22 June 2016

Committee Secretariat
Government Administration
Parliament Buildings
Wellington

Re: Healthy Homes Guarantee Bill (02)

Tēnā koe

Thank you for the opportunity to make a submission on the Healthy Homes Guarantee Bill.

Regional Public Health (RPH) delivers population and personal health services in the greater Wellington region. Our geographical area of service delivery spans Hutt Valley, Capital & Coast and Wairarapa DHBs. We deliver a range of population and personal health services, aiming to improve the health of communities throughout the greater Wellington region.

In particular we focus on achieving equitable health outcomes for high needs groups such as Māori, Pacific peoples, child and youth, low income families and other vulnerable groups.

We deliver a healthy housing programme (Well Homes) and the Housing Assessment & Advice Service, the former as part of the Ministry of Health's Rheumatic Fever Prevention Programme. The housing programme aims to reduce crowding and assist occupants with making their homes warmer (access to insulation grants and curtains) and drier (education around ventilation and how to reduce and treat mould).

As part of our work with Well Homes, our nurses and providers see many homes in severe disrepair. We are often seeking levers to influence landlords and property management agencies to improve the standard of their homes. RPH supports the call for tighter regulations and more clearly defined minimum standards for rental homes.

We would be available to speak to this submission if the opportunity is available.

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Kind regards

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Peter Gush
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General comment on the Healthy Homes Guarantee Bill (No 2)

1. Regional Public Health (RPH) supports the intent of the amendments to the Residential Tenancies Act 1986 (RTA) proposed in the Healthy Homes Guarantee Bill (No 2). New Zealand based research and the evaluation of our local housing programmes over the past decade provide evidence suggesting that if enacted the proposed changes will provide a cost benefit and prevent avoidable hospitalisations due to housing related illness. [i ii iii ivvvi]

2. Rental housing is usually older and much more likely not to be insulated and heated than owner-occupied housing. In comparison with counterparts in owner-occupied housing, older tenants living in rental housing are much more likely to be hospitalised and have a higher risk of dying in winter in urban areas.[vii] Our experience through running the Well Homes programme and the Housing Assessment & Advice Service (details provided in the appendix) indicates there is a significant need to improve the quality of private rental housing and clarify the standard private landlords need to meet to ensure provision of warm dry homes in the private rental sector.

3. The largest proportion of low income households are housed through private rentals, as opposed to social rentals or owner-occupier housing. Māori and Pacific peoples make up a disproportionate number of low income households, and also have a high incidence of illnesses attributable to poor quality housing. Since 1986 home-ownership rates among Māori and Pacific peoples have declined further than for the population as a whole – down 34.8 percent for Pacific people and 20.0 percent for Māori, compared with 15.3 percent for the total population[viii]. Therefore Māori and Pacific people, particularly children and older people experience higher rates of housing related illness and premature death from poor quality private rentals than New Zealand Europeans[ix].

4. Our work with families on lower incomes living in private rental housing indicates that in the face of increasing accommodation costs, households are forced to compromise on housing size, quality and/or location to continue to be able to afford essential expenditure on health, education, heating, and food and clothing or other goods and services[x xi]. This can result in families obliged to accept crowded living conditions in cold, damp and poorly maintained dwellings, in outlying areas requiring higher transport costs to get to places of education and employment. Families also experience functional crowding: in order to keep warm, family members crowd into one room to save on heating costs. The cost of heating is a significant barrier to keeping well and avoiding hospitalisation[xii].

5. People living in properties leased through the private rental sector should not be subject to inferior housing standards than those living in houses provided by Housing New Zealand or registered community housing providers in receipt of the income related rent subsidy (IRRS). The proposed amendments will bring standards in private tenancies into line with recent changes to Housing New Zealand houses and requirements through the Warm, Dry Homes programme and provide a consistent standard for rental sector tenants. We therefore support the mechanisms proposed in the Bill.

6. One concern with the Bill is the potential for increased financial pressure on low income households living in private rental homes. When required to meet minimum standards for housing quality, private sector landlords may attempt to recoup the financial outlay through retaliatory rent increases, by increasing rental costs charged to tenants. This may force tenants to withdraw from private rentals and to cohabit with other households, increasing crowding, or to be forced into informal housing arrangements, such as garages. We recommend that potential impacts of the Bill on low income households are fully examined, and policy to mitigate these effects and to protect the wellbeing of low income households are developed. These may include subsidising insulation and heating retrofits of properties, and mechanisms to enable tenants to appeal against rental increases considered excessive. Ideally the Bill will be considered as part of a suite of measures to improve the private rental housing stock, to make it healthier for tenants, but without worsening their financial position or security of tenure.

