



10 April 2024

Tēnā koe

Official Information Act request

Thank you for your email of 27 January 2024, requesting copies of Ministerial briefings that discuss the Housing Register since October 2023.

I have considered your request under the Official Information Act 1982 (the Act).

Please find attached the following documents in scope of your request:

- REP/23/12/912 – Report – *Draft Instrument Amending the Ministerial Direction on Application of Reviews of Continued Eligibility for Social Housing (Recommencing Tenancy Reviews)*, dated 24 January 2024.
- REP/23/11/895 – Report – *Initial Briefing on the Housing System*, dated 29 November 2023.
- REP/23/12/904 – Report – *Housing Roles and Responsibilities*, dated 1 December 2023.

The Ministerial Direction on Application of Reviews of Continued Eligibility for Social Housing Amendment 2024 is publicly available on the Ministry of Social Development's (the Ministry) website and can be found at the following link: www.msd.govt.nz/documents/about-msd-and-our-work/about-msd/legislation/notice-of-change/2024/ministerial-direction-on-application-of-reviews-of-continued-eligibility-for-social-housing-amendment-2024.pdf.

A Cabinet paper and Joint Briefing paper has been withheld in full under section 18(d) of the Act on the basis that it will soon be publicly available. The Ministry of Housing and Urban Development will be proactively releasing these documents in due course.

An Aide-mémoire has been withheld in full, further, to some redactions in appendices 1-2 under section 9(2)(f)(iv) of the Act to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials. 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.

Some information is withheld under section 9(2)(g)(i) of the Act to protect the effective conduct of public affairs through the free and frank expression of

opinions. I believe the greater public interest is in the ability of individuals to express opinions in the course of their duty.

Some information is withheld under section 9(2)(h) of the Act in order to maintain legal professional privilege. The greater public interest is in ensuring that government agencies can continue to obtain confidential legal advice.

The contact details of Ministry staff 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.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with my decision on your request, 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



Magnus O'Neill
General Manager
Ministerial and Executive Services

Report



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA



Date: 24 January 2023

Security Level:

IN CONFIDENCE

To: Hon Chris Bishop, Minister of Housing

Hon Louise Upston, Minister for Social Development and Employment

Draft Instrument Amending the Ministerial Direction on Application of Reviews of Continued Eligibility for Social Housing (Recommencing Tenancy Reviews)

Purpose of the report

1 This report seeks your:

- feedback on the draft Instrument Amending the Ministerial Direction on Application of Reviews of Continued Eligibility for Social Housing (the Ministerial Direction)
- agreement that the Ministry of Social Development (MSD) consults with two Community Housing Providers (CHPs) on the proposed change to the Ministerial Direction.

Executive summary

2 The Government is committed to proactively and progressively reviewing social housing tenancies that are paying market rent.

3 Social housing tenancy reviews (tenancy reviews) originally began in 2011 and were conducted by Housing New Zealand Corporation. Since 2014, MSD has been responsible for undertaking tenancy reviews. However, they were paused in March 2020, in response to COVID-19.

4 As agreed by Cabinet in September 2023, work is already underway to recommence tenancy reviews from 25 March 2024, with an amendment to the Ministerial Direction being progressed to focus on tenants who are paying the market rent and have held their tenancy for three years or more [CAB-23-MIN-0421 refers]. This subset of tenants paying market rent is considered more likely to no longer be eligible for social housing.

- 6 Focussing tenancy reviews on those tenants paying the market rent requires a change to the Ministerial Direction. The Minister of Finance, Minister of Housing and the Minister for Social Development and Employment (joint Ministers) are responsible for making the Direction.
- 7 The joint Ministers must consult with MSD and the Ministry of Housing and Urban Development (HUD), and any social housing provider that, in the Ministers' opinion, will be materially affected by the amendment to the Ministerial Direction. HUD and Kāinga Ora – Homes and Communities (Kāinga Ora) have been consulted in the preparation of this report.
- 8 We recommend that you direct MSD to consult with Accessible Properties Tauranga and Tamaki Housing Association Ltd Partnership, two larger CHPs that have a high number of tenants paying the market rent, on the draft amendment to the Ministerial Direction.
- 9 There are some risks associated with both recommencing tenancy reviews and focussing on tenants paying market rent, including only marginal benefit.
- 10 Subject to feedback, we will make adjustments to the draft instrument and provide you with a final instrument amending the Ministerial Direction for your approval and signature, by 8 February 2024.

