



7 JUN 2018

Dear [REDACTED]

On 22 March 2018 you emailed the Ministry requesting, under the Official Information Act 1982, the following information:

- *For the past two years, all documents and correspondence with Wellington City Council and Wellington Mayor Justin Lester (including his office/staff), regarding plans to set up Te Whare Oki Oki (wet house) in Wellington. Please include any memos, meeting notes, letters, emails, reports or briefing notes, including drafts, prepared by officials.*
- *If there is anything in the spirit of this request which hasn't been requested but could be relevant to it, I ask that you include this information in your response.*

On 26 March 2018, the first part of your request was clarified to the following:

- *All documents held by MSD regarding Te Whare Oki Oki from the past two years (including memos, meeting notes, reports or briefing notes, excluding internal emails), and all correspondence (including emails) and documents between MSD and external parties, unless they are purely administrative in nature.*

Please find attached copies of the following documents:

Date	Title
16 June 2017	Email: FW: Request for AM – meeting with Mayor Justin Lester – due by cop Tuesday 20 June
20 June 2017	Aide-mémoire: Meeting with Wellington Mayor Justin Lester
30 June 2017	Social housing quarterly report: Social housing in Wellington Region fact sheet
14 August 2017	Aide-mémoire: Meeting with Wellington Mayor Justin Lester
8 December 2017	Aide-mémoire: Meeting with Wellington Mayor Justin Lester

The Social Housing Quarterly Report is not directly about Te Whare Okioki, rather it provides context about Public Housing in the Wellington region, which will likely be of interest to you.

Please note that the aide-mémoire dated 20 June 2017, was for a meeting that was subsequently cancelled and held at a later date. As such, a second aide-mémoire, dated 14 August 2017, was prepared for the newly scheduled meeting.

You will note some of the documents make reference to the Wellington City Council Housing Task Force report, this report is not in scope of your request, but if you are interested, the report is publically available here: <https://wellington.govt.nz/~media/your-council/news/files/2017/mayors-housing-taskforce-report>.

Page 1 of 3

Some information has been withheld from these documents under the following following sections of the Act:

- You will note that the names of some individuals are withheld under section 9(2)(a) of the Act in order to protect the privacy of natural persons. The need to protect the privacy of these individuals outweighs any public interest in this information.
- Contact details of some individuals will be withheld under section 9(2)(k) of the Act in order to reduce the possibility of staff being exposed to phishing and other scams. This is because information released under the Act may end up in the public domain, for example, on websites including the Ministry's own website.
- Some information is withheld under section 9(2)(j) of the Act to enable the Ministry to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). The greater public interest is in ensuring that government agencies can continue to negotiate without prejudice.
- Some information is withheld under section 9(2)(f)(iv) of the Official Information Act as it is under active consideration. The release of this information is likely to prejudice the ability of government to consider advice and the wider public interest of effective government would not be served.

The following is a relevant excerpt from meeting minutes from the Te Mahana – Ending Homelessness in Wellington by 2020 Strategic Leadership Group meeting.

The purpose of Te Mahana is to guide a collaborative, inter-sectoral approach to making significant progress towards ending homelessness in Wellington by 2020. The Ministry is part of the Te Mahana Strategic Leadership Group.

At the meeting held on 6 November 2017, a brief update was provided to the group on the development of a wet house in Wellington. This is mentioned in point 3.7 of the minutes. The remainder of the document is not provided as it does not relate to your request.

SLG Group Discussion following presentation

- 3.6. MDT meeting will need to realistically work with each other to provide a bigger variety of solutions.
- 3.7. Discussion regarding gaps in the housing continuum, the resources and strategies required and the investigation of a supported group home, including the establishment of a wethouse in Wellington.

A further six documents have been identified as including information that is in scope of your request, however the documents are withheld under the following sections of the Act:

- Some information is withheld under section 9(2)(b)(ii) of the Act as, if released, it would be likely to prejudice the commercial position of the person who supplied or who is the subject of the information. The greater public interest is in ensuring that the commercial position can be maintained.
- Some information is withheld under section 9(2)(j) of the Act to enable the Ministry to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). The greater public interest is in ensuring that government agencies can continue to negotiate without prejudice.

The Ministry also holds copies of two documents generated by Housing New Zealand Corporation (HNZC), which are withheld under section 9(2)(j) of the Act by HNZC in response to a similar request you made to them.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public shortly. The Ministry will do this by publishing this letter and attachments on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response regarding Te Whare Okioki with us, please feel free to contact [OIA\\_Requests@msd.govt.nz](mailto:OIA_Requests@msd.govt.nz).

If you are not satisfied with this response, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or 0800 802 602.

