WELLINGTON REGIONAL HEALTHY HOUSING GROUP

Briefing for the Incoming Government of New Zealand October 2020

The purpose of this document is to:

1. Introduce the Wellington Regional Healthy Housing Group (WRHHG)

2. Provide a brief overview of the current situation regarding housing and health in Aotearoa New Zealand

3. <u>Request Government action</u> to ensure warm, dry and healthy housing for all New

Zealanders. NB: [xxx] denotes Ministry or Department with the mandate to action each point

Who we are

Wellington Regional Healthy Housing Group (WRHHG) is a cross-sectoral group working toward the vision: *"Everyone in the Wellington region lives in warm, dry and safe housing by 2025."* As a collective we have a Wellington region focus, however we share our goal with similar groups throughout the country.

Together we represent central government departments, local councils, district health boards and Regional Public Health, industry bodies, as well as research, social outreach, health and community organisations. Over 50 organisations are included in our Steering Group.¹ We operate a collective impact model and commit to upholding Te Tiriti o Waitangi principles.

Warm, dry, safe housing - where are we now?

New Zealand's housing stock is of a very low standard compared to other developed countries. Poor housing has **huge costs for taxpayers and private sector in health, education, energy system inefficiencies.** Housing quality and household crowding are significant risk factors for respiratory illnesses, skin infections and acute rheumatic fever.² In 2019, 1,539 children aged 0-14 years were admitted to hospital with a preventable housing related illness. **Māori children were 3 times as likely and Pacific children 3.7 times as likely to be hospitalised** as children of all other ethnicities.³ Rental housing quality in New Zealand is generally lower than for owner-occupied housing. Rising housing costs contribute to household crowding, adding to the serious risks of infectious diseases and hospitalisation.⁴

COVID-19 has further highlighted the dangers of unhealthy homes and particular vulnerability of those on low incomes, younger and older people, single-parent households and Māori and Pacific people.⁵ COVID-19 economic impact is contributing to increasing numbers at risk of homelessness, with **children and young people at risk of homelessness** a particular concern.

New Zealand has committed to **zero carbon emissions by 2050.** We have to act decisively and quickly to get there. Existing dwellings perform poorly⁶ and if not upgraded will contribute to significant carbon emissions even if all new builds meet high performance standards.^{7,8}

The Government of New Zealand has signed multiple international human rights treaties that commit and oblige it to uphold the **right to adequate housing**.⁹ However, the February 2020

¹ Find out more about WRHHG at our website: www.wrhhg.org.nz

² Labour Factsheet on Rheumatic Fever

³ NDMS, MoH 2019

⁴ Johnson, A., Howden-Chapman, P., Eaqub, S., (2018) <u>A Stocktake of New Zealand's Housing</u>

⁵ Labour 2020 Election Factsheet on Housing

⁶ BRANZ House Condition Survey 2015

⁷ Dowdell, D, 2020. Build 176: <u>https://www.buildmagazine.org.nz/articles/show/cutting-carbon-is-a-material-issue</u>

⁸ Noting that emissions levels will also be dependent on the carbon intensity of future grid electricity

visit of the UN Special Rapporteur on Housing highlighted that past governments have taken steps to improve the situation yet had failed to address root causes of the crisis, including a speculative housing market, insufficient social housing and inadequate tenant protection.¹⁰

Poor housing and overcrowding, and the resulting environmental, health and human rights impacts, are **avoidable problems**. Past governments have taken some action but more is needed. **Decisive and courageous leadership is needed for transformational change.**

There is evidence focused intervention works:

- Investment in improving housing through retrofitting insulation provides a benefit: cost ratio of more than 5:1 including healthcare savings, carbon emissions reduction.^{11,12}
- EECA-commissioned research found retrofitting reduced days off school by an estimated 23% and days off work by 39%.¹³
- Improving the energy efficiency of NZ homes can create \$60million worth of carbon savings, contributing to the realisation of our 2050 zero carbon target.¹⁴
- Mandatory energy performance certificates on all residential properties introduced in the UK have been successfully adopted as a guide for investors and property managers while also supporting property valuations.¹⁵
- The need for professionalisation including training for landlords & property managers has been recognised by many including the NZPIF.¹⁶ Similarly, education and support for tenants has resulted in improved landlord-tenant relationships and rental security.¹⁷

What Government can do

Improving the performance of existing and future houses will help address health, education and carbon costs. Investment in housing upgrades also offers a job-creation benefit of particular importance in the COVID-19 recovery.¹⁸ Government can:

- Strengthen the Residential Tenancies Act (RTA) Healthy Homes Standards to support the interests of both landlords and renters, including by: replacing 'one size fits all' solutions with performance-based standards such as temperature & humidity; 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 NZTAs management of vehicle WOFs, including a publicly accessible database of property certifications as certified by an accredited auditor. [MBIE/ MHUD]
- Follow through on the promise to legislate mandatory energy performance certification on all residential properties.¹⁹ This could be scaled rather than a simple pass/fail, with mandatory declaration at point of sale and point of renting. [MBIE/MHUD]

¹⁴ 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 ¹⁵ Energy efficient homes sell for more - international studies on energy efficiency, New Zealand Green Building Council: <u>https://www.nzgbc.org.nz/KNOWLEDGEHUB/Story?Action=View&Story_id=284</u> ¹⁶ <u>https://www.nzpif.org.nz/news/view/60442</u>

⁹ https://www.hrc.co.nz/o ur-work/economic-and-social-rights/housing/

¹⁰ End of Mission Statement UN Special Rapporteur on Hosuing, Feb 2020: https://tinyurl.com/y6je9ycb

¹¹ Cost Benefit Analysis of the Warm Up New Zealand: Heat Smart Programme. <u>https://tinyurl.com/yxg68gjf</u>