Specific comment on proposed amendments to the Act

2: Commencement

7. 2(1) RPH supports in principle that a reasonable period of time should be granted for landlords to comply with the Act once it is given Royal assent.

8. We do not agree with the proposed 5 year timeframe for **Section 5** to come into force, after the date on which the Act receives Royal assent. We would prefer that the interval is reduced as far as practicable in order to prevent avoidable hospitalisations and excess mortality associated with the poor quality rental housing.

9. We recommend a 3 year timeframe be inserted to replace the 5 years proposed. 3 years is sufficient for landlords to take action and meet the proposed standard and provide the insulation industry time to install the insulation required for landlords to meet the new standard.

10. 2(2) We support the rest of the Act to come into force 12 months after the the Act receives Royal assent.

4: Section 13A amended (Contents of tenancy agreement)

11. (1A) RPH supports that every tenancy agreement includes a statement that the premises meets a minimum standard, as published on the Ministry of Business, Innovation and Employment (MBIE) website under **section 132A**
(1B) **Subsection (1A)**
(a) RPH supports the 7 day timeframe proposed.

12. (b and c) RPH recommends a 3 year timeframe be inserted into **(b)** and **(c)** in line with our recommended timeframe for the Act to come into force once it receives Royal assent.

5: Section 45 amended (Landlord's responsibilies)

13. (1) RPH supports insertion after section 45 (1) (ca) of (cb) that landlords comply with the standards of heating and insulation under section 132A.

14. (2) RPH supports proposed wording change to section 45 (1A) so failure to comply with **paragraphs (a) to (cb) of subsection (1)** is declared an unlawful act.

6: New Section 132A

15. RPH supports the insertion after 132, of **132A Function of Ensuring Healthy Homes.**

16. RPH supports the proposal that the function of the MBIE is to prepare and publish minimum standards for residential premises.

17. **132A (a)** RPH supports the insertion of a description of what constitutes the minimum standard. We regularly support tenants living in cold, mouldy and damp houses to try to use the Tenancy Tribunal to resolve issues relating to the poor quality with their rental housing. The lack of a clear definition of what constitutes "adequate" means the current Act is open to broad interpretation by adjudicators, which does not in our experience result in significant improvements to housing conditions. Under current regulation landlords and property managers are able to argue the standard they are providing is reasonable. We have included three case studies (appendix 1) with this submission to illustrate conditions where landlords or tenancy managers have argued conditions were reasonable when approached by our service. Research supports our experience that the tenancy tribunal process is not an efficient or effective mechanism to address poor housing conditions[xiii].

18. RPH supports the need to describe and specify what constitutes adequate in categories **(i) to (vi)** as proposed in **section 132A**. We will work with MBIE if required to establish the specifics of these minimum standards from a health perspective and with our experience of delivering the Well Homes service. The following recommendations are in line with our recent submission on the Residential Tenancies Act.[xiv]

19. **132A (a)(i)** RPH supports the inclusion of an adequate description on methods of heating and recommend these be fixed forms of heating as specified in the Housing Improvement Regulations 1947.

20. We recommend the standards specify that the fixed heating sources are to be energy efficient, affordable to run, and meet the necessary quality standards to protect health. Sources of heating recommended are wood or pellet burners that meet national and local environmental and air quality standards, energy efficient electic heatpumps, and flued gas heaters installed by a professional gas fitter.[xv]

21. **132A (a)(ii)** RPH recommends the inclusion of an adequate description of insulation and for all rental housing to meet the 2008 insulation standard. This would provide significant

benefits in terms of thermal performance, energy efficiency and health effects at only small additional cost over the 1978 standard. For example, insulation using R3.2 materials rather than R1.8 adds less than $500 to insulation of a 100m2 house, i.e. less than 2 weeks rent in many parts the Wellington region[1]. Insulation should be installed and certified by a trained installer, to ensure fire and electrical safety requirements are met.

22. **132A (a)(iii)** RPH and Well Homes staff regularly visit homes in winter where the indoor temperature is equal to or below the outside temperature and there is a lack of heating in the home. Others have poor quality, inefficient or unsafe heating sources where it is unaffordable to heat the home to healthy levels; 18-20 degrees recommended[xvi]. The installation of a quality fixed heating source in all private rentals will remove some of the barriers to heating the home.

