[2025] NZTT 5152912, 5269320

TENANCY TRIBUNAL AT CHRISTCHURCH | TE TARAIPIUNARA RETIHANGA KI ŌTAUTAHI

APPLICANT:	Gold Property Management Limited as agent for Catherine and Stuart Thornley Landlord
RESPONDENT:	Kellie Worters, Talia Scott, Cooper Stevens Tenant
TENANCY ADDRESS:	7 Napoleon Close, Harewood, Christchurch 8051

ORDER

1. Kellie Worters, Talia Scott and Cooper Stevens to pay Gold Property Management Limited as agent for Catherine and Stuart Thornley $2,347.00 from the bond, calculated as shown in table below:

Description	**Landlord**	**Tenant**
Methamphetamine remediation (insurance excess)	$2,500.00	
Compensation: mould		$180.00
Filing fee reimbursement	$27.00	
Total award	**$2,527.00**	**$180.00**
Net award	$2,347.00	
Bond	$2,347.00	$453.00

2. The Bond Centre is to pay the bond of $2,800.00 (3429205-002) immediately apportioned as follows:

- Gold Property Management Limited as agent for Catherine and Stuart Thornley: 2,347.00
- Kellie Worters, Talia Scott and Cooper Stevens: $453.00

Reasons:

3. Both parties attended the hearing. Ms Luckman and Mr Blyth represented the landlord. Ms Worters represented the tenants.
4. The landlord has applied for the insurance excess ($2,500.00) for a methamphetamine remediation claim accepted by the owner's insurer.
5. The tenant has applied for compensation ($1,400.00) for the effects of mould at the premises.

Background

6. The tenancy started on 28 April 2023 and ended on 4 December 2024.
7. There was no pre-tenancy test for methamphetamine contamination. Before the tenancy started, the owners of the premises resided there and had done so since September 2012. One of the owners was offered a secondment in Australia for 2 years so the premises were offered for rent.
8. On 12 December 2024, 8 days after the tenancy ended, the landlord had a methamphetamine test carried out. The composite test results were exceedingly high, so individual samples were taken and sent for analysis.
9. The 14 individual samples showed readings between 2.3 µg/100cm² and 106 µg/100cm².
10. For Tribunal purposes, results below 15 µg/100cm² are not considered harmful to health; results over that are considered harmful; and results over 30µg/100cm² are considered an indication of methamphetamine manufacture. So, results of 106 µg/100cm² (bedroom 4 door frame) and 60 µg/100cm² (lounge door) are exceedingly high.
11. Because the landlord did not have tests done before the tenancy started, further testing was arranged. The hallway and lounge walls and ceilings had been either cleaned or repainted during the tenancy. Individual tests samples showed very low levels although the composite tests were higher (4.1 µg/100cm²). The Tribunal relies on individual sample results, not on composite test results.
12. The owner's insurer accepted an insurance claim for methamphetamine remediation. Considerable work was undertaken. The insurer cash settled the claim although the settlement was less than the remediation costs incurred.
13. The landlord has claimed the insurance excess of $2,500.00 on the policy.

14. After the landlord lodged their Tribunal application the tenants cross applied. They seek compensation for a 6-week period when one bedroom could not be used fully due to mould.

Issues

15. The issues the Tribunal must determine are these:

- Were the premises contaminated with methamphetamine during the tenancy? If so, should the Tribunal award the landlord the insurance excess?
- Should the tenant be awarded compensation for losing the use of a bedroom for 6 weeks due to mould?

Relevant law – statutory provisions

16. A landlord must prove that damage to the premises occurred during the tenancy and is more than fair wear and tear. If this is established, to avoid liability, the tenant must prove they did not carelessly or intentionally cause or permit the damage. Tenants are liable for the actions of people at the premises with their permission. See sections 40(2)(a), 41 and 49B of the Residential Tenancies Act 1986 (RTA).
17. Section 40(2)(b) RTA provides that the tenant shall not use the premises, or permit the premises to be used, for any unlawful purpose.
18. Section 45 RTA sets out a landlord's responsibilities. Included among them are the responsibility to provide the premises in a reasonably clean state; to provide and maintain the premises in a reasonable state of repair (having regard to the age and character of the premises); and to comply with the Healthy Homes Standards (HHS).

The law on methamphetamine levels

19. For context it is necessary to first set out the law relating to methamphetamine that the Tribunal follows.
20. For a landlord to succeed in a claim for costs involved in methamphetamine testing and contamination there are two main aspects that must be proved:
    a. First, that the contamination was caused during the tenancy (and so the tenants are liable).
    b. Second, that the level of methamphetamine detected is likely to constitute a health hazard and therefore would entitle the landlord to claim the costs of testing and decontaminating the premises.