Yours sincerely



Sandra Preston  
**General Manager, Housing Policy**

# Aide-mémoire



MINISTRY OF SOCIAL  
DEVELOPMENT  
TE MANATŪ WHAKAHIATO ORA

## Meeting

**Date:** 20 June 2017 **Security Level:** IN CONFIDENCE

**For:** Hon Amy Adams, Minister for Social Housing

**File Reference:** REP/17/6/693

## Meeting with Wellington Mayor Justin Lester

<b>Meeting details</b>	5:00pm - 5:30pm, 22 June 2017, Minister Adams' office
<b>Expected attendees</b>	Justin Lester, Mayor of Wellington David Chick, Wellington Chief City Planner Joseph Romanos, Mayor Lester's Chief of Staff
<b>Purpose of meeting</b>	The purpose of the meeting is to discuss social housing.
<b>Key topics</b>	Affordable housing, including social housing and homelessness, are issues that Mayor Lester has prioritised. Key topics that Mayor Lester may wish to discuss include: <ul style="list-style-type: none"><li>Wellington City Council (WCC)'s plan to work with CHPs to provide social housing and access IRRS</li><li>extending the Housing First pilot to Wellington and how it could work with WCC's wet house initiative</li><li>more engagement between WCC and MSD on social housing.</li></ul>
<b>Background</b>	<b>Mayor Lester recently met with Minister Smith and MSD DCE Housing Scott Gallacher</b> On Thursday 13 April Mayor Lester met with Minister Smith, who suggested the Mayor meet with you. Mayor Lester also recently met with Mr Gallacher to discuss extending the Housing First pilot to Wellington CBD, and opportunities for further engagement between MSD and WCC.
<b>Expansion of key topics</b>	<b>WCC plans to work with CHPs to provide social housing and access IRRS</b> WCC is the largest affordable landlord in Wellington, with approximately 2,300 units. WCC has indicated their long-term intention is to continue to provide affordable housing for needy

households.

- In 2008 WCC and the Crown started a 20 year joint Housing Upgrade Programme to upgrade WCC social housing.
- In February Mayor Lester announced that the next stage of the Programme will include at least 750 new social and affordable housing units built over the next decade.
- 105 new homes are currently under construction at Arlington site 2.

Mayor Lester has signalled that WCC wants to partner with CHPs to provide new social housing, as CHPs can access IRRS and manage social housing tenancies. A RFP will be released later this year to developers and CHPs. The project aims to be at a neutral cost for WCC ratepayers.

Mayor Lester may want to discuss how WCC can work with MSD in generating new supply for Wellington while accessing IRRS. The primary reasons that IRRS is not paid to existing tenancies are:

- applicants must be assessed as being at risk or in severe housing need to be eligible for social housing
- existing CHP tenants are considered to already be adequately housed, which is likely to affect their level of housing need and therefore their prioritisation on the social housing register
- extending the capped IRRS to existing CHP tenants would have significant financial implications for the Government.

Local governments can access IRRS for new CHP tenancies if they operate through an arms-length management organisation (ALMO).

#### **Mayor Lester's discussions with MSD on extending the Housing First pilot to Wellington, and how it could work with WCC's wet house initiative**

Mayor Lester recently met with Mr Gallacher. The meeting focussed on possibly extending the Housing First pilot to Wellington CBD 9(2)(i), 9(2)(f)(iv)

to open a wet house (a potential Housing First facility for active alcoholics). Both MSD and WCC have announced plans regarding Housing First approaches:

- Budget 2017 allocated \$16.45m to expand Housing First to regions across New Zealand. The funding will allow MSD to purchase about 500 new places and support services over four years. MSD are developing the options to allow it to identify the most appropriate regions where it could initiate further Housing First opportunities. At this stage, off the back of significant engagement with the sector, 9(2)(i)
- On June 9 Mayor Lester discussed plans to open a 14 bed wet house in the Wellington CBD. Mayor Lester said he

expected to make an announcement regarding the wet house before the end of August 2017.

Discussions on whether WCC's wet house initiative would fit within the MSD Housing First approach are ongoing. Mayor Lester may want to discuss these negotiations and obtaining funding for the WCC wet house initiative through the Housing First expansion.

#### **More engagement between MSD and WCC on social housing**

At their recent meeting, Mayor Lester and Mr Gallacher discussed further engagement between MSD and WCC on opportunities to develop new social housing supply and the possibility of sharing more information on social housing places.

#### **Housing Task Force recommendations**

In October 2016, Mayor Lester set up a Housing Task Force to examine issues like social housing, homelessness and housing affordability products for first home buyers. The Task Force is expected to report back to WCC with their recommendations in June.

#### **Recent WCC affordable housing announcement**

On June 7 WCC announced plans to work with developers and CHPs to redevelop inner-city buildings to provide social and affordable housing.

#### **Additional information**

#### **Social and affordable housing in Wellington**

WCC provides approximately 2,300 affordable housing units for between 3,500 - 4,000 residents in Wellington.

As at 31 March 2017, there were 1,885 social housing tenancies in Wellington City. In the wider Wellington region (including Wellington City), HNZC provides 8,471 social houses, and CHPs provide 81 social houses (as at 31 March 2017) to total 8,852 social houses.

There are 235 social houses in the pipeline for Wellington City, and 455 total social houses in the pipeline for Wellington region.

