

# MBIE Survey on the RTA Review

The following is a list of questions that are part of an MBIE online survey looking for feedback on the Residential Tenancies Act Review. Some questions that are respondent specific or not applicable have been taken out.

A summary of the NZPIF position is provided in blue italics.

We encourage you to have your say at <https://www.research.net/r/rta-reform-survey>

## Questions on no-cause terminations

2.1.1 If no-cause terminations are removed and a tenant displays anti-social behaviour (to the point where the landlord wants to end the tenancy) should the landlord be required to issue a notice to the tenant to improve their behaviour, before they can apply to the Tenancy Tribunal to end the tenancy?

*\*No cause termination notices should not be removed, they are an essential management tool.*

*\* Landlords do not want to get rid of good tenants, why make it harder to get rid of poorly performing tenants?*

*\*Landlords should not be required to issue a notice for antisocial behaviour as this could put other tenants or neighbours at risk*

*\*Landlords should not have to apply to the Tenancy Tribunal to end a tenancy as obtaining evidence could be impossible and put themselves, other tenants or neighbours at risk*

*\*Landlords should have the authority to determine what is reasonable behaviour in their properties*

2.1.2 Do you think the examples listed in paragraph 37 above cover the kinds of behaviour that would interfere with the reasonable peace, comfort, or privacy of any other tenants or neighbours? If not, what other examples would you include and why?

*Noise*

*Parties*

*Abuse*

*Rubbish*

*Inconsiderate to neighbours*

*Bad language*

*Children / Animals causing problems*

*Drug dealing*

*Drug use*

*Damage to others property*

*Domestic abuse*

*Theft*

*Blocking driveways*

*Rather than having to prescribe exactly what reasons a landlord can end a tenancy, acknowledge that the owner wouldn't end a tenancy unless there was a good reason and allow them to use their own judgement to protect their other tenant's, their property and the property neighbourhood.*

2.1.3 What kinds of evidence could a landlord produce to prove a tenant was behaving in an anti-social way if affected people such as neighbours, did not want to speak out? (Examples could include photographs, letter, affidavit, audio recording, video recording.)

*Landlords should not have the obstacle of producing evidence put in their way when trying to protect their property, their tenants or their rental property neighbours. It is extremely hard to prove and gather evidence. Other tenants and neighbours do not want to provide letters or affidavits. That is the prime*

*problem and why the 90 day no cause notice is the last tool available to landlords to protect their property, their tenants or their rental property neighbours. Photo's and recordings are too difficult to obtain and could be subjective. Continue to allow landlords to do their job as there is no quantifiable evidence that landlords are abusing the 90 day notice.*

### **Questions on landlords being able to end a tenancy**

2.1.4 Landlords are currently required to give tenants 42 days' notice if they have sold the property with a requirement for vacant possession, want to move in, or need it for an employee or family member. What do you think the impact would be if this notice period was extended from 42 to 90 days?

*While it is disruptive for tenants to have to move, the impact on owners of extending the notice period would be disproportionate. Property sales usually have a one month period before possession occurs. Currently new owners must wait 6 weeks before they can obtain possession of a rental property. Extending this to 12 weeks or three months would put many home buyers off considering buying a rental property. This would restrict sales to other investors which only make up around a third of all potential buyers, restricting demand for the property and therefore value.*

*It can be difficult for Tenants to go through the sale process, so ending the tenancy can be in their best interest. Some tenants can make getting access to show a property extremely difficult.*

*Thus any landlord who does wish to sell their rental property will serve notice to evict right at the start of the sale process and then keep the house empty, rather than waiting to terminate once they have a definite sale.*

*This move would result in more vacant houses and more homeless tenants.*

2.1.5 When a rental property is sold, should the new owner only be able to require vacant possession if they want to use the property for a purpose that can't reasonably be accommodated with the existing tenants in place? E.g. to live in the property themselves, for a family member to live in, to renovate or to convert to a commercial property.

