ANNUAL REPORT

TENANCY TRIBUNAL
TE TARAIPIUNARA RETIHANGA

2024

Published July 2025

Tenancy Tribunal | Te Taraipiunara Retihanga
www.tenancy.govt.nz/disputes/tribunal and www.justice.govt.nz/tribunals/tenancy/

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FOREWORD

I am pleased to present the first annual report of the Tenancy Tribunal | Te Taraipiunara Retihanga (the Tribunal).

Openness is essential to justice and this report is intended to assist the public and users of the Tribunal in understanding who we are, what we do, how we operate, the pace at which we work, the context in which we function, and how our performance in 2024 compares with previous years.

2024 was a busy year for the Tribunal. Application numbers have continued to increase, the cases we hear are becoming increasingly complex and recent law changes have altered the legal landscape in significant ways. Against that background, the Tribunal delivered fair and expeditious justice to tens of thousands of New Zealanders. That outcome does not happen by accident, and acknowledgements are warranted.

I am immensely grateful to the hard work and dedication shown by all the Tribunal registry and support staff, across Tenancy Services at the Ministry of Business, Innovation and Employment (MBIE) and at the Ministry of Justice. The Tribunal is fortunate to be supported by such capable and engaged public servants.

Tenancy Mediators play an important role in delivering expeditious justice and are an invaluable function of the Tribunal. Just under one third of all Tribunal matters are resolved at mediation, in a way that the parties are happy with and more quickly than if the matter had gone directly to the Tribunal for a hearing.

I am also proud of the mahi of the Tenancy Adjudicators. They do challenging and fast-moving work with integrity and professionalism. I am fortunate to lead such a capable, stable, and engaged group of judicial officers.

Finally, and most importantly, I would like to thank and acknowledge those New Zealanders - landlords, tenants, property managers, body corporates, unit title holders and others - who have brought or responded to claims to the Tribunal. The Tribunal exists to serve you, and we are grateful that you feel confident to bring your disputes to us for resolution.

One of my goals for 2025 and beyond is to further enhance the public understanding of the Tribunal and increase the confidence that New Zealanders have in the work we do. This annual report is a starting point.

Ngā mihi nui

Brett Carter
Principal Tenancy Adjudicator

ABOUT THE TENANCY TRIBUNAL

The Tenancy Tribunal was established by the Residential Tenancies Act 1986 and hears and determines claims:

- under the Residential Tenancies Act between landlords and tenants; and
- under the Unit Titles Act 2010 between affected parties (which can include bodies corporate, unit owners, unit occupiers and body corporate managers).

The Tribunal can make orders up to a maximum of $100,000. Anyone wanting to claim more than $100,000 will need to file a claim in a Court rather than the Tribunal unless the applicant agrees to waive the right to recover any amount above $100,000.

Any party who is dissatisfied with the decision of the Tribunal may appeal to the District Court, unless:

- the decision was an interim order;
- the amount in dispute was less than $1,000; or
- the value of any work in dispute is less than $1,000.

Appeals must be filed within 10 working days of the decision. There is no power to extend that deadline for filing an appeal.

Access to the Tribunal is inexpensive and easy. An application is commenced by completing an application form and paying a filing fee. The easiest way to complete an application is to use the online forms. About 98 percent of all residential tenancy claims are filed online.

From 1 July 2025, the filing fee for a residential tenancy claim is $28.

There are two filing fees for unit titles claims:

- Fee for mediation - $250.
- Fee for hearing/case conference - $500.

If a unit titles dispute is not resolved at mediation and then goes to a hearing, the total amount required to be paid is $500. If a $250 fee has been paid for a mediation, and the dispute is then referred to hearing, a further fee of $250 is required.

The Adjudicators
The Tribunal currently consists of:

- the Principal Tenancy Adjudicator;
- the Deputy Principal Tenancy Adjudicator; and
- 54 Tenancy Adjudicators.

Tenancy Adjudicators are based throughout New Zealand – from Kaitaia to Invercargill – to enable claims to be heard where they occur. Most Tenancy Adjudicators are experienced lawyers. The two adjudicators who are not lawyers have been appointed due to their special knowledge and demonstrated ability to perform the roles and functions of the Tribunal.

