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Andrew Crisp
Chief Executive
Ministry of Housing and Urban Development

20 March 2020

via email

Debbie Power
Chief Executive
Ministry of Social Development

Dear Mr Crisp and Ms. Power,

Housing and Covid-19: Emergency measures to protect homes and ensure business continuity

Firstly, we would like to acknowledge the work and dedication of your staff at this challenging time for our country. The welfare of staff and the people we are all working with is the focus for us all. We would like to offer our support in ensuring that good quality, accurate information reaches the country's community housing providers, who are working with some of the most vulnerable members of society.

Like others, Community Housing Aotearoa (CHA) is very concerned about the impact of Covid-19. The economic fallout is predicted to result in widespread job losses. The Government's Economic Response Package will provide significant resources to mitigate impacts but we feel there is a critical need to immediately begin planning to prevent an increase in homelessness. Without this, we fear that rental evictions and mortgage defaults will result in more families requiring emergency accommodation.

As a result, we recommend the following:

1. Establish a temporary ban on evicting residential tenants unable to pay rent caused by a reduction in household income from Covid-19. We refer you to an example of such an action implemented in California which provides common sense eligibility criteria and mechanisms to implement.¹
2. Work with the Reserve Bank and lenders to reduce or suspend mortgage payments for up to 12 months for homeowners whose household income has reduced due to Covid-19. The US has announced a programme today that offers guidance on this.²

¹ <https://sacramentocityexpress.com/2020/03/18/city-announces-temporary-ban-on-residential-tenant-evictions/>

² <https://www.npr.org/2020/03/19/818343720/homeowners-hurt-financially-by-the-coronavirus-may-get-a-mortgage-break>

We recognise that these are significant actions and will require the involvement of additional agencies and Ministers. We feel that your Ministries are well-positioned to raise these proposed actions and secure the necessary cooperation to implement them.

In addition, community housing providers have raised the following issues:

1. Business continuity

- I. Providers are seeking assurances from government ministries broadly, but in particular HUD and MSD that contracted funding will continue to be paid uninterrupted, during periods of potential staffing disruptions (for both providers and government) and heightened anxiety among our residents.

Providers want to be confident that neither their residents nor they are placed under financial duress because of contractual, payment, or reporting barriers that can be resolved with some careful flexibility. Assurances will help allay staff, resident and whānau concerns and assist providers with their business continuity planning.

MSD and Oranga Tamariki have already communicated directly with providers, giving some assurances to providers and indicating who they should contact with questions and concerns. This has been very helpful and appreciated by providers.

- II. Continuity of income – payment of IRRS to the CHP on time, as well as resident certainty of their receipt of government benefit payments enabling their payment of their rent portion on time. These payments should continue automatically if necessary, with a streamlined approval process put in place.
- III. Waiver of potential contract breaches
Providers seek confirmation of the approach to potential contractual breaches (such as maintenance or lettings not being completed in the agreed timeframes or development contracts being delayed beyond sunset clauses). We urge that no penalties or clawbacks be applied during the period of time that urgent measures are required to contain spread of Covid-19.

2. Service delivery continuity and staff welfare

- I. Provider workforce
Providers' ability to deliver services relies on their workforce. Recruitment and retention of staff was already challenging for providers, particularly across the transitional and housing first programmes. CHA is aware that some providers are appointing dedicated staff to help coordinate and support their service delivery response alongside existing operating staff. Consideration of temporary additional funding to address staff shortages due to requirements for self-isolation, illness or other impacts of Covid-19 is requested.

Providers are already reporting reduced levels of staffing and volunteers. This is likely to worsen and could compromise the ability to deliver services. They are understandably looking at how to maintain critical services and at the same time reduce direct contact between staff and residents. In addition to assurances about financial and business continuity providers are seeking guidance and support on how to meet the minimum welfare requirements of residents.

II. Personal Protective Equipment

Providers would benefit from assistance to access PPE for staff, volunteers and residents. Government is best positioned to access and provide the appropriate PPE, rather than individual providers making decisions on the proper equipment.

III. Guidance

Providers need access to clear guidance on housing-specific responses and education material to provide to staff, volunteers and residents. This is especially important for those providing housing and services to households experiencing homelessness.

3. Houses in multiple occupation

CHA is concerned about the welfare of individuals and whānau in houses in multiple occupation with shared facilities. This includes those facilities managed by contracted providers as well as privately owned and managed boarding houses. There is the potential for these services to be overwhelmed. We urge the government to rehouse as many residents in self contained accommodation (there should be more available through Air B&B, booking.com, etc) as can be found.

4. Rough sleepers

Similarly, the best response is to house as many people as possible so that in the event of infection there is an ability to self isolate.

5. High level coordination

Alongside the existing government coordination led by the Ministry of Health, CHA believes that a housing-specific project group should be established that includes NGO representation. This can help direct, guide and respond to providers and promote a more consistent housing response across the country, regionally and across housing programmes. This will also provide the leadership required to respond to emerging issues. CHA is willing to be part of such a group.

We would appreciate a quick response in writing providing the assurances outlined above and relevant details from HUD and MSD's Covid-19 specific pandemic plan and business Continuity Plans so that providers can build these into our responses.

Our staff are available to discuss the concerns above and work with you to ensure the safety and health of our communities.

Kind regards,

A handwritten signature in blue ink that reads "Scott Figenshow". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Scott Figenshow
Chief Executive Officer

cc: Stephanie Rowe, HUD DCE System Performance and Office of the Chief Executive
cc: Karen Hocking, MSD General Manager Housing