
ORDINARY MEETING

OF

CITY STRATEGY COMMITTEE

SUPPLEMENTARY AGENDA

Time: 9.30am
Date: Thursday, 18 October 2018
Venue: Committee Room 1
Ground Floor, Council Offices
101 Wakefield Street
Wellington

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A.1 Submission on Healthy Homes Standard Presented by Councillor Dawson	3

A. Strategy

SUBMISSION ON HEALTHY HOMES STANDARD

Purpose

1. This report asks the City Strategy Committee to approve the attached submission on the Government's Healthy Homes Standard (the Standard). The Standard will establish compulsory enforceable quality standards for rental properties. Provision for a Standard was made in the Healthy Homes Guarantee Act 2017.
2. Submissions are due to the Ministry of Business, Innovation and Employment (MBIE) by Monday 22 October 2018.

Summary

3. In December 2017 the Government passed the Healthy Homes Guarantee Bill, with the new Act making provision for a Healthy Homes Standard covering the following 5 areas:
 - Insulation
 - Heating
 - Ventilation
 - Moisture Ingress and Drainage
 - Draught Stopping.
4. MBIE is consulting on the content of the Standard. The consultation document is available here: <https://www.hud.govt.nz/news-and-resources/consultations/consultation-healthy-homes-standards/>
5. With Wellington City Council's (the Council) commitment to improving rental quality and role as the country's second largest landlord, this submission:
 - Supports the Government's work in this area, improving rental quality is the right thing to do;
 - Recognises that a compulsory, enforceable Standard is required in the current climate and to improve the quality of all rentals;
 - Recognises that for us, like many landlords, introduction of the Standard may bring challenges; and
 - Responds to the detailed consultation questions.

Recommendations

That the City Strategy Committee:

1. Receives the information.
2. Approves the draft response to the Ministry of Business, Innovation and Employment consultation on the new Healthy Homes Standard, subject to any amendments agreed by the Committee.
3. Delegates to the Chief Executive and the Housing Portfolio Leader the authority to

amend the response as per any proposed amendments agreed by the Committee at this meeting, and make any minor consequential edits, prior to it being sent.

Background

6. Housing is one of the Council's key priorities and the Council is committed to improving the condition of rental properties within Wellington. The Council is doing this through upgrading City Housing properties and through the Rental Warrant of Fitness (Rental WoF).

City Housing

7. The Council is the country's second largest landlord, with 2090 tenancies.
8. Our City Housing properties are in the middle of a twenty year, \$400-million-dollar upgrade programme to bring all of our buildings up to modern standards. The high standard of work that is being carried out through this programme was agreed with the Government in 2008 through a Deed of Grant.

Rental Warrant of Fitness

9. The Council rolled out New Zealand's first Rental WoF in August 2017 in partnership with the University of Otago, Wellington and the Sustainability Trust. This is a voluntary in-home assessment that examines the basic health and safety components of a property. The aim was to lift rental standards in our city because every Wellingtonian deserves a warm, dry home.
- The rental WOF inspection covers 29 criteria.
 - The free self-assessment app has had over 1,100 downloads
 - 3 properties have passed the Rental WoF.

The rollout generated a lot of interest in Wellington and nationwide amongst tenants, their parents, landlords, inspection companies and other local councils.

10. After the rollout and prior to the Government progressing the Healthy Homes Guarantee Bill, officers had been about to start work on determining an acceptable form of heating using the powers under the Housing Improvement Regulations 1947 and exploring possible incentives, work the Committee had requested at the time of the rollout. This was put on hold to first determine the implications of the legislation and the content of this Healthy Homes Standard.

Discussion

11. It was known when the Rental WoF was rolled out that the Council's powers were limited and that with a voluntary scheme uptake would depend on landlords willingness to take part. While many people have used the self-assessment app the uptake of formal assessments has been low. This shows that in a particularly tight rental market there was little incentive for landlords to take part in a voluntary scheme. In such circumstances to ensure Wellingtonian's renting have a warm and dry home a compulsory, enforceable Standard is required.
12. The Government's Standard will be compulsory, enforceable and have nationwide reach.