Recommended actions

It is recommended that you:

- 1 **note** that in September 2023 Cabinet agreed that MSD would recommence tenancy reviews for social housing tenants potentially subject to review from March 2024, with an initial focus on tenants paying the market rent and who have held their tenancy for at least three years
- 2 **note** that MSD will recommence tenancy reviews from 25 March 2024

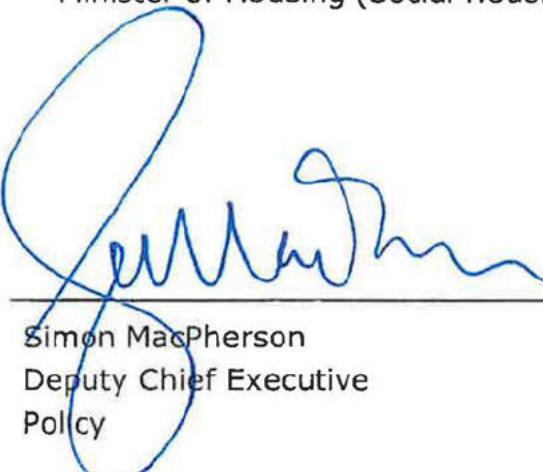
s9(2)(f)(iv)

- 4 **note** that enabling tenancy reviews for those paying market rent (with a tenancy of at least three years) requires a change to the Ministerial Direction on Application of Reviews of Continued Eligibility for Social Housing
- 5 **agree** that MSD consult with Accessible Properties Tauranga and Tamaki Housing Association Ltd Partnership (two larger Community Housing Providers who have a high number of tenants paying the market rent) on the proposed amendment to the Ministerial Direction on Application of Reviews of Continued Eligibility for Social Housing
- 6 **note** there are risks associated with both recommencing tenancy reviews, and focussing on tenants paying market rent. While tenants paying market rent are considered more likely to be ineligible for social housing, given the current housing market and the challenges that many tenants face, the number of tenants reviewed that are able to access and sustain alternative housing may be relatively small.
- 7 **note** that we will provide further advice to you on risks when briefing you on the final version of the Amendment Instrument
- 8 **note** that following your feedback and consultation with the two Community Housing Providers, we will provide you with the final version of the instrument amending the Ministerial Direction for approval and signature, by 8 February 2024

 AGREE / DISAGREE

9 **forward** a copy of this report to the Minister of Finance and the Associate Minister of Housing (Social Housing)

AGREE / DISAGREE



Simon MacPherson
Deputy Chief Executive
Policy

24.1.24

Date

Hon Chris Bishop
Minister of Housing

Date



Hon Louise Upston
Minister for Social Development and
Employment

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Date

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You have indicated that you wish to recommence social housing tenancy reviews

- 12 The Government is committed to proactively and progressively reviewing social housing tenancies that are paying market rent.
- 13 MSD is responsible for undertaking tenancy reviews to assess whether social housing tenants are still eligible for social housing. MSD advises the social housing provider of the outcome of the review, and the provider then makes the decision on whether or not to end the tenancy and issue the tenant a 90-day notice.
- 14 Tenancy reviews were introduced in 2011 for tenants who commenced their tenancies after July 2011 and undertaken by Housing New Zealand [CAB Min (11) 13/5 refers]. In 2014, tenancy reviews extended to other tenants in 2014 [CBC Min (13) 2/7 refers] and the role of undertaking tenancy reviews was transferred to MSD. At the time, around 80 percent of social housing tenants were potentially subject for a review every three years. Tenants who were exempt included people aged 75 years and older, people in houses modified for their needs, and people with an agreed lifetime tenure with the Housing New Zealand Corporation (now Kāinga Ora).
- 15 Prior to being paused in March 2020 (in response to COVID-19), tenancy reviews were undertaken proactively, as three-yearly periodic reviews of social housing tenants potentially subject to review, and reactively, to respond to information obtained by MSD that may affect a tenant's eligibility. The following classes of tenants may have their tenancy reactively reviewed:
 - Tenants who notify MSD of a change in circumstances that indicates they may no longer be eligible for social housing.
 - Tenants who fail to advise MSD of a change of circumstances that indicates they may no longer be eligible for social housing.
 - Tenants who, during review of their housing needs, provide information indicating that they may no longer be eligible for social housing.
 - Tenants who are the subject of an investigation, where an outcome of the investigation indicates that the tenant is no longer eligible for social housing.
- 16 In 2018, Cabinet agreed that additional vulnerable cohorts of social housing tenants should be exempt from periodic tenancy reviews [SWC-18-MIN-0112 refers]. The following classes of tenant were made exempt from review (but can still be reactively reviewed in the circumstances outlined in paragraph 15):
 - Tenants where an applicable person is aged 65 or more.