*No. Placing restrictions on potential buyers would severely impact on the sale process and put people off. You cannot force people to become landlords but you can do is restrain them from becoming landlords in the first place. This proposal would mean that as soon as a tenant gives notice any sensible landlord will immediately list and sell the property.*

2.1.6 Should a landlord be able to end a tenancy so they can advertise the property for sale with vacant possession? What impact do you think this would have on tenants?

*Yes. It is their property and they should be able to sell it however they want as long as they provide sufficient notice to the tenant. Three months to find another rental should be ample time. If tenants want guaranteed security of tenure, a new tenancy option needs to be developed.*

### **Questions on making sure termination grounds are used fairly**

2.1.7 Do you think that landlords should give tenants evidence about why they are terminating a tenancy? If yes, what sort of evidence should that be?

*No. It is the owners property and they should have a right to manage their property as they see fit, as long as they give notice by following existing laws. Demanding a reason for that notice allows the matter to be disputed, which then leads to endless and often acrimonious arguments. Obtaining evidence can be impossible and place other tenants or neighbours at risk. Owners must be allowed to manage their properties. Retaliatory action laws protect tenants and were enhanced in 2016 with exemplary damages being increased to \$4,000.*

2.1.8 Do you think using a false reason to terminate a tenancy should be considered an unlawful act and subject to penalties, such as those described in Section 5 (Enforcing Tenancy Laws)? If you answered yes, what kind of penalty do you think would be appropriate?

*A false statement citing the 42-day termination is obviously wrong, however often the only reason that a false reason is given is to protect the property and neighbours/tenants from harm. Therefore there should not be any penalty for giving a false reason.*

#### **Questions on changing notice periods for landlords and tenants**

2.1.9 If landlords are required to give 90 days' notice, should tenants be required to give more or less than 21 days' notice? What would be the ideal notice period?

*Regardless of whether landlords are required to give 90 days notice, tenants should be required to give 42 days notice unless a lower term is agreed to with the landlord.*

#### **Questions on reasons for issuing a 90 day no cause notice**

2.1.11 If you are/have been a landlord, are there situations where you have used the 90 day 'no cause' termination provision that would not be covered by the grounds for termination in the above table? If so, what was the situation?

*Overcrowding*

*Rubbish around the property*

*Others?*

2.1.12 What impact do you think removing 90 day 'no cause' terminations and only allowing terminations for the reasons in the table above would have?

*It would be a prescriptive and unreasonable interference with an owners ability to effectively manage their rental property. It will place other tenants and neighbours at risk. It will force good tenants to leave their rentals because the landlord will be unable to manage the situation without putting them at risk. It will increase the cost of managing a rental property.*

#### **Taking a broader look at the tenancy agreements currently on offer**

The reasons for ending a tenancy described above only apply to periodic agreements so these changes will only help tenants feel more secure and promote good faith landlord-tenant relationships if landlords continue to offer periodic tenancy agreements.

If landlords think the proposed changes to periodic agreements will make it too difficult to move on tenants who don't meet their obligations, they might prefer to offer fixed-term agreements.

However, should landlords move towards offering shorter fixed-term agreements to what they generally do now in order to gain more control, tenants would be less secure.

#### **Questions on tenancy types**

2.1.15 Do you agree with our assumption that if 'no cause' terminations are removed from periodic agreements, landlords could be more likely to offer fixed-term agreements?

*Yes, they are more likely to offer fixed term agreements. Without a 90-day termination option, it would take that long to remove tenants causing problems where you cannot obtain documented evidence. A one-year fixed term would be a more certain termination.*

*However the suggestion to remove fixed term tenancies (see below) to force the use of open ended tenancies would be completely wrong. Such a move would demonstrate that only having open ended tenancies would be extremely bad policy.*

### **Questions on fixed term tenancies**

2.1.17 Do you think tenants should have the right to renew, extend or modify their fixed-term tenancy (option 1), if their landlord has not raised any concerns with their behaviour or if specific termination provisions do not apply at the time the tenancy was due to be renewed?

What effect do you think this would have on the relationship between landlords and tenants?