The Tribunal is led by Brett Carter, the Principal Tenancy Adjudicator and Rex Woodhouse, the Deputy Principal Tenancy Adjudicator.

Tenancy Adjudicators are appointed under warrant by the Governor General for a maximum term of five years. Adjudicators can be reappointed when their term expires.

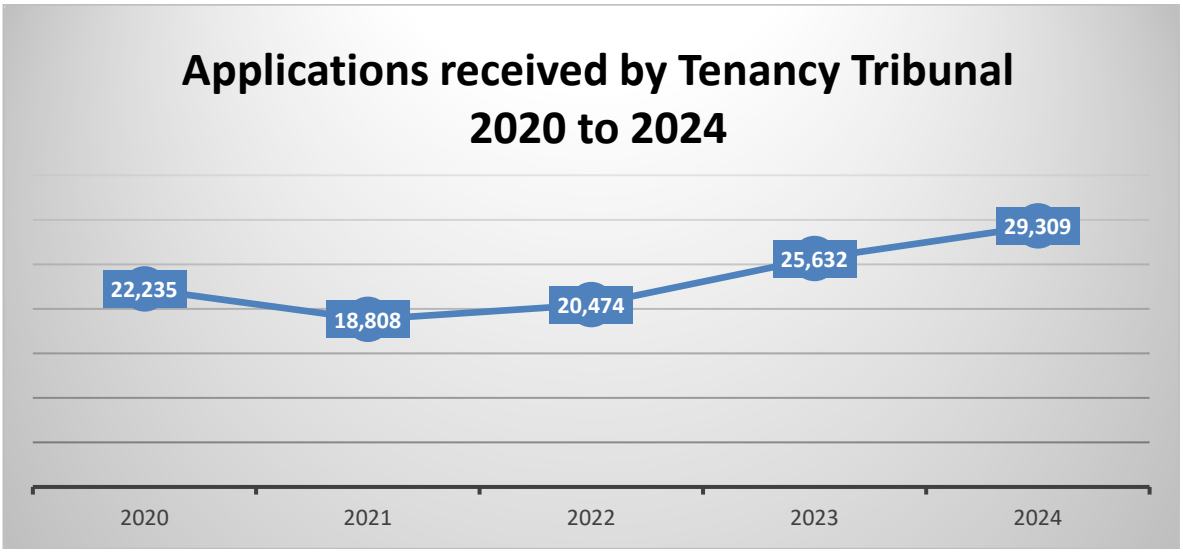
In 2024:

- Four Adjudicators were appointed to the Tribunal for the first time, including the Principal Tenancy Adjudicator; and
- 15 Adjudicators were reappointed for further terms.

Each Adjudicator is an independent judicial officer. This means that each Adjudicator independently decides the claim before them, without being bound by the decisions of any other adjudicator (noting that the Tribunal is bound by the relevant decisions of the District Court and the High Court). Although the facts of each case are always different, we strive to ensure consistent application of the law by the adjudicators, so the Tribunal ensures that adjudicators receive ongoing guidance and training, including on law changes, important case law developments and adjudication skill.

Receiving and processing applications

There has been a significant increase in the number of applications received by the Tribunal since 2020. In 2024, the Tribunal received 29,309 applications under the Residential Tenancies Act, a 14 percent increase on 2023, 43 percent increase on 2022 and 56 percent increase on the number of applications received in 2021.



Tenancy Services receives and processes all Tribunal applications.
After receiving and processing an application, Tenancy Services schedules the matter for mediation, unless:

- The parties have requested FastTrack Resolution;
- A party has opted out of mediation; or
- The matter is of a type that is most appropriate to proceed directly to a hearing.

FastTrack Resolution

The Tribunal provides a FastTrack Resolution process. Where the landlord and tenant have reached their own agreement to resolve their tenancy problem, they can apply to the Tribunal to have that agreement validated using FastTrack Resolution.

FastTrack Resolution is faster than mediation and is suitable where the parties have agreed between themselves on how to resolve their dispute but want an order of the Tribunal as a formal and enforceable record of that agreement. FastTrack Resolution is for cases involving rent arrears, unpaid bond monies or unpaid water invoices.