Author: 9(2)(a), Graduate Policy Analyst, Social Housing Policy

Responsible manager: 9(2)(a), Policy Manager, Social Housing Policy

9(2)(a)

**From:** 9(2)(a)  
**Sent:** Friday, 16 June 2017 8:01 a.m.  
**To:** 9(2)(a)  
**Cc:** Sandra Preston  
**Subject:** FW: Request for AM - meeting with Mayor Justin Lester - due by cop Tuesday 20 June

**Importance:** High

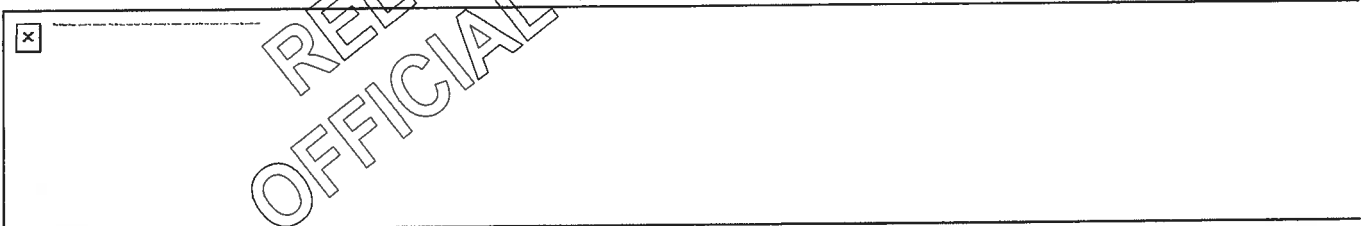
**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Hi 9(2)(a)

Could you please pick up the lead on developing the attached AM for Minister Adam's Meeting with Justin Lester. 9(2)(a) has asked for an aide memoire for the meeting by **cop Tuesday 20 June**. Scott G would like to see it before it is finalised so that he can add anything further that is required. I can have a chat with you about potential areas to cover but a few might be:

- Could you please request from 9(2)(a) any of the basic stats that might be useful background for the Minister's meeting on Wellington
- Check in about JL's announcements
- Get some text from 9(2)(a) on Housing First expansion and maybe check with 9(2)(a) about time frames

The Minister is meeting with Mayor Justin Lester on 22 June 5-5:30pm in her office. The information I have regarding the meeting is below.



9(2)(a) Policy Manager  
Housing Policy  
Ministry of Social Development  
Ext 9(2)(k)

**From:** 9(2)(a)  
**Sent:** Thursday, 15 June 2017 6:36 p.m.  
**To:** Sandra Preston  
**Cc:** 9(2)(a)  
**Subject:** RE: Request for AM - meeting with Mayor Justin Lester - due by cop Tuesday 20 June

Hi Sandra

Apologies for the delay in getting back to you – just nabbed Scott on his meeting with Justin Lester....

- Scott's meeting with Mayor Lester focused on 9(2)(i) 9(2)(i) to extend the Housing First Pilot to the Wellington CBD. Further detailed discussions will be required around the scope and costings of the proposal, but engagement to date has been positive.
- Scott also noted the recent up-tick in engagement between MSD and WCC social housing issues. He discussed with the Mayor the possibility of sharing more information at an earlier stage on changes within our respective stock (IRRS places and Council housing) and opportunities to develop new supply.

Apologies, this isn't as fulsome as it could be.

Scott would like to see the AM before it goes as he may have some further comment to insert.

Thanks

9(2)(a)

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**From:** Sandra Preston  
**Sent:** Wednesday, 14 June 2017 2:32 p.m.  
**To:** 9(2)(a)  
**Cc:**  
**Subject:** RE: Request for AM - meeting with Mayor Justin Lester - due by cop Tuesday 20 June

I wasn't at the meeting, so we will need the intel from the meeting Scott had in order to do the aide memoire well. So, if someone was at the meeting from your side of the shop, it would be better if that person does this aide memoire then – let us know asap.

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**From:** 9(2)(a)  
**Sent:** Wednesday, 14 June 2017 2:14 p.m.  
**To:** Sandra Preston; 9(2)(a)  
**Cc:** 9(2)(a) i\_request (MSD)  
**Subject:** RE: Request for AM - meeting with Mayor Justin Lester - due by cop Tuesday 20 June

Hi Sandra

Thanks, that would be excellent.

Scott met with the Mayor this morning. Not sure whether you were also involved in that meeting, but I was going to check-in with Scott to see whether there were any specifics that he was likely to pick up with Minister Adams. Will let you know.

Thanks

9(2)(a)

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**From:** Sandra Preston  
**Sent:** Wednesday, 14 June 2017 2:10 p.m.  
**To:** 9(2)(a)  
**Cc:** 9(2)(a) i\_request (MSD)  
**Subject:** RE: Request for AM - meeting with Mayor Justin Lester - due by cop Tuesday 20 June

9(2)(a), shall policy pick this one up?

