



27 MAY 2021

Tēnā koe

On 9 April 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

1. *Please confirm the most recent amount (in dollars and cents per night) paid to motels providing Emergency Housing Accommodation in Gisborne. Specifically, for the following providers:*
 - *Harvest Lodge Motel*
 - *Albert Residents Park*
 - *Aqua Lodge*
 - *BK's Palm Court Motel*
 - *Cherry Grove Motel*
 - *Colonial Lodge Motel*
 - *Endeavour Motor Lodge*
 - *Gisborne Women's Refuge*
 - *Motel Oasis*
 - *Ocean Beach Motor Lodge*
 - *Showgrounds Holiday Park*
 - *Teal Motor Lodge*
 - *Tolaga Bay Holiday Park*
 - *Tudor Park Motel*
 - *Waikanae Beach Motel*
 - *Whispering Sands Beachfront Motel*
2. *Also, can you confirm how MSD calculates the paid rate to Gisborne motels? Specifically, is the method used to calculate a payment Gisborne specific or is it a national figure? And does it change depending on winter/summer seasons?*
3. *Can you confirm the amount paid to each of the providers above for the past year to-date?*

Demand for housing across New Zealand is growing, and more people are experiencing a severe and immediate need. This demand is generated by a shortage of affordable housing driving up house prices and rents. People on low incomes are most affected by rising housing costs and many seek financial help through the Ministry.

The Emergency Housing Special Needs Grant (EH SNG) is available to people who cannot remain in their usual place of residence, if any, and do not have access to other accommodation which is adequate for them or their family's needs. The Ministry pays EH SNGs directly to the accommodation supplier, and assistance is generally granted for up to seven nights but can be extended depending on the individual's circumstances. The Ministry does not hold contracts with emergency housing suppliers.

After these seven nights, Work and Income arranges another appointment with the client to discuss their housing situation, and whether another grant is required. The Ministry works hard to support people in emergency housing to secure a long-term housing solution, either through public housing or private rental accommodation. Other options, including transitional housing, can also be explored as an option, depending on availability and the individual's circumstances.

The Ministry recognises that motels are not a long-term solution, or the solution that we want to deliver for people who are potentially in a vulnerable situation. More information about EH SNGs is available at the following link: www.workandincome.govt.nz/%20map/income-support/extra-help/special-needs-grant/emergency-housing.html.

Some people may struggle to access suitable housing due to a lack of available supply, or they simply may not be able to meet the high cost of housing which may result in them receiving EH SNG support for an extended period of time.

There has been a growing demand nationally for emergency housing, as the shortage of affordable housing and rising rents continues to impact low-income whānau, particularly those who are beneficiaries. The year 2020 saw a significant increase in demand for emergency housing, as the Ministry supported people through the COVID-19 pandemic period with accommodation where they could safely self-isolate. Due to the COVID-19 lockdown restrictions, people also could not easily move out of emergency housing into long-term accommodation, which contributed to longer durations of stay and higher costs.

Across government, there is a major programme of work underway aimed at increasing the supply of public housing and improving housing affordability and supply.

Te Tūāpapa Kura Kāinga (The Ministry of Housing and Urban Development/HUD) and Kāinga Ora are responsible for increasing the supply of affordable and public housing. This includes planning, and with Kāinga Ora, delivering more public housing, transitional housing, and services to tackle homelessness. HUD is also working to improve housing affordability and supply for aspiring homeowners.

For the sake of clarity, I will answer your questions in turn:

1. *Please confirm the most recent amount (in dollars and cents per night) paid to motels providing Emergency Housing accommodation in Gisborne. Specifically, for the following providers:*

- *Harvest Lodge Motel*
- *Albert Residents Park*
- *Aqua Lodge*
- *BK's Palm Court Motel*

- *Cherry Grove Motel*
- *Colonial Lodge Motel*
- *Endeavour Motor Lodge*
- *Gisborne Women's Refuge*
- *Motel Oasis*
- *Ocean Beach Motor Lodge*
- *Showgrounds Holiday Park*
- *Teal Motor Lodge*
- *Tolaga Bay Holiday Park*
- *Tudor Park Motel*
- *Waikanae Beach Motel*
- *Whispering Sands Beachfront Motel*

The Ministry is unable to provide you with the most recent amount paid to motels in dollars and cents per night providing Emergency Housing accommodation in Gisborne, as different clients and households receive different rates depending on the size of the room and how soon the room is needed.