A FastTrack Resolution application is referred to a Tenancy Mediator. If the Mediator is satisfied that the parties have genuinely reached an agreement, they can make a Mediator's Order, which is then sealed by the Tribunal. This process is completed without the parties having to attend a scheduled mediation.

Our sense is that there is still limited public knowledge about the FastTrack Resolution process, and one of our objectives for 2025 is to increase understanding of this speedy and cost-effective process.

For more information about FastTrack Resolution, see:
https://www.tenancy.govt.nz/disputes/fasttrack-resolution/.

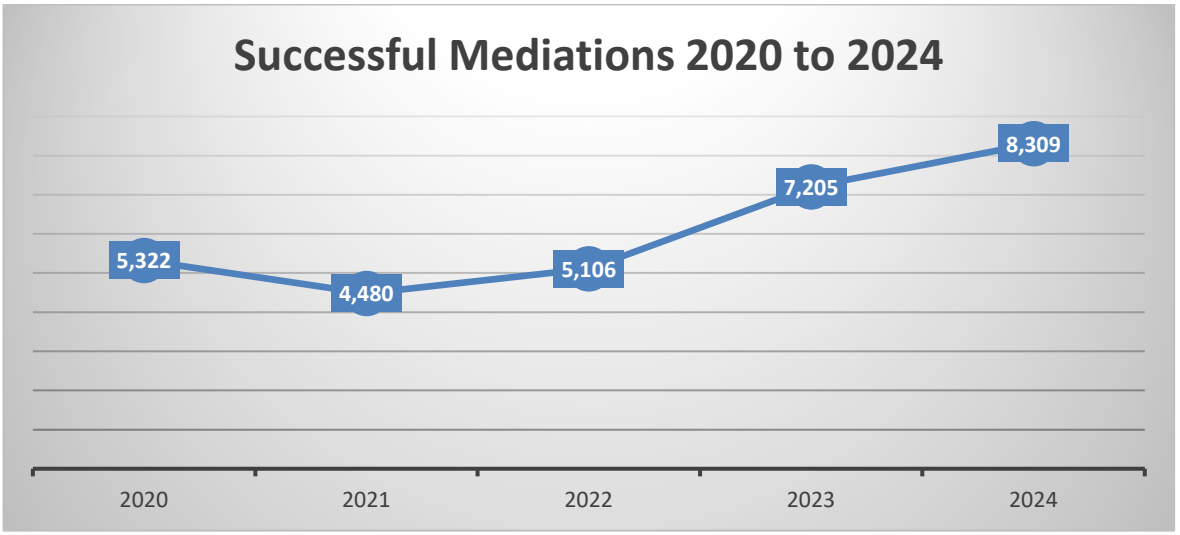
Mediation

Tenancy Mediators conduct Tenancy mediations, which typically occur by phone and are intended to enable the parties to talk about and solve their problems.

Tenancy Mediators are experienced in tenancy issues and disputes resolution. They do not make decisions or take sides. They are not lawyers, judges, or advocates for any party. Their job is to guide the parties through the mediation, ensure the parties have a chance to have their say during the mediation and help the parties to reach a fair agreement.

Where the parties reached a mediated agreement, the Mediator prepares a Mediator's Order, which is typically sealed by an Adjudicator. That way the order becomes an order of the Tribunal and is enforceable.

There are currently 23 Tenancy Mediators, and they are busy and effective. In 2024 they successfully mediated 8,309 applications (approximately 28 percent of applications), which is a significant increase on previous years. The effectiveness of Mediators is also demonstrated by the fact that nearly 90 percent of all mediated matters, where both parties attended the mediation, settled.



