

AH 16 074

18 October 2016

Minister Responsible for Housing New Zealand

Minister for Social Housing

Potential effects on Housing New Zealand with changes in Ministry of Health methamphetamine contamination guidelines

This paper provides you with information relating to the new Ministry of Health (MOH) guidelines for methamphetamine contamination, and how this will affect Housing New Zealand's operations.

Background

New Zealand does not have a national standard for the testing and remediation of methamphetamine contaminated properties. The Ministry of Health's (MOH) "Guidelines for the remediation of clandestine methamphetamine laboratory sites (2010)" is used as a de facto standard across New Zealand. This guideline recommends a threshold of methamphetamine not exceeding a concentration of $0.5\mu\text{g}$ per 100cm^2 . Housing New Zealand tests and decontaminates its properties in line with this threshold.

In May 2016 the New Zealand Standards Approval Board gave approval to develop a National Standard that will cover testing and remediation of properties contaminated by the use or manufacture of methamphetamine. Housing New Zealand, along with other agencies and sector experts, is taking part in the development of this standard.

Review of Ministry of Health Guidelines

The MOH engaged with the Institute of Environmental Science and Research (ESR) to conduct a review of the threshold within the current guidelines of $0.5\mu\text{g}$ per 100cm^2 . The recommendations of this review are expected to form the foundations of the National Standard which will be released early next year.

The review recommended three different threshold levels depending on the circumstances of the property and levels of contamination. The review also provides clarity around the distinction between the use and manufacture of methamphetamine. The thresholds set out in this review will become an addendum to the current guidelines to be used in the interim until a National Standard is formally established. The interim thresholds are:

- $0.5\mu\text{g}/100\text{cm}^2$ for houses where the drug has been manufactured (unchanged)
- $1.5\mu\text{g}/100\text{cm}^2$ for houses where the drug has only been used – carpeted
- $2.0\mu\text{g}/100\text{cm}^2$ for houses where the drug has only been used – uncarpeted

Effects of increased thresholds

Housing New Zealand is currently assessing the impact of a 2.0µg threshold for the properties. However, based on a new threshold of 1.5µg, Housing New Zealand will have:

Fewer properties that test above new guidelines

- Housing New Zealand would see a reduction between 150 and 200 contaminated properties per year.

Fewer properties requiring decontamination

- Between 230 and 280 properties would not be required to go through the decontamination process, which means that they would be able to be let to tenants faster (reducing their turnaround time by approximately 12 weeks). This would save Housing New Zealand up to \$2 million per year in lost rent, decontamination, and retesting costs.

Less work required to decontaminate properties

- About 240 houses a year that were contaminated would require less work to bring them to a safe level, which means that they would be able to be let to tenants faster (reducing their turnaround time by approximately 10 weeks). This would save Housing New Zealand over \$800,000 per year in lost rent and retesting costs.

In 2015/16 the total spend on methamphetamine testing and remediation was \$21 million. An increase to a 1.5µg threshold would save Housing New Zealand approximately \$2.7 million per year.

Implementation

Housing New Zealand is working to determine how the interim thresholds will be applied operationally and will implement them as soon as practicable. During this time, Housing New Zealand will continue to test its properties for contamination as usual. However, decontamination work to properties where contamination levels test at 2.0µg or below will be temporarily put on hold. Properties where decontamination work is already under way will be dealt with on a case-by-case basis.

Housing New Zealand will continue to follow its current policies by testing properties based on suspicion. Regardless of the level of contamination, any evidence of meth use or manufacture in our properties is evidence of illegal behaviour, and the tenancy may be ended as a result.

Engagement with stakeholders and communications

There is significant public, media, staff, and contractor interest in methamphetamine contamination and how it affects people's health and safety. A communications plan has been drafted and has been shared with your office.

Housing New Zealand will continue to:

- contribute to the National Standard development process

- work closely with Police and other government agencies, including the MOH and ESR, to develop better ways of understanding and managing methamphetamine risks for our people and properties.

Next steps

Housing New Zealand will wait for the release of the new thresholds by the MOH. When this happens, we will have conversations with staff, contractors, and other stakeholders about what the new thresholds mean for them and their work, as well as address any safety concerns they may have.

Housing New Zealand will also work collaboratively with testing and decontamination contractors to ensure they understand the new thresholds and requirements.

PP. P. Dougherty

Patrick Dougherty
General Manager Asset Development

Housing New Zealand Corporation

Released under the Official Information Act 1982

Released under the Official Information Act 1982