*No. This would be an unjust restriction on the owners property rights. An agreement is an agreement. Why should one party have the legal option to vary the agreement? There seems to be the unstated belief that once a rental always a rental. What about the property where the owner is absent for a term, and then needs to move back in.*

2.1.18 What do you think would be the impact of setting a minimum length (option 2) for fixed term agreements? What do you think would be a suitable length?

*Setting a minimum length would restrict the use of fixed term tenancies for both tenants and landlords. What if either party had good reason to want a tenancy under this arbitrary minimum term? A real problem for people travelling to some parts of Europe where long term tenancies are the norm is being able to secure a rental property for just one or two years.*

2.1.19 What else could the Government do to make sure landlords feel comfortable offering periodic agreements, if they can only terminate for the reasons proposed?

*Develop a third, long term tenancy option balanced to the requirements of both tenants and landlords who want longer term tenancies.*

### **Questions whether we need two types of tenancy agreements**

2.1.20 Do you think only allowing open-ended tenancies which the landlord can't end unless they require the property for another purpose or the tenant isn't meeting their obligations (option 3) is the best way for the Government to meet its objective to improve security and stability for tenants?

*No. It is the owner's property and they should have their property rights maintained. Develop a third, long term tenancy option balanced to the requirements of both tenants and landlords who want longer term tenancies.*

2.1.21 Do you think the Government should further investigate removing fixed-term tenancies from the market? Please explain your answer.

*No. They are a legitimate option that meet the needs of certain tenants and landlords. They have their place if freely requested, freely offered, and freely entered into with the realisation and acceptance of the specified rights and obligations on both sides.*

2.1.22 If fixed-term tenancies were removed, what changes could be made to periodic agreements to balance security for tenants and landlords?

*Nothing. One option does not provide the flexibility or certainty that may be required by either tenants or landlords. A third option should be introduced to meet the needs of tenants that want a long term rental property that they can treat like an owner occupied property, while protecting the rights of the owner and compensating them for giving up their property rights.*

### **Questions on tenants responsibilities**

2.2.2. Do you think tenants should have more responsibilities for the property that they rent? Please explain your answer. Are there other things a tenant should or should not be able to do? Please explain your answer.

*Yes. They should be responsible for any damage they cause either accidentally or on purpose. at the end of the tenancy Tenants should be required to return the property in exactly the condition it was on the day they rented it - no allowance for wear and tear. This could be achieved under a new tenancy option, either similar to a commercial lease, a European model or something that compensates an owner for giving up their property rights.*

2.2.3. Do you think a tenant's responsibilities to keep a property 'reasonably clean and tidy' make it clear what sort of behaviour a landlord can expect? If not, how could this be made clearer to a tenant?

*No, as reasonable is a subjective word. However if we get too prescriptive and legalistic we move away from the current model that while not perfect works well for the vast majority of tenants and landlords who are reasonable people.*

2.2.4. Should a tenant in a longer-term tenancy have additional responsibilities for the care and maintenance of the property? If you answered yes, at what point during a tenancy should these additional responsibilities be triggered, and what sort of responsibilities should a long-term tenant take on?

*This could be possible if it is desired by a sufficient number of tenants. It could reduce the cost and management of a rental property which could be sufficient for some owners to give up some of their property rights. There are many ways that longer- term tenancies could be designed. A flexible option could be developed so individuals can design a tenancy that suits their respective needs. A balanced and open discussion between tenant and landlord groups needs to be undertaken to define what a longer-term tenancy might look like.*

*Tenants could be made responsible for:*

*-Paying the rates*

*-Paying the insurance*

*-Paying the fixed utility charges.*

*-Maintaining the property.*

*-Returning the property at the end of the tenancy in exactly the condition it was in the day they rented it.*

2.2.5 What other changes to tenants' responsibilities might be needed to modernise the law so it can appropriately respond to changing trends in the housing and rental markets?

