



**METHODIST  
ALLIANCE**  
NGA PURAPURA WETERIANA

**Submission to the Social Services  
& Community Committee  
on the  
Residential Tenancies  
(Prohibiting Letting Fees)  
Amendment Bill  
18 May 2018**

**This submission is from:**

The Methodist Alliance  
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## Methodist Alliance Submission

### Residential Tenancies (Prohibiting Letting Fees) Amendment Bill

#### 1. Who we are

The Methodist Alliance is a formal alliance of Methodist Missions, parishes and community based social services and trusts, including cooperating ventures. This grouping constitutes a major provider of a range of services for children, young people and their families.

The Methodist Alliance brings together a number of large social service providers such as Lifewise in Auckland, Wesley Community Action in Wellington, Christchurch Methodist Mission as well as local community services provided by individual parishes. It includes new social service organisations, for example, Siaola Vahefonua Methodist Mission, the Samoan Synod within the Methodist Church and Te Taha Māori.

The Methodist Alliance is grounded in a commitment to Te Tiriti o Waitangi and the bi-cultural journey of the Methodist Church of New Zealand - Te Hāhi Weteriana o Aotearoa, where Te Taha Māori and Tauīwi work in partnership.

#### 2. Overview

The purpose of this bill aligns with the Methodist Alliance's vision for a just society in which all people flourish.

We support this Bill as it seeks to ensure that the letting fees cannot be charged to the tenant and therefore reduces the upfront costs some tenants are required to pay when renting a new property.

#### 3. Scope of the Bill

The Methodist Alliance supports the Bill's intent to ensure that tenants are not charged a letting fee, or any other fee in respect of charges for services by a letting agent, solicitor, or any other person in relation to a tenancy.

Letting agents are working for the landlord not the tenant. The letting fee covers advertising costs for the property, open homes and showing prospective tenants through the property, vetting and selecting tenants. These costs are implicit to being a landlord. The landlord receives the benefit of all these services and therefore these costs should be paid by the landlord rather than the tenant.

**Case Study from a Methodist Alliance member:**

Steve reports that finding a property to rent is stressful, difficult and very expensive. The process is quite involved with lots of forms to fill out just to view a house. Then you need to be selected to view a house and if you are lucky enough to be selected it is often with several other prospective tenants. Then there is another wait to see if you have been selected to rent the house.

Finances are stretched and when you have to find one week's rent on top of the four week's bond, and the two weeks rent in advance, as well as the costs of moving, it is another barrier that prevents my family from finding a home. But when we are desperate to find somewhere to live, we have no choice but to pay the letting fee.

The Methodist Alliance supports the Bill and the Government's actions to address the housing crisis in Aotearoa New Zealand.