13. Depending on the implementation timeframe and requirements within the Standard this could have implications for the Council. If the timeframe for reaching higher standards is shorter than that for the Deed of Grant programme (budgeted over 10 years) this could have financial implications for the Council that we would need to manage.
14. The Council's submission recommends staggering the introduction of the different components of the Standard, focusing first on insulation then heating. There are several reasons for this:
 - To clearly signal to landlords the direction the Government is headed, enabling them to assess their position and plan so that they can achieve the right part of the Standard at the right time.
 - To prevent any landlords from waiting until the last minute to do any work.
 - Staggering in this way would also enable the Government, Councils and any others to target any assistance measures to components of the Standard to further enable and encourage compliance.

Options

15. This Committee could:
 - Agree the draft response attached; or
 - Agree the draft response with amendments.

Next Actions

16. To ensure the 22 October deadline is met:
 - Agree the draft response attached or agree the draft response with amendments.
 - Agree Recommendation 3 of this paper to delegate authority to the Chief Executive and Housing Portfolio Leader to amend the response as agreed by this Committee, and to make minor edits.

Attachments

Attachment 1. [Healthy Homes Standard - Draft Submission](#)  

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Author	Carolyn Dick, Principal Advisor, Strategy
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SUPPORTING INFORMATION

Engagement and Consultation

Feedback about the Rental WOF received from landlords, tenants, their parents, industry and others has been incorporated into the submission as appropriate.

Treaty of Waitangi considerations

None from this submission.

Financial implications

The Government may introduce a Standard that requires higher levels than currently contained in the Deed of Grant with Government and possibly a shorter timeframe for completion of work. These risks are raised in the submission and could potentially require additional funding to City Housing in a shorter time than currently budgeted.

Policy and legislative implications

Please refer to the *Financial implications* section above.

Risks / legal

Please refer to the *Financial implications* section above.

Climate Change impact and considerations

Effective and efficient use of energy is an important consideration in the type of heating options supported.

Communications Plan

Not required.

Health and Safety Impact considered

Health and Safety implications have been taken into account throughout – the health and safety of tenants underpins the need for improving housing quality in order to reduce risk of respiratory and associated diseases.

The health and safety of tradespeople is also taken into account, for example it is recommended that exemptions from installing insulation in voids too small under some houses to get anyone under them safely to install underfloor insulation.

18 October 2018

Ministry of Business, Innovation and Employment
Wellington

SUBMISSION ON HEALTHY HOMES STANDARD CONSULTATION

Wellington City Council (the Council) thanks you for the opportunity to submit on proposals for the Healthy Homes Standard and appreciated the early discussions with your staff about the Rental Warrant of Fitness and the Council's City Housing. We are interested in the Healthy Homes Standard from our perspective as a landlord and an organisation working to achieve higher housing quality standards.

Housing is one of the Council's key priorities and we are committed to improving the condition of rental properties within our area. At our local level, we believe that every Wellingtonian deserves a warm, dry home, and that is both for people living in our Council properties as well as other rentals. We support the Government's work on improving housing quality and efforts to ensure that all New Zealanders have access to a warm, dry and safe home. We believe this is the right thing to do, and realise that for us, like many landlords, it may bring challenges.

We have 2090 council rentals, which means the Council is the second largest landlord in New Zealand. Our City Housing properties are in the middle of a twenty year, \$400-million-dollar upgrade programme to bring all of our buildings up to modern standards. The high standard of work that is being carried out through this programme was agreed with the Government in 2008 through a Deed of Grant. As we are halfway through this programme this has been budgeted for over the next 10 years. We are committed to improving housing quality and are aware that depending the levels required for each component of the Standard may mean that we have made a significant inroad to meeting these already, but also that decisions about those levels and if the timeframe for reaching the Standards this could have financial implications for the Council that we would need to address.