*Offer long term tenancies, potentially along the lines of commercial tenancies.*

*Tenants supply all their own fixtures and fittings, maintain them, pay all costs related to the property.*

*In return they get a 10/20/30 year lease*

### **Question on what happens if a tenant is not meeting their obligations**

2.2.6 Are there sufficient repercussions for tenants who don't meet their obligations? If not, what would you change?

*No. Rent arrears are by far the largest reason for applications to the tenancy tribunal. There are no consequences for a tenant not paying their rent and sitting out the time it takes before they can be evicted. It should be unlawful to not pay the rent and consequences should apply, such as exemplary damages or the ability for landlords to charge interest on outstanding rental payments. Landlords need much faster access to the tenancy Tribunal, especially when a sitting tenant has stopped paying the rent. Tenants should be made completely responsible for damage they cause. Access to show the rental property to potential new tenants should be clearer and tenants unreasonable limiting of access should be an unlawful act. Using a rental property for short term letting through websites such as Air BNB should be an unlawful act. Make tenants stopping rent payments when they give notice an unlawful act.*

**Questions on landlord responsibilities (Please state if you are a tenant or landlord when answering)**

2.2.7 Do you think landlord obligations are clear and well understood?

*Yes they are outlined in a legible manner and easy to understand.*

2.2.8 Are there other things a landlord should be responsible for? If yes, please specify. Are there other things that a landlord should or should not be able to do? If yes, please specify.

*No*

2.2.9 Do you think the current obligations make it clear what tenants can expect from landlords in terms of maintenance? If you answered no, how could this be made clearer?

*Tenants should be responsible for blocked drains if it was their actions that caused the problem. Landlords should be responsible if the drains have broken.*

*Tenants should be responsible for bulbs and stove elements?*

2.2.11 Are there sufficient repercussions for landlords who don't meet their obligations? If not, what would you change?

*Yes. The exemplary damages against landlords are more extreme than tenants. The exemplary damages system encourages tenants to complain. If they are not complaining under the current system it is likely they do not have a problem.*

**Questions on landlords and tenants working together to keep a property warm and dry**

2.2.12 How do you think landlords and tenants should share the responsibility for maintaining heating equipment, ventilation methods, and any other improvements installed under the Healthy Homes standards?

*Tenants should be responsible for maintaining the equipment and ventilating the property.*

*Tenants should be responsible for their own non-permanent heating of a property. Like smoke alarms, Tenants should be responsible for the yearly servicing of such things like heat pumps and should provide proof of a yearly chimney clean to the landlord.*

*More courses like Ready2Rent should be rolled out through-out the country as this helps tenants understand the need to ventilate their properties, clean away mould when they see it, and dry their washing outside.*

*Unflued Gas Heaters should be banned*

2.2.13 If a landlord makes improvements to a property to make it warmer or drier, should tenants be obligated to use those improvements? Please explain your answer.

*It is difficult to make tenants use the improvements, however they should be held responsible for removing mould if it occurs and they haven't been using the improvements. Otherwise the review is a waste of effort and resource. If they continue not to use the improvements and mould continues to occur, it should be deemed an unlawful act.*

### **Questions on tenants modifying rental properties**

2.3.1 If you are or have been a tenant, what has been your experience seeking agreement to make modifications (that you considered to be reasonable) to rental properties?

*The NZPIF is undertaking research to identify what modifications members believe are reasonable*

### **Questions on whether tenants should be responsible for reversing their modifications**

2.3.3 Should a tenant be under an obligation to reverse any modifications they make in rental properties, unless the landlord agrees to take on the modification? Please explain your answer.

*Yes, tenants should be held responsible for reversing their modifications unless the landlord agrees. Modifications can be extremely individualised and not to the general populations taste. They can also be undertaken to a poor standard. Why should they be allowed to unilaterally modify someone else's asset?*

2.3.4 Do you think that if the landlord doesn't wish to take on a modification at the end of a tenancy and the tenant doesn't reverse it, that this should be an unlawful act with a potential financial penalty? Please explain your answer.

