

HOUSING NEW ZEALAND BOARD

Meeting date:	18 October 2016
Prepared by:	Andrew McKenzie, Chief Executive
Business Group name:	Office of the Chief Executive
Subject:	Ministry of Health methamphetamine contamination threshold

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PURPOSE

1. This memo provides background information on the publication of revised Ministry of Health methamphetamine testing and remediation guidelines, which are expected to be released in the week of 17 October 2016.



RECOMMENDATION

2. It is recommended that the Housing New Zealand Board:
 - a) **note** the revised guidelines and their operational effects on Housing New Zealand.



BACKGROUND

3. There has been significant interest in the development and implementation of a revised threshold for methamphetamine contamination. Addressing the social costs of methamphetamine has been recognised as a priority across Government for some time.
4. Risks associated with methamphetamine have been a priority focus for Housing New Zealand. The risk to our tenants, our staff and our contractors are of paramount concern for management. In addition, the use of methamphetamine in our homes and communities is linked to increasing crime and anti-social behaviour, and creates significant risk to people's health and safety. These risks are not just to users, but also to their families and anyone that enters a Housing New Zealand property contaminated by use or manufacture.

5. Health affects can result in agitated and irrational behaviour, significant skin damage, dental damage, as well as serious affects to the central nervous and cardiovascular systems. Exposure in pregnant women has also been linked to adverse development affects on infants.
6. Housing New Zealand has implemented the Methamphetamine Management Programme with a primary outcome of safeguarding the health and wellbeing of our tenants, staff, contractors and communities.

Current guidelines

7. There is no National Standard for the testing and remediation of methamphetamine affected properties. There are instead Ministry of Health guidelines which are used as de-facto standards across New Zealand.
8. Housing New Zealand's operational procedures for managing methamphetamine contamination are set around the Ministry of Health guidelines. The guidelines recommend a threshold of methamphetamine not exceeding a concentration of 0.5µg per 100cm².
9. HNZ decontaminates each property that has a test result at 0.5µg or above and removes tenants resident in these properties to reduce any risk to their health and wellbeing.

Development of a National Standard

10. HNZ has actively advocated for the development of a scientifically based, National Standard for methamphetamine.
11. In May 2016 the New Zealand Standards Approval Board approved development of a National Standard (NZS 8510) that will cover testing and remediation of properties contaminated by the manufacture or use of methamphetamine.
12. It is expected that the new National Standard will be published in February 2017.

13. HNZ is represented on the New Zealand Standards methamphetamine development committee by Andrew Rose, Senior Programme Manager – Hazardous Substances.
14. HNZ has also committed funding for technical writers and other expertise to promote the rapid development of the National Standard.

Review of Ministry of Health Guidelines

15. As part of its contribution to the development of the National Standard, Ministry of Health have engaged ESR to review the threshold within the current guidelines of 0.5µg to understand if that level remains valid in the current methamphetamine environment. The recommendations from this review are expected to form the foundations of the National Standard.
16. Ministry of Health has advised, in confidence, that the review has been completed with the recommendations being provided to Minister Dunne for his weekend reading on 14 October 2016. Based on Minister Dunne's agreement, the Ministry of Health have indicated that the levels may be published on its website as early as the week of 17 October 2016.
17. The review has recommended three different levels:
 - a. 2.0µg – for contamination caused by use where carpet has been removed
 - b. 1.5µg – for contamination caused by use where carpet remains
 - c. 0.5µg – for contamination cause by manufacture.
18. HNZ had expected that the outcome of the review would be a level of 1.5 µg for use and did not expect a different level for carpet removal.
19. Refer to Appendix A for a high level testing and decontamination process map showing where these thresholds will be applied.

20. The programme and delivery teams have commenced work to determine the detail of how these levels will be applied operationally. During this analysis testing properties will continue, however decontamination work on any property that tests at 2.0µg or below will be put on hold and properties currently in progress will be managed on a case by case basis.

Volume and cost impacts of the thresholds

21. In the 2015/16 financial year, 802 properties tested above the current 0.5µg threshold. Based on this total, the revised threshold of 1.5µg would see a reduction to around 650 contaminated properties per annum.
22. During the 2015/16 financial year, 782 properties were remediated. An assessment has been previously made on the impacts of applying a threshold of 1.5µg to those remediated properties.
23. 253 houses a year that would currently be deemed contaminated would not be under the new thresholds, reducing their turnaround time by approximately 12 weeks and making them available to tenant.
24. This would yield annual cost savings of approximately \$1,902,181 (\$512,009 in lost rent, \$757,125 in decontamination and \$633,048 in retesting costs).
25. 244 houses a year that were contaminated would require less work to bring them to a safe level and would be able to be returned to service more quickly (reducing their turnaround time by approximately 10 weeks).
26. This would yield annual cost savings of approximately \$816,858 (\$328,890 in lost rent and \$487,968 in retesting costs).
27. Total combined savings would be approximately \$2,719,040 per annum.
28. The total spend on methamphetamine testing and remediation for 2015/16 was \$21m.

29. As at 30 September 2016, the total number of properties vacant due to methamphetamine was 558.
30. An assessment has not yet been made on the impact of a 2.0µg threshold. Currently contamination caused by manufacture applies to approximately one in 20 properties and it is expected that the volume of meth labs in HNZ homes will decrease.

Implementation

31. Management intends to implement the new thresholds as soon as is practicable.
32. To date Ministry of Health has not provided formal advice to HNZ that they will publically release the levels recommended from the ESR review, and as such HNZ has not had a mandate to communicate with staff and suppliers.
33. There is significant public, media, staff, and contractor interest in methamphetamine contamination and its effect on people's health and safety. A communications plan has been drafted in preparation for a revised threshold which identifies stakeholders, the communication approach for each audience, key messages, and FAQs. A briefing is being provided to Ministers Bennett and English.
34. The Public Service Association has been advised that staff will be informed of these changes and we will continue to engage with staff and the union throughout the implementation period.
35. Operational policy and procedures are being updated to align operational practice to the revised thresholds.
36. Workshops will be held with testing and decontamination contractors to ensure they understand the new thresholds and requirements.

Ongoing engagement

37. Housing New Zealand will continue to:
- a. contribute to the National Standard development process to ensure thresholds and other requirements align to Housing New Zealand's interests
 - b. work closely with NZ Police and other Government agencies, including the Ministry of Health and ESR, to develop better ways of understanding and managing methamphetamine risks for our people and properties.

ATTACHMENTS

38. There is one attachment to this paper:

Attachment 1: Testing and decontamination high level process



Andrew McKenzie
Chief Executive

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Attachment 1

Testing and decontamination high level process