In 2017 we rolled out New Zealand's first Rental Warrant of Fitness (Rental WoF) in partnership with the University of Otago, Wellington and the Sustainability Trust. This is a voluntary in-home assessment that examines the basic health and safety components of a property. The Rental WoF inspection covers 29 criteria. Prior to booking in for a formal assessment, we recommend landlords use the free self-assessment app to assess how their property fares and highlight any areas or items they would need to improve in order to pass. Anyone can download and use the app, which has made it a useful tool for both tenants and landlords. It has had over 1,100 downloads. Three properties have passed the Rental WoF.

Our rollout generated a lot of interest and discussion in Wellington and nationwide with tenants, their parents, landlords, inspection companies and other local councils. This reiterated the importance of housing quality issues and showed the broad level of interest. We would imagine many of them are also submitting on your proposals.

One of the benefits of a voluntary scheme is that it allows people time to work out what it means for them and to plan and budget. Many landlords already have good quality properties and others are actively working to improve theirs. However, for others, in a tight rental market there is little

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incentive to comply with a voluntary scheme. This shows that in such circumstances in order to achieve the desired result of warm dry rentals, a compulsory, enforceable scheme is required.

Finding the balance between requiring such improvements and enabling landlords to plan and budget will be a key to making this work. To enable and encourage compliance with the Healthy Homes Standard the Council recommends staggering the introduction of the different components of the Standard, focusing first on insulation then heating. This will clearly signal to landlords the direction the Government is headed, enable them to assess their position and to plan so that they can achieve the right part of the Standard at the right time. It would also prevent any landlords from waiting until the last minute to do any work. However, the periods should not be too compressed so that they distort the market and drive up prices. Staggering in this way would enable the Government, Councils and any others to target any assistance measures to components of the Standard to further enable and encourage compliance.

Thank you for the opportunity to contribute at this point of the process and we would like to keep working with you as the proposals are developed further.

We respond to your questions in detail below.

Yours sincerely,

NAME

ROLE

WELLINGTON CITY COUNCIL RESPONSE TO CONSULTATION QUESTIONS

1. HEATING

Location

Where in the home should landlords be required to provide heating?

OPTION 1 (status quo): Living room only (includes kitchen and dining room if open plan rental home)

OPTION 2: Living room and bedrooms (includes kitchen and dining room if open plan rental home)

QUESTION FOR FEEDBACK: Do you support option one or two for the location of heating devices that landlords must provide in rental homes? Please explain your reason.

Council's response

The Council supports ensuring homes are warm and dry. Heating is an essential component required to achieve this. We have installed a 2kw heater in the living area of all of our properties.

This is consistent with the Rental WOF which also required a 'heating appliance to be located within the main living area (living, dining, lounge) or where heat can be delivered to the main living area of the dwelling'.

Heating is a complex issue and we recommend a more nuanced approach than a one size fits-all approach. For example, a 2kw heater is efficient and effective in a new build or an insulated property; however it would not be adequate for an older build or an uninsulated property. Therefore we recommend consideration be given to matching the type of property with the type of heating required.

We realise this would add an additional level of complexity for assessing compliance. However, it would be more effective in reaching the objective of ensuring rentals are warm and dry.

To keep the focus on this desired outcome of a warm home, as opposed to an appliance specific approach, we recommend exemptions for other forms of heating that achieve the desired temperature, such as transfer systems, be incorporated.

The Council would therefore support a modified Option 1 that incorporates our points above.

Temperature

What achievable indoor temperature should heating devices be sized for?

OPTION ONE: Heaters that landlords provide must be capable of achieving an indoor temperature of at least 18 degrees Celcius in rooms applicable to the heating standard

OPTION TWO: Heaters that landlords provide must be capable of achieving an indoor temperature of at least 20 degrees Celcius in rooms applicable to the heating standard

QUESTION FOR FEEDBACK: Do you support option one or two above on whether landlords should provide heating devices that are capable of reaching 18°C or 20°C in room(s) covered by the heating standard? Please explain.