*Yes. It can be extremely expensive and time consuming to reverse modifications. It needs to be made completely clear to tenants that putting the property back to how they found it is expected and consequences will occur if it isn't completed to a good standard.*

### **Questions on option 1 silent permission for tenants to modify rental properties**

2.3.5 What are reasonable grounds to object to a tenant's request to make minor modifications to a rental property?

*It affects the structure of the property, risks watertightness, requires council consent, is undoable once undertaken, would cost more than the bond to put it right if the tenant didn't put it right at the end of the tenancy.  
Because they only have to give 3 weeks' notice to leave, tenants of a periodic tenancy should not be able to do more modifications than they are currently allowed unless they are willing to pay an extra bond.*

2.3.6 Do you agree that 21 working days is a reasonable amount of time for a landlord to consider a tenant's request to make minor modifications to a rental property? If you answered no, what would you consider to be a reasonable amount of time and why?

*Yes, as long as it is only the time to consider the request.*

2.3.7 Depending on the type of modification, should a landlord be able to require the tenant to use a suitably qualified trade person? If so, what modifications should, or should not, be subject to this requirement?

*Yes. DIY can be dangerous and in many instances the DIYer loses motivation part way though and the project remains unfinished and an unsightly mess.*

### **Questions on option 2 tenants having a statutory right to make specific modifications**

2.3.8 What are sorts of modifications that could be included on a list of alterations tenants have a right to make without seeking their landlord's permission?

*Picture hooks if they are required to repair the holes at the end of the tenancy. Replace curtains and light fittings as long as they safely store the fittings supplied with the property.*

*The NZPIF is undertaking research to confirm what members consider reasonable modifications for tenants to make.*

2.3.9 Do you think that the advantages, disadvantages and impacts of each option have been correctly identified?

*It will be difficult to get it right. A list will be too restrictive and inflexible but a generalised overview of what tenants can alter will lead to miscommunication and disputes.*

*It may be better to instigate a new tenancy type that allows higher security of tenure as well as modifications.*

2.3.10 If government was to develop either option 1 or 2 further, which model do you prefer and why?

*Landlords should have the final say on what is permitted and what isn't in their property. The NZPIF believes that in general Tenants have to ask for permission to make modifications but Landlords are not allowed to unreasonably refuse. If a list of permissible modifications is to be included in the RTA then they should be weighted towards being extremely reasonable.*

### **Questions for your consideration on pets**

2.4.1 Should a landlord be able to refuse a tenant's request to keep a pet without giving a reason? Please explain.

*Yes. More landlords appear to be becoming more pet friendly and the NZPIF is encouraging this. However, pets can present enormous problems for the owner plus other tenants and neighbours. Unless the pet is of a type that can be contained (such as a fish or bird) and therefore cannot cause damage or upset neighbours, owners should have the right to refuse them. There are too many unknowns such as the size of the animal, potential for damage, how many animals there might be, whether the animal is toilet trained and whether the animal will cause problems for other tenants or neighbours.*

*If any neighbours or tenants object to pets in writing, then this should be a reason for owners to refuse pets. Given that Tenants are only partially responsible for damage they or their pets cause, a landlord should be able to disallow pets at their discretion.*

### **Under what circumstances should tenants be allowed to keep pets?**

**Option one: Specify specific examples when landlords could decline a request to keep a pet**

**Option two: Landlords must not unreasonably refuse a pet request**

### **Questions on when tenants can have a pet**

2.4.5 What might be reasonable grounds for a landlord to object to a tenant's request to keep a pet?

*Against body corporate rules*

*Neighbours or other tenants object*

*Property isn't fenced*

*Animal isn't registered*

*No-where for the animal to toilet*



*Dangerous animals (pitbulls) – safety for those around it*

*Too many pets*

*Uncaged pets less than 18 months old as they are usually not completely toilet trained*

2.4.6 Would it be more effective if tenants instead gave reasons why they should be able to keep pets in rental properties?

*No. Opens up too great an expectation and could lead to disappointment and conflict. Owners should have an overriding say on what happens in their property.*

2.4.7 Do some premises have specific attributes that mean they are inappropriate for some types of pet? If so, what?

*As above, plus:*

*Apartments and blocks of flats*

*Nowhere for them to toilet apart from the neighbours.*

*Insufficient space to provide a good environment for a dog.*

*No sunlight in fenced area.*

*Unfenced properties*

*Dangerous dogs next door.*

*Properties close to wildlife areas*

#### **Question on pet damage**

2.4.8 What types of changes to the law could be made to compensate landlords for potential damage to rental properties if tenants keep pets?

