

Update on Improving the Provision of Emergency Housing

1. Current use of Emergency Housing Special Needs Grants (EHSNG) motels nationwide

EHSNGs were originally intended to support people into temporary emergency accommodation and to be used as a last resort. Due to significant stressors in housing such as affordability, limited supports, lack of supply and the impacts of COVID-19, EHSNG's have been used differently than were intended.

Current issues with EH motels:

- Issues relating to **safety and security** of some motels.
- Motel rooms unsuitable** for families
- MSD has limited resources to support higher needs clients in EH.
- There is **limited supply** of motels in some areas.
- Clients do not always **meet their obligations** and can **cause damage** to motels (both accidental and deliberate).
- Clients staying longer than intended.

Gateways into EH motels:

For a cohort of EHSNG recipients who received a grant in 2020, we looked at housing assistance provided by MSD in the last 12 months before the EHSNG was granted. For the cohort:

- 43% had received Accommodation Supplement (either for renting or boarding costs)
- 21% had received a previous EHSNG
- 7% had a Steps to Freedom grant
- 3% had links to Public Housing
- 35% had no specific form of housing assistance

Other use of motels (as at December 2020) include Contracted Motels (907 places) and COVID response motels (983 places). Other players in motel use include Police/Corrections and Oranga Tamariki.

EHSNG Cohort:

58% are Māori

53% are families with children

40% are singles

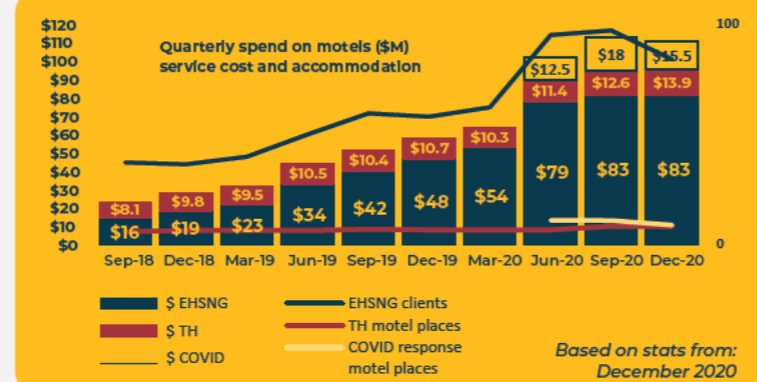
>50% are people with disabilities, health conditions, drug or alcohol dependency or mental health needs

3,928 households
EH SNGs

\$322M Total spend in last year

\$3,021 Average cost per household p/w – excludes support services

Based on stats from: March 2021



Based on stats from: December 2020

2. EHSNG use is growing despite increases in Public Housing (PH) and Transitional Housing (TH)

	HOUSING REGISTER	EMERGENCY HOUSING (EH SNGs)	TRANSITIONAL HOUSING	PUBLIC HOUSING	SUPPORT IN PRIVATE MARKET
Supports provided	-	Limited supports available when compared to TH and COVID response places	Wrap-around supports	Tenancy and property management	-
JUL 2016	6,070 applicants	Launched	Launched	65,957 places	291,302 AS recipients* 62,362 TAS recipients*
OCT 2017	7,316 applicants	700* households	1,718 places	66,216 places	285,215 AS recipients 66,275 TAS recipients
JAN 2021	27,078 applicants	3,932 households	3,972 places	73,273 places	377,379 AS recipients 93,939 TAS recipients
\$ Spend Dec 20 Quarter	n/a	\$82.5m	\$49m	\$288.5m	\$501.7m (AS) \$80.1m (TAS)

*AS - Accommodation Supplement is a weekly payment which helps people with their rent, board or the cost of owning a home
 *TAS - Temporary Additional Support is a weekly payment that helps people cover essential living costs, such as food or utilities
 *October 2017 are provisional
 *EHSNG households are based on the number of households in a fortnight

For discussion, not government policy

3. We are progressing a new model to address urgent need in Rotorua

Rotorua model: a case study



Rotorua is unique and not all locations have the same level of issues:

Rotorua's EH situation is particular to its set of conditions and other areas are not facing the same pressures.

There is an urgent need to address the significant and growing homelessness and motel use in Rotorua due to:

- Strong population growth and limited housing development
- 54% rise in median rents, limited access to affordable rentals
- 5:1 Ratio for EHSNG households to Transitional Housing (1:1 around NZ)
- Homelessness due to COVID-19
- 500 households in govt-funded motels, 380 are EH including 200 families with children
- High density of motels creating communities of vulnerable people
- People in EH due to family violence
- The need for targeted cohort support, starting with families

Rotorua Housing Taskforce established by Rotorua Lakes Council, Te Arawa Iwi, and MSD, HUD, Kāinga Ora to develop solutions

Actions

200 families with children moving from EH to contracted EH, then expanding to other groups such as rangatahi / young people

HUD contracting motels (and MSD pays EHSNG)

Expansion of Support Services

Strengthened assessment and placement processes

Housing HUB (co-location of Government, Iwi, NGO's)

Kāinga Ora progressing immediate supply options

Increased support to other stakeholders (eg Women's refuge)

Exploring the Council's role in assessing/checking accommodation quality

MSD work on suitability, complaints and case management

Public and Transitional Housing pipeline:

As part of the work undertaken by the Housing Taskforce, Kāinga Ora has intensified its involvement in Rotorua to identify TH and public housing opportunities to ensure a pathway to more permanent housing solutions, beyond motel use. These include 9(2)(j)

9(2)(j)

