
WELLINGTON REGIONAL HEALTHY HOUSING GROUP

Briefing for the Incoming Government of New Zealand December 2023

Decent housing provides the infrastructure of care, connection, and contribution. We ask you, our government, to prioritise decent homes for all.

A decent home is warm, dry, accessible, and offers security of tenure. Decent homes allow people to contribute to and participate in our communities. They allow people to get work and get to work and to keep kids in school. Decent homes keep people healthy. Poorly performing, insecure housing gets in the way of people connecting and contributing and results in record numbers of New Zealanders ending up in hospital with housing-sensitive health issues. By ensuring that everyone can live in a decent home, we can ensure connected, healthy and thriving communities that work for us all.

Ensuring all New Zealanders live in a decent home is the responsible and the pragmatic thing to do.

Who we are

Wellington Regional Healthy Housing Group (WRHHG) is a cross-sectoral collective impact group working toward the vision of: *“Healthy safe homes for the wellbeing of everyone in the Wellington region.”* As a collective we have a Wellington region focus, however we share our goal with similar groups throughout the country.

Our initiative connects central government departments, local councils, Te Whatu Ora and industry bodies, as well as research, social outreach, health, and community organisations. Over 50 organisations are included in our Network. We operate a collective impact model and commit to upholding Te Tiriti o Waitangi principles.

Why decent housing serves us all

Decent homes support good health and reduce the likelihood of people ending up at the doctor or in hospital

Housing quality and household crowding are significant risk factors for respiratory illnesses, skin infections, and acute rheumatic fever. In 2021-22 in Wellington region, 746 children under 14 years were admitted to hospital with a preventable housing-related illness. Housing-sensitive hospitalisation rates for Māori and Pacific children persisted at near double that of all other ethnicities, continuing the trend of the last 7 years. With at least a third of New Zealand homes still not performing well enough to do their job of keeping people warm and dry,^{1,2} and with housing costs increasingly unaffordable for many New Zealanders,³ many have no option but to live in unhealthy homes. We have the knowledge and capabilities to ensure every New Zealander can feel at home in their home, and we know it pays off. Investment in improving housing through retrofitting insulation

¹ Howden-Chapman, P. et al, ‘The Effects of Housing on Health and Well-Being in Aotearoa New Zealand’ pp18, in New Zealand Population Review 2021, 47, 16-32

² White, V. & Jones, M. (2017). Warm, dry, healthy? Insights from the 2015 House Condition Survey on insulation, ventilation, heating and mould in New Zealand houses. BRANZ Study Report SR372. Judgeford, New Zealand: BRANZ Ltd.

³ Tindale, A. ‘Just How Big is the Housing Problem,’ Auckland, New Zealand Planning Institute, 2019. Pp 17-33 on rental and ownership affordability.

provides a benefit:cost ratio of more than 5:1 including healthcare savings and carbon emissions reduction.^{4,5}

Decent homes support people to participate in school and work

EECA-commissioned research found retrofitting insulation and energy-efficient heating reduced days off school by an estimated 23% and days off work by 39%.⁶ A three-year outcomes evaluation carried out for Ministry of Health funded Healthy Homes Initiative found that interventions to improve warmth, dryness, and health-related performance of homes reduced days off school for medical reasons by approximately 1,870 days. This same evaluation found a 4% increase in employment in adults aged 24 to 64.⁷ Living in a decent home has a tangible impact on people's ability to participate in school and work. Alongside homes that are doing their job by effectively keeping people dry and warm, security of tenure is also necessary to keep kids in school and allow people to find steady work. Being able to find an affordable home in one's existing community is important.

Decent homes give everyone a fair chance to connect and contribute

Increasing numbers of New Zealanders are living long-term in rental homes. People who rent are teachers, entrepreneurs, cleaners, doctors, hospitality and retail staff, and the students who are the future drivers and leaders of our country. People who rent are essential contributors to our communities and rental homes need to do their job in providing a warm, dry, safe, and secure place to live.

But New Zealand's housing stock is of a very low standard compared to other developed countries, and rental housing quality is generally lower than for owner-occupied housing. Up to one third of New Zealand households experience energy hardship, with people that rent and low-income households disproportionately affected.⁸ Lack of decent rental accommodation for those who need it is increasingly locking people out of their communities. We can do better.

