

Christchurch City Council response to the MBIE discussion document on the proposed Residential Tenancies Regulations for insulation and smoke alarms

This submission was approved by Christchurch City Council on 05-02-2016. The Council does not wish to speak to this submission.

The Council strongly supports the general intent of the proposed regulation to make rental accommodation warmer, healthier, more energy efficient and safer.

SMOKE ALARM PROVISIONS

Key question 1: How many smoke alarms should be required and who needs to provide them?

At least one working smoke alarm no more than 3 metres outside each bedroom doorway and at least one alarm on each level in multi-level dwellings and one alarm in every sleep-out or caravan on the rental property.

The landlord must provide and check smoke alarms at least annually, regardless of stated battery life. The tenant should have responsibility to change batteries and report defective alarms to the landlord.

Guidance around the proposed regulations should clearly indicate that this is a minimum standard and that the NZ Fire Service encourages alarms to be placed in each bedroom, living room and hallway in the home.

The NZ Fire Service recommendations should be encouraged, but not regulated. The Council believes requiring the NZ Fire Service recommendations could be onerous and threaten the acceptability of this important proposed regulation.

The Council suggests that guidance accompanying the new regulations encourages fire blankets and fire extinguishers as a first line of defence against fire. Landlords should also be encouraged to include fire escape plans in tenancy agreements so occupants understand the best ways to escape buildings.

Any regulation for smoke alarms in rental properties should align with the NZ Building Code that requires "an effective means of giving warning of fire" (C4.1a, Protection from Fire, NZ Build Code).

Question 1A: If smoke alarms are required in all rental properties, do you support the minimum requirement of one alarm within 3 metres of each bedroom (and in a multi-level unit, there must be a working smoke alarm on each level)? If you don't support the proposal, what minimum requirement would you propose and why?

Yes. The Council supports the requirement for all rental properties to have at least one working smoke alarm installed no more than 3 metres outside each bedroom doorway, and checked at least annually, regardless of the stated battery life. The council also supports a rental property having at least one alarm on each level in multi-level dwellings and one alarm in every sleep-out or caravan on the rental property.

Key question 2: What kind of alarm?

The Council supports the requirement for long life (10 year) photoelectric alarms where there are no existing smoke alarms. Where a property already has a working smoke alarm it can remain, until it needs replacing or until 1 July 2024 (a fixed future date), whichever is earliest. At that time all alarms used will need to be long life alarms.

Question 2A: Do you agree with the proposal to require long life alarms that ensure lives and properties are protected more consistently? If not, what would you propose and why?

Yes. However, the Council has been made aware that some "long life alarms" which contain batteries expected to last a minimum of 10 years, are failing in as short a period as 3 years. This is concerning and

needs further investigation and resolution so that we can be more than reasonably confident that “lives and properties are protected more consistently”.

INSULATION PROVISIONS

Key question 3: What is the benchmark for requiring residential rental properties to insulate?

The minimum benchmark for insulation should be the current NZ Building Code unless it is not practicable to meet this standard.

The proposed regulations should be clear that the “impracticable to meet’ exception no longer applies when the owner is replacing wall linings, cladding, roofing or flooring. The regulations must be clear that insulation must be installed in these circumstances regardless whether the building work requires a building consent.

Question 3A: Do you agree with the proposal to allow rental houses with insulation that is in good repair, but does not meet the current Building Code requirements for new builds, to meet the 1978 standards? If not, what minimum level of insulation would you propose and why?

No. The minimum benchmark should be to at least the current NZ Building Code where physically practicable. If insulation is in "good" repair then only a top-up will be required for relatively minimal cost. However, most insulation installed in 1978 (38 years ago) will have settled, be filled with dust and may have been moved or have gaps, significantly undermining its ability to keep heat in and cold out. The Council believes that insulation installed 38 years ago must be upgraded to the current NZ Building Code to set a reasonable level of health and comfort for occupants.

Question 3B: Do you agree with the proposal to require houses with insulation that is incomplete, damaged, damp or degraded to be retrofitted?

Yes. It is critical that homes with poorly performing insulation and no insulation, are upgraded to at least meet the current NZ Building Code, where physically practicable.

To make insulation improvements as easy as possible for landlords, local retrofit services should be supported (or established) to enable retrofits to happen more readily and with minimal cost and disruption. Economies of scale and product discounts can soften the cost of this regulation. The Energy Efficiency and Conservation Authority (EECA) can assist in this area through their Warm Up NZ Homes programme.

Question 3C: As a landlord/tenant – do you understand the proposed requirements and would you feel confident checking that your rental property or the property you rent meets them?

Yes, as a landlord the Council does understand the requirements.

Key question 4: Which houses should be exempt?

1 - Houses where it is not practicable to install ceiling or underfloor insulation i.e. where space does not allow installation or if installation would require removing roofing, flooring wall linings or cladding.

