Te Kaunihera-ā-Rohe o Ruapehu
Ruapehu District Council

Public and Affordable Housing Asset and Tenancy Management Strategy

Adopted 18 November 2020

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Ruapehu.

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Public and Affordable Housing Asset and Tenancy Management Strategy (ATMS)

November 2020

Primary Objective

To support the District's economic growth, development and community wellbeing through housing.

The core deliverable sought is the development of a flexible and responsive public and affordable (market entry) housing asset and tenancy management strategy which is aligned to Ruapehu District Council's (RDC's) vision *"To drive District growth through initiatives that improve the economic, environmental, social and cultural wellbeing of our local communities while protecting our environment"* (Source: Council website)

Statement of Purpose

The aim of this plan is threefold

1. To regenerate RDC public (social) housing and where possible, through partnering, encourage an increase in fit for purpose public housing within the district, with an initial 10-year horizon.

2. To collaborate with Iwi, the Crown, or Crown controlled entities such as Kāinga Ora, accredited Community Housing Providers and local businesses or investors, so that a greater supply of land suitable for new public and affordable housing can be enabled and built on. Some of these homes can, with new ownership models, enable families to become home owners.

3. To update tenancy management practices to "best practice" which includes extending eligibility criteria and developing pathways to home ownership and independence. The strategy needs to satisfy RDC's rates neutral policy.

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1.0 Key financial objectives of the ATMS.

1.1 Funding policy 'rates neutral' vs 'rates positive'

RDC will take the following steps to attain its policy of 'rates neutral':

- full lifecycle asset management of the portfolio
- depreciation of new builds (generally being structure after 10-year structural warranty, fixtures & fittings after 5-year supplier warranty)
- a suite of wrap around services which optimise occupancy and the ability of tenants to sustain their tenancy over time
- annual rental assessment, including tenant needs assessment

Over the short to medium term the following steps will be taken to transition the portfolio into a 'rates positive' status and in turn support economic growth:

- Increasing the eligibility criteria to include
  - Key workers capable of transitioning into ownership and independent living. Traditionally key workers have referred to the likes of Police, Teachers, and Nurses. It is now encompassing key new or increased capacity of skills needed by the region such as construction.
  - People in higher need (as suitable homes and wrap around services become available)
- Inclusion of other ownership models such as rent to buy, co ownership models and or land lease, to support greater access to home ownership over time.
- Diversifying the type, number, and quality of public and affordable homes in the District.

1.2 Support the District's economic growth and development, build value into the portfolio.

As part of the ten-year strategic plan, RDC is seeking to build scale and value into the portfolio through partnering with the likes of:

- Iwi
- Accredited Community Housing Provider(s) (CHP's)
- Local business requiring key worker accommodation
- Other local investors with capital to support new housing provision
- Crown and Crown controlled entities

1.3 Tenancy settings supporting economic growth and development.

RDC will open its tenant eligibility policy to support economic growth, employment, job creation, trades, and skills-based training, attracting new cohorts to the District with more and affordable accommodation. Tenancy policies and settings will 'allow-in' future cohorts with income generating and aspirational values.

Eligibility will expand with increased availability of "fit for purpose" homes to include:

- Homes for Key Workers, resident, entering or returning to the District, who cannot find suitable affordable housing
- Mechanisms to facilitate entry to home ownership and greater independence leveraged from RDC owned land. Examples of such innovations in tenure and occupancy affordability might include, a right to occupy agreement, shared equity support to home ownership, long term land leases, and others
- Mechanisms which can also work in the reverse e.g. enabling people to transition out of full home ownership as they age, and free up larger homes
- Accessible designed homes suited to the elderly and disabled (who may need live in carers) Developing a suite of operating tools to accommodate the dimensions outlined above is a core deliverable of the ATMS.

1.4　Tenancy management to enable tenancy pathways

RDC will support a broader demographic of tenants in sustaining their tenancy through age or disability and assisting where possible key workers transitioning into home ownership.