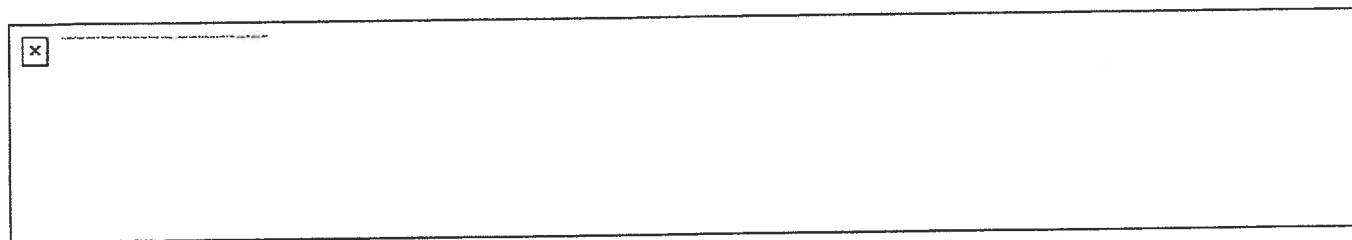
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**From:** 9(2)(a) [mailto:9(2)(a)@parliament.govt.nz]  
**Sent:** Wednesday, 14 June 2017 12:59 p.m.  
**To:** 9(2)(a)  
**Cc:** 9(2)(a) i\_request (MSD); Sandra Preston  
**Subject:** Request for AM - meeting with Mayor Justin Lester - due by cop Tuesday 20 June



Hi [9(2)]

The Minister is meeting with Mayor Justin Lester on 22 June 5-5:30pm in her office. The information I have regarding the meeting is below.



Could I please request an aide memoire for the meeting by **cop Tuesday 20 June**.

Many thanks.

Regards

[9(2)(a)]

[9(2)(a)] Private Secretary | Office of the Hon Amy Adams

Minister for Social Housing

Parliament Buildings | Wellington [9(2)(k)]

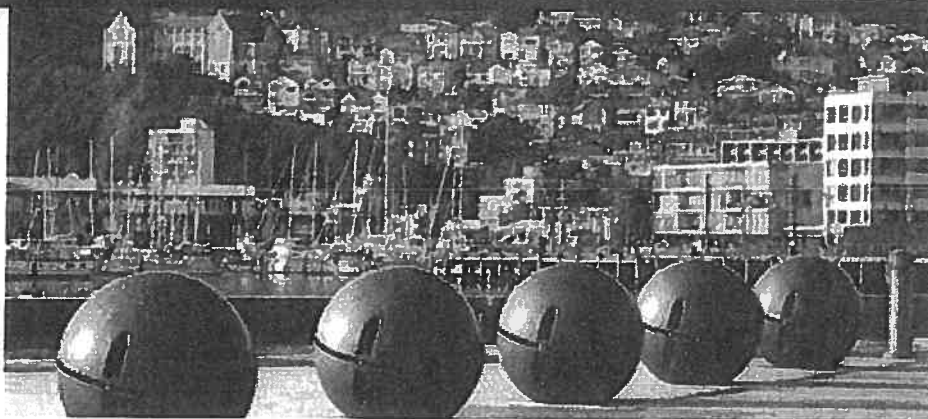
RELEASED UNDER THE  
OFFICIAL INFORMATION ACT

# Social housing in Wellington Region

Please note that this document is a draft. The data within this document does not align with the existing methodology for the calculation of public housing data and statistics.

The Wellington region is based on the following Territorial Local Authorities:

Carterton District, Kapiti Coast District, Lower Hutt City, Masterton District, Porirua City, South Wairarapa District, Upper Hutt City, Wellington City.



## Social Houses

**287**

HNZ Market Renters

**7,963**

HNZ IRRS Places

**71**

HNZ Short Term Vacants

**119**

HNZ Long term Vacants

**95**

Registered CHP IRRS Places

**0**

Registered CHP Market Renters

**= 8,535**

Social houses in Wellington region  
(8,552 as at 31 March 2017)

**+ 165**

Community Group Houses  
(164 as at 31 March 2017)

Note: All figures in this factsheet are as at 30 June 2017.

## Housing Support in Wellington Region

Accommodation Supplement (AS) is a non-taxable benefit that provides assistance towards accommodation costs for beneficiaries and low and middle-income earners. Recipients must meet a cash asset test, an income test and have high accommodation costs.

**27,670**

Accommodation supplements  
(27,967 as at 31 March 2017)

**\$1,817,663**

Weekly total AS amount  
(\$1,841,328 as at 31 March 2017)

Temporary Additional Support (TAS) is a non-taxable supplementary benefit that can be paid for a maximum of 13 weeks. It is paid as a last resort to help people with their regular essential living costs that cannot be met from their income and other resources.

**5,947**

Temporary Additional Support  
(6,069 as at 31 March 2017)

**\$370,040**

Weekly total TAS amount  
(\$370,133 as at 31 March 2017)

Ministry's financial support for housing also includes the Income Related Rent Subsidy (IRRS) paid to housing providers. The IRRS is the difference between the tenant's Income Related Rent and the market rent, or agreed rent, for the property.

Please note that this document is a draft. The data within this document does not align with the existing methodology for the calculation of public housing data and statistics.

## Community Housing Provision

Community Housing Providers (CHPs) became eligible to receive the Income Related Rent Subsidy (IRRS) from 2014 for tenants placed from the social housing register. One of the aims of the Social Housing Reform Programme is to encourage a strong, diverse market of CHPs.