21. It is well recognised that methamphetamine contamination presents risks for people living in dwellings when the level of that contamination is high. The difficulty has been determining what the tolerable level should be, above which the premises would be considered contaminated.

22. In 2017 Standards New Zealand released Standard NZS8510:2017 'Testing and decontamination of methamphetamine-contaminated properties'. In short, this standard confirmed that the level at which habitation of residential premises was considered safe, was a level of 1.5µg/100cm^2. The expectation on landlords arising from this standard was to remediate premises contaminated with methamphetamine, to a level of less than 1.5µg/100cm^2.

23. Methamphetamine testing companies continue to refer to this standard when making the recommendations that they do.

24. However, in more recent times, the (former) Prime Minister's Chief Science Advisor, Professor Sir Peter Gluckman determined that there was little evidence supporting health risks from exposure to residue from methamphetamine consumption.[1] The report concluded that any levels below 15µg/100cm^2 were unlikely to present adverse effects and therefore there should be no need for remediation.

25. The issue has been considered by the District Court in *Full Circle Real Estate Limited v Danielle Piper*,[2] where Judge Kellar needed to determine the level that should be applied. The Court discussed the conflict between the New Zealand Standard and Chief Science Advisor's report and confirmed:

> The Tenancy Tribunal was in a difficult position. The best state of knowledge of risk to human health from methamphetamine contamination available to the adjudicator was the Gluckman report. It would have been bold for the adjudicator to have ignored that report in favour of the New Zealand standard given that the Gluckman Report represents the current scientific knowledge on the risk to human health from methamphetamine in dwellings.

26. This decision of the District Court has confirmed that the level to be applied is the level expressed by the Chief Science Advisor, which is that there is no risk when levels of contamination are below 15µg/100cm^2.

27. This view is further endorsed by the Court of Appeal decision, *Smith v Accessible Properties Limited*,[3] where in reference to the Gluckman Report it states:

> [w]e acknowledge that the testing in this case yielded results now considered not to raise any health and safety concerns.

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[1] Report, Methamphetamine Contamination in Residential Properties: Exposures, Risk Levels, and Interpretation of Standards, 29 May 2018.
[2] *Full Circle Real Estate v Danielle Piper* [2019] NZDC 4947.
[3] *Smith v Accessible Properties New Zealand Limited* [2019] NZCA 38, at [16].

Compensation

28. The Tribunal may award compensation to a party for losses arising from a proven breach or breaches by the other party of their statutory responsibilities.

29. Compensation is generally awarded for actual losses and sometimes for less tangible effects of proven breaches such as a loss of enjoyment of the tenancy and the accompanying stress and anxiety.

30. In *Birch v Otautahi Community Housing Trust*[4] the District Court confirmed that the Tribunal must consider the following factors when deciding to award compensation:

    - The nature of the breach;
    - The duration of the breach; and
    - The effect of the breach on the party.

Discussion

Were the premises contaminated with methamphetamine during the tenancy? If so, should the Tribunal award the landlord the insurance excess?

31. The absence of a pre-tenancy methamphetamine test is not always fatal to a claim for the cost of remediation.

32. Here, the owners of the property lived in the premises as their family home before the tenants took possession. They have provided a letter expressing their shock not only on learning of the contamination but also at the amount of work, and the costs, required to decontaminate the premises.

33. The first test showed levels that are so high that they suggest the manufacture of methamphetamine at the premises during the tenancy. However, I do not find the evidence sufficient for the Tribunal to conclude that there was manufacture as a matter of fact.

34. I asked the tenant directly whether she or anyone at the premises might have used methamphetamine. Her responses were guarded. She said she did not use methamphetamine; she did not give anyone permission to use methamphetamine; and as far as she was aware no-one would have used methamphetamine.

35. No evidence was placed before the Tribunal for it to conclude that some other third party (such as a tradesperson) likely caused the contamination. While that it possible, the tenant has not established that as a probable defence.

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[4] [2020] NZDC 17667

36. I have concluded on the balance of probabilities that someone at the premises with the tenants' consent used methamphetamine resulting in the high levels of contamination that were established on the individual samples sent for testing as set out in the AllClear report dated 18 December 2024.

37. I find the landlord's claim proved and award the landlord the insurance excess that has been sought in their application for the remediation of methamphetamine contamination.

Should the tenant be compensation for losing the use of a bedroom for 6 weeks due to mould?

38. The tenant described how, after a heavy rain event, rain came through light fittings and mould began to grow in corners of the ceiling in a bedroom. Then, the hot water cylinder located above a ceiling leaked. She said it felt like she was living in a leaky home, although she otherwise enjoyed living at the premises.