Council's response

The health and wellbeing of tenants is one of our key drivers for improving housing quality standards. To cater for the widest range of tenants there is an argument for requiring heating capable of achieving an indoor temperature of at least 20 degrees Celcius.

How this is achieved could be worked through. Properties with heat pumps should be able to achieve a temperature of 20°C so these will not be affected. For properties with existing heating that achieves 18°C but not 20°C, consideration could be given to a subsidy or swap system.

With data from BRANZ indicating that mean living and bedroom temperatures in winter are typically 15.8°C and 14.2°C respectively, this indicates that a significant number of properties do not have adequate heating currently, even allowing for properties where heating is not used. Consideration could be given to providing subsidies to those starting out to meet the heating component of the Standard.

Portable or fixed

Should landlords only be required to provide heating devices where portable electric heaters are insufficient to achieve the required indoor temperature?

OPTION ONE: Landlords only provide (fixed) heating devices in cases where portable electric heaters are insufficient to heat the required rooms.

OPTION TWO: Landlords must provide fixed and portable heating devices to heat the required rooms.

QUESTION FOR FEEDBACK: Do you support option one or two for heating devices to be provided by a landlord in a rental home?

Council's response

Further to our comments above, we recommend matching the type of property with the type of heating required in order to reach the desired achievable temperature of 20°C in living areas. In a newer, or older insulated property this may be a 2kw heater. A heat pump may be required for an older or uninsulated property.

We support a fixed form of heating that can achieve this temperature in the particular property being provided in the living area.

We note the Council currently provides only fixed heating due to the greater efficiency and longer shelf life of the products.

We are aware that installing heating can be a higher cost exercise for tenants, and then running can discourage usage by tenants. Both sides face costs. We would suggest that the Government, Councils and others discuss what subsidies, grants or other assistance could be made available to landlords to assist meeting the heating requirement and to tenants to support usage.

Type

Should we accept some heating devices and not others?

QUESTIONS FOR FEEDBACK:

a. Do you agree that a class of acceptable heating devices is created for those devices that are efficient, healthy and affordable for the heating standard? Please explain.

Council's response

Yes. Prior to the Government progressing the Healthy Homes Guarantee Bill, the Council had been about to start work on determining an acceptable form of heating using the powers under the Housing Improvement Regulations 1947.

In the absence of central and local government guidance, the Tenancy Tribunal has found the following:

*'While in the past, the Tenancy Tribunal considered that a power point was an 'approved form of heating' that complied with the HIR, recent Tribunal decisions have found that a power point does not meet these requirements. The Tribunal has been finding that landlords must provide some kind of heating source in the living area of rental properties to meet their obligations under the HIR. The Tribunal is generally satisfied with the provision of an inexpensive heater that is electrically safe, in the absence of any approved forms specified by the relevant council.'*¹

The aim of our planned work had been to both give landlords certainty about what was required and allowed and also to increase the likelihood that a property was warm and dry. Both safety and efficiency would have been considerations.

Consistent with this and the need to ensure the form of heating is appropriate for the type of rental, we support the proposal to establish a class of acceptable heating devices.

b. Do you agree that the heating devices listed above (unflued heaters, open fires etc) should be not acceptable for the heating standard? Please explain

Council's response

The Council agrees with excluding these types of heating devices and it is consistent with our current approach.

The Council does not provide log burning stoves or gas heating. We do not permit the use or storage of LPG bottles or heaters in tenancies because of the hazards you have also stated: they present risks in the form of carbon monoxide poisoning and create a substantial amount of moisture in the air which contributes to dampness and mould.

The Rental WoF also states that unflued gas heaters and open fires do not comply with that standard.

Besides the inherent danger with an unflued heaters and additional cost burden from running inefficient heaters, these would would on a technical level fail to meet the 'warm' and 'safe' components of the Act's objective. At the practical level, the 'warm' and potentially 'dry' aspects of the objective are more likely to be met by excluding inefficient heaters because this lowers the likelihood of heaters not being used because the running cost is lower.

c. What other types of heating, if any, do you think should be acceptable or not acceptable in the heating standard? Why?