Benefits of Rotorua Model

Benefits for individuals/whānau:

- Increased quality of housing
- Increased support services
- Suitable accommodation for families
- Increased safety
- Pathway to more permanent housing
- Streamline assessment and placement processes for clients

Benefits for community:

- Decrease in anti-social behaviour in EH
- Improved flexibility for partnership with iwi
- Better long term outcomes for key groups
- Greater community support for provision of emergency housing
- Government enabling key pillars (council, Kāinga Ora, NGO's, iwi) to drive better outcomes

It will be necessary to take a 9(2)(f)(iv)

Update on Improving the Provision of Emergency Housing

4. We need to take a staged and planned approach to transforming the emergency housing system to a model that is better fit for purpose

Urgently roll out actions in Rotorua

We will focus on ensuring adequate supports are available for those in motels and that we have more control over price, quality and placement, by increasing alternatives to EHSNG through contracting and bringing on more TH and Public Housing as permanent supply

HUD contracts motels as Emergency Housing for key cohorts

Increasing support services for clients in EHSNG or contracted motels

Improve triaging and placement processes, including potential exploration of 9(2)(f)(iv)

Establish Housing HUB with co-located govt & non-govt services to streamline assessment

Kāinga Ora progressing immediate housing options

Looking at options to 9(2)(f)(iv)

MSD is undertaking work to cease use of unsuitable motels and ensure accommodation is suitable, work on implementing a new complaints process, and additional case management for ongoing supports for clients

Advice to Cabinet 9(2)(f)(iv)

Tackle urgent needs and issues, while taking actions to address underlying system issues leading to demand for EHSNGs across the country

Implement and embed the prevention initiatives outlined in the Homelessness Action Plan (2020 - 2023)

Increase supply of transitional housing by 2,000 places (to be delivered by June 2022)

Develop a more planned and cohesive approach to emergency housing, including cohort targeting, support services and conversion to Public Housing over time

Take a place based response working in partnership with local councils, Māori and Iwi to deliver supply and support services and improve quality of accommodation

Work under the Homelessness Action Plan, focused on at-risk cohorts such as rangatahi / young people and disabled people (2020 - 2023)

Increase supply of affordable housing, public housing and sub-market rental housing, and increase access to private rentals

Significant actions are already underway or in place

- Measures to increase supply of Public and Transitional Housing - Build Programme to deliver over 18,000 new public and transitional housing places by 2024
- The Homelessness Action Plan was launched in February 2020 with over \$400 million to prevent and reduce homelessness. All 18 immediate actions are now in place or underway. The Homelessness Action Plan recognises that some cohorts are at greater risk of homelessness including rangatahi/young people and disabled people
- Range of programmes and supports to keep people housed and prevent the need for EHSNGs – these include Sustaining Tenancies, Ready to Rent programmes and Rental Arrears Assistance
- MSD have a range of initiatives underway, including implementing new roles (intensive case managers, navigators and contracted Support Services) to support people in emergency housing and Housing Brokers to support clients into private rentals

There may be limits on applicability and capacity within the system 9(2)(f)(iv)

9(2)(f)(iv)

For discussion, not government policy

5. Next steps and key decisions

Immediately - MSD, HUD, Rotorua Lakes Council and others will be working intensively to implement the motel contracting option and other elements in Rotorua.

May - Advice on improving safety and security of emergency housing:

- Ceasing use of unsuitable motels and moving clients into more suitable accommodation.
- Developing a process for ensuring emergency accommodation is suitable.
- The potential for a complaints process for emergency housing suppliers.
- Ensuring clients are aware of their obligations when staying in emergency housing.
- An update on reporting on the amount paid out as security deposits made, recoverable in the event of damages to the emergency housing.
- Current support being provided to clients in emergency housing.

2 June (SWC) – Cabinet paper that will seek agreement to a funding model and dedicated appropriation for the emergency housing model outlined for Rotorua. This could include transferring some of the existing EHSNG spend. Key future decisions (tbc) that could also be explored in the advice or subsequent advice include:

9(2)(f)(iv)

6. Other relevant advice has been provided and more will be produced over the next couple of months

Supports that enable people to access safe, secure and appropriate accommodation in the private rental market:

- May** - How can we better support people in private rental or provide alternatives to public housing?
 - Initial advice on the Accommodation Supplement Review.
- Jun** - Advice on the continuation of the payment for Rent Arrears.
- Sep** - 9(2)(f)(iv)

How people are assessed and prioritised for public housing:

- Feb** - Insights from the Public Housing Register: applicants for public housing and their current situation.
- Mar** - Options for short to medium term changes to the way the SAS assesses and prioritises housing need.
- May** - Public Housing Register Management: A targeted approach. Cabinet paper on restarting tenancy reviews for people in public housing Advice on increasing Housing Supply.
 - Housing Cabinet papers focused on increasing public housing supply, improving affordability and enabling infrastructure – Advancing the supply and affordability package (Housing Acceleration Fund) and Bringing forward the upzoning of land.
- Jun** – Cabinet papers strengthening the system to deliver housing now and in the future. Setting the long-term direction for the housing and urban system (GPS-HUD) and development of a draft Māori Housing Strategy.
 - Utilising staged funding to accelerate public housing.
 - Additional action in the Homelessness Action Plan to support rangatahi / young people.
- Sep** - 18 month review of Aotearoa NZ Homelessness Action Plan.

Advice on changes to the gateway to public housing:

- May** - What should the purpose of public housing be?
- Jun** - How should we assess and prioritise access to public housing?