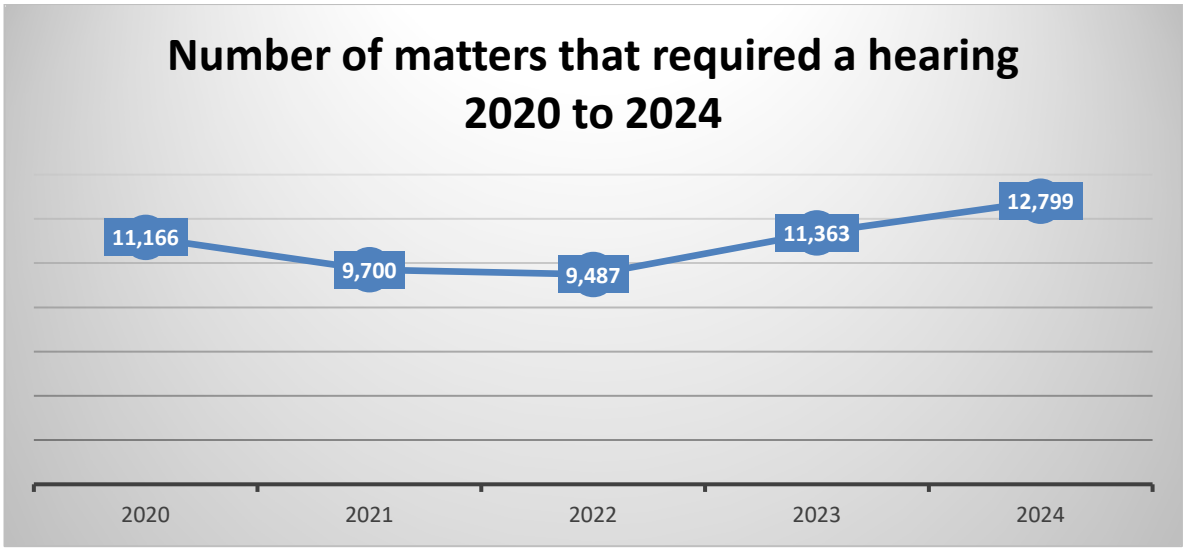
For more information about Tenancy mediation see: https://www.tenancy.govt.nz/disputes/mediation/.

Hearings

If the matter is not resolved through mediation or FastTrack Resolution and a hearing is required, Tenancy Services schedules the hearing and transfers the file to the Ministry of Justice.

The Ministry of Justice then acts as the Tribunal's registry and provides administrative support to the Tribunal and Adjudicators and manages cases once they have been set down for a hearing.

In 2024, 12,799 matters were set down for a hearing – a significant uplift on previous years.



The Tribunal holds both in person and remote hearings. In 2024, about 52 percent of all hearings were remote hearings and 48 percent were in person.

In-person hearings mostly occur in the courthouse closest to the tenancy, although sometimes in person hearings will be heard at another courthouse for administrative reasons. Remote hearings are mainly video hearings, but some straightforward matters are resolved through phone hearings.

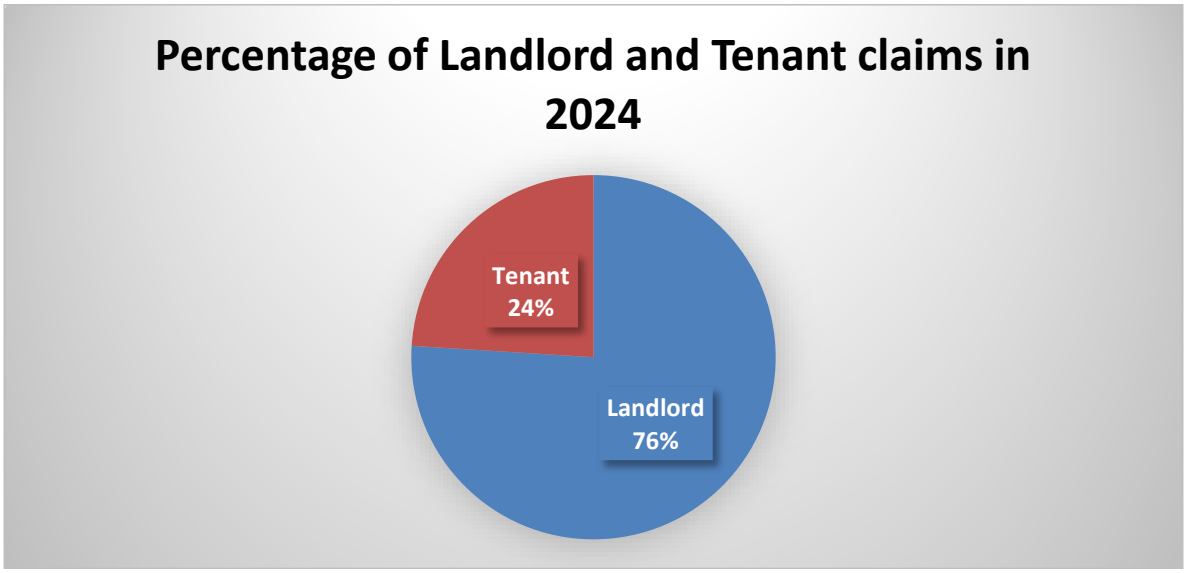
Tribunal hearings are less formal than court hearings, and the parties will often represent themselves. For complex matters, or matters involving more than $6,000, a party may be represented by a lawyer or a representative.