Council's response

Please refer to our comments above where we recommend matching the type of property with the type of heating required in order to reach the desired achievable temperature of 20 degrees Celsius in living areas.

¹ MBIE Coversheet: Heating and insulation standards for residential rental properties

2. INSULATION

Minimum levels

What minimum level of insulation should be required in rental homes?

QUESTIONS FOR FEEDBACK:

- a. Which of the options (one, two or three) for the minimum level of insulation required do you support? Please explain.

Council's response

The Council supports improving insulation as a key first step to ensuring properties are warm and dry.

The Council is working towards compliance with the current required standard for our 2090 rentals. With a portfolio this size this has involved not only the installation work but also surveying half of our portfolio to understand whether additional insulation is required.

We agree that this should be done to improve the quality of the places our tenants live in, but raise it because other landlords will have, to differing degrees, experienced this too.

While there is an argument for increasing insulation requirements further, from a practical perspective, as an increasing number of landlords are achieving the standard in existing legislation, we would recommend retaining that level and the July 2019 deadline for this component.

We discuss implementation further below, but if compliance with different components were staggered, for example, insulation first and heating second, the effectiveness of this combination on improving the warmth and dryness of properties could be reviewed with further recommendations about insulation made if and as required. Depending on the results, this could include requiring all properties to achieve the current Building Code standard.

To recognise properties that have a higher level of insulation consideration could be given to introducing a rating system like the European star rating system so that when landlords advertise their property it is immediately clear the level to which their property is insulated.

We would therefore support Option 1 and focus on assisting compliance with the current standard with a review of the effectiveness of the combined effects of the insulation and heating components.

- b. Do you agree that the exceptions set out in the 2016 regulations should continue under the proposed insulation standard (eg when it is not reasonably practicable to install insulation)? Please explain.

Council's response

Yes. While we want warm, dry rentals allowing these exceptions is sensible for reasons of cost, feasibility and safety.

For example, in some situations the only way to install insulation would be to remove roofs, which would be highly impractical and expensive. Some properties can not be insulated under the floor because they are concrete slab floors. Also some voids are too small under some houses to get anyone under them safely to install underfloor insulation. We therefore agree that this should be deemed impracticable and so exempted.

However, we would, as above couple this with a requirement that the form of heating to be matched to the type of property in order to reach the desired achievable temperature of 20 degrees Celsius in living areas.

c. Do you think any other requirements for insulation should be included in the standard and, if so, what?

Council's response

In conjunction with the Standard rather than as a requirement within it, you may wish to consider including a system like the rating system like the European star rating system to recognise the standard the landlord has achieved and to clearly show prospective tenants the level of insulation prior to taking on a lease.

d. Would any of the above options inhibit future innovation and/or flexibility? If so, how?

Council's response

We do not think this would inhibit future innovation. This will occur separately. The point of contact will be incorporating these into accepted solutions. If for example a new type of insulation is developed, this would not require a change if it met the required r value. If a new measurement was developed that was determined to be better than an r-value (hypothetically) then the Standard and Building Code could be amended as required. The processes for change are well set out and as is the practice now, could coincide with an education and information campaign to inform landlords and tenants. Consideration would need to be given to ensuring fairness towards landlords who have met the existing standard eg grandfathering.

Our suggestion to introduce the insulation and then heating requirements then review their effectiveness would also reduce uncertainty and change in costs in the short term for landlords.

Degradation

How should the degradation of insulation under "reasonable condition" be assessed?

QUESTIONS FOR FEEDBACK:

- a. Do you support option one or two to assess a "reasonable condition" for insulation? Please explain**
- b. Do you think any other criteria for interpreting "reasonable condition" of insulation should be included and, if so, what?**

Council's response to a and b

To be effective insulation needs to be of a reasonable condition. To ascertain what that level is, we would again recommend reviewing the combined effectiveness of the current insulation component with the heating component to assess whether more and/or a change to the level of acceptable degradation is required.

Compliance

How can landlords show compliance with the insulation standard?