Decent homes are cost-effective at the national and individual level

Poor housing has huge costs for taxpayers and the private sector in health, education, and energy system inefficiencies. Rising housing costs contribute to household crowding, adding to the serious risks of infectious diseases and hospitalisation,⁹ placing an extra burden on our already-stretched health system. Making sure that decent homes are available to everyone in our community has short- and long-term benefits far beyond the individual household.

Decent homes help us meet our climate goals

New Zealand has committed to zero carbon emissions by 2050. Improving the energy efficiency of NZ homes can create \$60 million worth of carbon savings, contributing to the realisation of our 2050 zero carbon target.¹⁰ Existing dwellings perform poorly¹¹ and if not upgraded will contribute to significant

⁴ Cost Benefit Analysis of the Warm Up New Zealand: Heat Smart Programme. <https://tinyurl.com/yxg68gif>

⁵ The impact of retrofitted insulation and new heaters on health services utilisation and costs, and pharmaceutical costs. Evaluation of the New Zealand Insulation Fund. <https://tinyurl.com/y555towc>

⁶ The impact of retrofitted insulation and new heaters on health services utilisation and costs, and pharmaceutical costs. Evaluation of the New Zealand Insulation Fund. <https://tinyurl.com/y555towc>

⁷ <https://www.tewhatauora.govt.nz/publications/healthy-homes-initiative-three-year-outcomes-evaluation/>

⁸ Johnson A, Howden-Chapman H, Eaube S, 2018. A Stocktake of New Zealand's Housing, p43

⁹ Johnson, A., Howden-Chapman, P., Eaube, S., (2018) [A Stocktake of New Zealand's Housing](#)

¹⁰ The case for energy efficiency action - Concept Consulting report for EECA 2018

<http://www.concept.co.nz/uploads/2/5/5/4/25542442/concept-electricity-efficiency-report.pdf>

¹¹ BRANZ House Condition Survey 2015

carbon emissions even if all new builds meet high performance standards.^{12,13} Mandatory energy performance certificates on all residential properties introduced in the UK have been successfully adopted as a guide for investors and property managers, incentivising healthier homes.¹⁴ Similar innovations here could provide us with a clear, sustainable, and efficient means of working toward our zero carbon goals.

A decent home is a right of every citizen that the Government of New Zealand has committed to uphold

The Government of New Zealand has signed multiple international human rights treaties that commit and oblige it to uphold the right to decent housing.¹⁵ However, the February 2020 visit of the UN Special Rapporteur on Housing highlighted that past governments of various political orientations have taken steps to improve the situation yet had failed to address the root causes of the crisis, including a speculative housing market, insufficient social housing, and inadequate tenant protection.¹⁶ The New Zealand Human Rights Commission's recent Housing Inquiry highlighted that we have made little progress in changing this, with the rapidly growing numbers of people living in rented homes and those in emergency and transitional housing left particularly vulnerable.¹⁷

How this Government can make sure decent housing is an option for everyone.

Poor housing and overcrowding block people from contributing and lock them into stressful and unhealthy living situations, but these are **avoidable outcomes**. We know what works to achieve different outcomes, we have the technology and proven policy solutions to do it differently.

The suggestions we provide below offer regulatory, legislative, and resourcing solutions to help ensure our housing system does its job and provides the infrastructure we need.

Responsible, decisive, and courageous leadership is needed.

We ask this government to show that leadership by:

- 1. Legislating and resourcing to ensure all people who provide rental homes are meeting professional standards that are adequate to ensure decent homes.***

Legislation needs to ensure all people who provide rental homes – private landlords and property managers, Community Housing Providers, and Kāinga Ora – are meeting the same professional standards and delivering the infrastructure of care, connection, and contribution that allows our communities to thrive. Healthy Homes Standards, and property manager and landlord regulations need to be evidence-based, resourced, and enforced. The need for professionalisation including

¹² Dowdell, D, 2020. Build 176: <https://www.buildmagazine.org.nz/articles/show/cutting-carbon-is-a-material-issue>

¹³ Noting that emissions levels will also be dependent on the carbon intensity of future grid electricity

¹⁴ *Energy efficient homes sell for more - international studies on energy efficiency*, New Zealand Green Building Council: https://www.nzgbc.org.nz/KNOWLEDGEHUB/Story?Action=View&Story_id=284

¹⁵ <https://www.hrc.co.nz/our-work/economic-and-social-rights/housing/>

¹⁶ End of Mission Statement UN Special Rapporteur on Housing, Feb 2020: <https://tinyurl.com/y6je9yycb>