New policy setting will select tenants on their ability to sustain a tenancy while making tenancy more sustainable (both current and new tenants) through:

- Upgrading the portfolio in such a way to make tenancy more sustainable. Where practicable, making more homes accessible, enable age in place and catering for disability
- Increasing the level of communications and wrap around services through increased staffing and or partnering with other providers

The four key criteria in assessing a tenant's ability to successfully sustain a tenancy without support or with appropriate support in place are:

1. **Financial management.**
- The person has the ability to manage their own finances, or
- Their finances are managed by a Trustee and Guardian, or
- They can demonstrate that a third party is managing their finances.

2. **Property care.**
- The person has the ability to maintain their home in a satisfactory condition, and
- Not cause property damage.

3. **Personal care.**
- The person has the ability to look after their basic day to day personal care needs, or
- They are supported in this function by a service provider such as Homecare, or
- They are supported in this function by a carer

4. **Social interaction.**
- The person is able to live in close contact with others without being the cause of antisocial behaviour, and
- Is able to be responsible for their conduct as well as the conduct of their visitors.

1.5　RDC (and/or partners) support of/in sustaining tenancy.

RDC will, in the event of upgrading its portfolio, and/or increasing public and affordable housing though partnering (ref 1.6), enable a broader demographic of tenants, and continue to align tenancy support (independently and/or with partners) with "best practice" where possible and practical.

Communications.

Develop a quarterly newsletters that covers such topics as:

- Changes to the tenancy such as home upgrades, tenancy agreement and rent changes
- Funding opportunities such as Income Related Rent Subsidy (IRRS) changes where other Providers are active in the District
- Tenancy issues such as pet ownership (feedback sought on policy)
- Promotion of the community services, cultural and other events
- Opportunities for local employment, training and other 'buy local' service provision.

Tenancy manager role.

RDC will with a growing and or upgraded portfolio and broader tenant demographics increase staffing independently and/or through partnering with other resources in order to:

- Manage a fit for purpose portfolio
- Increase the level of tenancy services and work with other organisations to have tenant wellbeing
- Connect wrap around service to support tenants in sustaining their tenancy
- Engage with and communicate with the Council and the community.

Tenancy manager key accountabilities.

Be accountable for delivery of service to meet requirements of the portfolio:

- Maintain an adequate knowledge of the tenant(s) profile and ensure compliance with the tenancy agreement and record information accurately and on a timely basis.
- Refer or escalate tenant(s) issues that are non-core business
- Be responsible for conducting timely final inspections and following-up vacancies
- Reduce void time of properties under repair
- Ensure matching and placement of applicants is done accurately and in a timely manner
- Ensure that maintenance issues are passed to the Maintenance Contact
- Ensure compliance with RDC's Health, Safety and Security Policy.

Accessible Homes suited to age in place or disability.

The national public housing stock is poorly formatted for age in place and disability. Where RDC builds new homes, a fundamental design inclusion is that they are accessible, allowing people to sustain their tenancies as they age in place or suffer from disability. These homes will comply to the ABC standard, that is:

- ACCESS - there is at least one level entry step-free access into the home
- BATHROOM - there is a toilet located on the level of the home that you enter that has walls already reinforced to attach grab rails if (and when) needed
- CIRCULATION - spaces for easy circulation are evident using features such as wider doorways and hallways

New ownership models to facilitate market entry (affordable) and partial exit.

RDC will in accordance with "best practice" tenancy management select and support key workers in transitioning into home ownership and independence.

By leveraging Council owned land and in partnership with central Government and other potential partnerships (as outlined in section 1.2 above) a range of transitional ownership models are possible, such as:

- Shared ownership e.g. the Housing Foundation's Shared Ownership Programme which provides an opportunity for shared ownership of a property. The tenant has the opportunity to buy a majority share of the property (usually 60% or more) making it more affordable than buying 100% and requiring a lower deposit. Deposits are usually facilitated via KiwiSaver, plus other savings, although other avenues are available. The Housing Foundation retains ownership of the remaining share of the property (e.g. 40%) with most households being able to buy this out within 7-10 years, or other agreed milestones.
- Rent to purchase models.
- Land lease/rent models.
- Right to occupy models.

1.6 Develop a reconfiguration capital fund and partner to provide funding and capacity to systematically work through the full portfolio.

