

Healthy Homes Guarantee Bill (No. 2) – Submission from the Office of the Children’s Commissioner

The Office of the Children’s Commissioner (OCC) welcomes the opportunity to submit on the Healthy Homes Guarantee Bill (No. 2)

QUALITY OF RENTAL HOUSING MATTERS FOR CHILDREN

More than half of all New Zealand children living in poverty are in private rental properties. Improving the quality of rental accommodation in New Zealand has been a major focus of the current Commissioner, Dr Russell Wills.

We have a statutory function to advocate for the rights and interests of all children. We take a child-centred approach which means considering the impact of policy changes with the best interests of children as the primary consideration.

With that in mind, we support the intent of this bill to make every rental home warm and dry for tenants – especially children.

WE SUPPORT THE INTENT OF THIS BILL

The OCC supports any measures that will safeguard and improve the wellbeing of children.

We know that insulation alone will not be sufficient to improve the living conditions for vulnerable tenants and their children. We support this bill as it goes further than the

This Bill has the potential to vastly improve the health of our most vulnerable children

current standards for insulation, and includes more rigorous standards for heating and ventilation.

In 2013, in response to the

final report of our Expert Advisory Group on Solutions to Child Poverty, the Government announced that it would trial a full Warrant of Fitness (WOF) for rental properties. We were disappointed that the eventual *Residential*

Tenancies Amendment Act 2016 fell short of this standard.

We continue to believe that a comprehensive rental WOF is required to address the issue of poor quality rental housing. This bill also falls short of a full rental WOF, but it does introduce more rigorous requirements. Therefore in our view it is a further step in the right direction.

CHILDREN ARE DISPROPORTIONATELY AFFECTED BY POOR HOUSING

The New Zealand Child and Youth Epidemiology Service estimates that there are over 40,000 child hospitalisations every year for conditions with a social gradient.

Children spend more time in homes than adults, especially those under 5. Their bodies (including respiratory systems) are still developing at this stage. They are vulnerable to illnesses that can have lifelong effects, such as bronchiectasis and rheumatic fever. Asthma is a common respiratory condition in New Zealand and aggravated by cold, damp housing. Childhood development is impeded by poor quality housing and this in turn affects education, wellbeing and future productivity. These all negatively impact on New Zealand’s future.

THE GOVERNMENT CAN DO MORE

The government has a role to create and enforce regulations that ensure all homes meet certain standards for the health and safety of tenants.

Even after the passage of the Residential Tenancy Amendment Bill, the obligations for

The Children’s Commissioner has a statutory role to advocate for the rights and interests for all children in Aotearoa New Zealand

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landlords are insufficient to ensure that homes are healthy – especially for children in low income households.

New Zealand is a signatory to the United Nations Convention on the Rights of the Child. Under section 27 of the Convention, every child has the right to an adequate standard of living – which includes housing.

The government is obligated to uphold its commitment to the Convention, and should take this obligation seriously given the effect poor quality housing has on children’s health.

HEALTH AND SAFETY REGULATIONS SHOULD BE STANDARD FOR LANDLORDS

Meeting health and safety obligations is considered to be a normal cost of doing business in most industries.

Those providing rental housing should also ensure the health and safety of their occupants, just as all other businesses must ensure the same for their clients and employees. Providing a healthy place for

Providing a healthy property for rent should be seen as a normal cost of doing business for property owners

tenants to live should be seen as a normal cost of doing business for property owners.

Current compliance costs for landlords are

low considering the return on investment from rent and capital growth and the fact that landlords are in the business of providing homes for families with children. Adding extra health and safety requirements will help bring this sector in line with others, and extend safer, healthier environments to our most vulnerable children.

Upgrading and maintaining a home to be warm and dry is also an effective way to preserve housing stock from degradation. This is beneficial for investors as well as tenants.

WE RECOGNISE THE DIFFICULTY TO ENFORCE PARTS OF THE BILL

While we support the intention of this bill, there are issues around monitoring and enforcement.

This is especially the case for the indoor temperature standard. The ability to warm up a home affordably depends on the rate of heat loss. Families and children living in poverty need efficient, affordable heating systems alongside effective insulation to adequately heat their homes.

There is also a question of who will enforce this standard and how. Due to the power imbalance between landlords and tenants, it is unfair and unrealistic to expect tenants to report non-compliance to the appropriate authority.¹ We ask that consideration be given in the bill to the introduction of random audits to encourage compliance, and creating the ability for NGOs, advocacy groups and social workers to report non-compliance on behalf of tenants.

We are also concerned about the non-compliance penalty. There are instances where a \$3,000 fine would not be sufficient incentive for large scale property investors to comply with the regulations. We suggest development of options for further action against landlords who do not comply after appropriate notice. Greater penalties would make clear the seriousness of these standards.

OTHER CONSIDERATIONS

There is also a risk that landlords will pass on the costs of renovations to the tenants. The committee should consider ways to avoid this, such as extending Warm Up New Zealand subsidies, and reclassifying spending on insulation and heating as maintenance for tax purposes (as opposed to capital investment).

One of the key issues for children living in poverty is that their parents can’t afford to heat their homes, referred to as “fuel poverty”. While this bill will not directly address this, thorough insulation, more efficient heating and better quality ventilation systems will limit the loss of heat from a home – making it more affordable to heat adequately.

¹ This power imbalance is evidenced by the fact that, of the 19,095 applications made to the Tenancy Tribunal in 2015, 16,808, or 88 percent, were from landlords. See: <http://www.stuff.co.nz/business/money/7485686/the-tenancy-tribunal-is-a-toothless-kitten-researcher-says>

THERE IS STRONG PUBLIC APPETITE FOR MORE ACTION ON RENTAL HOUSING

There is now greater public awareness of this issue. The public find it unacceptable that children are needlessly becoming sick and dying due to poor quality housing.

Now is the right time to implement this Bill.