CHPs are registered, regulated and monitored by the Community Housing Regulatory Authority, a part of the Ministry of Business, Innovation and Employment.

**19**  
Accessible Properties  
New Zealand Limited

**32**  
Dwell Housing  
Trust

**11**  
Link People  
Limited

**3**  
Porirua Whanau  
Centre Trust

**17**  
The Salvation Army  
New Zealand Trust

**13**  
Trusthouse Limited

—

**= 95**

Active social housing places in Wellington region being delivered by Community Housing Providers  
(81 as at 31 March 2017)

## Pipeline and Purchasing Intentions

**Pipeline:** The Social Housing Supply Pipeline provides a three year forecast of net new social housing supply across New Zealand.

**Purchasing intentions:** The purpose of the Social Housing Purchasing Strategy is to share information with existing and potential providers about the types and locations of social housing tenancies that MSD anticipates to fund through the income-related rent subsidy over the next four years.

**Greater Wellington  
(Wellington City,  
Upper Hutt, Lower Hutt,  
Porirua City)**

o pipeline

435 purchasing intentions

**Kapiti Coast  
District**

o pipeline

20 purchasing intentions

**Wellington  
Region**

**0**

Pipeline  
(0 as at 31 March 2017)

**+**

**455**

Purchasing intentions  
(455 as at 31 March 2017)

## Current Transitional Housing Provision

Transitional housing provides short-term housing for people with an immediate housing need while support is put in place to transition them into sustainable housing on a long-term basis. Some providers are also contracted to provide wrap-around support services, such as support for addictions and mental health issues.



**Atareira**  
Accommodation only



**Wellington Night Shelter**  
Accommodation only



**Wellington Women's Boarding House**  
Support services



**Emerge Aotearoa**  
Accommodation and support services



**Koraunui Marae**  
Accommodation and support services



**Oasis Network**  
Accommodation and support services



**The Salvation Army**  
Accommodation and support services



**Women's Refuge**  
Accommodation and support services



**Total available places as at 30 June 2017**  
(98 as at 31 March 2017)

## Transitional Housing Targets

Using demand data and local knowledge, MSD has identified transitional housing targets for each region. The Ministry is working with providers to meet those targets by the end of 2017.

Region	Available places	Target
Kapiti Coast District	0 available places	4 target
Lower Hutt City	34 available places	46 target
Masterton District	3 available places	7 target
Porirua City	34 available places	40 target
Upper Hutt City	0 available places	7 target
Wellington City	54 available places	91 target
The Rest	0 available places	0 target

Wellington Region

**125**  
Total available places  
as at 30 June 2017  
(98 as at 31 March 2017)

**195**  
Total target  
(195 as at 31 March 2017)

## Supporting People to Housing Independence

Housing Support Products (HSPs) consist of a range of products designed to assist people to achieve or sustain independence in the private housing market. HSPs help to ensure that those who most need social housing can access it by reducing the number of people on the register, and by helping those who can sustain alternative housing to transition out of social housing.



**\$8,304**

Bond Grants



**\$529**

Letting Fees



**\$3,226**

Moving Assistance



**Nil**

Tenancy Costs Cover



**\$6,000**

Transition to Alternative Housing Grant

**= 14**

Grants for 11 distinct clients (total \$18,059)

(13 grants for 11 distinct clients, total \$16,961 as at 31 March 2017)

## Social Housing Register

The Social Housing Register comprises clients who have a serious or at risk housing need (Priority B and Priority A respectively). The Social Housing Register is dynamic with applicants coming off and on the register, and priority ratings changing as circumstances change.

Included in the register is the Transfer Register. The Transfer Register is made up of people already in social housing, but who have requested, and are eligible for, a transfer to another property.

**599**

Housing register

(505 as at 31 March 2017)

**217**

Transfer register

(193 as at 31 March 2017)

### Applications Housed



Wellington

**254** (259 as at 31 March 2017)



National

**1,725** (1,800 as at 31 March 2017)

#### Notes:

- This includes both A and B priority applications.
- Applications housed may have been housed with Housing New Zealand Corporation or with a Community Housing Provider.

## Emergency Housing Special Needs Grant

The Special Needs Grant for emergency housing pays for short-term accommodation provided by commercial and community providers who are not contracted by the Ministry of Social Development. The assistance is paid on behalf of people who cannot meet the cost of this from their own resources or from other sources.

In the quarter ending 30 June 2017, there have been **855** grants made supporting **253** households.