¹⁷ [Housing Inquiry final report: no future generation should face a housing crisis - A Decent Home is a Human Right \(hrc.co.nz\)](https://www.hrc.co.nz/Housing-Inquiry-final-report-no-future-generation-should-face-a-housing-crisis-A-Decent-Home-is-a-Human-Right)

training for landlords and property managers has been recognised by many including the NZPIF.¹⁸ Similarly, education and support for tenants has resulted in improved landlord-tenant relationships and rental security.¹⁹

We ask that you:

- Strengthen the Residential Tenancies Act (RTA) Healthy Homes Standards to protect people that rent and ensure all people who provide rental homes are held to the same high standard, including by replacing ‘one size fits all’ solutions with performance-based standards such as temperature & humidity, and eliminating exemptions that continue to allow the worst-performing rentals onto the market. [MBIE, MHUD]
- Work toward an equivalent, independently certifiable standards regime for rental and owner-occupied housing, comparable to NZTA’s management of vehicle WOFs, including a publicly accessible database of property certifications as certified by an accredited auditor. [MBIE, MHUD]
- Enact legislation to regulate property managers, and further support professionalisation of both landlords and property managers on a par with other business activities, through mandatory registration, qualification, and regulatory structures. Professionalisation including training will better support particularly the large majority of single-property landlords who, as observed by previous NZPIF President Andrew King often “wing it” until they gain experience.²⁰ [MBIE, MHUD]
- Continue to support EECA’s Warmer Kiwi Homes program and look at ways to bring rental properties back in scope for retrofit support. The high return on investment of retrofit interventions is highlighted above. [EECA]
- Ensure the Credit Contracts and Consumer Finance Act 2003 (CCCFA) is revised to exempt council Voluntary Targeted Rates (VTR) schemes which offer a long-term, low or no-interest, property-tied financing option for property owners to improve home performance and health. By offering long-term, property-tied financing VTRs can enable homeowners including landlords to improve home performance for health without the barrier of a high upfront capital cost that may not be fully recoverable upon resale. [MBIE]
- Fund councils and/or community-based organisations to ensure independent advice on energy-efficient retrofit and building is available in all parts of the country, as per the national Emissions Reduction Plan.²¹ [MfE, MBIE]

2. Increase AFFORDABLE healthy home supply by resourcing and enabling Kāinga Ora and Community Housing Providers, and by taking action to incentivise and support innovation for efficiency in the building industry.

The experience of other countries has demonstrated that government action in addition to market provision is necessary to provide sufficient, appropriate and affordable housing infrastructure.²²

¹⁸ <https://www.nzpif.org.nz/news/view/60442>

¹⁹ Eg. ‘Ready to Rent’ programme

²⁰ <https://www.stuff.co.nz/business/money/91852630/eliminating-the-errors-made-by-amateur-landlords>

²¹ The national Eco Design Advisor model and the Wellington City Council Home Energy Saver programme provide examples that could be replicated/ adapted. The Aotearoa New Zealand Emissions Reduction Plan ‘Action 12.1.2: Spark and foster innovation across the sector’ includes: “Establish independent household advice, such as expanding the [Eco Design Advisor](#) service, and explore grants to support households to reduce their carbon impact.”

²² Collins, N. 2016. Delivering affordable housing at scale: Lessons from Europe. Beacon Pathway Report NEW2016/1 for Ministry of Business, Innovation and Employment, pp. 30.

Innovation to improve the efficiency of New Zealand's building industry can contribute to more cost-effective market delivery as well as better performing homes.²³

We ask that you:

- Seek supply-focused solutions that prioritise affordable and social housing, including expanding partnerships with experienced Community Housing Providers to rapidly increase supply and incentivising affordable development and development of diverse housing stock.²⁴ [MHUD, Kāinga Ora, MBIE]
- Partner with industry, local councils and researchers to establish a network or platform to facilitate and nurture change within the development of construction products. This would enable a better interface between science and industry to develop products that are more market ready and fit for purpose [MBIE].
- Partner with and increase investment in industry and research institutes to develop technology niches that allow experimentation in risk free environments [MBIE].
- Increase investment for better skills training within the building industry to embed technology skills early across education and provide pathways for people to use it in the industry [MoE/TEC].
- Ensure Resource Management Act (RMA) reform that enables the construction of appropriate, efficient, and affordable housing. The June 2019 OECD Economic Survey for New Zealand offers recommendations.²⁵ [MfE]
- Make Capital Gains Tax on non-primary properties a central consideration in taxation review, as long recommended by experts.²⁶ [Treasury, IRD]

3. Make sure the new homes we're building are ready to meet the future by mapping a pathway to world-leading standards and encouraging innovation and excellence. Ensure those who design, consent, and build housing have the knowledge and skills to build better now.

