



# Briefing

<b>Proposed scope of Cabinet paper on improving the provision of emergency housing</b>			
<b>Date:</b>	19 May 2021	<b>Security level:</b>	In Confidence
<b>Priority:</b>	High	<b>Report number:</b>	BRF20/21050966

<b>Information for Minister(s)</b>	
Hon Dr Megan Woods <b>Minister of Housing</b>	For your direction on scope and timing of Cabinet paper
Hon Carmel Sepuloni <b>Minister of Social Development and Employment</b>	
Hon Marama Davidson <b>Associate Minister of Housing (Homelessness)</b>	

<b>Contact for discussion</b>			
Name	Position	Telephone	1 <sup>st</sup> contact
Anne Shaw	Deputy Chief Executive, Housing Supply, Response, and Partnerships group	9(2)(a)	
Jeremy Steele	Policy Manager, Housing Needs and Responses		

<b>Other agencies consulted</b>
Ministry of Social Development

## Minister's office to complete

<input type="checkbox"/> Noted <input type="checkbox"/> Seen <input type="checkbox"/> See Minister's notes <input type="checkbox"/> Needs change <input type="checkbox"/> Overtaken by events <input type="checkbox"/> Declined <input type="checkbox"/> Referred to (specify)  <hr/>
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<b>Comments</b>          
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Date returned to MHUD:

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## Briefing

### Proposed scope of Cabinet paper on improving the provision of emergency housing

**For:** Hon Dr Megan Woods, Minister of Housing  
Hon Carmel Seouloni, Minister for Social Development and Employment  
Hon Marama Davidson, Associate Minister of Housing (Homelessness)

**Date:** 19 May 2021

**Security level:** In Confidence

**Priority:** High

**Report number:** BRF20/21050966

#### Purpose

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1. This briefing provides you with a proposed scope for the Cabinet paper on improving the provision of emergency housing (focused on addressing urgent need in Rotorua), and seeks any feedback you may have.

#### Recommended actions

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2. It is recommended that you:

1. **Indicate** your preferred scope for the Cabinet paper:

**1.1 Narrow scope:** the paper would seek decisions in relation to Rotorua model, the funding model and dedicated appropriation, and additional funding required for MSD to increase housing navigator support

*Agree / Disagree*

**OR**

**1.2 Broad scope:** in addition to 1.1 the paper would seek Cabinet's agreement and provide advice on expanding elements of the approach being taken in Rotorua, and identify a small number of locations to expand to next, as well as the conditions under which we would expand

*Agree / Disagree*

2. **Indicate** your preferred timeframe for taking this paper to the Social Wellbeing Cabinet Committee:

**2.1 2 June 2021:** meeting this date will mean shortened timeframes for Ministerial consultation, and prevent detailed analysis of how we could expand elements of the approach being taken in Rotorua to other locations

*Agree / Disagree*

**OR**

**2.2 9 June 2021 (preferred option):** this date will provide more time for Ministerial consultation, and enable more detailed analysis of possible expansion of the Rotorua model.

*Agree / Disagree*



Jeremy Steele  
Manager, Housing Needs and Responses, HUD

19/5/21

Hon Dr. Megan Woods  
Minister of Housing

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Hon Carmel Sepuloni  
Minister for Social Development and Employment

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Hon Marama Davidson  
Associate Minister of Housing (Homelessness)

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## Background

3. There is a growing need for emergency housing, driven by the social and economic impacts of COVID-19, increased housing unaffordability, lack of supply, limited prevention and support, and individual stressors. These issues have come to a head in Rotorua city and are placing unsustainable pressure on the local emergency housing system.
4. On 22 April 2021, Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development (HUD) officials provided housing Ministers with advice: *Proposed immediate actions to address urgent homelessness and motel use issues in Rotorua* [BRF20/21030881 refers]. This sought direction on actions to address urgent issues with homelessness and motel use in Rotorua.
5. On 3 May 2021, Housing Ministers directed officials to proceed at-pace with these actions, and to prepare a Cabinet paper seeking agreement to a funding model and dedicated appropriation for an improved model of emergency housing, initially in Rotorua. Key elements of this model are that HUD will contract motels, and expand the provision of support services.
6. On 12 May 2021, the Minister of Housing and the and the Minister for Social Development and Employment provided an oral update to Ministerial colleagues at SWC on this work, and made a public announcement the next day on the suite of changes to emergency housing provision in Rotorua.
7. This Cabinet paper is an opportunity to seek agreement to an approach for expanding elements of the model to other locations. Officials are seeking your feedback on the scope of decisions this Cabinet paper could seek for expanding the model, if required. This advice has been developed in consultation with the Ministry of Social Development.