For more information about a Tribunal hearing, see:
https://www.tenancy.govt.nz/disputes/tribunal/.

WHAT THE TRIBUNAL DOES

Residential tenancy claims

About 76 percent of all residential tenancy claims are brought by Landlords. About 24 percent of all residential tenancy claims are brought by Tenants.



The most common claims brought by Landlords include claims for:

- Rent arrears (about 66 percent of all claims before the Tribunal relate, at least in part, to rent arrears).
- Water rates arrears.
- Compensation for costs or losses arising from breaches of the tenant's obligations (such as cleaning costs, rubbish removal, damage repairs).
- Termination of the tenancy and possession of the premises.
- Claims for the bond.

The most common claims brought by Tenants include claims for:

- Recovery of the bond.
- Compliance with Healthy Homes Standards.
- Damages due to a breach of the Landlord's obligations.

Case example - A tiny home claim

Many cases involve a mixture of Landlord and Tenant claims. For example, in *Tenant* v *Griffin & Griffin,* the Tribunal considered claims relating to a tenancy involving occupation of a tiny home.

The tenants had rented a tiny home from the landlords from the 2 February 2024 to 14

September 2024.

There was no written tenancy agreement, and the Landlord did not lodge the $640 bond.

During a storm on the 29 May the tiny home fell on its side. The tiny home suffered damage to pipe work and guttering and had to be repositioned. The landlord paid for the tenants to stay in a motel for two nights whilst the home was repaired and reinstated. The tenancy then ended in September due to a dispute about payment for power.

The tenants claimed that they lost furniture and belongings and food when the tiny home fell over and sought compensation from the Landlord for those costs. The tenants also claimed exemplary damages on the grounds that the tiny home was an unlawful residential premises because it did not have building consent and because the landlord failed to provide a written tenancy agreement and did not lodge the bond. The Landlord cross-claimed seeking compensation for cleaning costs.

The Tribunal found that the Landlord was entitled to recover $300 for cleaning costs, but otherwise found largely in the tenant's favour. It found that the landlord had failed to provide a written tenancy agreement and to lodge the bond. The Tribunal also found that the premises were most likely unlawful because it was a building under the Building Act 2004 as it was fully self-contained, could not be easily moved, had utilities attached and was intended for long-term residential purposes.

The landlord was ordered to pay $350 in exemplary damages and $1,500 compensation to the tenants.

Case example – Landlord claim for rent and water rates arrears and damages

Damerell Group Property Management 2 Ltd v Tuipea and Teofilo, involved a claim by the Landlord at the end of the tenancy.

This case involved many of the types claims commonly brought to the Tribunal by landlords. The tenants owed rent and water rates, had not returned the keys, the premises were damaged and were not left in a reasonably clean or tidy condition. In that regard, the adjudicator noted:

> The photographs [provided by the Landlord] show the property to be in a filthy condition at the end of the tenancy. There was rubbish left behind, including old mattresses, bed bases and the like. No care or attempt has been made to clean this property at the end of the tenancy. The property had a flea and cockroach infestation and had to be treated.

The Tribunal upheld the Landlord's claim and awarded compensation of $6,231.39 to the Landlords.