23. **132A (b)** RPH supports that standards must describe what constitutes acceptable methods of measuring adequacy of matters referred to in paragraph (a). RPH recommends that measurement of adequacy includes reference to energy efficiency, affordability and safety. We recommend that, in this context, “safety” is broadly defined to include prevention of adverse effects on health ranging from risk of injury to illness resulting from production of poor indoor air quality. For example, unflued gas heaters should not be supported as an adequate source of heating. We regularly visit households where children’s lung health is made significantly worse by the use of unflued gas heaters, and the Energy Efficiency & Conservation Authority (EECA) and the Ministry of Health warn that the water vapour, nitrogen dioxide and carbon monoxide emitted by these heaters can harm health, if used without sufficient fresh air ventilation. Portable LPG heaters are also a fire risk. [xvii] [xviii]

24. **132A (c)** RPH supports the inclusion of conditions under which properties may be exempt from the Act. We recommend that these conditions for exemption are kept up to date on MBIE’s website and the ways landlords can mitigate the impact of these exemptions are also made available on the website. For example, where insulation cannot be installed because of the building’s structure, the landlord should be required to install high efficiency heating in order to achieve similar indoor temperatures without substantial energy cost to the tenant.

25. RPH is unclear whether boarding houses would come under the requirements of the proposed Act. We advocate that they do and that the descriptions of what constitutes acceptable include those relating to boarding houses so to protect the health of vulnerable people living in boarding houses.[xix]

7: Schedule 1A amended

26. (1) **13A** RPH agrees with a penalty being imposed for failure to comply with the Health Homes Guarantee.

[1] Based on retail cost of insulation materials. Costs differences for commercial installers is likely to be less because of bulk purchase. Net cost to landlords will be less because these costs are a business cost.

27. (2) **45 (1A)** RPH agree with the replacement of item **45 (1A)** and with the wording proposed. We also agree on a penalty being imposed for failure to comply and that failing to comply with **45 (1A)** automomatically results in a failure to comply with **13(A)**.

28. RPH recommends that the penalty be set at a rate that is a significant deterrent for landlords so higher than the average costs of installing a fixed heating source and insulation and provision outlined in other provisions outlined in **45 (1A).** It is unclear to us if a combined $6,000 penalty for failing to comply will deter landlords, given the relunctance of vulnerable people to use the Tenancy Tribunal through fear of losing their housing.

29. RPH recommends that the penalty is reviewed regularly to ensure it does not fall behind inflation and become ineffective, as has happened with penalties for failing to comply with the Housing Improvement Regulations 1947.

30. *Or " Every person who commits an offence against this regulation shall be liable on conviction to a fine not exceeding $4".* Housing Improvement Regulations (1947 p. 16).

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Appendices

1. Well Homes overview
2. Well Homes case studies

Health starts long before illness – in our homes, schools and jobs.

The Well Homes service is a partnership between Regional Public Health (RPH), Tu Kotahi Maori Asthma Trust, He Kāinga Oranga (University of Otago School of Medicine), and the Sustainability Trust. It is a housing coordination service for greater Wellington whānau to live in warm, dry, safe homes.

Many New Zealanders don't have the opportunity to be as healthy as they can be when living in substandard housing. Well Homes targets whānau experiencing housing-related health conditions. Warm, dry, safe and secure homes enable whānau to focus on parenting, education, budgeting, and feeling part of a community. There are also productivity benefits of a warm dry home, with less incidence of housing-related illnesses children can attend school more and parents require less time off work to look after them.

Well Homes receives referrals daily for children living in crowded households, 'at risk of developing rheumatic fever' and other respiratory conditions. These children are at the most severe end of the health spectrum[1]. When visited, whānau present with all, or most, of the following:

- poor health - whole of family
- poor quality housing - mould, so cold that whānau shiver indoors
- functional crowding - only able to heat one room so family sleep in that room
- poverty - fuel poverty, inability to afford heating and the basics of life, high levels of debt
- complex social situations - CYFs report of concerns, convictions, gang affiliation, grandparents raising grandchildren, on a benefit.

90% of the households we visit require a heating source.

