarvie New Zealand Council of Christian Social Services
  - b. Cam Jenkins Manawatu Tenants Union
  - c. Paul Barber Salvation Army
  - d. Peter Klein Tenants Protection Association Auckland
  - e. Sacha Green Citizens Advice Bureau NZ



- f. Megan Williams Community Law Centres o Aotearoa
- g. Geordie Rogers Renters United
- h. Katherine Blow Victoria University of Wellington Students' Association
- i. Tatai Allen Ngāti Ranginui Iwi Society Inc
- 4. Further information on TAN attendees is attached as **Annex B**.

#### **BACKGROUND ON THE TAN**

- 5. Formed in 2016 in response to changes in New Zealand's rental housing market, the TAN is a network comprising tenant advocate organisations aimed at supporting the rights, interests and welfare of tenants. While their focus is on rental housing, they have networks across the community and public housing sectors.
- 6. The TAN is primarily coordinated by the New Zealand Council of Christian Social Services (NZCCSS), which holds the contractual arrangement with MBIE as the lead agency. TAN also work to advocate for people not covered under the RTA, such as flatmates and private boarders.
- 7. The TAN previously met Hon Poto Williams on 05 May 2022 (M/EB21/22040225 refers).

#### The TAN's relationship with the Ministry and MBIE

- 8. The TAN complements the work of MBIE's Tenancy Services and the Ministry, by raising awareness and helping people who may need to access the services and resources provided by Tenancy Services. The TAN provides feedback and insights to MBIE and the Ministry on client and tenant needs, helping MBIE's Tenancy Services to identify areas for developing services and products. The TAN have an active partnership between tenant advocacy leaders and the Government, as they work to improve housing outcomes.
- 9. Tenant advocacy organisations run on marginal funds and voluntary work. TAN has a formalised Funding Agreement between NZCCSS (as the designated recipient) and MBIE of \$30,000 for the 2022-2023 Financial Year. This funding contributes to meetings, travel, communication costs and coordination of the network, and ensures the TAN is supported to administratively operate as a network.

#### **KEY ISSUES**

- 10. In correspondence with officials, the TAN has indicated that they wish to discuss the following topics at this meeting:
  - a. Regulation of property managers (led by NZCCSS)



- b. Funding for Tenants' Advocates (led by NZCCSS)
- Continuity of support services between emergency and transitional housing (led by MTU)
- d. General family violence tenancy issues (led by CAB)
- e. Regulations for family violence withdrawal notices under the RTA (led by Community Law)
- f. Rights of non-tenant renters (led by Community Law and VUWSA)

#### **Regulation of Property Managers**

- 11. The TAN want to discuss which organisation will handle dispute resolution and regulatory functions of property managers and whether there will be enough resourcing allocated to ensure a streamlined process.
- 12. Earlier this year, the Government held public consultation on the proposed regulatory regime for the residential property management sector. The discussion paper proposed that the regulatory function under the new regime sit with either MBIE or the Real Estate Agents Authority (REA) and that the disciplinary function sit with either the Tenancy Tribunal or the Real Estate Agents Disciplinary Tribunal.

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14. Through the consultation process, a number of stakeholders voiced concerns about the proposed regime potentially making the residential tenancy system more complex for tenants to navigate. You may wish to reassure TAN that, regardless of who the regulator and disciplinary body are, once decisions have been made the Ministry and MBIE will work with them to ensure the residential tenancy system remains easy to navigate for tenants.

#### Funding for Tenants' Advocates

15. The TAN want to discuss current funding arrangements for tenants' advocates, following the closure of Tenants Protections Association Christchurch (TPA Christchurch). The board for TPA Christchurch decided to cease their operations in late-June due to financial issues. Their funding was sourced from a variety of organisations.

#### Current funding arrangements

16. MBIE holds individual funding agreements with two current members of the TAN – Tenants Protection Association Auckland (TPA Auckland) and Manawatu Tenants' Union (MTU). A funding agreement also existed with TPA Christchurch before it ceased operations. s 9(2)(b)(ii)



17. MBIE contributes to the operations of Community Advice Bureau New Zealand (CABNZ) to support tenancy queries, among others, through a cross-government agency funding agreement. Additional funding to support tenant advocates includes funding contracts with CABNZ to set up and maintain the tenant advocate website.

