

# Aide-mémoire



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

## Meeting

**Date:** 4 June 2021 **Security Level:** IN CONFIDENCE

**For:** Hon Carmel Sepuloni, Minister for Social Development and  
Employment

**File Reference:** REP/21/6/586

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## Draft Cabinet paper: Improving the provision of emergency housing in Rotorua and potential expansion

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### Purpose

On 3 June 2021 you received a draft Cabinet paper on improving the provision of emergency housing in Rotorua and potential expansion for feedback from the Ministry of Housing and Urban Development (HUD)[BRF20/21060987 refers].

This aide-mémoire provides you with advice as to the implications of the proposal for MSD.

### Background

We have previously provided you with advice on proposed actions to address urgent issues around homelessness and emergency housing in Rotorua. This advice also outlined the actions that MSD is taking to support addressing issues with emergency housing in Rotorua [REP/21/4/417 refers].

The draft Cabinet paper outlines a proposal to implement the recommendation of the Rotorua Housing Taskforce<sup>1</sup> to support for the 200 families with children who are currently living in emergency housing motels in Rotorua.

Ministers have agreed that to a number of changes to meet urgent housing need in Rotorua. The paper seeks agreement to:

- an approach to fund the costs of contracting suitable motels and providing 'wrap-around' support for around 200 families and whānau with children currently receiving Emergency Housing-Special Needs Grants (EH-SNGs) in motels in Rotorua

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<sup>1</sup> The Rotorua Housing Taskforce was established in March 2021 comprising the Rotorua Lakes Council, Te Arawa iwi and officials from MSD, HUD, Kāinga Ora and Te Puni Kōkiri. The New Zealand Police and the Lakes District Health Board are also participating.

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- s9(2)(f)(iv)

The draft Cabinet paper has been prepared by HUD with input from MSD.

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**The proposed approach**

The proposed Rotorua approach is based on a contracting model. HUD will contract specific motels to provide emergency accommodation, with an initial focus on the approximately 200 families with children in EH-SNG motels.

HUD will also contract additional wrap-around support services to meet the needs of the families in the contracted motels. MSD is also improving supports available for those remaining in EH-SNG motels (i.e. people without children).

Emergency Housing clients in contracted models will no longer receive EH-SNG, with the cost of accommodation covered by the contract between HUD and the motel. They will however still be required to pay the contribution of 25% of their income. This will be paid to the service provider.

The Rotorua Housing Hub will be implemented to strengthen assessment and placement processes for emergency housing clients and co-locate relevant services.

s9(2)(f)(iv)

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**Some policy and operational settings are not yet determined**

We have been working closely with HUD to develop the proposals to improve emergency housing provision in Rotorua. However, there are several policy and operational settings yet to be determined that require further work.

s9(2)(f)(iv)

s9(2)(f)(iv)

s9(2)(f)(iv)

[Redacted]

**MSD is likely to incur additional costs**

There are likely to be further costs for MSD in implementing the proposals in Rotorua. s9(2)(f)(iv)

[Redacted]

s9(2)(f)(iv)

[Redacted]

**Evaluation costs have not been included**

There is currently no discussion of costs relating to evaluation. Given the intention to expand this model into additional locations, we have recommended HUD include evaluation costs as part of the proposal. We see evaluation as essential in building a outcomes-based body of evidence and to support continued improvements to practice on the ground.

**We have identified some further risks to MSD and the Crown**

s9(2)(g)(i)

[Redacted]

[Redacted]. MSD services are targeted at the priority groups identified as part of the original settings. The original funding was approved as part of the Aotearoa New Zealand Homelessness Action Plan. Since this time, the growth in the number of EH-SNG clients has meant that not all clients are able to access the most intensive service. s9(2)(g)(i)

[Redacted]

s9(2)(f)(iv)

[Redacted]

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s9(2)(f)(iv)

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**Next steps**

We will work with HUD to resolve the remaining issues in the paper in relation to EH-SNGs and other MSD services and supports before the paper is lodged.

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