New Zealand Building Code minimum requirements for insulation are still well below international minimum standards for similar climatic conditions and it has been documented that the New Zealand Building Industry is inefficient and slow to innovate.^{27,28} Consistently low legislated standards, and lack of certainty on the future trajectory of legislation, encourage this to continue.

We ask that you support innovation and above-minimum approaches for better buildings by:

- Review building code structure and access, to start from first principles that allow a higher level of construction, encourage innovation such as in ways timber can be used and to reflect modern tools (including software) in the Codes.²⁹ [MBIE]
- Work with organisations such as Building Research Association of New Zealand (BRANZ), the New Zealand Green Building Council (NZGBC), Superhome Movement, and Passive House Institute

²³ Adafin, J., Wilkinson, S., Rotimi, J.O.B., MacGregor, C., Tookey, J. and Potangaroa, R. (2021), "Creating a case for innovation acceleration in the New Zealand building industry", *Construction Innovation*, Vol. 22 No. 1, pp. 185-204. <https://doi.org/10.1108/CI-10-2018-0081>

²⁴ Collins, N. 2016. Delivering affordable housing at scale: Lessons from Europe. Beacon Pathway Report NEW2016/1 for Ministry of Business, Innovation and Employment.

²⁵ OECD Economic Surveys – New Zealand, June 2019

²⁶ Tax working Group, 2019, The future of Tax pp.8

²⁷ Adafin, J., Wilkinson, S., Rotimi, J.O.B., MacGregor, C., Tookey, J. and Potangaroa, R. (2021), "Creating a case for innovation acceleration in the New Zealand building industry", *Construction Innovation*, Vol. 22 No. 1, pp. 185-204. <https://doi.org/10.1108/CI-10-2018-0081>

²⁸ Clark-Reynolds, M. and Pelosi, A. (2016) "When did Disruption Become a Good Thing?". BRANZ External Research Report ER14. Download at: [ER14 When did disruption become a good thing? | BRANZ](https://www.branz.org.nz/when-did-disruption-become-a-good-thing/)

²⁹ Ibid, pp25

New Zealand (PHINZ) to provide models, resources, and case study examples to industry and to local councils to support consenting for higher quality. [MBIE]

- Increase emphasis on energy performance and diverse housing models in tertiary education curricula in the area of building design and urban planning, as well as in apprenticeships in relevant trades. [MBIE, Med/TEC]
- Increase investment in adult education courses such as Future Living Skills (currently funded nationwide by MfE), in particular co-funding facilitated night classes in local government areas and introducing them into tertiary curriculum/NZQA framework. [MfE, MEd/TEC]

4. Commit to and resource regular collection of appropriate high-quality data on home performance and health (eg. as part of/ alongside Census).

Appropriate, high-quality, connected data is essential to inform decision-making, monitor effectiveness of legislation, and drive innovative solutions. Compliance data is essential to ensure effectiveness of key legislation, and data on home performance can ensure efficient policy interventions, and incentivise better quality homes for all.

We ask that you:

- Work together across relevant ministries and agencies (NZ Stats, MBIE, MHUD, EECA, NZ Infrastructure Commission) to agree on key data points needed to understand and track the performance of homes in New Zealand in order to plan for and be accountable for the impact of legislation. Ensure regular data collection – perhaps alongside NZ Census – is planned for and adequately resourced. The House Condition Survey and Pilot Housing Survey conducted in the past with BRANZ support provide a starting point. [NZ Stats, MBIE, MHUD, EECA]
- Legislate a compulsory unified rating system for performance, including energy efficiency and carbon impact, on all residential properties. This could be scaled rather than a simple pass/fail, with mandatory declaration at point of sale and point of renting. Existing voluntary rating tools provide a useful starting point. [MBIE/MHUD]
- Until independently certifiable compliance is introduced, ensure systematic data on landlord compliance statements for Healthy Homes Standards is gathered to inform compliance monitoring. [MBIE/ MHUD]

WRHHG welcome contact for further information in regard to the above. Please contact:

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**Please note that Kāinga Ora, though a member of WRHHG, has opted out as a signatory of this Briefing as Kāinga Ora will provide a briefing to incoming Ministers specific to the mandate of the agency.*