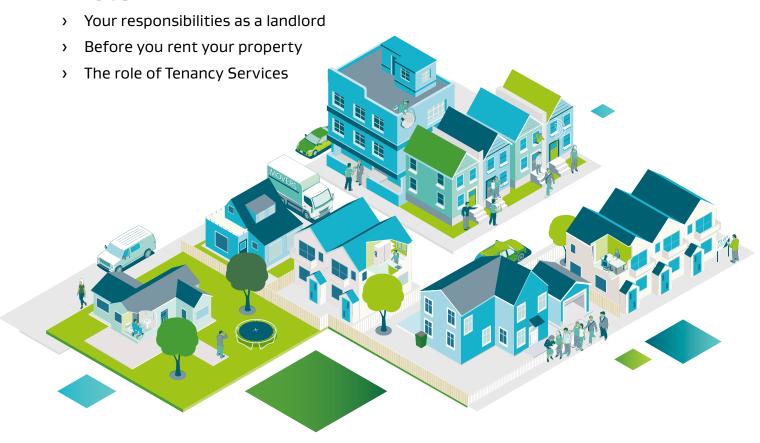
## **Tenancy Services**

# Information and resources for boarding house landlords

#### Inside



tenancy.govt.nz



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**New Zealand** 

This document is also available on our website: tenancy.govt.nz

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## About this guide

This information pack is an introductory guide for boarding house landlords. It includes an overview of your responsibilities and will direct you to further information and resources you will need.

#### Need more information?



Look for this icon to direct you to more information, templates, factsheets and forms.

#### Included in this pack

- > Your responsibilities as a landlord
- > Before you rent your property
- > Where to get help
- > The role of Tenancy Services



If you're downloading this information pack from the tenancy.govt.nz website, please also download the following documents. If you have received a printed version, these documents will be included.

- > Renting and You guide for landlords and tenants (Page 26-28 only)
- > Boarding House Tenancy Agreement
- > Bond lodgement form
- > Boarding house landlord compliance checklist
- > Healthy homes standards factsheet

#### What is a boarding house?

A boarding house has (or intends to have) at least 6 tenants at any one time. Each tenant has a tenancy agreement to rent a room or sleeping area within the room, and they share facilities such as the kitchen or bathroom. This is different to a standard tenancy where one or more tenants sign the agreement to rent the whole property.



Find out if you're operating a boarding house visit tenancy.govt.nz/starting-a-tenancy/ boarding-houses/are-you-operating-a-





Landlords need to be competent and professional when managing their rental properties including boarding houses. It's important to know what you are doing, as you are providing a service to the people who pay to live in your rental property (the tenants).

Landlords need to comply with all legal requirements. Landlords have obligations under the Residential Tenancies Act 1986, as well as requirements around building, health and safety. Landlords that don't meet their obligations under the Residential Tenancies Act 1986 could be liable for financial penalties.

Before you rent out your property or a room within a property, you should understand what is required of you.

Some of your responsibilities as a landlord include:

- providing and maintaining the rental property in a reasonable state of repair and cleanliness
- complying with all building, health and safety requirements that apply, including the Building Act 2004, Health Act 1956 and any bylaws set under the Local Government Act 2002
- signing a tenancy agreement that meets all the requirements of the law, and giving the tenant a copy before the tenancy starts
- Our Boarding House Tenancy Agreement template meets all minimum requirements. If you haven't already got one, download a copy from tenancy.govt.nz/tenancy-agreements.
- lodging the bond (if you take a bond) with Tenancy Services within 23 working days of receiving it (a bond of 1 week or less does not have to lodged)
- A bond lodgement form is included in this information pack. The form can also be downloaded from **tenancy.govt.nz/bond** or simply lodge your bond online.
- meeting your responsibilities for inspections, maintenance and repairs
- > allowing the tenant quiet enjoyment of the property
- informing the tenant if your contact details change, or if the property goes up for sale
- meeting the requirements of the healthy homes standards

- keeping comprehensive and accurate records relating to the rental property, including rent records and healthy homes compliance records
- You can download a rent summary template from our website **tenancy.govt.nz/receipts-and-records**.
- following the correct process for dealing with overdue rent
- Our website has information and templates to help you if your tenants are behind with the rent tenancy.govt.nz/overdue-rent.
- giving the correct notice and meeting the legal requirements for ending the tenancy
- > keeping up-to-date with law changes to the Residential Tenancies Act 1986.
  - Read the Renting and You guide to understand the basics of tenancy law. Pages 26-28 are relevant to boarding houses. The guide also includes a glossary to explain common tenancy terms. If you don't have a copy, download one from tenancy.govt.nz.

#### **Healthy homes standards**

The healthy homes standards set minimum requirements for heating, insulation, ventilation, moisture ingress and drainage, and draught stopping in rental properties.

All boarding houses must have complied by 1 July 2021. All houses rented by Kāinga Ora (formerly Housing New Zealand) and registered Community Housing Providers must comply by 1 July 2024.

Landlords need to:

- > keep records of all documents that show how the property complies with the healthy homes standards
- > include healthy homes information as an additional statement in all new tenancy agreements.

The healthy homes standards factsheet included in this pack outlines each standard. For more detailed information on what you need to do to comply visit tenancy.govt.nz/healthy-homes.

## Before you rent out a room in a boarding house

Before tenants start moving in, take the time to make sure you have everything ready and that you understand everything that you need to do.