To activate and unlock the residual value of Council land holdings, RDC is seeking collaborative delivery (refer section 1.5). The base-line position is that Council adopts a passive investor perspective in regard to the land and works with other parties to plan, design, consent, service and enabling new and or reconfigured housing stock across the District.

Where Council can collaborate with Iwi, the Crown, or Crown controlled entities such as Kāinga Ora, accredited Community Housing Providers and local businesses or investors, then a greater supply of land suitable for new housing can be enabled.

The rate of new housing provision will be determined by the available external capital and suitable land for reconfiguration. RDC has already commenced a high-level Due Diligence of current Council owned land which may suit this aspiration to increase the supply and diversity of housing across the District. The programme of work has an initial five-year view. Sell down of any RDC owned or developed property be in line with government affordable housing strategy (e.g. Kiwi Build covenants).

As supply is activated and opportunities for affordable home ownership realised, then funds recouped for the land can be re-invested to support an ongoing or rolling programme, and redevelopment of RDC existing Public Housing or a Housing Supply Pipeline as represented in the diagram below.

Council develops its land holdings to a 'ready to build' stage to activate and unlock its residual value.

Development ready land is made available to other parties to plan, design, consent, service and enable new and or reconfigured housing stock across the District.

Recouped funds for the land can be reinvested to support a new housing supply pipeline.

A partnering approach in construction where Council can collaborate with iwi, Government agencies, community housing providers, investors, etc. allows a greater supply of land to be made available for development and more houses to be built with reduced risk.

New affordable housing coming onto the market generates new funding.

Partnering in construction presents many possibilities, as summarised in the following table.

Party	likely interest	brings to the programme	inDiCateD DemanD y/n*
iwi	New completed housing, may secure MHUD capital funding to assist.	Long term land ownership, co-design place & community, development.	Yes
Kāinga Ora	New completed housing.	Own land adjacent to RDC, some resources, capital to acquire new homes.	Yes
aCCreDiteD Community housing proviDers (Chp)	New completed housing.		Yes
CommerCial Market			
loCal business requiring key worker aCCommoDation	Lease / purchase / funding house construction.	Head lease to secure construction funding, outright purchase, other capital to assist development.	Yes
builD partners	Construction contracts plus may secure some houses for own staff.	GMP contract. May fund construction for own staff.	TBC via the ITP process proposed commencing Sept 2020.

*Canvassed for initial interest.

1.7 Set financial metrics which act as development 'go/no-go' decision points for Council.

The summary level investment decision framework to be applied to the current and prospective new / replacement housing stock held by RDC is as follows:

- Commencing rental income on new housing stock is sufficient to cover all Operating Costs of Ownership, projected over an initial 10 year holding period – if not then in the absence of external funding the addition will not be approved = go / no go

- Operating Costs of Ownership comprise, rates, insurances, planned maintenance, share of sinking fund where a multi-unit site, tenancy management, depreciation on buildings after year 10, depreciation/replacement of chattels after year 5.

- For new housing provision, a funding source has been identified which covers house construction costs and all direct land development costs = go / no go

- New housing stock is designed to meet the Asset Performance criteria (refer Section 2 below).

Where a major repair or refurbishment of stock is proposed then the broad criteria are as follows:

- If the repair or refurbishment cost is likely to be more than 1/3 of replacing as new (case by case assessment), then the stock should be earmarked for removal/demolition/replacement by new stock in another location/other action = go / no go.

- Where a major repair or refurbishment has occurred (defined as above $20,000, Excl. GST), then this acts as a trigger to a rent review, noting rent review guidelines set out in Appendix 1 (section 4.3).

- A minor repair or replacement of damaged or failed chattels does not trigger a rent review as this is normal operating wear and tear.

Note: These are guidelines based on larger urban areas and thus need local conditions/costs assessment.

Opportunities for new supply constructed on RDC owned land, to support new affordable (key worker) housing, then opportunities will be considered on merit and the following triggers for investigating the viability of supply, include but are not limited to as:

- Offer to purchase as serviced land and agreed housing outcomes to enable construction for new affordable housing are met.

- Offer to purchase as serviced land and completed new affordable housing.

