Residential Property Managers Bill



September 2023

Tirohanga Whānui | Overview

The New Zealand Council of Christian Social Services (NZCCSS) welcomes the opportunity to provide feedback on the Residential Property Managers Bill. We broadly support the kaupapa to regulate the property manager profession, however we retain some concerns about the scope and impact of this legislation.

Taunakitanga | Recommendations

We raise the following points and recommendations for consideration:

Item One

We strongly support the inclusion of direct references to Te Tiriti in this amendment. The amendment to the Real Estate Agents Act 2008 requires that some board members of the Real Estate Authority (REA) have knowledge of te Tiriti o Waitangi. This requirement does not enforce or strengthen the use of Te Tiriti, nor does it include guidelines for the interpretation of Te Tiriti in practice. Embedding Te Tiriti further into this legislation would include requirements for the REA, Residential Property Managers and the companies they work for to have and apply knowledge of Te Tiriti.

Recommendation One:

Clarify the role of Te Tiriti in this legislation, especially in the duties of the REA.

Item Two

We support the ability of Tenancy Tribunal adjudicators to require the use of property managers if a landlord is found to have contravened the RTA (Residential Tenancies Act) in several ways. We ask that clarification be made about enforcement of these rulings, as to which authority will be assessing landlord compliance. We also ask that clarification be made as to who can apply for this ruling to be made.

Recommendation Two:

Clarify the regulatory responsibilities of government agencies regarding enforced use of a property manager, as well as clarification on who can make an application for a property manager to be required.

Item Three

Clarity is required in Section 109AA. While the provisions to require the use of a Property Manager following proven unlawful actions are welcome, the definition of a landlord is not clear. Where, for example, an individual is found to have committed an unlawful act in their capacity as a representative of a trust, shell company or other corporate entity they may not fall under these guidelines if they continue as a landlord in a personal capacity or as a representative of a separate trust.

Recommendation Three:

Clarification be made in Section 109AA, that where an individual has committed unlawful acts that this be considered in the enforcement of this section regardless of their status as principal landlord or representative of a landlord.

Item Four

While the importance of Section 109AA cannot be overstated, it is not clear who will be monitoring and enforcing compliance with a requirement to employ a property manager. If there is no monitoring and compliance enforcement, there is potential for this to be ignored. Additionally, a landlord who has been required to use a licensed residential property manager and is not subject to monitoring or compliance measures may opt to work outside the system completely and compound the potential harm to tenants.

Recommendation Four:

We recommend the Tenancy Compliance and Investigations Team be empowered to investigate and enforce orders under s109AA.

Item Five

Clauses need to make direct reference to the RTA. As the RTA is the major legislation relevant to residential tenancies, it is important that the wilful or reckless breaking of these laws be considered as unsatisfactory conduct or misconduct and be subject to disciplinary action.

Recommendation Five:

Make it clear that wilful or reckless breaches of the Residential Tenancies Act be considered unsatisfactory conduct or misconduct and be subject to disciplinary action.

Item Six

Unsatisfactory conduct and misconduct must include acts of discrimination. As a multicultural society, Aotearoa must commit to the enforcement of professionality and the absence of discrimination in all its forms.

Recommendation Six:

We ask that discrimination in all its forms be included in the criteria for unsatisfactory conduct/misconduct.

Item Seven

While the decision to house significant decision making with the Real Estate Authority has merit, it is necessary that tenants' voices are represented on the Complaints Committee. Without this inclusion, the decision-making process will inherently protect the interests of landlords who employ property managers but exclude those who rely upon these services to live comfortably.

Recommendation Seven:

Inclusion of a tenant advocate on the Real Estate Authority Complaints Committee.

Item Eight

The Bill provides scope for property manager licences to either be refused or revoked if an individual fails to meet certain criteria, however it does not mention the Residential Tenancies Act. Residential Property Managers must both be well versed in and work within the confines of the RTA, and

deliberate breaches of this act should be held against their ability to work as a licensed professional in this space.

Recommendation Eight:

Significant and/or ongoing breaches of the RTA should be grounds for either the refusal or disqualification of a Residential Property Management License. This should be applicable to both individuals and property management companies.

Ko wai tātou | Who we are

NZCCSS has six foundation members; the Anglican Care Network, Baptist Churches of New Zealand, Catholic Social Services, Presbyterian Support and the Methodist and Salvation Army Churches.

Through this membership, NZCCSS represents over 250 organisations providing a range of social support services across Aotearoa. We believe in working to achieve a just and compassionate society for all, through our commitment to our faith and Te Tiriti o Waitangi. Further details on NZCCSS can be found on our website www.nzccss.org.nz.

Ingoa whakapā | Contact Name Nikki Hurst Hamish Jarvie