Well Homes links whānau to appropriate services such as insulation, heating, curtain banks, beds, bedding, carpets, rugs, financial assistance and social housing providers. Simple cost-effective solutions are part of the plan e.g. whānau get white vinegar and a cloth to help with cleaning mould. Well Homes provides oversight of the referrals, manages the cross-sector interface with Ministry of Social Development and Housing New Zealand and follows up every whānau to evaluate their experience and health outcomes. Research tells us there is a 4:1 benefit to cost ratio for housing interventions, largely driven by insulation[2]. A five-year long-term comprehensive evaluation study is being undertaken by He Kāinga Oranga. This evaluation will be able to match hospitalisation data of those that received interventions and compare them to similar children that did not receive the intervention.

Relevant programme data:

- From April 2015, total housing referrals[3] 680 in Wellington and Hutt Valley
- 266 "at risk" of rheumatic fever
- Of the 266, 53% Māori, 38% Pacific and 9% other

Case studies attached are tracking the aim of the programme which is to intervene early for best outcomes:

- improve the health of children and whānau
- increase their ability to participate productively in their communities
- and reduce the health burden for all of New Zealand.

Greater impact is dependent on investment to scale up these partnership programmes to reach a larger number of families, a systematic way of identifying housing concerns on admission (i.e. a hospital flag system), and support to increase the supply of housing interventions.

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[1] Discharged from Emergency Departments, hospital wards or multiple GP presentations

[2] Conversation with Dr Nevil Pierse, Deputy Director He Kāinga Oranga

[3] Received from health professionals such as cultural advisors, paediatricians, nurses, social workers across HVDHB and CCDHB, GPs and community health organisations

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Case Study One

We received a referral from a Plunket nurse for a seventeen year old girl (Miss A) and her six month old baby. On visiting we found baby and mum living in a garage with their cat and dog. The property was mouldy and damp; there was no insulation, and there was evidence of water damage inside the garage from an unresolved leak. Although it was summer when we visited, Miss A needed to operate her heater 24 hours a day to keep warm. There were no smoke alarms or curtains and the baby had been hospitalised four times since birth. There were also pest issues (cockroaches, flies and spiders) and only a single power point which had multiple appliances running off it (see Fig. 1).

Work and Income had paid the bond and were paying $190 a week to the private landlord for this dwelling; there were separate tenants in the front home, on the same property as this garage. The council had given consent for the garage to be used as a “poodle parlor” and were unaware it was being tenanted.

This young mum had a history of CYF care herself, a CYF notification had been made for this baby due to his father being an alleged drug dealer and concerns about family violence. At the time of visiting, mum was fairly unsupported by her own family (she had been raised by her grandmother, who was now elderly) and she was no longer in a relationship with the child’s father, however had attended parenting courses and received support from Vibe, a community organisation working with youth.

We involved the council and worked with the tenant and Community Law to take the case to the Tenancy Tribunal. As a result, the year lease was terminated and the tenant was compensated for numerous breaches. We assisted the tenant to apply for an urgent transfer into social housing and she was rehomed in a Housing New Zealand property within a matter of months. We completed a healthy homes visit at her new property and provided her with healthy housing education and support, mould cleaning pack, heater and window tape. Since this rehousing in 2015 the referred child has had no further admissions to hospital. Mum told us she was really grateful for our service and felt able to approach us for support.

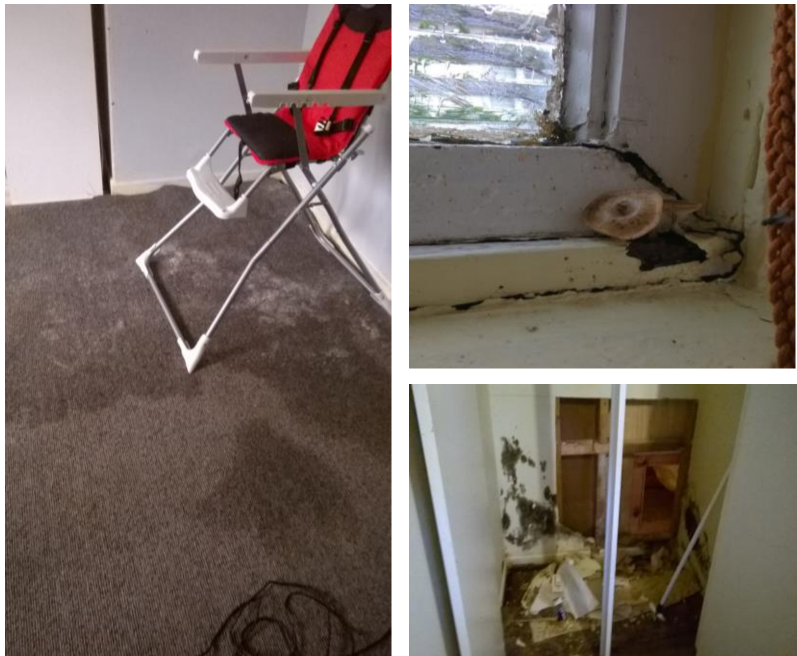

Figure 1: Pictures of wet carpet with mould growing from a leak; mushroom growing in bedroom of baby & Mum; unfinished wardrobe in the bedroom with mould