- Offer of a head lease over serviced land and completed housing as part of a mixed public / private housing development site.

- Offer to purchase completed home on leasehold land retained by RDC, Iwi or another provider.

- Other as merited.

All will be considered as potential go/no-go.

1.8 Astute risk allocation, robust but not complex; assign construction risk to the private sector or other agencies with the financial resources and capability to manage this risk.

It is not the policy of RDC to undertake speculative development or housing risk. Where RDC owned land is included in programmes to facilitate new supply or public or affordable market-based, housing then the following core contracting principles will be adhered to:

- **Land** – inherent land development risk already resides with the Council and works to remediate, form stable and suitable engineered build platforms is included in an enabling 'build ready' strategy. Where the economics of undertaking these works makes reconfiguration unviable within the 10-year horizon of this strategy, then development will not proceed.

- **Services** – where new housing provision triggers services upgrades now (roads, 3 waters, power and data), or can be reasonably foreseen to do so, then a proportionate share of the upgrade costs will be attributed to each new development and this may result in an Infrastructure Funding Agreement and financial contribution being sought from external development parties. [Note: the implementation of such a Policy needs to be considered as part of the next Long-Term Capital Plan – it is outlined here as a potential consideration]

- **Housing** – RDC will seek to contract new homes on a Guaranteed Maximum Price, incorporating the Asset Performance criteria (Refer Section 2.0), as appropriate, with performance milestones and warranties which meet the expected whole-of life performance and manufacturer performance standards. Where capacity is available locally it will be given preference.

2.0 The key performance objectives for new housing designed and constructed, the Tenancy and Asset Management overlay.

2.1 New home policy; homes that add diversity to current Ruapehu stock and pathways to ownership.

The Ruapehu District housing stock is dominated by older family homes with a general lack of affordable new homes and homes fit for purpose outside the traditional family unit.

Through reconfiguration and or enabling new affordable housing supply, RDC will add diversity to the current housing stock. In addition, this policy will support the natural diversity of communities and future community building.

Modest sized, new, affordable, and fit for purpose homes are in short supply in the Ruapehu District. Accessible homes suited to age in place and disability are also in limited supply. All new homes built by RDC for public housing purposed will include accessible design as a key design outcome (ref section 1.5))

Whilst modest sized homes will be the initial focus of RDC, emerging housing demand and the needs of potential RDC partners will likely see a greater diversity of housing over time.

Modest sized, affordable homes enable:

o   Rates neutral/rates positive income stream
o   Affordable for market entry or transition from large homes no longer fit for purpose
o   Universal design (accessible) homes suited to enable persons to age in place and accommodate those who may have a disability
o   Homes that suit the needs of RDC asset partners.

2.2 Meet or exceed current standards of health, safety, and energy efficiency. Environmentally responsive and safe.

RDC will strive to balance energy, water, and environmentally sound decisions with the direct construction costs relative to, costs to own and operate, rental income and both initial and whole-of life capital value. RDC will take a more holistic approach to tenant, landlord and private owner wellbeing. Ideally all public housing in the Ruapehu District exists within a mixed public and private housing development context.

Where RDC brings land for additional supply, a core design criterion will be that new housing development supports 'good neighbour' behaviors, and contributes to safe, integrated living environments with a sense of identity and community, kaitiakitanga.

Warm, dry well-ventilated and energy efficient homes.
Where practicable, RDC will apply the best practice guide the New Zealand Green Building Council (NZGBC) HomeFit PLUS rating.

This guide to buyers and renters provides confidence that a home meets ventilation, insulation, heating, and energy efficiency standards, and gives landlords and tenants peace of mind that their homes meet the Residential Tenancies Act and the Healthy Homes Standards. This benchmark is readily achievable for newly constructed homes, but not always fully attainable for a refurbishment.

A HomeFit PLUS home must achieve 6 of the following:
1.   Improved hot water system. The home has a heat pump hot water system or solar hot water system.
2.   Improved ventilation. The home is fitted with balanced heat recovery ventilation serving the living spaces, bedrooms, bathrooms, and kitchen as a minimum.
3.   Ceiling insulation Ruapehu District Zone 3: Minimum R5
4.   Underfloor insulation Minimum R1.8
5.   Windows in all living rooms and bedrooms are both double glazed and are fitted with good curtains
6.   Lighting. At least 80% (by number) of all fixed interior lamps in habitable spaces are LED.
7.   Clothes drying. Clothes dryers (if present) are either vented to the outside or are condensing/heat pump dryers. Alternatively, there is an external washing line.

