

Healthy Homes Guarantee Bill (No 2)

Member's Bill

Explanatory note

General policy statement

This Bill amends the Residential Tenancies Act 1986 with the purpose of ensuring that every rental home in New Zealand meets minimum standards of heating and insulation. The Ministry of Business, Innovation, and Employment is to set the standards and landlords are to meet the standards.

Landlords already have obligations under the Residential Tenancies Act with respect to the properties they let out. However, there is no guidance about the specific standards they must meet to ensure warm and dry accommodation.

This Bill amends the Residential Tenancies Act to require the Ministry of Business, Innovation, and Employment to set minimum standards for heating and insulation in rental properties within 6 months.

The Bill also amends the Act to require all landlords to meet the standards.

These standards will ensure every home is warm and dry while allowing sufficient flexibility for practical implementation.

The requirement to meet the standards will apply to all tenancy agreements made within a year of the Act coming into force. The natural process of tenant turnover will see most tenancy agreements containing the requirement by the end of 5 years. At that point, all residential tenancies must meet the standards.

Clause by clause analysis

Clause 1 is the Title clause.

Clause 2 is the commencement clause.

Clause 3 provides that this Bill amends the Residential Tenancies Act 1986 (the **principal Act**).

Clause 4 amends section 13A, which prescribes the contents of tenancy agreements. The amendment adds the requirement for agreements to include a statement that the premises meet, at a minimum, the standards published by the department.

Clause 5 amends section 45 to create a requirement for all homes to meet warmth standards after 5 years.

Clause 6 inserts new section 132A to require the department to set minimum standards of heating and insulation for residential premises within 6 months.

Clause 7 makes consequential amendments to Schedule 1A.

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The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Healthy Homes Guarantee Act **(No 2) 2015**.

2 Commencement

- (1) **Section 5** comes into force on the date that is 5 years after the date on which this Act receives the Royal assent. 5
- (2) The rest of this Act comes into force 12 months after the date on which it receives the Royal assent.

3 Principal Act

This **Act** amends the Residential Tenancies Act 1986 (the **principal Act**). 10

4 Section 13A amended (Contents of tenancy agreement)

After section 13A(1), insert:

(1A) Every tenancy agreement must also include a statement that the premises meet, at a minimum, the standards published on the department's website under **section 132A**.

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(1B) **Subsection (1A)** applies to the following tenancy agreements:

(a) an agreement made 7 days after the department publishes the standards on its website:

(b) an agreement in existence on the day that is 5 years after the date on which the department publishes the standards on the website:

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(c) an agreement made after the day that is 5 years after the date on which the department publishes the standards on the website.

(1C) Failure by the landlord to comply with **subsection (1A)**, or a breach of the guarantee in it, is declared to be an unlawful act.

5 Section 45 amended (Landlord's responsibilities)

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(1) After section 45(1)(ca), insert:

(cb) comply with the standards of heating and insulation under **section 132A**; and

(2) Replace section 45(1A) with:

(1A) Failure by the landlord to comply with any of **paragraphs (a) to (cb) of subsection (1)** is declared to be an unlawful act.

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6 New section 132A and cross-heading inserted

After section 132, insert:

Ensuring Healthy Homes

132A Function of Ensuring Healthy Homes

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The department has the function of preparing and publishing minimum standards of heating and insulation for residential premises, in accordance with the following:

(a) the standards must describe what constitutes adequate—

(i) methods of heating; and

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(ii) methods of insulation; and

(iii) indoor temperatures; and

(iv) ventilation; and

(v) draught stopping; and

(vi) drainage; and

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- (b) the standards must describe what constitutes acceptable methods of measuring the adequacy of the matters referred to in **paragraph (a)**; and
- (c) the standards must specify the conditions under which a property may be exempted if it is not possible to modify it to meet the requirements; and
- (d) the standards must be published on the department’s website as soon as is practicable and no later than 6 months after the commencement of this section.

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7 Schedule 1A amended

- (1) In Schedule 1A, following the item relating to section 12, insert:

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13A (Failure to comply with Healthy Homes Guarantee) 3,000

- (2) In Schedule 1A, replace the item relating to section 45(1A) with:

45(1A) (Landlord’s failure to meet obligations in respect of cleanliness, maintenance, building, health and safety requirements, or standards of heating and insulation) 3,000