



7 December 2015

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Dear Catherine

Request made under the Official Information Act 1982

Thank you for your email of 9 November 2015 requesting the following information under the Official Information Act 1982:

- '1. In relation to Question 4b it says the Agency has budgeted \$4,400 to upgrade houses so that they meet the residential rental requirements. How many properties does this include? What is the timeframe for these upgrades?
 - 1a. What is the point of upgrading these houses if ultimately the plan is to demolish them to make way for roading projects?
 - 1b. Has the NZTA applied for an exemption for any of these properties, so it doesn't have to comply with the scheme?
 - 1c. What is the cost of upgrading for a double or multi-storey complex? How many properties that NZTA owns fall into this category?
 - 1d. What are the upgrades that NZTA will be making on these houses in order to meet the government's new residential rental insulation requirements?
 - 2. In relation to Question 6 the Agency lists the number of properties expected to be demolished/removed. What is the timeframe for these homes to be demolished? ie, is it in the next financial year?
 - 3. By my back of envelope calculations the cost of upgrading is at least \$1.14 million (260 x 4,400). That is based on the ascertainment that none of the "Removed" properties are going to be upgraded and also on the assumption that all are single storey dwellings, is this correct?
 - 4. What are the upgrades that NZTA will be making on these houses in order to meet the government's new residential rental insulation requirements?
 - 5. How many properties that the NZTA acquired for roading projects have been sold each year for the past five years?
 - 5a. What was the value of these sales – please provide a breakdown by financial year.
 - 5b. What was the total cost that NZTA paid to acquire these properties?
1. We expect 179 single-storey residential dwellings to be upgraded to meet the new residential rental insulation requirements. Note property inspections may reveal that some dwellings are already compliant.

NZTA region	Number of properties
Auckland	66
Hamilton	57
Wellington	31
Christchurch	25

The upgrades are programmed to occur over a 3-year period from 2015/16 to meet the legislative timeframes and requirements.

- 1a. While a dwelling may be 'tagged' for demolition or removal, that does not preclude it from being upgraded to meet the Government's residential rental insulations requirements. We would take into account matters such as when the land is required for the construction of the road, the cost to upgrade the dwelling and the associated rental revenue received. We would upgrade if it was economically prudent to do so.
- 1b. Legislation implementing the new residential rental requirements is not yet in place and we are therefore not in a position to consider applying for an exemption.
- 1c. We have budgeted \$2,800 per multi-storey dwelling for upgrades to meet the new residential rental insulation requirements.

The number of multi storey residential dwellings expected to be upgraded to meet the new residential rental insulation requirements is 96. Note property inspections may reveal that some dwellings are already compliant.

NZTA region	Number of multi storey dwellings
Auckland	11
Hamilton	27
Wellington	45
Christchurch	13

- 1d. The upgrades to dwellings to meet the Government's residential rental insulations requirements include:
 - For single storey dwellings, 100% of ceiling area is to be insulated with polyester blanket-type insulation and 100% of floor area is to be insulated with R1.4 (the R-value is a measure of thermal resistance used in the building and construction industry) semi-rigid polyester underfloor insulation between floor joists.
 - For multi storey dwellings, the same as single storey properties. However, the intermediate floor/ceilings are not to be insulated.
2. The timeframes regarding the removal or demolition of a dwelling are dependent on the particular roading project. The decision when to remove or demolish a dwelling depends when the land is required for construction of the road. Dwellings within the same roading project may be removed or demolished at different times, depending on the construction programme and where a dwelling is situated within a property. While we know some dwellings will be demolished or removed this financial year, there are other dwellings where the timeframe for demolition or removal is unknown.
3. While we have budgeted for upgrades to residential properties to meet the Government's residential rental insulations requirements, decisions whether upgrades will occur are made on a case by case basis. If a property was acquired and the dwelling needed to be removed within the next 6 months it is unlikely that the dwelling would be upgraded. Conversely, if a property was acquired and the dwelling was not due for removal for 3 years and the dwelling was tenanted then we would most likely upgrade it.
4. See 1d above.

5. We have sold the following number of properties for the past f5 financial years:

Financial year	Number of properties sold
2010/2011	80
2011/2012	88
2012/2013	136
2013/2014	154
2014/2015	120

5a. The revenue from the sale of the properties above was:

Financial year	Amount
2010/2011	31,417,645.74
2011/2012	24,590,577.57
2012/2013	70,794,981.49
2013/2014	85,681,270.80
2014/2015	68,747,110.50

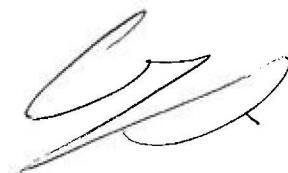
5b. We are unable to answer this question because we do not hold data that can be readily retrieved. We would need to individually investigate 578 properties and match them with financial records. Some information will also pre-date the Transport Agency's existence. I am therefore refusing this part of your request under section 18(f) of the Official Information Act 1982 because the information cannot be made available without substantial collation or research.

Under Section 28(3) of the Official Information Act 1982, you have the right to apply to an Ombudsman for an investigation and review of the decision to refuse part of your request. The address is:

Office of the Ombudsmen
PO Box 10152
Wellington

If you wish to discuss this reply with the NZ Transport Agency, please contact Andy Knackstedt, National Media Manager, by email to andrew.knackstedt@nzta.govt.nz or by phone on 04 894 6285.

Yours sincerely



Chris Young
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For Chief Executive