

Residential Tenancy Smoke Alarms and Insulation Regulations Submission.

This submission on the Residential Tenancy Smoke Alarms and Insulation Regulations is made on behalf of the Grey Power Federation (GPF), and follows our participation in the workshops on the proposed regulations.

General

The GPF supports the introduction of regulations requiring the installation of smoke alarms and insulation in residential tenancies. We are concerned however on several points, detailed below. We are particularly concerned at the proposal to set a minimum standard for retrofitted insulation at a level below that of the current building standards.

We acknowledge that this is beyond the scope of the regulations being considered, but nonetheless wish to emphasise our concern that regulations addressing insulation in isolation, without considering adequate ventilation and heating will fail to maximise the potential benefits to individuals and society in the form avoided mortality and morbidity, particularly amongst the most vulnerable members of society, especially the very young and very old.

We believe that although there is a clear moral and legal obligation on landlords to provide healthy homes, for a variety of historical reasons, the rental market in New Zealand has largely fallen well behind what would be considered acceptable standards. Although it can be argued that landlords have thereby accrued a private good through reduced capital and operational costs at the expense of a public good, we acknowledge that there is no guarantee that this applies to the current landlord. We therefore consider that an acknowledgement of the private cost to redress this should be made through the method of taxation applied to the costs of installation.

Smoke Alarms

Type

We support the requirement for photoelectric detectors rather than ionisation based units, and for the use of permanently wired units or those with integral (non-enduser replaceable) long life batteries. However we suggest that the opportunity should be taken to require permanently wired and connected units to ensure maximum audibility in the event of a fire. We note that the most vulnerable to fire and smoke inhalation are the very young and the elderly, and these cohorts are often the hardest to wake.

Number and position

We suggest that the requirement for a smoke alarm within 3m of each bedroom is inadequate since as noted above, the most vulnerable – young children and the elderly often are the hardest to wake. We recommend the regulations follow the recommendation of the NZ Fire Service of a smoke alarm in every bedroom, living area, and hallway – and on every level in the house. We also note that the suggested requirement of a smoke alarm within 3m of each bedroom door could in some homes lead to a requirement for one unit only, and suggest that each home should be required to have two units as a minimum to provide a fail-safe.

Wilful removal

We note the concern of landlords that smoke alarms are sometimes removed by tenants, and recommend that where this occurs the landlord may claim the cost of replacement from the tenant. We consider this reasonable not only because a tenant doing so places the landlord at potential liability, but also because of the risk imposed on other residents by this action.

Insulation

Baseline

We consider the use of the 1978 insulation requirements as a minimum baseline as totally inadequate and risible. We understand that retrofitting of wall insulation is problematic and the proposed regulations compensate for this, but again feel that well documented positive BCA ratio (we consider the 1:1.9 ratio derived in the Sapere report to be overly conservative and out of line with other work eg by Otago Medical School in Wellington) leaves little excuse for any requirement less than the current building standards. We again emphasise the vulnerability of the very young and elderly to excess morbidity and mortality when exposed to cold damp homes and consider that the opportunity must be taken to address this.

Product types

We are concerned that the proposed regulations do not exclude the use of foil products. The inadequacy and ineffectiveness of these products is well documented and they are not used by reputable installers eg members of the Insulation Association of New Zealand. We consider therefore that the use of these products is likely to be restricted to the DIY landlords seeking to minimise cost, and who are least likely to understand the risks of electrocution and fire associated with these products.

Neither do we believe that many landlord, especially at the lower quality end of the market, understand the implications of the Health and Safety concept of 'Persons controlling a business unit' and their potential liability. We therefore consider it would be beneficial all round to exclude foil products from the outset.

'Lumpiness' of demand and ability of industry to cope

We recognise the cost imposed on landlords by these regulations and suggest that to alleviate this, an amendment should be sought from IRD to allow upgrades required under the regulations to be treated as operational expenditure rather than capital. We also recognise that to delay expenditure, a lot of landlords will leave installation until the last minute. This will not only be detrimental to their tenants, but also potentially penalises those landlords that comply immediately. Further it is likely to lead to a situation where the industry cannot cope with the sudden spike in demand. We suggest this could be alleviated by an incentive for early installation in the form of a tax break.

Exclusions

We do not understand the rationale behind the proposed exclusion where the property is sold and then rented to the previous owner, and can see no logical reason for this exclusion.

We understand that installation of some or all mandated insulation in some homes is currently either impractical or cost prohibitive. However we believe that the current situation should not be translated as a permanent exclusion. With changes in technology, the economics of the rental market and of renovation, installation may become practical for many of these homes and we recommend that all homes currently excluded are reviewed on a five yearly

basis. We assume that any major restructuring requiring building consent would include a requirement to insulate to current standards, and this would seem to be an ideal opportunity to re-evaluate the installation of insulation in the remainder of the property.

Enforcement.

We consider that the enforcement regime associated with the regulations needs to be a balance between administrative costs and inconvenience to the tenant and landlord on the one hand and the maximisation of societal benefit on the other. We believe that a system using complaints of non-compliance from tenants underpinned by a randomised audit similar to that used by IRD is likely to be the most effective and efficient.

Our concern is that those areas where the quality of the housing stock is lowest, coincide with the lowest ability to pay by both tenants and landlords. In this market, there is likely to be little pressure for improvement from tenants for fear of a rental increase, and few landlords willing to risk the outlay in the expectation of better returns. It is likely therefore that the tenants most in need, and through whom the greatest societal benefits can be accrued, are likely to drift towards the worst properties, and exacerbate rather than improve the health issues the regulations seek to address. We suggest that an immediate ‘carrot’ would be to, as suggested above, treat insulation as an operational expense for tax purposes. We also suggest that consideration be given to the use of a programme similar to “Warm up New Zealand’ administered through EECA targeted at rental properties, and funded from vote health.

Contact for queries and correspondence:

P. Matcham, Chair GPF Research Committee.

research@greypower.co.nz

+6421 525 849