QUESTION FOR FEEDBACK:

Do you agree landlords should show compliance with the insulation standard by retaining particular records? If so, which records should be retained? Please explain

Council's response

Yes. For declaration or auditing purposes we support the current requirement of a certificate. For the purpose of advertising and providing information to tenants if this information was also available in the form of the European Star rating it would be clearer and easier for tenants to understand.

3. VENTILATION

What level of ventilation is required in rental homes?

OPTION ONE (status quo):

- Every bathroom has at least one window that directly opens to the outside air unless other adequate means of ventilation are provided to the satisfaction of the local authority
- Each habitable room has at least one window that directly opens to the outside air unless other adequate means of ventilation are provided to the satisfaction of the local authority
- Every room which is not a habitable room shall be provided with such window or windows as the local authority may consider necessary for adequate ventilation.

OPTION TWO:

Extractor fans installed in rooms with a *bath or shower*, and living rooms, dining rooms, kitchens, and bedrooms have windows that can be opened for the entry of air unless an exemption applies.

OPTION THREE:

Extractor fans installed in rooms with a *bath or shower or indoor cooktop*, and living rooms, dining rooms, kitchens, and bedrooms have windows that can be opened for the entry of air unless an exemption applies.

QUESTIONS FOR FEEDBACK:

- a. Do you support option one, two or three to provide adequate ventilation in rental homes? Please explain**

Council's response

Adequate ventilation is essential to ensuring a property is dry and warm. It is increasingly well known how prevalent and harmful mould is in New Zealand homes. Two key areas are kitchen and

bathrooms, they are high moisture areas and both are associated with a need for healthy and hygienic environments.

With BRANZ data showing over a third (37 percent) of rental homes do not have mechanical ventilation in the kitchen and almost half (44 percent) do not have mechanical ventilation in the bathroom a higher standard is required in order to adequately ventilate these high use areas to ensure the air is also healthy for tenants.

The Council supports the higher standard of Option 3. This is a Deed of Grant requirement for Council.

b. What other forms of ventilation should be considered acceptable, or not included in the standard as acceptable? Please explain.

Council's response

We would recommend considering the following:

- Trickle vents to new windows, when new windows have to be installed.
- If there is provision for a dryer within the habitable building envelope, there must be venting to the outside for that dryer. Dryers in garages or other locations outside the habitable building envelope could be excluded. This would be consistent with the Rental WoF.

c. Would any of the above proposed options for ventilation prevent future innovation and/or flexibility? If yes, how?

Council's response

No, we do not believe so.

4. MOISTURE INGRESS AND DRAINAGE

How should landlords protect rental homes against moisture entering the home and inadequate drainage?

OPTION ONE (status quo): Landlords continue to meet the requirements of the Building Code, Residential Tenancies Act and the Housing Improvement Regulations

OPTION TWO: Landlords provide efficient drainage and guttering, downpipes and drains and ensure that the subfloor has a ground moisture barrier, unless there is already adequate subfloor ventilation

QUESTIONS FOR FEEDBACK:

- a. Do you support option one or two above to address the problems identified with moisture ingress and inadequate drainage in New Zealand rental homes? Why/Why not?**

Council's response

The Council supports addressing issues of moisture ingress and inadequate drainage, however before choosing Option 1 or Option 2 we seek additional detail. For example, in Option 2 how would 'efficient' for drainage be defined. Would this be different to drainage requirements in the Building Code?

One issue however with the Housing Improvement Regulations 1947 component of Option 1 is that these are not widely used now. While this option would not create additional administrative costs for central government, it would for local government. That is manageable but the risk with this option is that it opens the way to having different requirements across territorial boundaries, which could lead to a lack of clarity and then frustration for landlords who own properties in different territorial areas. We do not recommend this approach and in other areas of Council operation, for example with the *GoShift* initiative, which aims to ensure that Building Consent processes are consistent between Councils in order to provide clarity for our customers and speed up their interactions with us.

Alternatively, it may be found that Councils may all, through their own separate processes, decide the Building Code is the appropriate guide. It would be faster, more efficient and clearer for landlords if that were the requirement set in these regulations.