Unit titles claims

The Unit Titles Act 2010 is the law that governs all unit title properties and sets out the rules and regulations so they can be managed effectively. Unit title owners own a defined part of a building, such as an apartment, and share common areas such as lifts, lobbies, or driveways with other owners. Residential unit title properties are typically apartment blocks and townhouses. Commercial and industrial types include office blocks, industrial or retail complexes, and shopping malls.

About three percent of all claims before the Tribunal are unit titles claims relating to residential or commercial unit title premises.

Most of the unit titles claims heard by the Tribunal involve residential premises (e.g. apartment building and townhouse developments). The issues that arise are many and various, but the most common claims include disputes about body corporate levies and body corporate rules.

For more information about unit titles and unit titles claims, see: https://www.unittitles.govt.nz/.

Case example – construction of a pergola

In *Simons v Body Corporate 326889*, Ms Simons had installed a free-standing pergola with a louvre roof in her backyard. The Body Corporate considered that the pergola breached the Body Corporate Rules and issued a breach notice. Ms Simons paid the "administrative fee" of $212.75 imposed by the Body Corporate and then applied for retrospective permission to install the pergola. The Body Corporate declined consent, so Ms Simons filed a claim with the Tribunal.

The Tribunal found that the pergola was not unlawful or in breach of Ms Simon's obligations under the Unit Titles Act. The pergola was constructed entirely within Ms Simons' unit and did not affect the common property or materially impact on the ownership interest or enjoyment of any other unit holder. The Tribunal also found that the Body Corporate Rule relied upon by the Body Corporate was ultra vires and therefore invalid because the rule exceeded the powers that the Body Corporate had to make rules that control the owner's use of a unit.

The Tribunal ordered that the Body Corporate refund the "administrative fee" charge and pay the $500 cost of filing the claim.

Commercial unit titles disputes

Commercial unit title disputes are often legally and factually complex.

Case example – calculation of levies and conflict of interest

A recent example is the case of a commercial complex. In *Asia Ventures Limited v*

Body Corporate, the Tribunal needed to consider a dispute over the Victoria Park Markets in Auckland.

While this was a unit title, there was a complex arrangement where public and service areas were owned as a separate unit and operated and funded within a land covenant outside of the UTA. In this case the Tribunal needed to consider claims around how levies were calculated, finding that the approach taken by the Body Corporate was wrong. The Tribunal also needed to consider whether there was a conflict of interest for the body corporate manager, finding that there was, given the dual role taken by the manager with the Body Corporate, and as managing the principal unit covered by the land covenant.

MBIE Compliance claims

Under the Residential Tenancies Act, the Chief Executive of MBIE has wide-ranging powers in relation to the oversight of residential tenancies in New Zealand, including the ability to bring applications to the Tribunal.

In practice, the Chief Executive's powers are exercised under delegated authority to the Officers within the Tenancy Compliance and Investigations Team who can bring enforcement proceedings to the Tribunal.

For more information about the Tenancy Compliance and Investigations Team, see: https://www.tenancy.govt.nz/about-tenancy-services/compliance-team/.

Case example – market rent, healthy homes, and maintenance

In *The Chief Executive, Ministry of Business, Innovation, and Employment v Bhana*, the Chief Executive alleged that the Landlord had breached various cleanliness, maintenance, and healthy home standards obligations under the Residential Tenancies Act, and that the rent was higher than a reasonable market rent.

The Tribunal found that the Landlord breached the obligation to keep the premises in a reasonable state of repair because:

- The roof had several holes and leaked.
- There were no adequate locks on the doors.
- There were holes in the floor.
- A power point was broken.
- Window latches were broken.
- The shower was rotten.
- The gutter/downpipe system was broken.
- The laundry door frame was broken.

The Tribunal also found that the Landlord breached the insulation, draught stopping, moisture ingress and drainage Healthy Homes Standards regulations.

The Tribunal ordered that:

- The rent be retrospectively reduced from $750 to a market rent of $486 per week from 2 November 2023 for a period of six months.
- The Landlord was to reimburse any rent overpayment from 2 November 2023.
- The Landlord was to undertake repairs required to bring the premises to a reasonable state of repair and to comply with Healthy Home Standards.
- The Landlord was restrained from committing further unlawful acts for three years.
- The Landlord was to pay exemplary damages for the various breaches to the sum of $12,020.44 to MBIE.