- Tenants where an applicable person is receiving a Supported Living Payment under section 34 of the Social Security Act 2018 on the ground of restricted work capacity or total blindness.
- Tenants where an applicable person is receiving a Supported Living Payment under section 40 of the Social Security Act 2018 on the ground of caring for another person.
- Tenants where an applicable person has one or more dependent children.

17 By 2019, only around 20 percent of social housing tenants remained potentially subject to a periodic tenancy review every three years.

MSD is recommencing tenancy reviews in March 2024

18 In September 2023, Cabinet agreed to recommence tenancy reviews from March 2024, with an initial focus on tenants paying the market rent, that have held their tenancy for three years or more [CAB-23-MIN-0421 refers].

19 This subset of tenants paying market rent are considered more likely to no longer be eligible for social housing. MSD has identified over 380² tenancies paying market rent who have held the tenancy for three years or more (as at 30 September 2023) that are potentially subject to review.

20 MSD is currently preparing the operations and resourcing required to recommence tenancy reviews, from 25 March 2024.

21 In September 2023, Cabinet also invited the Minister of Finance, the Minister of Housing and the Minister for Social Development and Employment to approve the necessary amendments to the Ministerial Direction on Application of Reviews of Continued Eligibility for Social Housing (the Ministerial Direction). However, this approval did not take place prior to the change of Government.

22 In order to recommence tenancy reviews, with a focus on those paying market rent at the earliest possible date, we recommend progressing the current amendment to the Ministerial Direction. This will provide the legal basis to focus tenancy reviews on tenants paying market rent that have held their tenancy for three years or more.

59(2)(f)(iv)

² This is made up of approximately 330 Kāinga Ora tenants and 50 Community Housing Provider tenants.

27 Housing system pressures have intensified since tenancy reviews began in 2011. Due to high housing demand and high costs, the social housing system is under pressure to support those in need.³ However, the complexity of needs, limited supply and consequent affordability pressures in the private rental market mean that social housing tenants are less likely to be assessed as able to access and sustain a private rental tenancy.

Consultation with materially affected social housing providers is required before making amendments to the Ministerial Direction

29 The Minister of Finance, Minister of Housing and the Minister for Social Development and Employment (joint Ministers) are jointly responsible for directions to MSD, under section 102 of the Public and Community Housing Management Act 1992.

³ As at 31 December 2023, the Social Housing Register had 30,507 applicants.

30 Before amending the Ministerial Direction, the joint Ministers must consult with MSD and HUD, and any social housing provider that, in the Minister's opinion, will be materially affected by the direction.⁴

31 Where a Kāinga Ora tenant has had their tenancy reviewed and is found to be no longer eligible, Kāinga Ora will issue a 90-day notice after engaging with the tenant and exploring all options for the tenant to voluntarily vacate the social housing. MSD will also look at alternative housing options with tenants as part of the tenancy review process. Kāinga Ora is undertaking detailed operational policy work to support its decision making regarding 90-day notices. Kāinga Ora is working with MSD on aligning the review process, to ensure there is visibility when its customers are under review and that they are appropriately supported throughout the process.

32 There are many CHPs that are unlikely to be materially affected by the amendment to the Ministerial Direction because they have very few (for example, only one or two) tenants paying market rent. We recommend that MSD consults with Accessible Properties Tauranga and Tamaki Housing Association Ltd Partnership on the draft amendment to the Ministerial Direction. These are two of the larger CHPs operating, and have a number of tenants paying market rent.⁵

33 On 23 August 2023, we consulted with Accessible Properties Tauranga, and Tamaki Housing Association Ltd Partnership on the potential recommencement of tenancy reviews and the focus on tenants who are currently paying market rent and have held their tenancy for three or more years. The CHPs noted that while there is high competition and limited choice in the private housing market in their areas tenancy reviews are unlikely to result in a tenant moving into private housing. However, the CHPs saw value in ensuring that social housing is being well utilised for those with the most housing need.

