NELSON PROPERTY INVESTORS ASSOCIATION OCTOBER 2024 NEWSLETTER

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Our seventh meeting of the year at the Honest Lawyer Point Road, Monaco is on Tuesday 15th October 2024 7:30 pm. Yes, we still have the optional meal at 6pm before the meeting.

Note: No bookings are required and no charge for attending. Non-members are welcome, but we do encourage all attendees to subscribe to our free newsletters. This month we welcome Raymond Suen – Manager Strategy & Engagement for Information & Education at MBIE

Speaking on: Key updates from Tenancy Services and any legislative changes they can share.

Raymond is happy to answer questions but prefers pre-submitted questions before the event.

I have had three interesting tenancy issues recently that cover several aspects of the law (RTA) that I am sure Raymond might be able to add to extra advice on. These are detailed below. All have been resolved fully but hopefully we can all learn from them and apply your own solutions if similar issues crop up in the future.

CASE 1.

Tenant rings saying no power in bedrooms. The caller is the only one in a large extended family who can speak English. The wonderful family have recently arrived from Myanmar where civil war and ethnic and religious persecution has been endemic for decades. I found they had a portable heater in the bedroom which was both damaged (broken wheels) and had melted burn marks on it. I pointed out to them that the heater was dangerous and should be thrown out. "But it was only purchased last year was the plea." Well I said it is likely to cause a fire that will burn the large multi level house down and your loved ones will all die. "YOU SHOULD GET RID OF IT" I repeated forcefully.

There was another dangerous fire hazard there also. They had the heater plugged into a four outlet multi way box. FENZ have been pointing out that multiple house fires have been caused by people overloading such devices. I then inspected the switch board and found one of the obsolete circuit breakers had tripped. I issued a work order for the electricians to upgrade the circuit breakers to RCD units which are far superior and faster acting as soon as a tiny bit of earth leakage occurs. I asked them to inspect the heater and condemn it putting something on it to prevent its use. They replied the law does not permit them to do that!

I wondered about the RTA and came to the conclusion that the RTA makes no provision for landlords to deal with issues like this. I do have a clause in all my tenancy agreements specifying that portable heaters are not permitted. This is an unlawful clause and in recent years some Tenancy Tribunals have been fining landlords for such clauses. I would prefer to pay a fine than see someone lose their life due to a portable heater. I rang my tenants to say the electricians were on their way and to put the heater into the basement for the electricians to look at it. By that stage the tenants had arrived at the same conclusion as me, and brought my wife and I a small gift as a peace offering. Having a good relationship with your tenants and attending to maintenance issues instantly often prevents disagreements even worse escalating.

CASE 2.

Tenant reports his young daughter had put her foot through a hole in her bedroom floor. The lovely polite tenants have been there for 6 years and say they love living there despite the house being about 100 years old. The owner thinks one day he will demolish it and build an industrial replacement. Over the decade or so I have managed it, we have installed insulation, heating, and other essential maintenance, but more could be done. The tenants say they want to stay forever. If they returned to their original home in Bhutan the army would shoot them. A worm eaten rotten plank in the floor had collapsed. The owner replaced the board two days later. The very same day there was a media report of a landlord being fined \$5000 for an identical problem. Sap Matai flooring does not last for ever. Just because they do not last as long as the adjacent heart timber does not indicate lack of maintenance. The tenants are grateful for the repairs.

CASE 3.

18 months ago a respected social worker I have worked with for many years asked me to house two of their intellectually disabled clients. The couple had been shuffling around between Franklyn Village and a motel providing emergency accommodation. I visited the motel to sign up the couple. I felt sorry for them. I guess they might have a mental age of about 12 or so. Politics and economics play havoc with NGO social agencies and things change despite the soft genuinely given promises and assurances. I was pleased to get some tenants for the difficult to let property and despite not having over the top expectations it did not take long for problems to occur. After a few months the redirection of benefit from WINZ to pay for the rent stopped "unexpectantly" without notice for the lady? All it takes for a redirection to stop is a request by the tenant to do so. This is an option available to any beneficiary renting in the private market but not to those tenants who have social or emergency accommodation. This was dealt with an instant unemotional 14 day notice which the social workers somehow attended to. They thanked me for responding so guickly and commented that most landlords would have not dealt with the issue till it was all too late to recover the arrears and tenancy. Regular inspections indicated almost non existent cleaning. Section 56 warning notices were issued and the social workers made a half hearted attempt to clean up, but complained that they were not funded to clean, only support. Rubbish and mould in the bathroom was getting worse. Now I have been fined in Tribunal for the dreaded mould so despite the fact that mould had not been a problem in the 20 years I have managed the property I knew that if I ignored the issue, I the landlord, would be held liable no matter what was the cause. I explained to the social workers that other similarly disabled tenants of mine have government funded cleaning support and these tenants were not bad just disabled. I explained that an unremedied section 56 notice does provide for termination 56 (1) (c) but only if the courts thinks it would be inequitable to refuse to make an order terminating the tenancy. I explained in my long experience at appearing at multiple tribunal hearings the chances of getting a termination was low. I however pointed out that there is yet another amendment of the RTA progressing through the system reversing the 90 day notice provision and so once this comes into effect that would be what I would do unless we all worked together to help the poor couple. So the social workers got the hint and now commercial cleaners are helping out. The cost of a regular clean would cost way less than a motel and my dear tenants get to have a place they can call home and not get sick from mould and other nasties.