8. Safe hot water. The hot water at the tap is no more than 55°C

9. Improved water efficiency. Toilets are dual-flush and the home has a rainwater harvesting system (used for washing, toilets, gardens).

Quiet homes with appropriate acoustic rating for medium density development

RDC will apply Airborne and Impact Sound: NZ Building Code Clause G6

The Building Code G6 Clause aims to protect households from excess noise between household units with two performance requirements - a STC (Sound Transmission Class) of 55 and an IIC (Impact Insulation Class) of 55. STC relates to sound travelling through walls, floors, and ceilings, IIC just to the impact sound of footsteps and furniture movement travelling down through floors (where applicable).

Sound transmission through building elements, shall be minimised by using one or more of the following construction techniques:

a. Physical separation of building elements comprising each face of any wall, floor or ceiling assembly which is common to two or more occupied spaces.

b. Use of noise control building elements.

c. Avoidance of rigid service connections (e.g. in plumbing) where the reticulation passes through noise control building elements separating different occupancies.

d. Making the noise control installation airtight by sealing all joints between building elements, and around penetrations and service fittings.

For multi-storey dwellings, specifying is carpet on underlay is required, as this forms part of the Acceptable Solution (the other parts being the floor structure itself and the ceiling below). There is no specification for the weight of the carpet or the underlay.

Homes and environments designed for safety; social design for community activation, community design for safety (CPTED)

Community activation

Where RDC supports development with Council owned land, it will sensibly apply master planning and best practice urban design principles to ensure that buildings are good neighbours to one another, and contribute to safe, integrated living environments with a sense of identity and community.

For architecture, this includes the way in which buildings address the street or an adjoining open space, and their contribution to the quality of the communal realm through detailing and variation in form.

For landscape, it includes the consistency and legibility of the public realm that contributes to the character of a place.

To achieve openness, the demarcation between public and private will be clear, with defined edges between private and public space. A textured and defined interface at the street edge will allow for an extension of living space, while still maintaining surveillance and outlook to the street.

Front yards where possible will overlook the street and contribute to a sense of community and being neighbourly.

Crime Prevention

RDC will, in developing new housing, apply Crime Prevention through Environmental Design (CPTED).

CPTED provides a framework for incorporating crime prevention within quality urban design by focusing on reducing the opportunity to commit crime, therefore lessening the motivation to offend.

The National Guidelines define seven qualities that characterise well designed, safer places:

•   **Access:** Safe movement and connections, places with well-defined routes, spaces and entrances that provide for convenient and safe movement without compromising security.

•   **Surveillance and sightlines:** See and be seen, places where all publicly accessible spaces are overlooked, and clear sightlines and good lighting provide maximum visibility.

•   **Layout:** Clear and logical orientation, places laid out to discourage crime, enhance perception of safety and help orientation and way-finding.

•   **Activity mix:** Eyes on the street, places where the level of human activity is appropriate to the location and creates a reduced risk of crime and a sense of safety at all times by promoting a compatible mix of uses and increased use of public spaces.

- **Sense of ownership:** Showing a space is cared for. Places that promote a sense of ownership, respect, territorial responsibility, and community.
- **Quality environments:** Well designed, managed, and maintained environments, places that provide a quality environment and are designed with management and maintenance in mind to discourage crime and promote community safety in the present and the future.
- **Physical protection:** Using active security measures, places that include necessary, well designed security features and elements.

2.3 Incorporates innovation and or technology only where relevant to value and occupant livability

RDC will endeavour to exceed current technology provision in Public Housing standards where possible to make provision for:

- Safer homes (home monitoring for the elderly)
- Better connected homes enabling learn from home or work from home.

Noting that if these innovations are not valued or needed by the tenant or home owner, then discretion will determine inclusion.