TIMELINESS

Time to mediation and hearing

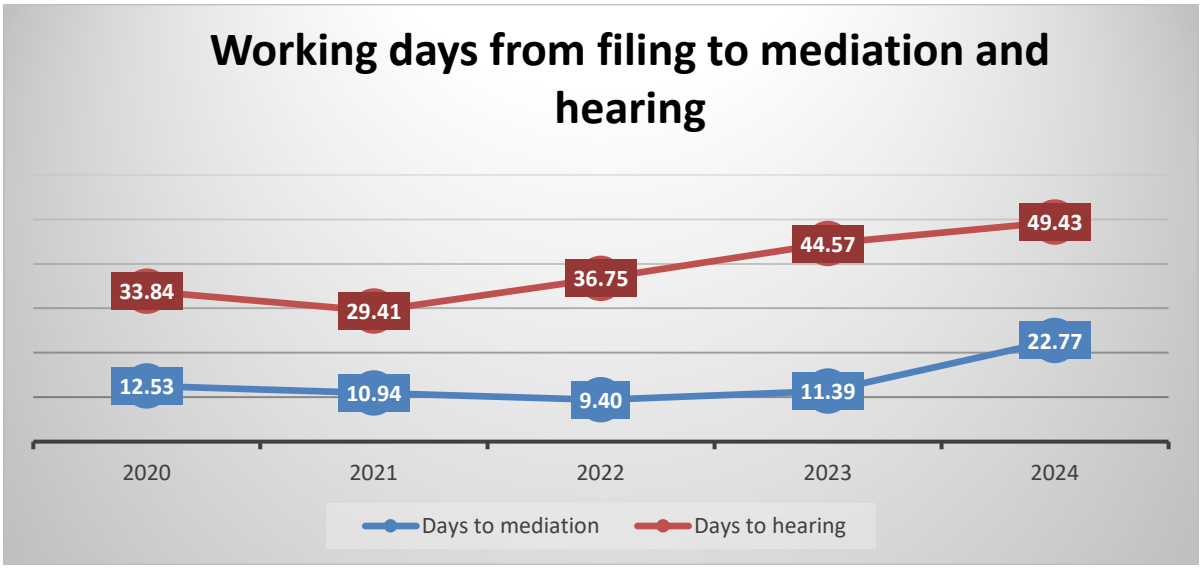
Speedy resolution is important. For Residential Tenancies Act claims involving landlords and tenants, the Tribunal is required to act in a manner that is most likely to ensure the fair and expeditious resolution of those disputes. We do not have the same statutory obligation of expeditiousness in Unit Titles claims, but we take the same approach to timely resolution.

The Tribunal does not have unlimited resources, so it must assess and prioritise the applications it receives to ensure that those matters that require urgent attention receive it. The Tribunal prioritises matters involving ongoing tenancies or threats to personal safety or property over claims where the tenancy has ended and there is no other pressing need for swift determination. This can sometimes mean that non-urgent matters take longer to hear than the matters that are prioritised.

Due to this prioritisation, the time between an application being filed and the hearing day will vary. If the claim is straightforward and the Tribunal can hear it by phone or video, then the wait for a hearing after any mediation will be less than the average wait time.

Other matters may take longer to be heard due to a range of factors, including requests for adjournments by the parties, filing of amended applications or cross claims, the complexity of the claim, the length of the hearing and the availability of courtrooms in the area.

Overall, in 2024, Tribunal hearings for residential tenancy cases were conducted on average just under 10 weeks after filing (which includes the particularly complex cases).



What the Tribunal is doing to reduce wait times

We are actively working on ways to reduce the time that parties wait to have their matters heard.

At the beginning of 2024, the Tribunal had more than 200 days of unscheduled matters on hand (i.e. the number of hearing days required to determine the matters that had not yet been scheduled for a hearing). We made a concerted effort to reduce that number in 2024, including by improving processes, appointing new adjudicators, implementing a Duty Adjudicator role to streamline scheduling, and increasing our use of remote hearing technology. By the end of 2024, about 52 percent of all applications were heard using remote hearing technology, a large increase on previous years. We expect the percentage of remote hearings to increase as parties and Adjudicators become more familiar with the technology.