#### Continuity of support services between emergency and transitional housing

- 18. The MTU is finding that there is a lack of continuity in support services between emergency and transitional housing. MTU is finding that when people move from transitional housing to the private rental market, they lose the wrap around services which were available to them transitional housing. This makes it more difficult for them to sustain their tenancy, potentially resulting in them returning to emergency or transitional housing. MTU is also concerned about a lack of support services in emergency housing.
- 19. MTU would like to see options for support services that move with people from emergency housing to transitional housing, to the private rental market. MTU have suggested they could implement a pilot programme in Palmerston North very quickly, but this pilot programme would require funding.

#### Available support services

- 20. Transitional Housing Support Services provide a further 12 weeks support post the placement into permanent housing. The Ministry's programme Sustaining Tenancies works to prevent homelessness by funding community-based services to help individuals and whānau who are at risk of losing their tenancy.
- 21. Sustaining tenancies service providers work with tenants on issues, which could range from struggling to pay their rent, to dealing with mental or physical health concerns, or risk factors such as addiction or family violence. This support is tailored for each individual, with support services working with tenants to see what they need and to develop a whānau-led plan.
- 22. There are some support services available to people in emergency housing, which is administered by the Ministry of Social Development (MSD). Through the Homelessness Action Plan, MSD has provided funding to support all people in emergency housing through further intensive case managers and/or navigator resources.

#### General family violence tenancy issues

23. The TAN are interested in discussing the impact of family violence on tenants and the protection options available for victims in instances where violence occurs.

Victims of family violence being held liable for property damage caused by their abuser

24. Members of the TAN have previously raised concerns about tenants who are victims of family violence being held liable for damage to property by the



perpetrator. Under the RTA, tenants are liable for all intentional damage done by a person who is at the premises with the tenant's permission. Joint and several liability means that victims are held liable for property damage the perpetrator causes during episodes of violence against them, if the perpetrator is a co-tenant or is at the premise with the tenant's permission.

25.	s 9(2)(g)(i)			

Victims of family violence being identified in Tribunal decisions and landlord databases

- 26. Members of the TAN have previously raised concerns about future landlords 'blacklisting' victims of family violence and have recommended that all Tenancy Tribunal decisions involving family violence are automatically anonymised.
- 27. The Tribunal is required to order name suppression for any proceedings relating to a family violence withdrawal notice. For cases that involve family violence, but do not specifically relate to a family violence withdrawal notice, the Tribunal has discretion to order name suppression, having regard to the interests of the parties and the public interest.

#### Regulations for family violence withdrawal notices under the RTA

- 28. The TAN would like to discuss the regulations for the family violence withdrawal notice provisions under the RTA, which enable victims of family violence to withdraw from a tenancy with two days' notice. Regulations are necessary to provide clarity and ensure the provisions operate as intended.
- 29. Public guidance from the Ministry and MBIE previously stated that the provisions cannot be used until regulations are made. s 9(2)(ba)(i) s 9(2)(h) the public guidance was subsequently updated on 19 August to advise that the provisions are currently in force and can be used [HUD2022-000472 refers].

#### Evidence of family violence

- 30. The updated public guidance includes examples of evidence of family violence in the absence of regulations to prescribe qualifying evidence. It is possible that members of the TAN may be concerned that the examples provided in the guidance are narrower than those consulted on, and consequently less accessible for victims of family violence.
- 31. The examples of qualifying evidence provided in public guidance are narrow in part because in the absence of regulations, we cannot pre-empt Tenancy Tribunal decisions related to the family violence withdrawal notice provisions. On 24 August



2022, Social Wellbeing Committee agreed to policy decisions for regulations which would permit a significantly broader range of evidence. The public have not been advised of Social Wellbeing Committee's decision.

#### Delay in making the regulations

- 32. Members of the TAN, in particular Community Law, have expressed concern at the delay in making the family violence withdrawal regulations, and are likely to raise this concern at the meeting.
- 33. While it was initially anticipated the regulations would be in force in August 2021, making the regulations has been delayed due to the government prioritising other aspects of the housing portfolio and COVID-19 impacting progress. We anticipate the regulations may be gazetted in December 2022 but will consider opportunities to shorten the timeframe where possible.