For this type of home we suggest that MBIE provide guidance giving the owner options for improving the health and efficiency of the home in other ways, such as improving curtains, draft stopping, windows, floor linings and efficient home heating options.

2 - Houses that are to be demolished within 12 months could be exempt, although management of this exemption could be problematic.

Question 4A: Are there properties that would be exempt under these proposed changes that should be included in the requirements?

No

Question 4B: Are there other properties that should be excluded from the requirements? Why?

No

Key question 5: If you have to insulate what standard should be required?

To at least, the current NZ Building Code where physically practicable e.g. where space allows or if the installation of insulation can be achieved without removing roofing, flooring wall linings or cladding.

The proposed regulations should be clear that if wall linings, cladding, roofing or flooring are being replaced then insulation should be installed regardless of whether the building work requires a building consent.

Question 5A: Do you support the proposal to require that when new insulation must be installed, it should match the current installation standard required for new builds or alterations under the Building Code? If not, what standard do you think should be required?

Yes, we strongly support this. Homes that require new insulation must, at least, meet the current NZ Building Code where practicable. We also encourage MBIE to reconsider the adequacy of thermal performance standards within the current Building Code, especially in relation to the coldest areas of our country (Zone 3 within the Building Code). We believe that current requirement may not adequately protect public health and may not adequately reflect the range of weather / temperatures experienced across the South Island.

Key question 6: What are the biggest risks of the proposal and how do we mitigate them?

- a. **Owner, DIY installation** - risks around quality and safety. Owners may also encounter asbestos and may not recognise this danger. A range of education options are needed for owners about proper installation. Suggest MBIE or EECA works with leading retail outlets to run DIY courses and develop online video guides, working through property owner and landlord associations would also be beneficial.
- b. **Industry installation** - risks around quality, safety and capacity. It is suggested MBIE supports the Insulation Association of NZ to run training courses and to grow industry capacity and understanding about correct installation practices and the NZ insulation standard (NZS4246) e.g. www.iaonz.co.nz/training
- c. **Fire risk from covering down lights** - covering or abutting hot recessed down lights leading to an increased fire risk. Clear guidance needed about this danger. Encourage industry to move toward IC or IC-F labelled down lights (that are safe to cover) or other forms of lighting (not recessed).
- d. **Enforcement issues** - a self-report or tenant complaint based approach could raise additional and perhaps unnecessary Tenancy Tribunal claims. Clear guidance about acceptable standards is needed for both tenant and landlord. Independent advisory services, such as Build Back Smarter or Community Energy Action could support home assessments and early adoption of the new standards.
- e. **Price escalation of insulation** - suppliers may be encouraged to unfairly raise the price of insulation products because of the sharp rise in demand at the time these proposed regulations take effect. EECA has negotiated with leading suppliers a "good deal" for its Warm-Up NZ homes programme. A similar approach could help mitigate market risks. One aim would be to spread the demand for insulation and encourage early compliance to avoid property owners leaving meeting the new requirement until 2019.

- f. **Risk of using foil underfloor insulation** - because foil has a lower capital cost landlords may be interested in using this product. Bulk or ridged underfloor insulation materials out-perform foil and pose a significantly lower risk of electrocution. The use of foil should be actively discouraged and preferred solutions promoted to landlords.
- g. **Consistency of installation methodology and products** - because many different products exist guidance should be provided about preferred solutions or products to make it as easy as possible for landlords to achieve these new standards in the most informed way possible. Independent advisory services could assist with this.

Question 6A: Do you have any comments on the risk of incorrect installation and effects on the rental market?

See above Q6. The Council suggests MBIE establish a research, monitoring and reporting system around this proposed regulation to assist with understanding, quality control and for continual improvement purposes. This should monitor landlord, tenant and industry behaviour and perspectives, the quality of installation, and importantly any changes in public health attributable to household health. This information will prove valuable for further housing policy and public health work and will form a sound basis for the continual improvement of our housing stock.

Question 6B: Are there other risks you think are significant? If so, what are they and how should Government deal with them?

A key risk to this proposal is a slow or low overall uptake by landlords. A spike in insulation demand when these regulations take effect should be managed by encouraging early compliance and by making compliance as easy as possible for landlords. The retrofitting of insulation can be encouraged by having clear guidance, reliable in-home advice services and by negotiated low cost product and installation options, perhaps as part of an “earlybird” promotion to encourage landlords to undertake the work sooner rather than later. The Government can facilitate these outcomes by supporting or establishing services throughout NZ.

The Council has had great success through the Build Back Smarter service www.buildbacksmarter.co.nz and in supporting Community Energy Action www.cea.org.nz. The Council together with MBIE, EECA and CERA have assisted with these programmes in Canterbury as part of our housing recovery programme. EECA's national retrofit programme and Warm-up NZ Homes Grants should continue while this new regulation takes effect. These measures will also help to soften any rental price rises for tenants as landlords look to recover costs.

Question 6C: Do you think the proposal reduces the risks enough? If not, how would you reduce them?

As per Q6 above.