Use this checklist as a guide to prepare your property for tenants:

- Complete the boarding house landlord compliance checklist attached to make sure you're meeting all your obligations
- Make sure the property is lawful for residential use and has all necessary consents from the local authority to operate as a boarding house
- Complete any maintenance or repairs needed
- Check that the property meets the requirements for smoke alarms
- Talk to your insurance company about landlord insurance for your boarding house.
  Your insurance company may also have specific requirements around things like inspections (tenancy.govt.nz/insurance)
- Make sure you understand the healthy homes standards and any work your property may need (tenancy.govt.nz/healthy-homes)
- Establish the rent for your property. You can use the tool on our website as a starting point (tenancy.govt.nz/market-rent)
- Consider joining a local property investors association for example, (nzpif.org.nz)
- Subscribe to the Tenancy Matters newsletter to stay up to date with tenancy news and law changes. (tenancy.govt.nz/#subscribe). You can also follow us on Facebook at facebook.com/tenancynz
- Decide whether or not you will manage the boarding house yourself or hire a professional property manager (tenancy.govt.nz/selecting-a-property-manager)

#### If you are managing the property yourself:

- Make sure you understand all rights and responsibilities under the Residential Tenancies Act 1986
- Make sure you understand your privacy responsibilities by reading the Privacy Act 2020 guidance for landlords and tenants on the Office of the Privacy Commissioner's website<sup>1</sup>
- Write your rental advertisement, making sure you state the amount of rent (you can't invite or encourage rental bidding)
- Open a separate bank account for the rent
- Sign up with a credit check company and make sure you meet your Privacy Act 2020 requirements when requesting a credit report
- Make sure you have copies of the documents you will need (the pre-tenancy application form, Boarding House Tenancy Agreement and bond lodgement form are included in this pack)

 $<sup>{\</sup>small 1\ www.privacy.org.nz/news-and-publications/guidance-resources/privacy-act-guidance-for-landlords-and-tenants/news-and-publications/guidance-resources/privacy-act-guidance-for-landlords-and-tenants/news-and-publications/guidance-resources/privacy-act-guidance-for-landlords-and-tenants/news-and-publications/guidance-resources/privacy-act-guidance-for-landlords-and-tenants/news-and-publications/guidance-resources/privacy-act-guidance-for-landlords-and-tenants/news-and-publications/guidance-resources/privacy-act-guidance-for-landlords-and-tenants/news-and-publications/guidance-resources/privacy-act-guidance-for-landlords-and-tenants/news-and-publications/guidance-resources/privacy-act-guidance-for-landlords-and-tenants/news-and-publications/guidance-resources/news-act-guidance-for-landlords-and-tenants/news-act-guidance-resource$ 



#### Tenancy Services

For more detailed information on your rights and responsibilities as a landlord, visit **tenancy.govt.nz**. This website explains the requirements of tenancy laws in plain English. You can also lodge bonds online, check your requirements for the healthy homes standards (including how to assess heating requirements) and apply to the Tenancy Tribunal or for mediation.



To keep up to date with changes to tenancy laws, sign up to our e-newsletter:

tenancy.govt.nz/#subscribe.

#### Information in other languages



Our Renting and You guide is also available in a range of other languages. Translated versions are available at **tenancy.govt.nz**.

#### Legislation website



You can read the full Residential Tenancies Act 1986 (and any other Acts) on the government legislation website (legislation.govt.nz).

#### **New Zealand Property Investors' Federation**

The New Zealand Property Investors' Federation is the umbrella body for 18 local Property Investor Associations. You may wish to join your local group to connect with other landlords in your area.



You can get in touch with your local Property Investor Association through the NZPIF website: nzpif.org.nz.

#### **Property managers**

If you don't feel confident to manage your boarding house yourself, you can hire a property manager.

Property managers will generally:

- > receive rent on your behalf
- find suitable tenants
- > handle maintenance
- deal with disputes
- > manage any issues at the end of a tenancy.

Just as you would if you were hiring an accountant or lawyer, take the time to make sure you're hiring someone experienced and with a good reputation.



There's more guidance on selecting a property manager on our website: **tenancy.govt.nz/ selecting-a-property-manager/**.



## The role of Tenancy Services

Tenancy Services is part of the Ministry of Business, Innovation and Employment. Our role is to:

- provide information and resources to help tenants and landlords understand their rights and responsibilities
- provide services for resolving disputes, including mediation and coordinating with the Tenancy Tribunal to schedule hearings
- receive and hold bond money in trust all bonds must be lodged with us, unless the bond in a boarding house tenancy is one week's rent or less
- monitor and enforce compliance with the Residential Tenancies Act 1986 (the Act) and associated regulations.

#### The role of other organisations

#### Ministry of Housing and Urban Development

The Ministry of Housing and Urban Development leads New Zealand's housing programme. This includes work to modernise rental laws and rental standards, and to increase housing supply. One of its responsibilities is developing proposed law changes. After changes become part of the Act it becomes Tenancy Services' job to inform, educate and support compliance.

#### hud.govt.nz

#### Ministry of Justice

Tenancy Services works with the Ministry of Justice to schedule Tenancy Tribunal hearings. Tenants and landlords apply for mediation or a Tenancy Tribunal hearing through Tenancy Services. If your dispute is scheduled for a hearing, the application will be transferred to the Ministry of Justice before the hearing takes place.

#### justice.govt.nz



There's more information on resolving disputes and the role of the Tenancy Tribunal on our website: **tenancy.govt.nz**.

#### Work and Income New Zealand

Work and Income New Zealand (WINZ) provides financial assistance to people with low income or who are not working. Tenants who are eligible for this assistance may have some of their rental payments made directly to the landlord. The available assistance includes help with housing costs, including bond grants and rent in advance payments.

#### winz.govt.nz