Base level standard

- **Internet Connectivity - Fibre supplied as standard**
o   All connections must be proven to be fully connected prior to handover
o   Outlet sockets installed to living, study nook (if applicable) and master bedroom

- **Entertainment – Aerial / Satellite and UHF Connectivity**
o   Satellite dish and UHF aerial supplied for body corporate managed units - and for standalone houses to enable pay TV service provider and free view television reception
o   Must not void warranty of external cladding.

RDC where possible (and needed/valued) will support the introduction of "smart technologies" to new homes.

Smart Home Technologies and Ambient Assisted Living

Smart Home is a broad concept that includes the techniques and systems applying to living spaces. The ultimate goal is to reduce the consumption of energy while increasing flexibility, security and living comfort.

This can be achieved through networking, central control and the automation of housing technology and of electric appliances.

Ambient Assisted Living

Ambient Assisted Living is a special feature of the Smart Home concept. It concerns the methods, concepts, electronic systems, products, and services which assist the elderly or people with disabilities in their daily lives.

These technologies allow the elderly to stay in their own home for as long as possible, while remaining autonomous and independent. This technology supports the elderly and people with disabilities.

Appendix 1: Tenancy Management

1.   Tenancy Application

MBIE standard form see: **www.tenancy.govt.nz**

2.   Eligibility

2.1   The ability to sustain a successful tenancy

There are four generally accepted criteria which need to be addressed when assessing a tenant's ability to successfully sustain a tenancy without support or with appropriate support in place:

1.   Financial management
- The person has the ability to manage their own finances, or
- Their finances are managed by a Trustee and Guardian, or
- They can demonstrate that a third party is managing their finances.

2.   Property care
- The person has the ability to maintain their home in a satisfactory condition, and
- Not cause property damage.

3.   Personal care
- The person has the ability to look after their basic day to day personal care needs, or
- They are supported in this function by a service provider, or
- They are supported in this function by a carer

4.   Social interaction
- The person is able to live in close contact with others without being the cause of antisocial behaviour, and
- Is able to be responsible for their conduct as well as the conduct of their visitors.

2.2   Asset eligibility

The combined asset value of the household members should determine either:
- Their ability to pay unsubsidised market rent
- Invest in their own accommodation needs (or partner RDC in a co-ownership ref section 1.5 Progressive Home Ownership)

2.3   Eligibility for priority

Eligibility for priority housing; there are 5 generally accepted areas of priority which may be assessed relative to suitability of available properties:

1.   Unable to resolve need in private rental market
2.   Unstable housing circumstances
3.   At risk factors
4.   Existing accommodation is inappropriate for basic housing requirements
5.   Asset partner allocations such as Iwi or invested service clubs such as RSA etc.
      Urgent need requires evidencing an assessment that their need cannot be more adequately addressed through other housing assistance options.

3.   Selection criteria, ability to transition into home ownership and independence

There is a shift in the mix of people applying for public housing as evidenced in the March 2020 MHUD quarterly report where 65% of applicants were in the 25 to 54 age group .

RDC as policy, and in support of district- wide economic growth and development, will where key workers cannot secure suitable tenancies or enter the home ownership market house such people and assist them to transition into home ownership.

Such policies have become "best practice" for Kāinga Ora, some CHP's, and organisations such as The Housing Foundation.

4.   Tenancy Agreement

4.1   Tenancy contract

Most CHP's message tenancy agreements on two levels, the social contract between CHP (e.g. IHC web site) and tenant and a legal contract as exampled below.

The MBIE standard form provides an up to date legal model that allows a 180 day rent review:

See: **www.tenancy.govt.nz**

Rights and obligations - Landlord (Ruapehu District Council)

RDC contract

- Provide and maintain the premises in a reasonable condition.
- Allow the tenant quiet enjoyment of the premises.
- Comply with all building, health and safety standards that apply to the premises. Comply with all requirements in respect of smoke alarms imposed on the landlord by regulations.
- Landlords need to have (working) smoke alarms installed in all their residential rental homes. Any replacement alarms installed after 1 July 2016 (other than hard-wired systems) need to have long life batteries and a photoelectric sensor.
- Pay rates and any insurance, taken out by the landlord.
- Not seize the tenant's goods for any reason.
- Inform the tenant if the property is on the market for sale.
- Not interfere with the supply of any services to the premises.
- If the landlord is in breach of these responsibilities, the tenant(s) can apply to the Tenancy Tribunal.
- Appoint an agent and notify the tenant and Bond Centre of the agent's details whenever leaving New Zealand for more than 21 consecutive days.
- Inform the tenant of any changes to the information in the insurance statement within a reasonable time.

