

THE LAW

LOWDOWN



SUMMER 2025



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Welcome to the Summer 2025 edition of the Law Lowdown.

We share some exciting news of our imminent office relocation.

We discuss some key aspects of workplace change and redundancy.

We also discuss what families should know of recent changes to probate requirements.

Lastly, we discuss the new pet rules for residential tenancies and what both landlords and tenants need to know.

Regards

The team at Blackwood Montagna

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EXCITING MOVE AHEAD - OUR NEW HOME AT 7 PAERATA ROAD, PUKEKOHE



We are pleased to share some exciting news about the next chapter for our firm. From January 2026, we will be moving into larger, purpose-built premises at 7 Paerata Road, Pukekohe.

This move marks an important milestone in our continued growth and commitment to providing an exceptional level of service to our clients and community. The new premises offer a more spacious and modern environment, better reflecting who we are today and where we are heading as a team. It also allows us to continue expanding our legal services and professional support network within the heart of Pukekohe, without compromising our core values and client focus.

From 1 December 2025, you will start seeing our new signage as we begin the transition to our future home. Until the end of this year, we will continue to operate from our current offices at Professional House, ensuring that our services remain

uninterrupted throughout the move.

Our relocation represents more than just a change in address, it symbolises growth, stability, and the shared commitment of our team to the clients and community who have supported us from the beginning.

We are incredibly grateful for the relationships we have built and look forward to welcoming you to our new offices in the New Year.

New address (effective 12 January 2026):

7 Paerata Road
Pukekohe

Thank you for being part of our journey. We cannot wait to show you our new space soon.

FIVE CRUCIAL ASPECTS OF WORKPLACE CHANGE AND REDUNDANCY

Redundancies have been on the increase over the past 12-months, and as New Zealand's economic recovery is proving to be more sluggish than most had anticipated, redundancies may continue to rise. Although some sectors have been impacted more than others, redundancies have been felt across the whole of New Zealand and in every part of the economy.

As a business owner, you may be looking at 2026 considering redundancies, or even a restructure. As an employee, you may have been hearing about possible redundancies in your workplace. Change processes in the workplace are inherently challenging for everyone involved, especially when the outcome may result in redundancy of one or more positions.

Obtaining professional legal advice is the gold standard for ensuring rights and responsibilities of employers and employees are upheld during a process that may result in redundancy. Below are just a few considerations to note:

1. **Genuine Business Reason**

An employer must have a real business reason for proposing to disestablish a particular role or roles. In other words, the employer must be able to demonstrate an evidence-based commercial need for example, needing to reducing costs due to financial pressures. Redundancy is about the role not about the person in the role and shall be deemed void if the employer uses it as a pretext to dismiss a poor performer or 'bad egg'.

2. **Significant Change vs. Small Change**

A significant change to a role can lead to redundancy, while a small change is often regarded as a restructure. The key difference is whether the new role is substantially similar to the old one and if it is then the old position is considered disestablished and the employee made redundant. A helpful guideline is whether there is a change of more than 20% to the role's duties, pay, or location – if so, the change is likely to be a significant one.

3. **Consultation and Consideration**

A workplace change process must include consultation and genuine consideration of feedback to be effective and legally compliant. This involves an employer presenting a proposal, providing employees with time and a platform to give feedback, and then seriously considering that feedback before making final decisions. An employee is entitled to a representative during a

workplace change process – where applicable this could be in the form of Union support. Providing support (for example via EAP Services) and resources to the impacted employee(s) during the change process is necessary.

4. **Requirement to Explore Alternatives**

Redundancy should be the 'last resort' – therefore before making a role redundant, an employer must genuinely consider options to retain the employee, such as redeployment to a vacant role if the employee has or can acquire the necessary skills.

5. **No Legal Entitlement to Redundancy Payment**

In NZ, there is no legal entitlement to a redundancy payment unless it is specified in an employment agreement. If the employment agreement includes a redundancy clause, the employer must adhere to it. If not, the employee is still entitled to a final pay, which includes for example unused leave entitlement and a payout for your notice period.

Get in Touch

For any employment law inquiries contact Blackwood Montagna for expert guidance and support.



CHANGES TO PROBATE REQUIREMENTS: WHAT FAMILIES NEED TO KNOW

New Zealand's estate administration rules have recently been updated, making it easier in some situations for families to wind up a loved one's affairs without applying for probate. These changes aim to reduce unnecessary time and cost for smaller or straightforward estates, while keeping important safeguards in place for more complex matters.

WHAT HAS CHANGED?

The most notable reform is the increase of the threshold from \$15,000 to \$40,000. This threshold determines when banks, KiwiSaver providers and other financial institutions may release funds held in the deceased's sole name without requiring a formal grant of probate or letters of administration.

The new threshold reflects the growth in common account balances over time and means that a meaningful number of smaller estates can now be administered informally.

However, this threshold does not apply to all asset types. Real property (such as a house or land held solely by the deceased) will still require probate. Assets held jointly or held within a trust follow their own legal rules and are not treated under the \$40,000 limit.

WHO CAN NOW USE INFORMAL ADMINISTRATION?