34 The draft instrument amending the Ministerial Direction on Application of Reviews of Continued Eligibility for Social Housing, to support the initial focus for review on those paying market rent that have held the tenancy for three years or more, is provided as **Appendix One**.

There are some risks associated with recommencing social housing tenancy reviews

35 Risks to be aware of around recommencing periodic tenancy reviews, with an initial focus on tenants potentially eligible for review that are paying market

⁴ See [Section 102\(4\) of the Public and Community Housing Management Act 1992](#)

⁵ Accessible Properties Tauranga and Tamaki Housing Association Ltd Partnership house approximately half of the CHP tenants identified in the initial review group.

rent and have held their tenancy for three years or more, include the following:

- Given the current housing market and the challenges many tenants face, many of the identified tenants may be unlikely to be able to sustain a tenancy or homeownership in the private market. The number of tenants likely to be found to be ineligible for social housing may only be relatively small, and may therefore prove to be of marginal benefit in ensuring more effective use of social housing, especially when compared with the resource required to undertake tenancy reviews.⁶
- The effectiveness of tenancy reviews in freeing up social housing will be heavily reliant on social housing providers taking action to end a tenancy when notified that the tenant is no longer eligible for social housing.
- If a tenant is not able to sustain appropriate private housing, they might in future need to be placed on the Social Housing Register, and/or in emergency accommodation.
- Potential negative impact on the different populations represented in the initial review group, who may find it difficult to access and/or sustain a tenancy in the private rental market, including due to barriers from discrimination and/or a lack of accessible housing options. This includes Māori and Pacific Peoples and disabled tenants (not all of whom will be entitled to the Supported Living Payment and be exempt).
- The review process is likely to be stressful for tenants. Many are already dealing with multiple and complex problems,⁷ and a tenancy review may create the unintended consequence of housing instability, where a tenant had previously been doing relatively well. The review process can take 18 months or more before a housing provider is notified of the outcome.
- A risk of negative publicity; for example, should a tenant or group of tenants not agree with being selected for review, or with having to move as the result of a review.

36 Key mitigations identified for the risks associated with recommencing tenancy reviews include:

- using the tenancy review process to gain a complete understanding of the circumstances of the tenancy to accurately identify tenants that are ineligible for social housing, and to identify opportunities to support client

⁶ Between March 2019 and March 2020, 13 tenants out of 876 selected for review exited social housing following a tenancy review. It is unknown whether these tenants left social housing as a result of the review or for another reason.

⁷ For example, mental health conditions, addiction needs and/or a criminal offending history.

independence. A high-level overview of the tenancy review process is provided in **Appendix Two**⁸

- providing a reasonable lead-in time for a tenant to move (if assessed as able to sustain a tenancy in the private rental market)
- ongoing communication and wraparound support for tenants that move into the private market, including ensuring they are:
 - receiving their full and correct entitlements (for example, Housing Support Products and Accommodation Supplement)
 - supported by MSD Ready to Rent and Housing Broker Services
 - supported, where possible, to progress into home ownership.

§9(2)(g)(i)

§9(2)(f)(iv)

Consultation

39 Kāinga Ora and HUD were consulted in the preparation of this report.

Next steps

40 We will adjust the draft instrument amending the Ministerial Direction, following any feedback.

41 Subject to your agreement, we will consult with Accessible Properties Tauranga and Tamaki Housing Association Ltd Partnership on the proposed amendment to the Ministerial Direction.

42 We will provide you with a final instrument amending the Ministerial Direction for your approval and signature, by 8 February 2024.

§9(2)(f)(iv)

Appendix

44 **Appendix One:** Draft instrument amending the Ministerial Direction on Application of Reviews of Continued Eligibility for Social Housing.

⁸ Note: Business processes are currently being reviewed.