39. That an event occurs is not always proof of a landlord breach. Weather events happen as do unexpected occurrences such as a hot water cylinder leak.

40. The landlord raised a mould issue following an inspection in August 2023. There was a delay while the owners approved a quote for repairs due to the leaking.

41. While it has been speculated that the mould in the bedroom was due to vaping or lack of ventilation, I am not persuaded that that was the cause given the leaking event in the ceiling space.

42. The tenant gave evidence that for a period of 6 weeks her daughter was unable to use her bedroom due to mould and relocated to a small office which she used as her bedroom.

43. The landlord acted promptly, and I find no fault with their management of the leaking events. But there were delays in repair and cleaning work. The delay caused the tenants a loss of enjoyment of the tenancy.

44. Fortunately, the tenant's daughter was able to locate her bedroom to another (smaller) room. So, the effects of the delay in repair and cleaning work were minimised.

45. The tenants sought compensation of $1400.00 for their inconvenience. That is based on a percentage of the rent.

46. The Tribunal seldom calculates compensation in that manner. It looks to the particular situation – how it occurred, what then happened, what actions the landlord took, and what the degree of disruption was. In other words, it assesses the factors set out in *Birch*.

47. My assessment is that the 6-week loss of enjoyment involving the tenant's daughter moving from the mould affected room to another room was minor. For

this loss of enjoyment, I award the tenants compensation of $180.00, or $30.00 per week.

Result

48. The landlord's application is successful. The tenants will pay the landlord $2,500.00 being the insurance excess on the methamphetamine remediation claim together with reimbursement of the filing fee ($27.00).
49. The tenants' application is marginally successful. I award the tenants compensation of $180.00 only for the loss of enjoyment of the tenancy due to mould in a bedroom the consequence of leaking through the ceiling. I do not order reimbursement of the filing fee as the application is not wholly or mostly successful.
50. The bond will therefore be split between the parties - $2,347.00 to the landlord and $453.00 to the tenants.

Name suppression

51. The landlord did not seek name suppression.
52. The tenants sought name suppression. I make no name suppression order as the tenants' application is only successful to a small extent[5].

THE SEAL OF THE TENANCY TRIBUNAL

J Greene
12 September 2025

[5] See section 95A RTA

Please read carefully:

Visit justice.govt.nz/tribunals/tenancy/rehearings-appeals for more information on rehearings and appeals.

Rehearings

You can apply for a rehearing if you believe that a substantial wrong or miscarriage of justice has happened. For example:

- you did not get the letter telling you the date of the hearing, **or**
- the adjudicator improperly admitted or rejected evidence, **or**
- new evidence, relating to the original application, has become available.

You must give reasons and evidence to support your application for a rehearing.
A rehearing will not be granted just because you disagree with the decision.
You must apply within five working days of the decision using the Application for Rehearing form: justice.govt.nz/assets/Documents/Forms/TT-Application-for-rehearing.pdf

Right of Appeal

Both the landlord and the tenant can file an appeal. You should file your appeal at the District Court where the original hearing took place. The cost for an appeal is $260. You must apply within 10 working days after the decision is issued using this Appeal to the District Court form: justice.govt.nz/tribunals/tenancy/rehearings-appeals

Grounds for an appeal

You can appeal if you think the decision was wrong, but not because you don't like the decision. For some cases, there'll be no right to appeal. For example, you can't appeal:

- against an interim order
- a final order, or the failure to make an order, where the amount in dispute on appeal is less than $1000
- a final order to undertake work, or the failure to make an order, where the value of the work in dispute on appeal is less than $1000.

Enforcement

Where the Tribunal made an order about money or property this is called a **civil debt**. The Ministry of Justice Collections Team can assist with enforcing civil debt. You can contact the collections team on **0800 233 222** or go to justice.govt.nz/fines/civil-debt for forms and information.

Notice to a party ordered to pay money or vacate premises, etc.

Failure to comply with any order may result in substantial additional costs for enforcement. It may also involve being ordered to appear in the District Court for an examination of your means or seizure of your property.

If you require further help or information regarding this matter, visit tenancy.govt.nz/disputes/enforcing-decisions or phone Tenancy Services on 0800 836 262.

Mēna ka hiahia koe ki ētahi atu awhina, kōrero ranei mo tēnei take, haere ki tenei ipurangi tenancy.govt.nz/disputes/enforcing-decisions, waea atu ki Ratonga Takirua ma runga 0800 836 262 ranei.

A manaomia nisi faamatalaga poo se fesoasoani, e uiga i lau mataupu, asiasi ifo le matou aupega tafailagi: tenancy.govt.nz/disputes/enforcing-decisions, pe fesootai mai le Tenancy Services i le numera 0800 836 262.