

Emergency Housing Funding Review: Discussion on draft terms of reference

As part of the short-term package to alleviate pressure on the emergency housing sector, the Minister for Social Housing has commissioned a review of funding for emergency housing. We are proposing a two-phase approach to this review:

- Phase 1 – an information gathering stage to understand the full picture of emergency housing funding and the issues this raises.
- Phase 2 – the development of options and recommendations for change to the funding model for emergency housing.

Draft Terms of Reference for the review are attached and your feedback on these would be very welcome. In particular, your view on the following questions would be very useful:

1. Do you agree with the proposed two-phase structure for the review?

We have used this two-phase approach successfully in other reviews such as the review of budgeting services. We are proposing a two-phase approach to this review as we felt that it would be important to fully understand the current situation before looking at options for change.

2. Are there any obvious areas/issues that are missing from the draft Terms of Reference?

For example, are you aware of other work that is underway that could feed into the review?

3. What is the best way to get feedback from the emergency housing sector?

We want to learn as much as we can about the current funding arrangements for the sector. We are proposing to use existing channels of communications (for example, established meetings with groups of providers) as well as an online survey to seek feedback from emergency housing providers.

- Are there other avenues for seeking feedback that we could use?

4. What are the best sources of data about supply and demand for emergency housing?

We want to understand as much as we can about the supply of, and demand for, emergency housing across New Zealand. MSD has some information from the Social Housing Register on applicants living in insecure housing¹. However, this data is limited as not everyone who is living in these situations, and who may require emergency housing, will apply for social housing.

- What are the other sources of data that can help us develop a better understanding of these issues?

¹ rough sleeping, camping grounds, cars, caravans, emergency housing and garages

Draft Terms of Reference for Review of Funding for Emergency Housing

Introduction

- 1 This document sets out the terms of reference for a strategic review of the funding for emergency housing. It includes:
 - Background
 - Rationale
 - Objectives
 - Scope
 - Deliverables
 - Sector consultation
 - Governance

Background

- 2 In recent years emergency housing providers across New Zealand have reported significant operational pressures and growing demand for their services.
- 3 In December 2014 Cabinet agreed to provide a \$500,000 cash injection for emergency housing providers to maintain their viability while a review of emergency housing funding is carried out.
- 4 This review is part of a large number of initiatives which are currently underway as part of the Government's broader Social Housing Reform Programme to increase the supply of social housing in New Zealand.

Rationale

- 5 The funding arrangements for the emergency housing sector are unclear and fragmented. Government support for emergency housing providers is split across a number of agencies and has developed in an ad-hoc manner over time without any common objectives or outcomes.
- 6 There is no clear understanding about what the role of government is in relation to the provision of emergency housing and how to get the best outcomes from the funding that government does provide.

Objectives

- 7 The purpose of the review is to make recommendations for changes to the way government currently funds emergency housing. This will include providing clarity on a definition of emergency housing and what outcomes government expects from the funding that it provides.
- 8 The review will aim to:
 - provide clarity about the current funding landscape (i.e. what funding providers receive from which sources and what this funding is used for)
 - establish clear objectives and outcomes from government funding in this area
 - make recommendations about future funding arrangements in this area to put the sector on a stable footing.

Scope

9 The review will consider issues in the following areas:

- definition of emergency housing
- funding that is currently provided for emergency housing providers (both from government and from other agencies and organisations)
- outcomes expected from government funding and any changes that may need to be made to these to improve the effectiveness of government funding for the sector
- alternative models for funding.

10 The review will be conducted in two stages:

Scope of Phase One

- 11 The scope for Phase One of the review is very broad as the purpose is to understand the current picture of funding for emergency housing across New Zealand. This will include funding provided by central government, local government and other agencies and organisations that supports the provision of emergency housing.
- 12 This will involve working closely with emergency housing providers to get a clear picture of the different sources of funding that they receive and the issues that this presents. The first phase will also involve working closely with other government agencies and local authorities to understand the funding that they provide for emergency housing and the outcomes that they expect from it.
- 13 Phase One of the review will also include developing a definition of emergency housing.
- 14 Relevant overseas approaches to the funding of emergency housing will also be explored to see if these provide insights that can be relevant to the New Zealand context.

Scope of Phase Two

- 15 Phase Two will involve the development of options and recommendations for change to the funding model for emergency housing. As there is currently no clear understanding of the funding that goes into the sector and the issues this creates, the precise scope of Phase Two cannot be determined until Phase One of the review is complete.
- 16 The scope for Phase Two of the review will be determined at the end of Phase One as part of the report to the Minister for Social Housing, Minister for Social Development, and other Ministers as appropriate, on the findings from Phase One.
- 17 Phase Two will also involve working closely with the sector to ensure that any options for change that are developed are fit for purpose and will contribute to a more sustainable future funding model

Deliverables

18 Key deliverables from the review are set out below:

Phase One:

19 A report to the Minister for Social Housing, Minister for Social Development, and other Ministers as appropriate, by 30 April 2015 to provide:

- a clear overview of the funding that is provided to the emergency housing sector and the issues that this creates (based on the findings from Phase One of the review)
- a proposed definition of emergency housing
- a proposed scope for Phase Two of the review. This will provide clarity about the issues from Phase One that are in scope for resolution through Phase Two of the review. Options and recommendations for change will be developed during Phase Two to address those issues that are in scope.

Phase Two:

20 A report to the Minister for Social Housing, Minister for Social Development, and other Ministers as appropriate, by 31 July 2015 to provide recommendations for change for those issues that are in scope for Phase Two. These recommendations will be developed in consultation with the sector. Depending on the issues that are considered to be in scope for Phase Two and the associated recommendations that are developed, a Cabinet paper may be required to give effect to some recommendations from the review.

Sector consultation

21 The Ministry will work closely with emergency housing providers and other agencies that provide funding to the sector (for example, local authorities such as the Auckland City Council). The Ministry will use its existing channels of engagement with the sector to discuss the review with them. These include the Auckland Emergency Housing Providers Network (includes Monte Cecilia, Salvation Army, Woman's Refuge, Island Child Charitable Trust among others) as well as the Housing Assistance Reform Feedback Group (HARFG) that is convened by the Ministry (includes Vision West Community Trust, Auckland City Mission, Comcare, Community Housing Aotearoa among others). Other forums will also be used as appropriate.

22 As part of Phase One of the review the Ministry will also invite feedback from emergency housing providers via an online questionnaire.

Governance

23 The Ministry is the lead agency for this work and the established Housing Steering Group will provide governance for the review. Regular updates will also be provided to the cross- agency groups established to govern the Social Housing Reform Programme (i.e. the cross-agency Social Housing Deputy Chief Executives Group and Social Housing Joint General Managers Group).