**\$753,008**

Total cost in the quarter ending 30 June 2017

(\$453,664 as at 31 March 2017)

# Aide-mémoire



**MINISTRY OF SOCIAL  
DEVELOPMENT**  
TE MANATŪ WHAKAHIATO ORA

## Meeting

**Date:** 14 August 2017 **Security Level:** IN CONFIDENCE

**For:** Hon Amy Adams, Minister for Social Housing

**File Reference:** REP/17/8/934

## Meeting with Wellington Mayor Justin Lester

<b>Meeting details</b>	4:00pm - 4:30pm, 16 August 2017, Minister Adams' office
<b>Expected attendees</b>	Justin Lester, Mayor of Wellington David Chick, Wellington Chief City Planner Joseph Romanos, Mayor Lester's Chief of Staff
<b>Purpose of meeting</b>	The purpose of the meeting is to discuss social housing.
<b>Key topics</b>	Affordable housing, social housing and homelessness are issues in Wellington that Mayor Lester has prioritised. Key topics that Mayor Lester may wish to discuss include: <ul style="list-style-type: none"><li>Wellington City Council (WCC)'s plan to work with Community Housing Providers (CHPs) to provide social housing and access Income-Related Rent Subsidy (IRRS)</li><li>extending the Housing First pilot to Wellington and how it could work with <sup>9(2)(f)</sup> [REDACTED]</li><li>more engagement between WCC and the Ministry of Social Development (MSD) on social housing.</li></ul>
<b>Background on meeting</b>	On Thursday 13 April Mayor Lester met with Minister Smith, who suggested the Mayor meet with you. Scott Gallacher (MSD Deputy Chief Executive Housing) has also met with Mayor Lester on two occasions, most recently on 14 June to discuss extending the Housing First pilot to Wellington CBD, and opportunities for further engagement between MSD and WCC.
<b>Background on WCC housing provision</b>	WCC provides approximately 2,300 affordable housing units for between 3,500 – 4,000 residents in Wellington. WCC has indicated their long-term intention is to continue to provide affordable housing for vulnerable households.

In 2008, WCC and the Crown started a 20 year joint Housing Upgrade Programme to upgrade WCC social housing. The WCC also received a one-off Crown contribution of \$220 million to upgrade its stock in 2008.

In February Mayor Lester announced that the next stage of the Programme will include at least 750 new units that could be used for social housing and affordable housing units built over the next decade. 105 new homes are currently under construction at Arlington site 2 (Arlington Apartment Block, Mt Cook, Wellington).

In October 2016, Mayor Lester set up a Housing Task Force to examine issues like social housing, homelessness and housing affordability products for first home buyers. The taskforce reported back to WCC in June with their recommendations, including that:

- the WCC should negotiate a new partnership agreement with Central government on the development and provision of additional social and affordable housing opportunities over the next thirty years
- the WCC should work with iwi partners, community housing providers and the private development sector to grow the capacity of the housing sector to deliver and manage more social and affordable housing opportunities.

Recommendations agreed to by WCC will be included in WCC's long-term plan. The long-term plan will be published in 2018.

**Possible points for discussion**

**WCC plans to work with CHPs to provide social housing and access IRRS**

Mayor Lester has signalled that WCC wants to partner with CHPs to provide new social housing, as CHPs can access IRRS and manage social housing tenancies. A request for proposal to partner with WCC will be released later this year to developers and CHPs. The project aims to be at a neutral cost for WCC ratepayers.

Existing WCC tenants are generally not able to access IRRS. Mayor Lester may want to discuss how WCC can work with MSD in generating new supply for Wellington while accessing IRRS. The primary reasons current WCC tenants may not qualify for IRRS are:

- applicants must be assessed as being at risk or in severe housing need to be eligible for social housing
- existing CHP tenants are considered to already be adequately housed, which is likely to affect their prioritisation on the social housing register
- extending the capped IRRS to existing CHP tenants would have significant financial implications for the Government.

Local governments can access IRRS for new CHP tenancies if they operate through an arms-length management organisation (ALMO).

On June 14 Mayor Lester and Mr. Gallacher discussed further engagement between MSD and WCC on opportunities to develop new social housing supply and the possibility of sharing more information on social housing places.

**Mayor Lester's discussions with MSD on extending the Housing First pilot to Wellington, and how it could work with 9(2)(j)**

On June 9 Mayor Lester publicly discussed plans to open a facility with 14 beds in the Wellington CBD. Mayor Lester said he expected to make an announcement regarding the WCC initiative before the end of August 2017.

On June 14 Mayor Lester and Mr. Gallacher discussed the possibility of extending the Housing First pilot to Wellington CBD 9(2)(j) to open a potential Housing First facility for active alcoholics.

Discussions on whether WCC's initiative would fit within the MSD Housing First approach are ongoing. Mayor Lester may want to discuss these negotiations and the likelihood of obtaining funding for the WCC initiative through the Housing First pilot. You may wish to note:

- 9(2)(j)
- there is still opportunity for other providers to submit proposals in areas of identified need.

Further information on MSD and WCC plans regarding Housing First approaches is provided in Appendix One.

**Recent WCC affordable housing announcement**

On June 7 WCC announced plans to work with developers and CHPs to redevelop inner-city buildings to provide social and affordable housing.

**Social and affordable housing in Wellington**

As at 30 June 2017, there were 1,877 social housing tenancies in Wellington City, including 1810 provided by Housing New Zealand Corporation and 67 provided by CHPs. The 2016 Social Housing Purchasing Strategy calls for MSD to purchase an additional 235 IRRS places by June 2020.

There are 235 social houses in the pipeline for Wellington City, and 455 total social houses in the pipeline for Wellington region.