*Pet bonds in addition to regular bond. No limit on responsibility for damage as there is for other damage tenants cause. Ongoing damage to property or animal behaviour causing problems for tenants and neighbours is a cause for removing the pet without a need to go through the Tenancy Tribunal system. Tenants are responsible for all pet-related damage and extra costs to the landlord from allowing a pet.*

#### **Option four: Clarify the obligations on tenants to remove any doubt that pets may not cause nuisance**

While tenants have a general obligation not to interfere with the peace & comfort of their neighbours & this obligation extend to their pets, there is no explicit obligation in regards to their pet's behaviour.

- ensure a pet does not cause nuisance to the landlord's other tenants or neighbours.
- take all reasonable steps to ensure a pet does not impact on the cleanliness and tidiness of the premises and to prevent pet damage to the premises.

A breach of any or all of these obligations could be an unlawful act (with corresponding penalties).

#### **Questions on tenants obligations for pets**

2.4.9 Do you support the introduction of specific obligations in the RTA for tenants who keep pets in regards to their rental property and the peace and comfort of their neighbours?

*Yes. If the laws are changed then it will open up a large number of problems that are difficult to quantify or anticipate given the wide variety of circumstances that could occur. Complaints by neighbours should be a reason for the pet to be immediately removed.*

2.4.10 If you are a landlord, are there any other options not covered in this section that would make you feel more comfortable with tenants having pets? If yes, please explain.

*All responsibility for pet-related damage and extra costs for the landlord to be assumed by the tenant. This question is being researched in the NZPIF membership survey.*

## **Questions on increasing rents**

### **Rental bidding**

Currently the RTA allows tenants and landlords to negotiate on rents. In a tight rental market, rental bidding is more likely and can put applicants on a low income at a disadvantage.

**Option one: Prohibit landlords or property managers from asking for rental bids**

Tenants can still offer more

**Option two: Prohibit the request and acceptance of rental bids**

prohibit landlords and property managers both requesting and accepting rental bids.

3.1.2 Do you think rental bidding should be banned or controlled? Why or why not?

*No. Tenants should have the right to offer more to rent a property if they believe it is worth more and still provides value for money. Landlords may not have an accurate idea of what a property is worth and should be able to offer a price plus option or range of price.*

### **Questions on tenants challenging rent increases at the Tenancy Tribunal**

3.2.1 An application for a rent adjustment under a fixed-term tenancy agreement must be made to the Tenancy Tribunal within three months of the last rent review or from the commencement of the tenancy. Do you think three months is an appropriate amount of time to allow for this process? Why or why not?

*No, it should be less, as there is a risk that the Tribunal will disallow the rent increase and the landlord has to pay it back. This needs to be handled expeditiously. Tenants have to be given 60 days' notice of a rent increase during a tenancy which gives ample time to research if the rent increase is reasonable. It seems reasonable that any claim against a rent review should be lodged at the most within the two-month time period that landlords must advise of the rent increase.*

3.2.2 Do you think the RTA should include guidance on what constitutes 'substantially exceeding market rent'? If you answered yes, what do you think constitutes 'substantially exceeding market rent'?

*No. It would be too complicated and subjective given that different properties have many different qualities, such as road aspect, size of rooms, age of property, quality of fittings, inclusion of appliances etc. It may not be perfect, but leaving it to the Tribunal is the preferred option.*

### **Question on rent increases**

3.3.2 Do you agree that rent increases should only be allowed once every twelve months?

*No. It is unfair for rental price controls on rental property when there are no controls on rental property expenses. Owners need the flexibility to increase rents more frequently if required. If rental prices are consistently increasing then it helps tenants' budgeting to have the increases smaller and more frequent than larger and annually.*

3.3.3 Should landlords be required to disclose how they will calculate future rent increases when a new tenancy is entered in to?