45 Appendix Two: Overview of the tenancy review process.

File ref: REP/23/12/912

Author: James Bennett, Policy Analyst, Housing Policy

Responsible manager: Alex McKenzie, Manager, Housing Policy

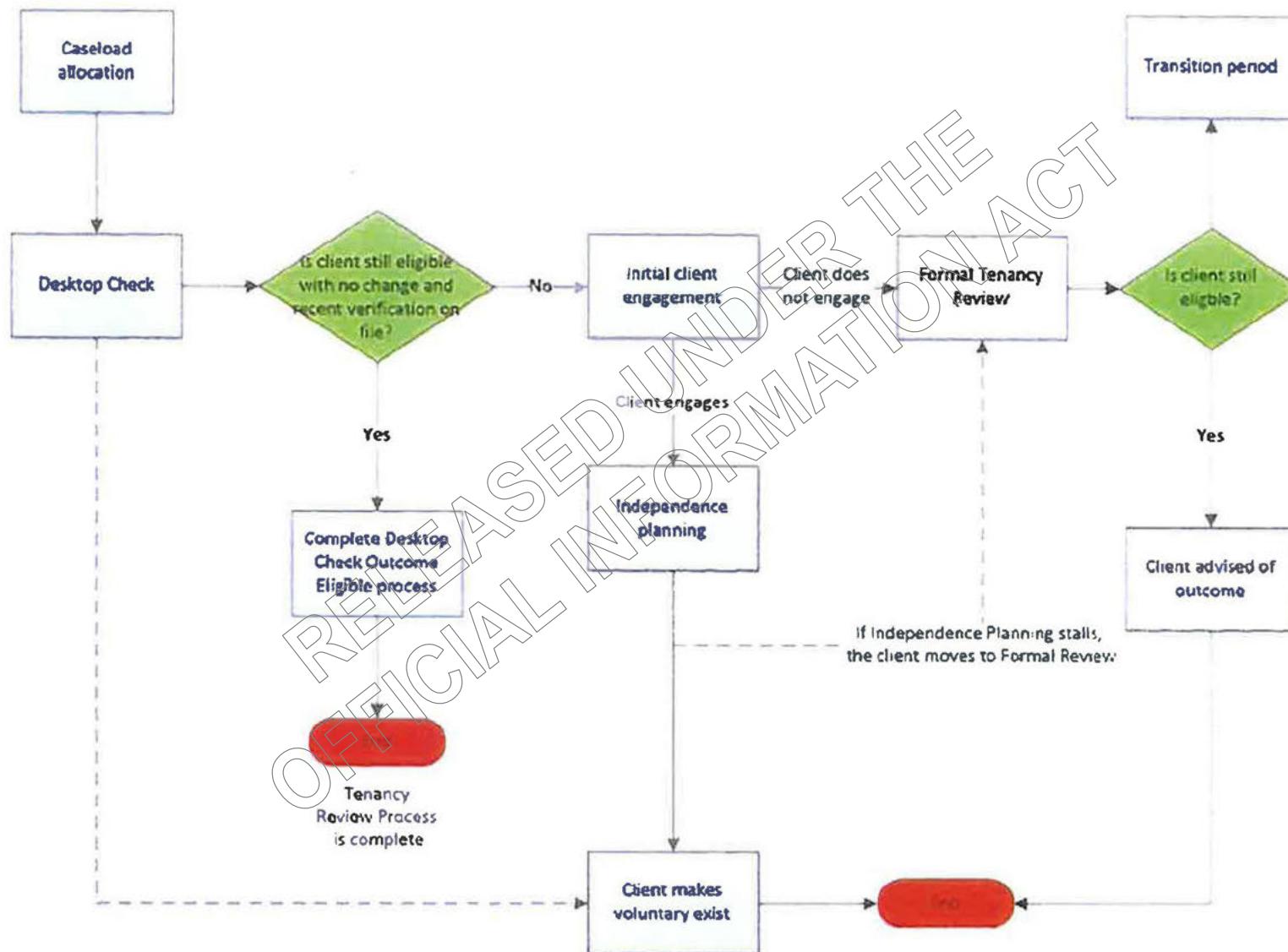
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Appendix One: Draft instrument amending the Ministerial Direction on Application of Reviews of Continued Eligibility for Social Housing

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Appendix Two: Overview of the tenancy review process



Report



Date: 29 November 2023 **Security Level:** IN CONFIDENCE

To: Hon Louise Upston, Minister for Social Development and Employment

Initial Briefing on the Housing System

Purpose of this briefing:

- Provide an overview of the housing system from an MSD perspective.
- Provide initial advice on how the Ministry of Social Development (MSD) will support the Government to achieve its housing objectives.
- Provide information on the split of responsibilities between the Minister of Housing and the Minister for Social Development and Employment.