#### Rights of non-tenant renters

- 34. The TAN is concerned about the lack of rights and dispute resolution options for non-tenant renters who are not covered by the RTA. The TAN has raised this issue with successive Ministers with portfolio responsibility for the RTA.
- 35. Not all living arrangements are covered by the RTA, and whether the RTA applies to a situation will depend on the circumstances of the particular arrangement. The RTA covers tenancy agreements signed between tenants and landlords. Flatmates and private boarders are not generally covered by the RTA. A flatmate is someone who lives on the property with the agreement of a tenant but are not on the tenancy agreement themselves. A private boarder is someone who rents a room in a property that the landlord lives in.
- 36. If they are not covered by the RTA, any disputes between flatmates and head tenants or private boarders and the homeowner fall under the jurisdiction of the Disputes Tribunal, rather than the Tenancy Tribunal.
- 37. The TAN is concerned that due to pressure in the market, people feel like they have little agency to negotiate and so are accepting living arrangements that accord them fewer rights, including flatmate and private boarding arrangements. These arrangements are also common between family members.

#### Dispute resolution options for non-tenant renters

38. In previous meetings with Ministers and officials, members of the TAN have raised concerns that the Disputes Tribunal is an inadequate dispute resolution option for non-tenant renters, in part because it focuses on pecuniary damages rather than making orders that may better address the issues at play, such as extending a flatmate's right to continue living in a particular premises.



39.	The TAN has advocated for extending Tenancy Service's mediation service to non-
	tenant renters as the issues raised in tenancy mediation are similar to many of the
	issues experienced by flatmates and private boarders.

40. s 9(2)(g)(i)

#### Extending rights for non-tenant renters

- 41. In previous meetings with officials, members of the TAN have advocated for flatmates and private boarders to receive similar rights as boarding house tenants under the RTA. Boarding house tenancies can be terminated with significantly shorter termination periods than standard tenancies.
- 42. The Ministry's initial view is that there is a balance to be struck between legislating new protections for flatmates and private boarders and creating complexity for owners and head tenants. There is a risk that owner-occupiers would be disincentivised from renting out rooms to boarders, which would be of particular concern in the current tight rental market.
- 43. Talking points are attached as **Annex A**, which addresses the concerns outlined by the TAN.

#### **RISKS AND SENSITIVITIES**

44. The delay in the family violence regulations will be a sensitive issue, as family violence and tenancy advocates expect the regulations to be operational sooner than later. Stakeholders are likely to express concerns that the regulations have not been made already.

45. s 9(2)(ba)(i)

s 9(2)(h)

46. s 9(2)(h)

#### **ANNEXES**

Annex A: Talking points

Annex B: Further information on TAN attendees

# Annex A: Talking Points for Meeting with Tenant Advocates' Network (TAN) 30 August

#### INTRODUCTION

- I'd like to thank everyone for coming and acknowledge the important and ongoing
  role that the TAN plays in advocating for the rights of tenants. I appreciate the direct
  feedback from the TAN that has assisted in understanding some of the real issues
  for our rental housing communities.
- Improving conditions for renters is a priority for this Government. I value the strong
  working relationship we have with tenant advocacy leaders as we work together to
  improve housing outcomes.
- I value your extensive insight on tenancy issues and look forward to discussing these with you.

#### **REGULATION OF PROPERTY MANAGERS**

- I really appreciate all the feedback we have received from the sector on the proposed regime.
- I am planning to take proposals to Cabinet later this year, with the intent of introducing legislation to Parliament mid-2023.
- That means it's too early to confirm yet who the regulator and disciplinary body will be. But I can assure you that regardless of where these functions sit, the Ministry will work with the responsible teams to ensure the system remains easy for tenants to navigate and use.
- There will be a further opportunity for you to submit feedback on the Bill in mid-2023 and I encourage you to do so.

s 9(2)(g)(i)	

#### **EMERGENCY AND TRANSITIONAL HOUSING**

 The Sustaining Tenancies services is available for tenants in private rentals or public housing who are at risk of losing their place to live.

- Transitional Housing Support Services provide a further 12 weeks support post the placement into permanent housing.
- The type and level of support services they receive will be based on this plan and could include:
  - Advocacy with landlords
  - o Advocacy and support to navigate social and health services
  - Referral to budgeting services
  - Like skills coaching
- Tenants can refer themselves or be referred by another agency or community organisation. Support service providers can reach out to tenants though:
  - Government departments and agencies
  - Public and private landlords and tenancy services
  - Local Māori organisations and iwi
  - Locals GPs and health navigators
  - Local community organisations
- Further information on providers who deliver these services can be found on the Ministry's website.
- There are also a range of support services available for people to access under the Ministry of Social Development (MSD).
- MSD's Homelessness Action Plan also introduced the role of housing brokers to increase access to private rental housing and help people in emergency housing and on the public housing register.
- MSD also offer a product called "Ready to Rent". This programme is a short two-day programme, aimed at increasing the opportunity for people in emergency or insecure housing to be chosen as tenants and gain homes in the private rental market.