Case Study Two A referral was received from a Public Health Nurse after a primary school had reported some concerns around a family who had just moved into the area. The children were attending school without lunch, and one of the children in the family had turned up to school with a burn mark on her clothing. When questioned, the mother had informed the school that she had to dry the clothing in the oven.

The family of five were living in a three bedroom private rental property. The home had no smoke alarms, no heat source, inadequate curtaining and the family had no fridge/freezer, washing machine and very little clothing, bedding and furniture. Despite only inhabiting the home for a matter of weeks there was evidence of condensation, mould and the family ran a dehumidifier throughout the day to try to alleviate the dampness.

Dad had recently been made redundant so the family were waiting for the stand down period to end in order to get the benefit to start. As per all housing visits we provided education to the family around cleaning visible mould, ventilating the property and the importance of heating. We asked for their permission to involve some social services to assist with the level of poverty. An advocacy letter was written for the private landlord requesting he make some repairs and consider installing a heat source. These repairs were completed; however he did not install a heat source. The family was referred to the fire service for free smoke alarms, an insulation provider, curtains through the community curtain bank and through the Porirua Social Sector Trial we were able to provide the family with both a heater and some other interventions (eco light bulb, draught stopper tape, door snake and window kit).

We wrote to Work and Income requesting they support the family to obtain a washing machine and fridge/freezer for safe food storage. The mother reported that one of the school age children had incontinence issues and that they were struggling to manage this. We referred the child to the community paediatric continence nurse who further assessed the family, discussed management options and assisted with providing continence products.

As the family were new to the area they did not have a local doctor, we linked them with a local medical practice where they enrolled. Our visit was documented on the medical records of the whānau. We also kept the Public Health Nurse in the school informed so she could report back to the school and involve the school social worker to ensure the family continued to be supported.

On our final contact with the family they reported that two smoke alarms were installed, they used the draught stopper tape to reduce the draughts, and they had obtained a fridge/freezer and washing machine through assistance from WINZ. Their landlord had installed safety latches on the windows; the family had put up fencing to ensure their children were safe in the yard. The home was insulated using the EECA scheme, they hung the curtains from the curtain bank and the family trialled using the heater we provided them with, but found they were unable to afford the cost of power to heat the home on a regular basis, so used the heater on particularly cold nights when absolutely necessary.

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Case Study Three

Well Homes received a referral from a Child, Youth and Family (CYF) social worker working with a grandmother (Mrs. Y) who was recently entrusted with the care of her four grandchildren, aged between one and six years. This placement was decided at a family group conference, and subsequently the home which the family now resides in was not checked by CYF.

We had been involved with the children and their mother previously, and among other interventions we had sourced beds for the children. Subsequently the mother had moved her family to another part of the country, and the return of the children to our region occurred when it had been decided through CYF intervention that they were to be removed from the mother's care due to extreme family violence.

At our visit, we found that Mrs. Y was living with her four grandchildren and her 13-year-old daughter in a Housing New Zealand (HNZ) property that was home to her daughter-in-law and her three children. Therefore, in total there are two adults and eight children living in a three-bedroom house. The children do not have their own beds, because when the children had been placed in their grandmother's care the beds we had previously provided had not come with them. In addition, the children do not have bedding or basics such as cooking and eating utensils. Tensions in the household are leading to breakdown of relationships in the family, and as a result the daughter-in-law has asked that children and their grandmother to leave the property.

Well Homes is able to communicate with all parties involved (CYF MSD and HNZ) to ensure the family has been prioritised for urgent transfer into their own social housing property. We have escalated this case with the regional MSD and HNZC sites for rheumatic fever fast track and to CYF to highlight and to work with them around their informal/whānau placements strategy around housing.

Once they have been rehoused, we will revisit to look at what supports we can offer the family, and ensure they are engaged with the appropriate social services. We continue to link with CYF, the school public health nurse, Work and Income New Zealand (WINZ), HNZ, and the primary care provider. Notes have been added to the children's hospital medical records about the current issues so other health providers are aware of the living situation.