Executive Summary

- 1 The Government has committed to changes that will:
 - get families out of emergency housing and into secure housing
 - reduce reliance on emergency housing motels
 - ensure social housing¹ is available to those who need it most.
- 2 We are aware of the Government's specific priorities for change, and we will work with the relevant agencies to provide you with advice on these issues, including:
 - in the first 100 days, creating a Priority One category for the Social Housing Register which will put families living in cars or motels for longer than 12 weeks at the front of the queue for a social house
 - reviewing social housing tenancies that pay the market rent

¹ In this briefing, we refer to 'social housing', which includes housing provided by both Kāinga Ora and Community Housing Providers.

- prioritising emergency housing grants for those in genuine need
- requiring families receiving emergency housing grants to use those grants in the area they are currently living, unless there is a good reason
- allowing people under 30 to draw down on their KiwiSaver savings to help them get together bond payments for residential tenancy agreements.

3 As the Minister for Social Development and Employment, your responsibilities are closely entwined with those of the Minister of Housing. MSD will support you and your Office in conversations so that allocation of responsibilities is clearly articulated to meet your needs.

4 MSD works closely with the Ministry of Housing and Urban Development (HUD) and Kāinga Ora – Homes and Communities (Kāinga Ora), as our roles in providing housing support are closely connected.

5 MSD's primary role is providing income support to households with low incomes (both beneficiaries and working households) and supporting people into employment. To support households to maintain secure private housing, we administer payments such as the Accommodation Supplement, Temporary Additional Support, and Housing Support Products. We also provide support and navigation services for people in need. As a result of these functions, we act as a 'front door' to the housing system and a co-ordinator of housing and social support across government.

6 For those unable to maintain secure housing, we administer the Emergency Housing Special Needs Grant. Alongside HUD, MSD is responsible for delivering actions resulting from the Review of Emergency Housing. We can use our experience from this work to support establishing a Social Impact Bond to obtain sustainable housing outcomes for people in emergency housing.

7 MSD will support the Government's commitments on emergency housing and can provide advice on ending the use of emergency motel accommodation. ^{s9(2)(f)(iv)}

8 MSD has established support services to give clients in emergency housing the tools they need to exit emergency housing, but funding is due to expire on 30 June 2024, along with funding to administer the emergency housing client contribution. These services include Integrated Services Case

Managers, Contracted Navigators, Flexible Funding, Ready to Rent courses, and Housing Brokers. We will provide you with further advice on this.

9 In relation to MSD's Social Housing Register functions, we previously conducted periodic tenancy reviews for those in social housing to ensure social housing is going to those in greatest need. In March 2024, we are restarting tenancy reviews for a subset of social housing tenants paying the market rent. ^{s9(2)(f)(iv)}

10 There are issues and limitations with the existing Social Allocation System, which is used to assess eligibility and priority on the Social Housing Register. While your initial focus is to establish a Priority One category for the Register, to put families living in cars or motels for longer than 12 weeks at the front of the queue, we will also provide advice on the role and purpose of public housing, and improving the Social Allocation System so it is fit for purpose and supports your commitment to maximise the use of social housing.

11 We are working to implement changes to address issues with the Social Housing Register and are committed to ongoing improvement. We are also aware of issues with how the Register is used by Kāinga Ora and Community Housing Providers (CHPs) to make decisions on placing people into properties.

12 Progress has been made in reducing emergency housing numbers post COVID-19, where the number of households in emergency housing peaked at 5,040 on 14 December 2021. The overall number of households in emergency housing (funded by an Emergency Housing Special Needs Grant) has fallen to 3,333 at the end of September 2023. This comprises nine percent couples with children, 41 percent single parents, and 50 percent households without children. Regional decreases have also occurred.

13 Supply factors in the wider housing market, particularly a lack of affordable private rentals, directly affects the number of people needing housing assistance. Increasing affordable housing supply will be a key driver of better long-term housing outcomes for lower-income households.