An option giving a clear, consistent nationwide approach would be preferable.

b. Do you think other requirements for moisture ingress and drainage should be included in the standard? If so, what?

Council's response

As above, we would like more detail about Option 2 before answering this.

c. Do you agree with the proposed exemptions? Do you think there are other homes that should also be exempt?

Council's response

We suggest including exemptions for the many properties that do not have sub-floors i.e. complexes. This is the approach taken in the Rental WoF:

'A ground vapour barrier is required for all houses where there is an accessible and fully enclosed sub-floor.' (Not applicable for concrete floors)

d. Would any of the above options inhibit future innovation and/or flexibility? How do you suggest this could be overcome?

Council's response

As above, we would like more detail about Option 2 before answering this.

If the Housing Improvement Regulations 1947 are relied on this presents a risk of variance between territorial authorities.

5. DRAUGHT STOPPING

What is the appropriate level of draught stopping to create warm and dry rental homes?

OPTION ONE (status quo):

Landlords are required to ensure walls and ceilings of every habitable room, bathroom, kitchen or kitchenette, hall and stairway shall be sheathed, plastered, rendered or otherwise treated and shall be maintained to the satisfaction of the local authority. Every floor shall be kept in a good state of repair free from crevices, holes and depressions

OPTION TWO:

Landlords to stop any unnecessary gaps or holes that cause noticeable draughts and a colder rental home, and:

- are 3 millimetres or greater in and around windows and doors, walls, ceilings, floors and access hatches
- block any decommissioned chimneys and fireplaces.

QUESTIONS FOR YOUR FEEDBACK:

- a. Do you support option one or two above to stop draughts and create warm and dry rental homes? Why?

Council's response

The Council supports Option 2. Option 2 is clearer and would give a consistent nationwide approach. Option 1 uses the wording from the Housing Improvement Regulations and will, as in our response to *Question 4a* create a risk for landlords of different requirements from different territorial authorities, which could lead to a lack of clarity and potentially frustration for landlords owning properties in different territorial areas.

Further, Option 2 is already being used. This is the standard already required in our City Housing.

- b. Do you think other requirements for draught stopping should be included in the standard? If so, what?

Council's response

No.

- c. Would any of the above options inhibit future innovations and/or flexibility? If so, how?

Council's response

No, we do not believe so.

- d. Should the regulations specify any exceptions to this standard? If so, what?

Council's response

No, we do not believe so.

6. DATE TO COMPLY WITH THE STANDARDS

- OPTION ONE:** Landlords must comply with the standards within 90 days of the start or renewal of a tenancy
- OPTION TWO:** A single date is chosen for when all landlords must comply with the standards
- OPTION THREE:** The implementation dates are staggered for the standards either by
- Standard
 - Rental home location

QUESTIONS FOR YOUR FEEDBACK:

- a. Do you support option one, two or three above for the date what landlords need to comply with the standards for thier rental homes? Why/why not?

Council's response

As mentioned in our introduction, the Council supports a staggered introduction of the components of the Standard. We don't support a distinction based on rental home location because rental quality needs addressing nationwide. We would suggest also considering either an extension of timeframes for large landlords or to incorporate already agreed timeframes, for example that in for the upgrade programme in our Deed of Grant with Government.

For the Standards, we recommend continuing with the 1 July 2019 deadline for complying with the current insulation requirements. Next, heating, because heating and insulation combined make a large difference to a property's warmth and dryness – matching the heating requirement with the age and type of property. We recommend reviewing the effectiveness of this combination on improving the warmth and dryness of properties with further recommendations about insulation made if and as required.

Then all components of the Standard could be met by 1 July 2024.

- b. For option one, do you think 1 July 2021 is the appropriate commencement date? Why/Why not? Do you agree landlords should be given a grace period of 90 days between the start of a tenancy and when they need to comply?

Council's response

The Council recommends Option 3 with amendment.