*No, it's too hard to disclose how the rent calculations will increase as there will be costs that increase that Landlords have no control over. Ultimately these costs need to be paid indirectly by the tenant, so if you set*

*a formula and costs explode a landlord will sell up rather than hold onto an asset that is costing money. It would be too difficult to develop a formula that is fair for both tenants and landlords.*

#### **Questions on MBIE having more power to enforce tenancy laws**

5.1.6 Do you think it's appropriate for MBIE to carry out audits of a landlord or property managers? Please explain your reasons.

*No. This would be an expensive, unnecessary and arbitrary undertaking.*

#### **Question on MBIE enforcement powers**

5.1.9 Do you consider it appropriate for MBIE to enter into enforceable undertakings with landlords? Please explain

*No. That is the realm of the Tenancy Tribunal which would be undermined if this was to occur. It is not sound practice for the legislative arm to become the enforcement arm as well? Effectively police, judge and jury all in one.*

#### **Improvement notices**

An improvement notice would alert the party of a breach, and provide them with an opportunity to rectify the breach within a specific time period without further penalties.

#### **Questions on improvement notices**

5.1.10 Do you think it's appropriate for MBIE to issue improvement notices? If so, in what situations?

*No. It would be an expensive undertaking to develop and maintain a new division of MBIE staff to investigate these matters. Tenants are in the best place to decide if improvements are required.*

5.1.11 What should the penalty be for failing to comply with an improvement notice?

*There shouldn't be a penalty. If the improvement notice isn't complied with then the Tenancy Tribunal or council should assess the merits of the case and how it breaches the RTA or other acts and make an appropriate ruling based on existing laws.*

#### **Questions on MBIE issuing infringement notices**

5.1.12 Do you agree MBIE should have the ability to issue infringement notices in circumstances where a breach of the RTA is straightforward to prove?

*No. That is the realm of the Tenancy Tribunal which would be undermined if this was to occur. MBIE has already been given the power to investigate landlords, this should not be extended to police them as well. They would effectively be the investigator, police and judge.*

5.1.13 Do you think infringements for landlords would be effective in holding them to account for poor behaviour, and/or encouraging positive behaviours?

*If it is acceptable for landlords then it should also apply to tenants. MBIE already have a compliance team that only investigates landlord behaviour. This should not be extended to a landlord prosecuting role. Tenants are in the best position to determine if their landlord is not providing the service that they want. There are already large levels of exemplary damages that can be awarded to tenants if a landlord does not fulfil their obligations. The current system encourages tenants to raise complaints against their landlord, so if they are not doing so it suggests that tenants do not see a problem.*

5.1.14 What situations do you consider would be appropriate to issue an infringement notice in?

*No situation would be appropriate as the development of an MBIE police force against landlords is not an appropriate policy. This is the role of Councils and the Tenancy Tribunal. There is no reason for an extra Government agency to be involved. It would be a duplication of resources at tax payers expense.*

**Questions on exemplary damages (awards made by the Tenancy Tribunal payable to the other party of the tenancy)**

5.1.15 Do you think these existing exemplary damage levels are appropriate for unlawful acts?

*See page 174 of NZPIF RTA book. Schedule 1a amounts for unlawful acts.*

*The NZPIF believes that the penalties for the following unlawful acts should be increased:*

- *Using the premises for unlawful purpose \$1,000 to \$3,000?*
- *Subletting \$1,000 to \$3,000?*
- *Abandonment of premises \$1,000 to \$4,000?*

5.1.16 Are there any other breaches of the Act you consider meets the threshold for unlawful acts?

*Yes, the NZPIF believes that the following breaches should be deemed unlawful acts*

- *Not paying the rent*
- *Stopping paying rent as soon as you give notice to end the tenancy*
- *Keeping a pet where contrary to the TA*  
*Overcrowding*

5.1.17 Do you think changing the name of exemplary damages to 'penalty' would better clarify the purpose of the regime? Please explain

*Yes. The NZPIF believes that it would make it easier to understand.*

5.1.18 Do you think MBIE should have the ability to apply to the Tenancy Tribunal to award a penalty where unlawful acts have been committed? If yes, what do you consider would be the appropriate maximum penalty MBIE should be able to apply for?

*No. That is the role of the Tenancy Tribunal*