RDC plain worded communication

- Make sure your home or flat is in good condition and that the locks and fastenings are adequate
- Make sure your home meets building codes and health and safety standards
- Arrange for essential repairs to be done as quickly as possible
- Give you 24 hours' notice before doing any planned maintenance work
- Give you 48 hours' notice before an inspection

Rights and obligations - Tenant

RDC Contract

- Pay the rent on time.
- Keep the premises reasonably clean and tidy and notify the landlord as soon as any repairs are needed. You may not withhold rent if you cannot get repairs done. Seek information from the Ministry of Business, Innovation and Employment (0800 83 62 62).
- Use the premises principally for residential purposes.
- Pay all electricity, gas, telephone, and metered water charges.
- Replace batteries in smoke alarms as required.
- Not damage or permit damage to the premises, and to inform the landlord of any damage.
- Not disturb the neighbours or the landlord's other tenants.
- Not alter the premises without the landlord's written consent.
- Not use the property for any unlawful purpose.
- Leave the property clean and tidy, and clear of rubbish and possessions at the end of the tenancy.

RDC plain worded communication

- Pay your rent on time
- Keep your home and garden tidy and not damage the property - if friends, family, or visitors damage the property, you need to pay for the repairs
- Call us when repairs are needed
- Pay your phone and power bills, and for light bulbs
- Insure your furniture or belongings against damage, fire, or theft
- Let us know immediately if your income, your partner's income, or the number of people living in your home or flat changes - if you are paying an income-related rent
- Leave the property clean and tidy, remove all your possessions, and return all sets of keys when you move out
- Consider your neighbours
- Not let anyone else rent your home or let anyone other than you and your family live there without our permission
- Not use the property for an unlawful purpose or let anyone else use it for unlawful purposes
- Not change the locks on your home or flat without our agreement

4.2 Tenancy duration, rights, rent review and other legal triggers

Trial periods of not more than 90 days

4.3 Rent reviews and Rent increases

RDC will update its rental policy taking into consideration, repair and refurbishment triggers (ref 1.7) and annual tenancy review triggers.

The Ministry of Business, Innovation and Employment (MBIE) provide the following guidelines for adoption.

(1) The rent payable in respect of any tenancy may be increased by the landlord provided all of the following conditions are complied with:

    (a) The landlord shall give the tenant notice in writing of the increase and

    (b) That notice shall specify the amount of the increased rent and the day upon which the increased rent shall become payable; and

    (c) The day upon which the increased rent shall become payable shall be not less than 60 days (or, in the case of a boarding house tenancy, not less than 28 days) after the date on which that notice is given; and

    (d) The rent shall not be increased within 365 days after the date on which the last increase took effect; and

    (e) In the case of a tenancy which is not subject to annual rent adjustment, the rent shall not be increased within 365 days after the date of the commencement of the tenancy; and

(f)   In the case of a tenancy which is subject to annual rent adjustment, no rent increase shall take effect:

    (i)   Less than 60 days (or, in the case of a boarding house tenancy, 28 days) after the notice required by paragraph (a) is given; and

    (ii)   Other than on the specified date in any year or with effect on the next day on which any rent is to be paid within 28 days after the specified date in any year; and

(g)   A landlord under a fixed-term tenancy—

    (i)   May not increase the rent during the term of the tenancy unless permitted by the provisions of the tenancy agreement to do so; and

    (ii)   May do so only in accordance with this section and any such provisions of the tenancy agreement; and

(h)   Where the Tribunal has made an order under section 25 and that order is still in force, the rent shall not be increased to an amount in excess of the amount specified in the order.