This information is recorded in notes on individual case files. In order to provide you with this information, Ministry staff would have to manually review a significant number of files. As such, I refuse your request under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

However, please see enclosed **Appendix A**, which contains **Table One** outlining the total amount of Emergency Housing Special Needs granted, the total number of grants and the number of nights granted to specific suppliers for the period 1 April 2020 to 31 March 2021.

2. Also, can you confirm how MSD calculates the paid rate to Gisborne motels? Specifically, is the method used to calculate a payment Gisborne specific or is it a national figure? And does it change depending on winter/summer seasons?

Prices are set by the accommodation provider at market rates. The rate reflects a number of factors including immediate demand (same-day bookings), the household size, duration of stay, and the level of service they anticipate being required. Consequently, these rates can be higher than the publicly advertised nightly rates.

As EH SNGs are financial grants, they cannot be used to make advance bookings. The funds can only be granted in respect of an eligible individual at a point in time.

As the EH SNG model does not allow for contracted spaces, there is very little opportunity for the Ministry to negotiate on rates.

The Ministry prioritises finding a suitable option quickly, given clients are in a vulnerable position facing homelessness and have an immediate need for accommodation.

3. *Can you confirm the amount paid to each of the providers above for the past year to-date?*

Please refer to **Appendix A**, which contains **Table One** outlining the total amount of EH SNGs granted to the specified suppliers providing Emergency Housing during the period 1 April 2020 to 31 March 2021.

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. The Ministry will do this by publishing this letter 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 with us regarding the recent amount paid to motels providing Emergency Housing accommodation in Gisborne and how the Ministry calculates the paid rate, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response in regard to Emergency Housing Accommodation, 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 or 0800 802 602.

Ngā mihi nui



 Karen Hocking
**General Manager
Housing**

Appendix A.

Table One: Total amount of Emergency Housing Special Needs Grants granted, the total number of grants, the number of nights granted and the number of distinct clients to specific suppliers for the period 1 April 2020 to 31 March 2021.

Supplier Name	Amount Granted	Number of Grants	Nights Granted	Distinct Clients
Albert Residents Park	\$900,018.67	420	5,499	78
Aqua Lodge	\$24,960.00	21	139	9
BK's Palm Court Motor Lodge	\$1,082,120.94	258	2,967	54
Cherry Grove Motel	\$597,346.70	267	3,706	48
Colonial Lodge Motel	\$124,471.90	69	575	21
Endeavour Lodge Motel	\$480,946.21	144	1,782	30
Gisborne Women's Refuge Inc	\$660.00	3	13	3
Harvest Lodge Motel	\$148,505.00	87	775	27
Motel Oasis	\$148,264.71	78	871	15
Ocean Beach Motor Lodge	\$563,556.50	174	2,394	24
Showgrounds Holiday Park / Camp	\$2,375.00	6	107	3
Teal Motor Lodge	\$841,340.83	213	2,690	36
Tolaga Bay Holiday Park	\$142,403.00	111	1,265	12
Tudor Park Motel	\$75,975.00	36	389	6
Waikanae Beach Motel	\$144,599.62	69	592	12
Waikanae Beach Motel - Gisborne	\$52,757.50	30	255	6
Whispering Sands Beachfront Motel	\$377,680.00	99	1,138	15

Notes for Table One:

- This is a count of grants not a count of clients, clients can have multiple grants over the period.
- One registered supplier may provide accommodation across multiple premises. These premises may be in different locations or operating trading names but are receiving payment through the single supplier record.
- The amount granted is not the amount spent.
- To protect confidentiality the Ministry of Social Development uses processes to make it difficult to identify an individual person or entity from published data.
- These data tables have had random rounding to base three applied to all cell counts in the table.
- The impact of applying random rounding is that columns and rows may not add exactly to the given column or row totals.
- The published counts will never differ by more than two counts.
- A distinct client may not necessarily represent one person. EH SNGs to distinct clients could be to accommodate a household which could represent one person or more.