Recommended actions

It is recommended that you:

1 **agree** to meet with officials to discuss your priorities for housing

AGREE / DISAGREE

2 **agree** to meet with officials to discuss Ministerial responsibilities between the Social Development and Housing portfolios, including determining Associate Minister delegations

AGREE / DISAGREE

3 **indicate** if you would like further advice on the purpose of social housing, who it should be for, and how it should be allocated

YES / NO

4 s9(2)(f)(iv)



YES / NO

5 s9(2)(f)(iv)



6 s9(2)(f)(iv)



7 s9(2)(f)(iv)



8 **agree** to forward this briefing to the Minister of Housing and Associate Minister of Housing (Social Housing).

AGREE / DISAGREE

Simon MacPherson
Deputy Chief Executive
Policy

Date

Hon Louise Upston
Minister for Social Development and
Employment

Date

The Government is committed to getting families out of emergency housing and into secure housing

14 The Government is committed to:

- getting families out of emergency housing and into secure housing
- reducing reliance on emergency housing motels in the housing system
- ensuring we are maximising our use of social housing by ensuring it is available to those who need it most.

The Government has committed to change in the housing system

15 MSD will use our operational and delivery experience in housing support services, our housing insights, and housing policy expertise to support you in delivering on your commitments. This will include leading advice to:

- ensure every person or family in a motel is assessed for eligibility for the Social Housing Register
- proactively and progressively review the tenancies paying market rents in areas where people with more pressing needs are on the social housing waitlist (this is the responsibility of MSD, not Kāinga Ora).

16 We will also provide support to other agencies developing advice for you. This will include providing advice on your commitment to establish a Priority One category for the Social Housing Register in the first 100 days, which will put families living in cars or motels for longer than three months (12 weeks) at the front of the queue for a social house.

17 A full list of Government commitments which MSD can provide support on, including the expected lead agencies, is included in Appendix 1.

We ask you to confirm priority for two issues

18 Two public statements were made during the election campaign that we would like to discuss with you. These suggested:

- ending the use of emergency housing motels in Rotorua within two years
- amending Accommodation Supplement boundaries.

Ending the use of Emergency Housing motels in Rotorua within two years

19 A press release stated the policies that National would use to achieve this are the housing policies noted above, plus building more social houses through Kāinga Ora, and in partnership with CHPs, and other providers.

20 MSD and HUD can support you if you require any specific advice relating to ending the use of emergency housing motels in Rotorua within two years.

Amending the Accommodation Supplement boundaries

21 We note the statements regarding amending the Accommodation Supplement geographical boundaries mentioned during the election campaign's Great Finance Debate in Queenstown. §9(2)(f)(iv)

22 There is also a recommendation from the Petitions Committee following the petition of Andrew Wilson to "Rezone Accommodation Supplement eligibility for Queenstown residents". The Committee recommended the Government update the Accommodation Supplement Areas every time Stats NZ updates its geographic boundaries. You have 60 days to respond to the Committee's findings from 7 September 2023. Due to the election period, this 60 days will end 59 working days after Parliament resumes.

§9(2)(f)(iv)

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Responsibilities between the Social Development and Housing portfolios are interconnected

23 In your role as Minister for Social Development and Employment, you have responsibility for the Social Security Act 2018 (the Act), including Welfare Programmes and Ministerial Directions established under the Act. You also have joint responsibility with the Minister of Finance and the Minister of Housing for Ministerial Directions issued under the Public and Community Housing Management Act 1992.

24 Most housing income support products are paid out of the Accommodation Assistance appropriation in Vote Social Development, which is the responsibility of the Minister of Housing. For this reason, you and the Minister of Housing will have joint responsibility for many of the programmes and services which MSD delivers.

25 Similarly, MSD and HUD have closely connected roles in housing support. Responsibilities for housing assistance, based on the previous Government's approach, are detailed in Appendix 1.

26 MSD can support you and your Office in conversations on Ministerial responsibilities, so that responsibilities are clearly articulated to meet your needs.

Decisions:

Agree to meet with officials to discuss Ministerial responsibilities between the Social Development and Housing portfolios, including determining Associate Minister delegations.

AGREE / DISAGREE

Agree to forward this briefing to the Minister of Housing and Associate Minister of Housing (Social Housing).