(2)   A tenancy is subject to annual rent adjustment where—

(a)   It is the landlord's practice (the proof of which shall lie on the landlord)—

    (i)   To review the rent annually; and

    (ii)   To adjust the rent on a specified day in each year; and

(b)   Provision to that effect is included in the tenancy agreement or the tenant is otherwise informed of the practice in writing before the commencement of the tenancy.

(c)   RDC undertake significant property upgrades

(3)   A notice of an increase in rent lawfully given under this section shall, unless it is withdrawn by the landlord, have the effect of varying the tenancy agreement in accordance with the terms of the notice.
Note: The MBIE standard contract allows for a 180-day rent review, recent legislation increases that to 365 days.

4.4   Ending a tenancy

Notice of breach. When a breach happens, RDC will send the person who is in breach a 14-day notice (plainly worded) to remedy. The notice tells them what they have done to breach the agreement, what they need to do to fix it, and how long they have to fix it.

If the tenant stays at the property for more than 90 days after the tenancy ends, it will mean that the landlord has given them a new periodic tenancy.

Glossary of terms used.

term	abbreviation	meaning
public housing		The NZ Government Public Housing Plan 2018-22 defines public houses as "properties owned or leased by HNZ (now Kāinga Ora) and CHPs that can be tenanted by people who are eligible for public housing. Public housing is therefore a general term covering both state and community housing". For the purpose of this strategy public housing also includes social housing owned and operated by RDC.
Community housing		Community housing is affordable rental housing for people on very low to moderate incomes that is generally managed by not for profit community housing organisations.
Social housing		Is housing provided for people who are most in need of housing and is provided by Government or local government (local authority) or not for profit community housing organisations.
Key Worker		An employee who provides a vital service. Traditionally this has applied to police, health, or education sectors. The definition now encompasses trades needed for economic development, construction and housing in particular.
affordable housing		As a guideline the universal definition is that "no more than 30% of gross and combined household income is needed to sustain costs of accommodation". For tenants this would include services such as electricity, communications (TV and internet) and in some cases water.
rates Neutral		Rental income needs cover • Full lifecycle asset management of the portfolio • Depreciation of new builds (generally being structure after 10-year structural warranty, fixtures & fittings after 5-year supplier warranty • A suite of wrap around services which optimise occupancy and the ability of tenants to sustain their tenancy over time.
Community/public housing proviDer	CHP	Community Housing Providers are a group of registered Public housing providers that ensure their tenants are appropriately housed; and support the growth of a fair, efficient and transparent community housing sector. There are currently 55 registered Community Housing Providers (CHPs) with 13,030 properties.
inCome relateD SubsiDy	IRRS	The Income Related Rent Subsidy is a rent that is subsidised by the NZ government in order to make accommodation more affordable for those on low incomes. The government pays the difference between the rent you can pay (based on 25% of your net income) and the normal market rental rate. Most social housing with government subsidised rent (Income-Related Rent or IRR) was traditionally provided by Housing New Zealand (now Kāinga Ora), but since April 2014 it is also available from other registered social housing providers. RDC is not a registered CHP so the council's tenants are only eligible for an "Accommodation Supplement" through Work and Income. These supplements are less than IRRS.
lanD Development risk		Undetermined hidden or latent costs to develop e.g. such as above ground flooding, or any below ground contamination and geotechnical constraints.

Schedule of acronyms.

ABC	Access, Bathroom, Circulation Standard
ACC	Accident Compensation Corporation
ATMS	Public Housing Asset and Tenancy Management Strategy
CHP	Accredited Community/Public Housing Provider
CPTED	Crime Prevention Through Environmental Design
GMP	Guaranteed Maximum Price
IHC	IHC New Zealand is a New Zealand organisation providing support and care for people of all ages with intellectual disabilities. It began as the Society for Intellectually Handicapped Children, hence the IHC acronym
IRR/IRRS	Income Related Rent Subsidy
ITP	Invitation to Partner
LED	Light Emitting Diode Lights
MBIE	Ministry of Business, Innovation and Employment
MHUD	Ministry of Housing and Urban Development (also HUD)
NZGBC	New Zealand Green Building Council
RDC	Ruapehu District Council
RSA	Returned Services' Association
TBC	To be confirmed