#### **FAMILY VIOLENCE IN TENANCIES**

s 9(2)(g)(i)

•	No one wants victims of family violence to be held liable for damage done to a renta
	property by their abuser.

•	The Tribunal is required to order name suppression for any proceedings relating to a
	family violence withdrawal notice. For cases that involve family violence, but do not
	specifically relate to a family violence withdrawal notice, the Tribunal has discretion
	to order name suppression, having regard to the interests of the parties and the
	public interest.

#### FAMILY VIOLENCE WITHDRAWAL NOTICE REGULATIONS

I anticipate the regulations may be gazetted in December 2022, but my officials will
consider opportunities to shorten the timeframe where possible.

 This timeframe takes into account the time required to ensure the regulations have been through a robust process and received appropriate scrutiny from Cabinet committees.

#### **NON-TENANT RENTERS**

- I appreciate your concerns about the lack of protections for flatmates and boarders under the RTA.
- As you are aware, whether the RTA applies to flatmates or boarders will depend on the circumstances of the arrangement. A flatmate or boarder could ask the homeowner if they are interest in contracting into the RTA.
- If they are not covered by the RTA, any disputes between flatmates and head tenants or boarders and the homeowner fall under the jurisdiction of the Disputes Tribunal.
- When considering protections for flatmates and boarders under the RTA, we need to be mindful of the need to strike a balance. We don't want owner-occupiers to be put off from renting out rooms to boarders given how tight the rental market currently is.
- It is recommended that flatmates and boarders sign written agreements with head tenants/homeowners, setting out things such as rent, bond, and required notice to terminate the agreement. A template agreement is available on the Tenancy Services website.
- This isn't a piece of work that officials have capacity to consider further at this time. I
  want them to focus on pushing on with our property management reform.

#### **BACK POCKET TOPICS**

#### Rent affordability

- I appreciate that many tenants are struggling financially right now.
- We believe that increasing the supply of housing is the best way to address affordability.
  - Our government is implementing the National Policy Statement on Urban Development so that Aotearoa's town and cities can plan for growth, both up and out.
  - Public Housing Plan (2021-2024) is expected to deliver 8,000 new public and transitional homes.
- The Government has also taken measures to increase the incomes of people earning the least, like increasing the minimum wage, benefits and Working for Families Tax credits:
  - The Jobseeker support for a single person, aged 20 to 24 years is \$233.75 per week
  - For a couple without children, it is \$536.00 per week
  - Further to these increases, the student allowance for a single student living away from home and under the age of 24 increased from \$240.65 per week to \$279.97 per week, after tax.

#### Accommodation supplement

 The Government currently spends about \$1.5 billion a year on the Accommodation supplement.

- In March 2021, there were 360,549 people receiving the accommodation supplement, up 43,023 on the year before.
- The Government also announced a Cost-of-Living payment as part of Budget 2022. The payment will be up to \$350, split into 3 monthly payments of around \$116. These payments will be available to eligible individuals who earned \$70,000 or less during the period from 1 April 2021 to 31 March 2022 and are not eligible to receive the Winter Energy Payment.

#### Rent control

 We need to be mindful of the unintended consequences of rent control and rent indexation, such as landlords leaving the rental market at the margins, which can displace renters.

#### CONCLUSION

 Thank you for your time and for meeting with me. I hope it's an informative and productive day. I am looking forward to working more closely with you all in the upcoming months.

### **Annex B: Further information on TAN attendees**

Hamish Jarvie, New Zealand Council of Christian Social Services	
Cam Jenkins, Manawatu Tenants' Union	FOOD UP 29% INCOMES UD 22%
Paul Barber, Salvation Army	
Peter Klein, Tenants Protection Association Auckland	
Sacha Green, Citizens' Advice Bureau NZ	

Megan Williams, Community Law Centres o Aotearoa Geordie Rogers, Renters United Katherine Blow, Victoria University Students' Association Tatai Allen, Ngāti Ranginui Iwi Society Inc.