### Officials are working at pace to confirm decisions the Cabinet paper will seek

8. We are working with senior officials from the Ministries of Education, Health, Pacific Peoples, and Social Development, the Departments of Corrections, and Prime Minister and Cabinet, Kāinga Ora, New Zealand Police, Oranga Tamariki–Ministry for Children, Te Puni Kōkiri, Public Service Commission, and Treasury. As part of formal agency consultation, we will also engage a wider range of agencies.

#### *Potential scope for decisions in the Cabinet paper*

9. There are different approaches the Cabinet paper could take. These include:
  - **Narrow scope:** at a minimum, the paper could simply seek decisions on the Rotorua model, the funding model and dedicated appropriation, and additional funding required for MSD to increase housing navigator support.
  - **Broader scope:** in addition to the above, the paper could also seek Cabinet's agreement and provide advice on expanding elements of the approach being taken in Rotorua, identify a small number of locations to expand to next, as well as the conditions under which we would expand.
10. Officials are currently proceeding on the basis that the paper will seek broader decisions to expand the model beyond Rotorua. If this is not your preference, we will rescope the paper to take a narrower approach.
11. The paper will frame the proposals as focused on making improvements to the emergency housing system, and not as an expansion of transitional housing.

## **The Cabinet paper will outline the new Rotorua model, and seek decisions on the funding model and dedicated appropriation**

12. The paper will provide an overview of the suite of changes Ministers have agreed to improve the provision of emergency housing in Rotorua, and provide advice on funding options. This will note the level of funding required, and that the appropriation needs to be flexible to allow for possible future expansion of the model. This will also cover funding options.

*Subject to your direction, we are also undertaking urgent policy work to confirm our advice on the nature, scale, and timing of possible expansion*

13. This work is considering several factors to assess which locations have the most acute need, and where it would be feasible and beneficial to roll-out elements of the approach being taken in Rotorua. This will provide advice on:

- **Whether we should expand the “Rotorua model”, or elements of it to other locations, and under what circumstances:** this will consider whether applying elements of the Rotorua model more broadly could mitigate current risks and deliver better outcomes for families and whānau with children and others with complex needs.
- **Whether we can expand the model, and how we should expand it:** this will consider how we phase expanding the model, and account for any constraints, practical considerations, and risks associated with expanding the model. For example, provider capacity for services could be an issue in some locations.
- **What locations we should look to expand to:** this will consider factors such as social harm associated with motel use in different locations, concentration of Emergency Housing – Special Needs Grants, and length of time spent in emergency housing.
- **Focus cohorts:** this will consider whether any cohorts should be prioritised over and above families with children.

*The Cabinet paper will also place the proposals in their wider context and note work to reduce the need for emergency housing, and the plan to reduce motel use*

14. This will address the fact that there will be an ongoing need for emergency housing, and that the proposals provide an interim step to address urgent need as more permanent options are delivered.
15. Beyond that, the Cabinet paper will provide information on:
- A strategic and phased cross-government approach to reducing motel-based provision of emergency housing, including the pipeline of both Transitional and Public Housing in locations with high motel-use
  - Work to address underlying demand and ensure permanent options and support are available
  - Work MSD is doing to improve the safety and quality of emergency housing, and note the need for regional commissioners to coordinate and lead local efforts.

## Timeframe

16. The first SWC meeting following the Budget 21 Moratorium is on 2 June 2021. To meet that timeframe would require a considerably shorter timeframe for agency and Ministerial consultation than usual, and completing detailed analysis for the broader scope we propose will be challenging.

Date	Milestone
24 May	Initial draft of Cabinet paper to you for feedback, formal Ministerial consultation, and further agency consultation
26 May	Feedback from ministerial and agency consultation
27 May	Cabinet paper lodged
2 June	Social Wellbeing Cabinet Committee considers proposals
7 June	Cabinet considers proposals

17. Our preference would be to take the paper to SWC on 9 June 2021. This date will provide more time for Ministerial consultation, and enable more detailed analysis of possible expansion of the Rotorua model.

Date	Milestone
25 May to 27 May	Draft paper to housing ministers to provide feedback
28 May to 2 June	Revised draft provided to you for, formal ministerial consultation, and further agency consultation
2 June	Feedback from ministerial consultation
3 June	Cabinet paper lodged
9 June	Social Wellbeing Cabinet Committee considers proposals
14 June	Cabinet considers proposals

## Next steps

18. Officials are available to meet with you to discuss the proposed scope of the Cabinet paper.
19. Subject to your direction, we will continue policy work to address the issues canvassed in this paper, and provide you with a draft Cabinet paper on 24 May 2021.