More families may now be able to rely on informal processes, particularly where:

- The deceased's sole-name assets held with each individual institution are \$40,000 or less
- The estate does not include a property held solely in the deceased's name
- The will is clear and uncontested
- There are no disagreements among beneficiaries
- The estate consists mainly of balances such as bank accounts, KiwiSaver, unclaimed bill payments or prepaid funds

In these cases, an adult child, spouse or partner may be able to finalise the estate without applying to the High Court - although documentation proving identity and entitlement will still be needed.

PRACTICAL IMPLICATIONS FOR EXECUTORS AND FAMILIES

Faster Access to Funds

Where the threshold applies, some estates may be completed more quickly, providing families with earlier access to funds for

funeral costs, bill payments or ongoing obligations.

Lower Costs

Avoiding the probate process can reduce court fees and, in some cases, the extent of legal assistance required - though professional guidance remains advisable.

Duties Still Apply

Even when probate is not required, the person administering the estate must still fulfil the same core responsibilities: collecting assets, paying debts, keeping clear records and distributing funds correctly.

Institution Policies Still Differ

The law sets the threshold, but each bank or provider may have its own policy. Some institutions will release funds readily under \$40,000; others may request further documentation or still prefer probate in borderline situations.

Complex Estates Still Require Probate

Estates involving real property, trusts, overseas assets or multiple beneficiaries with competing interests will generally still need probate. In many cases, probate remains the safest option to protect executors and ensure the estate is administered correctly.

UPDATING YOUR WILL AND ESTATE PLANNING

The increased threshold is a useful reminder to review your estate planning. We recommend ensuring that:

- Your will is up to date and clearly appoints your executor;
- Your KiwiSaver, insurance and investment beneficiary nominations are current;
- Your financial information is organised so your executor can locate assets easily;
- Your executor knows where you keep important documents.

Good planning helps your family manage your estate more smoothly - whether probate is required or not.

IMPORTANT: HOW THE \$40,000 THRESHOLD WORKS

Per Institution, Not Per Estate

The \$40,000 limit applies to each bank or provider individually, not to the total value of all assets in the estate.

Example:

- \$18,000 at Bank A
- \$15,000 at Bank B
- \$12,000 in KiwiSaver

All may be eligible for informal release, because each balance is under \$40,000.

But: If the deceased held \$42,000 with a single bank, that bank will likely require probate, even if the overall estate is small.

NEED HELP OR UNSURE WHETHER PROBATE IS REQUIRED?

We can advise you on whether an estate qualifies for informal administration and help ensure the process is handled correctly and efficiently. If you are preparing your own estate plan, we can also help you structure your affairs so things are simpler for your family in the future.

Please contact us if you would like tailored advice or assistance with estate administration or will-making.



NEW PET RULES FOR RESIDENTIAL TENANCIES - LANDLORDS AND TENANTS TAKE NOTICE

Major changes to the Residential Tenancies Act take effect on 1 December 2025, introducing a clearer and more balanced framework for pets in rental properties. The reforms aim to make it easier for tenants to keep pets while giving landlords practical tools to manage risks, set conditions, and recover the cost of any pet-related damage.

KEY CHANGES AT A GLANCE

- Tenants may request consent to keep a pet, and landlords can only refuse on reasonable grounds.
- Landlords must respond within 21 days.
- A new pet bond - up to two weeks' rent - may be charged, in addition to the standard bond.
- Tenants are liable for all pet-related damage beyond fair wear and tear.
- Landlords who consent may impose reasonable conditions, such as additional cleaning obligations or restrictions on the type or size of pet.
- Certified assistance dogs have specific protections under separate legislation. Other service or therapy animals fall under the new consent framework unless exempted by law.

HOW THE CONSENT PROCESS WORKS

Tenants may request permission in writing at any time. A

clear description of the pet - such as breed, size, training and vaccination history - helps speed up the process. Landlords must provide a written response within 21 days, granting consent (with or without conditions) or declining with reasons. If the landlord requires more information, they must ask for it within the same timeframe.

If consent is granted, a landlord may charge a pet bond of up to two weeks' rent. This bond must be lodged through Tenancy Services once that system goes live. It can only be used for repairing pet-related damage.

REASONABLE GROUNDS FOR REFUSAL

Landlords cannot refuse simply because they dislike pets. Refusals must be based on evidence or objective concerns. Common examples include:

- The property is unsuitable for the type or size of pet (e.g., a large dog in a small apartment).
- Body corporate rules or statutory obligations prohibit animals.
- Documented safety risks, such as a history of aggression.
- Credible evidence the pet is likely to cause damage or nuisance.

If a tenant disputes a refusal, the matter can be taken to the

Tenancy Tribunal, which will assess whether the refusal was reasonable and proportionate.

DAMAGE AND BONDS

Tenants are fully liable for pet-related damage beyond fair wear and tear - including accidental or careless damage. Landlords may claim against the general bond, the pet bond, or both, following the usual evidence and Tribunal processes.

RECOMMENDED ACTIONS

Landlords should update templates, adopt clear policies, and understand the 21-day response rule. Tenants should familiarise themselves with the new rules. Good communication and clear documentation will help ensure the new system works smoothly for everyone from 1 December 2025.

Please reach out to us if you need assistance with the new requirements.



Merry Christmas from Blackwood Montagna

All of us here at Blackwood Montagna wish all of our clients a happy and safe Christmas and New Year.

We will be closing the office from the 23rd of December at midday and reopening in our new premises at 7 Paerata Road on the 12th of January 2026.

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