Author: 9(2)(a), Graduate Policy Analyst, Social Housing Policy

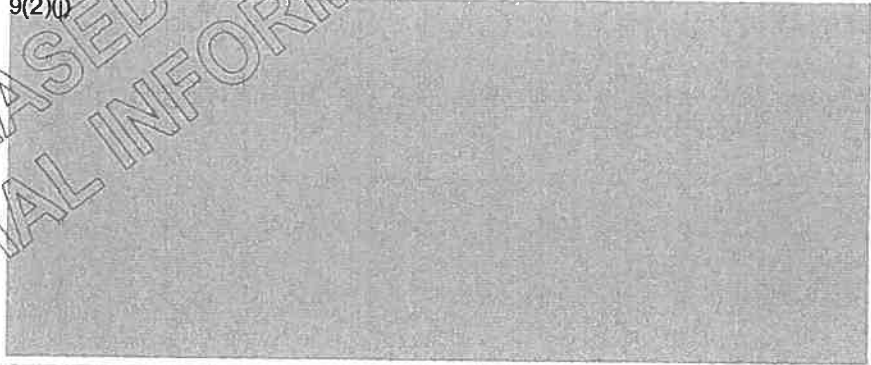
Responsible manager: 9(2)(a), Policy Manager, Social Housing Policy



## Appendix One: MSD's Housing First Expansion

### Further information on MSD and WCC plans regarding Housing First approaches

- Budget 2017 allocated \$16.45m to expand Housing First to regions across New Zealand. This includes:
  - \$11.899 million to fund new social housing places
  - \$0.801 million for additional Accommodation Supplement funding
  - \$3.75 million to fund the support services associated with implementing a Housing First approach.
- The funding will allow MSD to purchase about 500 new places and support services over four years. MSD are developing the options to allow it to identify the most appropriate regions where it could initiate further Housing First opportunities.
- MSD has been engaging with the sector to discuss the expansion, and to encourage providers who are interested in and capable of delivering the Housing First model to express their interest.
- MSD's intention is to expand the Housing First approach in areas outside of Auckland and Hamilton. A request for submissions will be communicated in the Monthly Social Housing e-Newsletter to the housing sector on 18 August 2017. This request for submissions is an invitation to suitably qualified suppliers to submit a proposal, with a view to deliver Housing First services.
- 9(2)(l)





# Aide-mémoire



## Meeting

**Date:** 8 December 2017      **Security Level:** IN CONFIDENCE  
**For:** Hon Phil Twyford, Minister of Housing and Urban Development  
**File Reference:** REP/17/12/1280

### Meeting with Wellington Mayor Justin Lester

**Meeting details** 11.00 – 11.45am, Wednesday 13 December 2017

**Expected attendees** Hon Jenny Salesa, Associate Minister of Housing and Urban Development  
Justin Lester, Mayor of Wellington  
Brian Dawson, Wellington City Councillor  
Kevin Lavery, CEO Wellington City Council  
9(2)(a)  
Scott Gallacher, Deputy Chief Executive Housing, MSD  
Andrew Plant, General Manager, Housing, MSD  
Patrick Dougherty, General Manager – Asset Development, HNZ

**Purpose of meeting** 9(2)(f)(iv), 9(2)(j)  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

This note also provides you with an overview of the Housing First programme pilot and an update on progress on the expansion of Housing First into Wellington.

**Key topics** Affordable housing, social housing and homelessness are issues in Wellington that Mayor Lester has prioritised.  
Key topics that Mayor Lester may wish to discuss include:

- extending the Housing First programme pilot to Wellington; and,
- 9(2)(f)(iv), 9(2)(j)  
[Redacted]

**Work to date** • In June, Scott Gallacher (MSD Deputy Chief Executive Housing) and Andrew Plant (MSD General Manager Strategic



9(2)(a), 9(2)(i)

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**Background on Housing First**

