



NZPIF Membership Survey on DBH services and the Tenancy Tribunal

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3 April 2012

Introduction

The survey was designed to provide members views on the service they receive from the DBH, particularly around the Tenancy Tribunal.

The survey was conducted to provide information that will assist the NZPIF to develop a position on moving the DBH into the Ministry of Business, Innovation and Labour.

A questionnaire was developed and emailed to 5,100.

Results from a survey into NZPIF Members experience with the DBH and the Tenancy Tribunal

Who undertook the survey?

The survey was emailed to 5,100 members of Property Investor Associations around New Zealand on Friday 30 March 2012. Results were collated on Monday 2 April 2012, by which time 1,476 had received and opened the email. The response time was very short and this has restricted the response.

The survey invited members who had applied to the Tenancy Tribunal within the past year.

199 people who met the criteria undertook the survey. Responses by area were roughly representative of the general population.

69.2% of respondents were owner managers, with the remaining 30.8% being employed Property Managers. This is approximate to the national average.

Summary of responses

Owners attended the Tribunal an average 1.8 times in the past year, while Property Managers attended a median 13.3 times.

52.3% of respondents thought the Tribunal worked quite well to extremely well, while 37.2% thought it worked quite poorly to extremely poorly.

Rent arrears with tenant still in property was the largest reason for making applications.

The average time between making an application and attending a mediation hearing was 24.3 days, or just over 3 weeks.

The average time between making an application and attending a Tenancy Tribunal hearing was 35.4 days, or just over 5 weeks. The same question was asked in a September 2009 survey, where the response was 23.9 days, indicating that the time to get a hearing now takes more than 11 days or nearly two weeks longer in 2012 compared to 2009.

16.4% of respondents believed that the timeframe between making their application and attending the Tenancy Tribunal was acceptable, 31.3% were not happy with the timeframe and 51.2% said that it was not an acceptable timeframe.

33.1% of respondents had their application returned to them because it was incorrect. Of these, 22.5% were a DBH error rather than the applicant's error. 65.5% of the errors were not considered significant or were simple errors.

Following the Tribunal system, 63.6% of respondents had lost money in addition to any bond that was held. The average loss was \$2,246.

What works well at the Tenancy Tribunal

52.3% of respondents thought the Tribunal worked quite well to extremely well. When asked to provide examples, the main reasons were:

The application process (13)

Mediation Service (18)

10 of the 18 specified the phone mediation service

Dedicated Tenancy service (3)

What doesn't work well at the Tenancy Tribunal

The standout reply to this question was the time it takes to get a Tribunal Hearing. 40 replies indicated this was the key problem with the system.

What changes would respondents like to see

Overwhelmingly the response was for faster access to the Tenancy Tribunal.

Faster access to the Tenancy Tribunal (46)

Unbiased Tribunal (8)

Better administration system (5)

Dedicated Tenancy Services (4)

More court time / more adjudicators (5)

Summary and conclusions

Landlords are generally in favour of the Tenancy Tribunal system in New Zealand and have faith that it will be fair and achieve the outcome they desire. Property Managers, who attend the Tribunal more frequently and are likely to be more experienced, have a better regard for the Tribunal system.

Despite believing that they received a fair hearing, the lower satisfaction levels suggests that landlords are not getting the results they desire from the Tenancy Tribunal. This could be because they simply do not have the experience or knowledge of what to do at the Tribunal to ensure that they receive justice. It could also be that Adjudicators expect landlords to be more experienced and knowledgeable than they are, given the low number of times they attend the tribunal. A change in attitude towards landlords by some Adjudicators may help this situation and lead to more justice in the system. Landlords should seek more information on how they should prepare for a tribunal hearing, what they need to do at the Tribunal, how they have to back up their claims with evidence.

While some respondents were happy with how long it took to get a hearing, clearly many were not impressed.

Comparing the results of this survey with that of 2009, it is clear that access to the Tenancy Tribunal is taking longer and therefore landlords are losing more money.

It would appear that the system needs to improve, requiring more court time for the Tenancy Tribunal and a better fast-tracking system needs to be put in place for urgent cases. As many tenants fail to show up for Tribunal hearings, particularly for rent arrears with abandonment, it could be faster for Adjudicators to review the landlords information and make an award if it is correct without holding the hearing.