- c. For option two, do you think 1 July 2022 is an appropriate date to allow landlords, industry and government sufficient time to comply with the standards? If not, which date do you think would be appropriate, and why?

Council's response

Please refer to our response to *Question 6a*.

- d. For option three, which approach do you think is an appropriate way to stagger implementation that you think we should consider?

Council's response

Please refer to our response to *Question 6a*.

e. Is there a feasible compliance date option that has not been considered? Please explain

Council's response

Please refer to our response to *Question 6a*.

7. IMPLEMENTATION

QUESTION FOR YOUR FEEDBACK

What are the most important considerations in developing a tool to help tenants understand and landlords to comply with the heating standard?

Council's response

Our introduction referred to the downloadable app developed as part of the Rental WoF. This was an important tool for a new scheme to help introduce the Rental WoF and help people understand and work through what was required.

We recommend landlords use the free self-assessment app before booking in for a formal assessment to assess how their property fares and highlight and areas or items they would need to improve in order to pass. While only landlords could book in for a formal Rental WOF assessment, anyone can download and use the app, which has made it a useful tool for both tenants and landlords. It has had over 1,100 downloads.

The University of Otago, Wellington developed the app and will provide more detail. Feedback we have received has indicated that landlords, tenants, and others found the clear presentation of information, detail about what is accepted (and source e.g. the Building Code) and how to achieve that was very helpful.

ADDITIONAL COMMENT

We would like to add some further observations not mentioned in the consultation document, but you may wish to consider.

Double Glazing

Consideration could be given to subsidising double glazing. This makes the biggest impact to improving warmth and dryness from a thermal, natural ventilation and draughts perspective.

Floor coverings

The requirement for floor coverings and or underlay to carpets is not mentioned. We recommend that it is because it would reduce heat loss through a floor, especially within lounges, living rooms and bedrooms. This is generally the norm, but inclusion would provide clarification for landlords to provide carpets in these rooms.

Window restrictors

We recommend requiring window restrictors on windows to encourage the tenants to naturally ventilate their space safely. This is a small cost to reduce a potentially larger one later. It would benefit landlords and tenants because the property is more likely to be dry, helping maintain value as well as improving health conditions. It would also reduce the security concern many tenants who are out all day have. This is particularly an issue in winter when the cold reduces the likelihood of opening windows in the evening, and therefore not ventilate.

A starting point could be that taken in the Rental WOF which recommended security stays from a fall prevention perspective:

'Security stays must be present on any window where it is possible for a person to fall out of that window and where the possible fall height is more than 2m to the ground.'

Curtains

We recommend including a requirement for landlords to provide curtains with thermal characteristics. This also encourages tenant participation in and shared responsibility for keeping the property warm.

This is our practice in our City Housing, and is part of the Rental WoF:

'If the windows are not double or secondary glazed (with an R value of at least 0.26), then curtains or blinds must be present with the following features:

- *Either a single layer of heavy weight, non-translucent material or lighter weight material with a thermal backing.*
- *Cover at least 100% of the glazed area of the window.'*

Outlining tenant responsibilities

We would suggest continuing and expanding your range of information about tenant and landlord responsibilities. This is very helpful information and helps show in simple ways how doing things like the following contribute to the condition of the property: closing curtains before dusk, opening curtains in the mornings, opening windows to provide at least 30 minutes of natural ventilation per day, turn on mechanical extract to hoods over stoves (when cooking) where installed and bathroom extractor fans where installed, cleaning down mould patches, etc.

Enforcement

We note that while enforcement isn't addressed through this consultation document, it is included in your consultation about changes to the Residential Tenancies Act 1986. Our comments fit more closely with this consultation. As we said above, we do not have the ability to enforce the Rental WoF. In the current climate and to reach all landlords, a compulsory, enforceable scheme is required. We are pleased to see that MBIE has received over \$13 million for enforcement in the Government's latest Budget which will enable you to take a proactive approach to checking compliance and enforcing where required. We support this approach.

Thank you again for the opportunity to contribute. We would like to keep working with you as the proposals are developed further.