

NZPIF welcomes new Privacy Commission Guidelines

The NZ Property Investors Federation (NZPIF) welcomes the new guidelines released by the Privacy Commission. These guidelines are governed by the Privacy Act 2020 and must be followed by all private rental property providers, including property managers. The new guidelines outline how information must be collected, retained, and govern any disclosure of personal information in the rental accommodation sector. They will ensure that only information required for each stage of organising the renting of a property is obtained at that time.

The test is to ask the question, 'do you need the information for a lawful purpose connected with finding tenants and managing tenancies?' This should be asked at every stage of the process, including viewing where only the name and contact information should be gathered. When a prospective tenant is actually applying for the tenancy, more information can be collected, and then more can be obtained when preferred applicants are being checked. Additional information can be requested when preparing the tenancy agreement. Finally, while managing, the tenancy a landlord can update any information already collected.

This five-step process, although great in theory, will slow down the time taken to fill an empty rental property, and leave more houses empty for longer in an already tight rental market. Although a landlord may only ask for specific information at different stages of the tenancy application process, a tenant may decide to provide additional information to put them ahead of other tenants applying for the same rental property.

Landlords are advised to provide a privacy statement on all information gathered, explaining how the information is to be used and handled. This is especially important for the tenancy application form and tenancy agreement. The new guidelines indicate that information on a tenant should be destroyed if is no longer required. This, however differs from the MBIE Compliance and Investigation team requirements which appear to override those of the Privacy Act.

Other points made in the new guidelines include the obtaining of consent from the tenant if information is sought from a secondary source such as a credit history company. Tenant blacklists are against the Privacy Act and are a breach of the Act. Any breach to the Privacy Act may result in the offender having to remedy the breach or financial compensation.

The Privacy Commission is also launching a new compliance monitoring programme to ensure that private rental property providers, property managers, and agencies are acting in accordance with the Privacy Act. This, along with the work of the separate MBIE Compliance and Investigation Team, will ensure the systems are followed.

About NZPIF

The New Zealand Property Investors' Federation represents 7000 property owners and is responsible for educating and supporting landlords to ensure New Zealanders have access to high quality rental properties.

For further information please contact

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