Those measures have been a success. At the end of 2024, the number of unscheduled hearing days was reduced significantly – by the end of 2024 there were approximately 50 unscheduled hearing days. Our current data (as of May 2025), shows that, although the number of applications has increased by a further 10 percent on 2024 applications, the average number of working days to the first hearing is reducing.

We will continue to find and implement ways to reduce wait times, and there are many things the parties can do to assist.

What the parties can do to assist faster resolution of claims

Do not delay urgent matters

In our experience, many urgent claims (such as a claim for possession of premises following abandonment or recovery of rent arrears, or termination of the tenancy for substantial rent arrears) are delayed because the parties want to include other non-urgent claims for loss that has not yet been suffered (such as claims for compensation for cleaning or rubbish removal at the end of the tenancy).

Delaying urgent claims while waiting for those future losses to occur can delay resolution, as longer hearings generally take more time to schedule due to limited availability of suitable hearing slots. To assist in having urgent matters determined quickly, we suggest bringing urgent claims as soon as they arise, and then a separate claim for other matters that arise afterwards.

Use FastTrack Resolution

Where the parties have already agreed on an outcome relating to repayment of rent arrears, unpaid bond monies or unpaid water invoices but want the agreement formalised, they can apply for FastTrack Resolution, which is a much quicker process than Mediation or a Tribunal hearing.

Participate in mediation

Although not as fast as FastTrack Resolution, mediation is quicker than a determination following a Tribunal hearing. Mediation is also effective. In 2024, about 90 percent of matters settled when both parties participated in the mediation. We encourage parties to use mediation in appropriate cases.

Provide your evidence well in advance of the hearing

Many Tribunal hearings are delayed because a party provides new evidence on the day of the hearing or shortly beforehand. Sometimes, fairness requires that the hearing should be adjourned to enable the other party to properly consider and respond to that evidence. To avoid delay, we suggest providing all evidence well in advance of the hearing. If you are the applicant, try to provide as much evidence with your application as you can.

File any cross claim as soon as possible

Hearings are often adjourned because one of the parties has filed a cross claim shortly before the scheduled hearing. Because those cross claims need to be properly served on the other party and often lead to the matter becoming more complex and requiring more hearing time, we suggest that all cross claims also be filed well before any scheduled hearing.

RECENT LEGISLATIVE CHANGES

The Residential Tenancies Amendment Bill was passed in December 2024, with the law changes taking effect at various times throughout 2025. The main changes are discussed below.

Introduction of pet bonds and other pet related rules

This change is not yet in force. Once in force, tenants may only have a pet or pets with the consent of the landlord. The landlord can withhold consent on reasonable grounds. Where a landlord consents to a tenant having a pet or pet, the landlords can charge a "pet bond" of up to 2 weeks' rent in addition to the existing bond.

Changes to notice periods

Tenants can now end a periodic tenancy with 21 days' notice. Landlords can now end a periodic tenancy:

- with 90 days' notice without any reason (a "no cause termination"); or
- with 42 days' notice for any of several specific reasons (e.g. the landlord needs the property for themselves or a family member).

Changes to how fixed term tenancies end or continue

A fixed term tenancy will now automatically convert to a periodic tenancy unless the tenant or landlord gives notice between 21 and 90 days before the end of the fixed term tenancy.

The Tribunal may now decide certain claims on the papers

Where appropriate, the Tribunal can now decide matters on the papers (other than claims for termination of a tenancy and claims relating to a landlord's right to enter premises). This power will assist the Tribunal in the prompt resolution of claims in several ways. For example, we expect that many applications for a rehearing and for costs can be determined on the papers. There may also be other types of claims that are amenable to decisions on the papers, and where appropriate, the Tribunal will look to use this power to resolve claims promptly and fairly.

However, initially we do not expect to use this power widely where there is contested evidence and the parties do not consent to a decision on the papers. It is a fundamental principle of natural justice that a party has a right to be properly heard before a claim that affects their rights is decided. In our experience, even in relatively straightforward cases, a lot of useful evidence comes out during a hearing that is then material to the outcome.