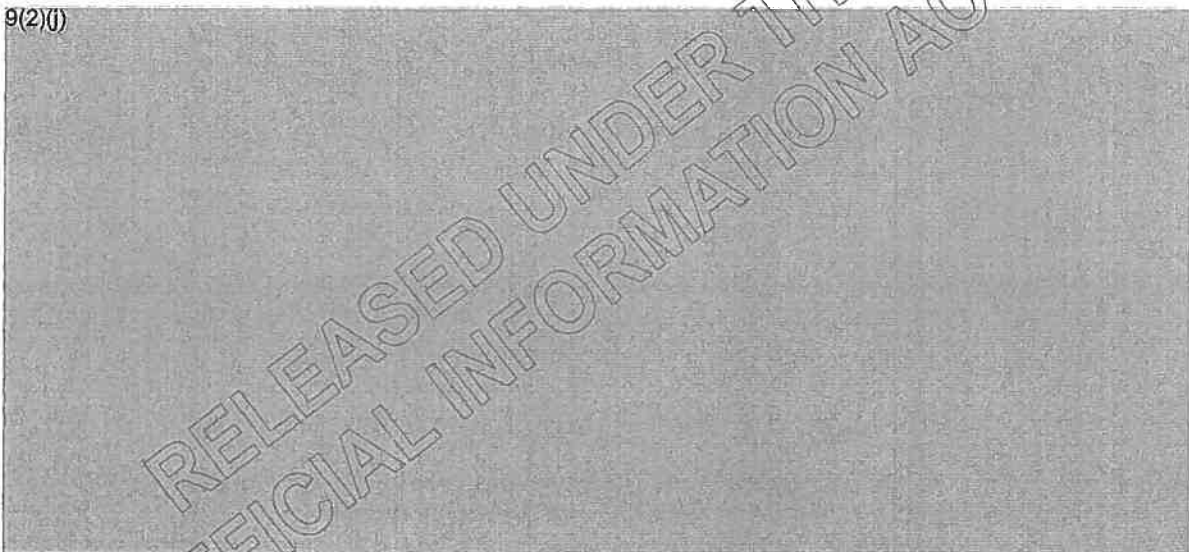
- The Housing First model is an internationally and locally recognised approach to working with chronically homeless people. It places homeless people in long-term housing immediately and provides support services to help them sustain their housing as a first step towards better outcomes in all aspects of their lives.
- Those who are chronically homeless and are part of the programme are at the highest level of vulnerability and require intensive and specialised support services.
- Housing First is built on five core principles:

- Immediate access to housing with no housing readiness conditions
- Consumer choice and self-determination
- A harm reduction and recovery-orientation approach
- Individualised and person-driven supports
- Social and community integration.

**Current numbers for Wellington**

- 'Homelessness in New Zealand'<sup>1</sup>, estimated that Wellington had the highest numbers of rough sleepers in the country in 2013 (117).
- 160 Emergency Housing SNGs were granted to people living in the Wellington region in the month ending 31 October 2017.
- As at 30 October 2017, there were 363 applications on the Social Housing Register in the Wellington region where the main applicant reported that they are living in 'insecure accommodation' at the time they applied.
- As at 30 October 2017, MSD has secured up to 161 Transitional Housing places in the Wellington region.

9(2)(j)



**Background on WCC housing provision**

- WCC provides approximately 2,300 affordable housing units for between 3,500 – 4,000 residents in Wellington. WCC has indicated their long-term intention is to continue to provide affordable housing for vulnerable households.
- In 2008, WCC and the Crown started a 20 year joint Housing Upgrade Programme to upgrade WCC housing. The WCC also received a one-off Crown contribution of \$220 million to upgrade its stock in 2008.
- In February Mayor Lester announced that the next stage of the Programme will include at least 750 new units that could be used for social housing and affordable housing units built over the next decade. 105 new homes are currently under construction at Arlington site 2 (Arlington Apartment Block, Mt Cook, Wellington).
- In October 2016, Mayor Lester set up a Housing Task Force to examine issues like social housing, homelessness and housing affordability products for first home buyers. The taskforce

<sup>1</sup> A research paper published by the Parliamentary Library in July 2014, which estimated the number of homeless people 'rough sleeping' in various cities across New Zealand.

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reported back to WCC in June with their recommendations, including that:

- WCC should negotiate a new partnership agreement with Central government on the development and provision of additional social and affordable housing opportunities over the next thirty years.
- WCC should work with iwi partners, community housing providers and the private development sector to grow the capacity of the housing sector to deliver and manage more social and affordable housing opportunities.
- Recommendations agreed to by WCC will be included in WCC's long-term plan. The long-term plan will be published in 2018.

**Possible points for discussion**

9(2)(f)(iv), 9(2)(j)

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**Next steps**

- 9(2)(f)(iv), 9(2)(j)
- [Redacted text]
- As previously noted, MSD are currently prioritising the Housing First expansion in Tauranga, Wellington and Christchurch. Tauranga and Christchurch are more advanced and likely to progress to a commercial contractual agreement prior to Christmas.

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Author: Andrew Plant, General Manager Strategic Purchasing, Housing, MSD  
Responsible manager: Scott Gallacher, Deputy Chief Executive, Housing, MSD

Appendix One: Further information on MSDs funding and engagement for Housing First

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- Budget 2017 allocated \$16.45m to expand Housing First to regions across New Zealand. This includes:
    - \$11.899 million to fund new social housing places
    - \$0.801 million for additional Accommodation Supplement funding
    - \$3.75 million to fund the support services associated with implementing a Housing First approach.
  - The funding is to allow MSD to purchase up to 500 new places and support services over four years. It has been signalled to you that the actual support services cost of delivering this number of places will significantly exceed this allocation (REP/17/11/1157). This is largely due to additional information learned through the initial pilot enabling the establishment of benchmarking costs. Further information will be provided on this.
  - MSD has engaged with the sector to discuss the expansion, and to encourage providers who are interested in and capable of delivering the Housing First model to express their interest.
  - The Invitation for Proposals (IfP) process for the Housing First expansion in Wellington will seek formal proposals from those Providers who have registered an interest in providing Housing First services in Wellington. The closing date for this IfP is the end for January 2018. The IfP encourages an industry led collective approach.
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