¹² The impact of retrofitted insulation and new heaters on health services utilisation and costs, and pharmaceutical costs. Evaluation of the New Zealand Insulation Fund. <u>https://tinyurl.com/y555towc</u>

¹³ 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

 $^{^{\}rm 17}$ Eg. 'Ready to Rent' programme

¹⁸ https://www.nzgbc.org.nz/Attachment?Action=Download&Attachment_id=3118

¹⁹ Labour Manifesto 2020, p13

- 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]
- Regulate property managers as per Labour 2020 Manifesto, 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 NZPIF President Andrew King often "wing it" until they gain experience.²⁰ [MBIE/ MHUD]
- Current NZBC minimum requirements for insulation are well below international minimum standards for similar climatic conditions and we look forward to see insulation standards upgraded as part of MBIE's review of the New Zealand Building Code by October 2021. [MBIE]
- Continue EECA's Warmer Kiwi Homes programme and extend its scope to: include additional measures such as ventilation and draft-stopping, and; provide some incentivising support to landlords. The high return on investment of retrofit interventions is highlighted above. [EECA]
- Support innovation and above-minimum approaches for better buildings: work with Superhomes Movement, Passive House and the New Zealand Green Building Council to provide models, resources and examples to local councils to support their consenting work. [MBIE]
- Fund an exchange programme to replace unflued gas heaters with efficient and safe heaters. Unflued gas heaters are a health and safety risk and need to be removed from the community. [MoH/MBIE]

Education and research

Incorporating and emphasising key knowledge areas in education from primary to tertiary level and funding further research can contribute to **changing public knowledge and behaviours**, and ensure those who design, consent and build housing have the knowledge and skills to build better performing and culturally appropriate buildings.

- Make 'Housing Health' (energy, health, how houses function) education part of the primary school curriculum. Material developed for Enviroschools provides a model. [MEd/MoH]
- Further develop the Education for Sustainability resource for secondary schools to include principles of home performance and retrofitting to improve performance [MEd]
- Increase emphasis on energy performance and culturally appropriate 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]
- 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 into tertiary curriculum/NZQA framework. [MfE, MEd]
- Invest in further research into housing health and performance, including housing-related attitudes and behaviours. Include as priority: how housing can be better attuned to diverse cultural needs, particularly Māori & Pacific. [MBIE]
- Implement a campaign to raise awareness of housing as a key health issue and encourage and enable behaviour change. Similar social awareness campaigns for other significant health and wellbeing issues have been successful in the past - eg. seatbelt wearing, drunk driving, smoking, domestic violence, mental health. [MoH]

Energy hardship

Up to one third of New Zealand households experience energy hardship, with renters and lowincome households disproportionately affected.²¹ Measures for improving building

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

²¹ Johnson A, Howden-Chapman H, Eaqub S, 2018. A Stocktake of New Zealand's Housing, p43

performance mentioned above are an essential step in reducing energy hardship. Government has existing commitments in response to the Electricity Price Review, including providing an acceptable definition of energy hardship/fuel poverty and measures to address it. Tenant and landlord knowledge and behaviour is an essential part of the solution. Government can:

- Provide funding to increase the number of independent advisors based in or supported by councils and community organisations.²² [MBIE/EECA/MHUD]
- Support education, budgeting and behaviour-change programmes through landlord groups²³ and community-based organisations including marae and iwi-led programmes.²⁴ [MBIE/EECA/MHUD]

Focus on affordability – for rentals and homeowners

Increased supply and quality of housing, along with education and behaviour change are key. However, affordability of both renting and home ownership remains a key barrier to healthy housing for all. It is an entrenched problem, and solutions require a long-term vision:

- Planned Resource Management Act (RMA) reform must reduce regulatory restrictiveness and complexity currently obstructive to the construction of appropriate, efficient and affordable housing. The June 2019 OECD Economic Survey for New Zealand offers recommendations.²⁵ [MfE]
- Seek supply-focused solutions that prioritise affordable and social housing including: expand partnerships with experienced Community Housing Providers to rapidly increase supply, in addition to the promised 18,000 places to be delivered through the Residential Development Response Fund;²⁶ incentivise affordable development and development of diverse housing stock. [MHUD/Kāinga Ora]
- Make Capital Gains Tax on non-primary properties a central consideration in taxation review, as long recommended by experts.²⁷ [Treasury/IRD]

Homelessness

Rapid and substantial increase in affordable housing supply, addressed above, is critical to stemming the rapid increase of people at risk of homelessness. We ask government also to:

- Urgently address surging demand for emergency housing, particularly for families with children, and for young people, through review of how emergency accommodation is accessed, increased tenancy sustainment responses and development of sufficient and appropriate emergency accommodation in the short term. [MHUD/MSD]
- Work with service-providers to improve data informing decision-making, including capturing those homeless people who don't appear on the housing register. [MHUD/MSD]

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

Dr. Roger Blakeley, Chair Wellington Regional Healthy Housing Group Email: <u>Roger.blakeley@outlook.com</u> Phone: 021 229 6928

Amanda Scothern, Executive Officer Wellington Regional Healthy Housing GroupEmail: info@wrhhg.org.nzPhone: 0223 196 313

*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 Minsters specific to the mandate of the agency.

²² The national Eco Design Advisor model and the Wellington City Council Home Energy Saver programme provide examples that could be replicated/ adapted.

²³ Eg. NZ Property Investors Federation, social housing providers

²⁴ Eg. 'Ready to Rent', and AWHI's Co-Design approach including renter and landlord education.

²⁵OECD Economic Surveys – New Zealand, June 2019

²⁶ Labour Manifesto 2020, p13

²⁷ Tax working Group, 2019, The future of Tax pp.8