

**CARRUTH HOUSE - Staff Accommodation****Rationale:**

The Board has a landlord/tenant relationship in regards to tenants of accommodation units attached to Carruth House. The Board must comply with relevant legislation and provide a fair and transparent process for allocating and administering tenancies.

Purpose:

To ensure legislative compliance and to provide an open and transparent process for allocating tenancies of staff accommodation attached to Carruth House.

Scope:

The following residential accommodation is available at Carruth House:

- a. 1 bedroom flat (attached to senior dormitories) - rental includes: power, water and phone
- b. 2 bedroom flat (next to office has external entrance) - rental includes: power, water and phone
- c. 3 bedroom house - rental includes: power, water and phone.

The accommodation is owned by the Ministry of Education, but maintained and administered by the Board of Trustees.

Guidelines:

1. The Board will use the accommodation in the best interests of the hostel.
2. Tenancies will be recorded on a Tenancy Agreement (refer Department of Housing website).
3. Tenancies which are part of an employment package will be for the duration of the employment contract. All other Tenancies will be renewable at the end of each school year
4. Hostel staff may register an expression of interest for vacant accommodation at the start of Term 4 and the Board will allocate tenancies by 1 December.
5. Tenancies may also be allocated part way through a year if a vacancy arises.
6. The Board will consider the following when selecting tenants:
 - Suitability of the applicant for the particular size and location of each accommodation unit
 - Commitment to Hostel (i.e. hours or shifts contracted to)
7. If any tenancy is vacant after all hostel staff accommodation request have been considered, the Board may offer the accommodation to school teaching or non-teaching staff, on the same basis.

Conditions of tenancy

- All tenants will be police vetted
- Pets are not allowed
- All WBHS buildings and grounds are designated smokefree by government policy and legislation. No smoking anywhere inside or out.
- Tenants are expected to at all times be good role models for hostel residents in accordance with WBHS/Hostel codes of behaviour for staff, including their private recreational and social activities such as social gatherings/parties and use of alcohol which may be visible to hostel residents.
- Overnight guests stays to be notified in advance to Boarding Director, and limited to 1 week duration



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- The hostel driveway must be kept clear at all times for deliveries and services. Parking for tenants and their visitors is available on the street. The house has its own driveway and parking off-street.
- Tenants will provide a schedule of occupants with their application to rent.

Rental

- Rental will be reviewed at the start of each year
- Rental will be calculated at market rates with allowances of:
 - 20% to recognise the limitations to personal/private use associated with living within the hostel environment
 - An additional 20% for WBHS Employees as per MOE guidelines on School housing.
- Rent will be paid two-weekly in advance by direct credit
- Two weeks rent will be paid as a bond upon acceptance of the agreement. The bond will be lodged in accordance with the Department of Housing Tenancy Bond guidelines <http://www.dbh.govt.nz/landlord-bond>
- The following model will be used to calculate rentals that are not part of an Employment Contract:

	Example - 3 bedroom house (per week) \$
Market rental (independent assessment)	380.00
Less allowance for restriction of private enjoyments - 20 to 40%	(80)
Subtotal	\$300
Add estimate for power	40
Add estimate for water	5
Add estimate for phone rental	15
Total weekly rent (including power, water and phone rental)	360

GST

Usually, residential accommodation is GST inclusive, therefore

- No GST is payable on rental received
- GST cannot be claimed on expenses associated with staff accommodation

References and Sources

The Board recognises the following legislative requirements:

Income Tax

Under the Income Tax Act 1994 tenants of employer-provided housing are liable for PAYE as the provision of accommodation to employees is a taxable benefit, i.e. tenants in school hours will incur a PATE tax liability based on the difference between the market rent and the rent they are paying.



Residential Tenancies Act

(<http://www.dbh.govt.nz/tenancy-agreement>)

Under the Residential Tenancies Act, all tenancies entered into after 1 December 1996 must have a written tenancy agreement, which must include the following:

- The names and contact addresses of the landlord and tenant
- The address of the property
- The date the tenancy agreement is signed
- The date the tenancy is to begin
- Addresses for service for both the landlord and the tenant
- Whether the tenant is under the age of 18
- The rent amount and frequency of payments
- The amount of any bond
- The place or bank account number where the rent is to be paid
- Any fees (letting agent or solicitors) to be paid (if applicable).
- A list of any chattels (like furniture, curtains and other fittings) provided by the landlord
- The type of tenancy and the date the tenancy will end if it is a fixed-term tenancy

Both the landlord and tenant must sign the agreement, and the landlord must give the tenant a copy before the tenancy begins.

The Residential Tenancies Amendment Act 2010 extended the Act's coverage to include boarding house tenancies

Ministry of Education Teaching Housing Policy <http://www.minedu.govt.nz>

Under the MoE policy, hostel accommodation is regarded as private tenancies. It does not qualify for rebated rent which applies only to teachers and principals renting houses as incidental to their job.

All private tenants continue to pay full market rentals in both core and non-core houses. This includes all non-principal/teacher staff employed by schools.

Review details:

Review Date	Reviewed by
May 2018	Asset Management Group
Review cycle: 3 years	Due date for Review: May 2021