AGREE / DISAGREE

MSD's primary role is to provide income support to households with low incomes

27 MSD has a primary role in providing income support for both beneficiaries and lower-income working households. We also have a role in connecting people to employment. We provide income support to households on low incomes to help them with their housing costs to move into, or sustain, suitable housing. A high-level overview of some of the products MSD administers is included in Appendix 2.

28 Many of our clients face significant challenges in finding and sustaining housing in a tight rental market due to factors such as complex needs, discrimination, and a lack of affordable housing options (these needs are discussed further in Appendix 3).

29 While increasing affordable housing supply, particularly rental housing, is the long-term solution, MSD administers a range of products that support households with their housing costs. The different products recognise the different circumstances clients are facing. Products include:

- **Accommodation Supplement** – a means-tested weekly benefit payment intended to keep people in private accommodation; it is paid to people who have high housing costs relative to their income and cash assets, and is available to low income homeowners, renters, and boarders
- **Temporary Additional Support** – a means-tested weekly payment that helps people when they do not have enough money to cover their essential living costs (not just housing)
- **Housing Support Products (HSPs) and recoverable assistance** – a range of products to provide greater assistance for people to access and sustain a private tenancy. These products are targeted to support low and middle-income New Zealanders struggling with the costs associated with privately renting
- **Student Allowance Accommodation Benefit** – a payment to support eligible students with accommodation costs

- **Away from Home Allowance** – a payment to the caregivers of dependent 16 and 17 year olds who move away for study or training
- **Transition to Alternative Housing Grant** – a one-off incentive payment designed to encourage clients that are ready and able to voluntarily move out of social housing and into a private tenancy
- **Emergency Housing Special Needs Grants (EH SNG)** – a last-resort grant that helps people with the cost of staying in short-term emergency accommodation (e.g. motels, hostels, and campsites).

MSD is not a regulator in the housing system so has limited powers outside financial support

- 30 MSD focuses on clients in the housing system and does not have a regulatory role. Our focus is assisting eligible people with the cost of housing and the client's financial circumstances. We also have an interest in assisting a client to find housing that meets their needs and where necessary helping them to obtain work.
- 31 While MSD has a role in ensuring minimum standards of emergency housing, this is limited to only paying emergency housing grants for suppliers that have opted-in to a set of minimum standards. We are not able to take enforcement action should a standard be breached but we do bring safety concerns to the attention of regulating agencies.
- 32 The regulatory function and appropriate expertise for accommodation standards (for example, fire safety, building standards, and healthy homes standards for residential rental housing) sits with councils, HUD, the Ministry of Business, Innovation and Employment (MBIE), and other agencies.

Housing Support Products help people obtain and retain private rentals

- 33 Housing Support Products are targeted to support low and middle-income New Zealanders (beneficiaries and working households) struggling with the costs associated with privately renting. The products are currently only available to clients with a rental agreement under the Residential Tenancies Act 1986. For non-Residential Tenancy Act tenancies, Advance Payment of Benefit and Recoverable Assistance Payments are available.
- 34 Housing Support Products include:
 - **Bond Grant** – recoverable assistance to help with a rental bond charged by a landlord to the client as a tenant (up to four weeks' rent)
 - **Moving Costs Grant** – recoverable assistance to help a client (or any other person living in the client's household) with costs to move their combined household furniture, appliances, personal effects and personal belongings into rental housing (up to \$1,500)

- **Rent in Advance Grant** – recoverable assistance to help with the cost of rent in advance charged by a landlord to the client as a tenant (up to two weeks' rent)
- **Rent Arrears Grant** – recoverable assistance to help clients retain their rental housing if they are at risk of losing their tenancy due to being behind on their rent (up to four weeks' rent)
- **Tenancy Costs Cover** – recoverable assistance designed to get people into a private tenancy by assuring landlords the client will be able to meet any tenancy related costs over and above the rental bond (up to four weeks' rent).

35 s9(2)(f)(iv)



36 The Housing Support Products Bond Grant has the same objective as the proposal to allow people under 30 to withdraw from their KiwiSaver savings to help them meet bond payments. We will work closely with MBIE and Inland Revenue on this proposal to ensure the systems work together and minimise risks of 'double-dipping'.

37 The Coalition Agreement between the New Zealand National Party and ACT New Zealand provides for an amendment to tenancy law to introduce 'pet bonds' to make it easier for tenants to have pets in rental properties. s9(2)(f)(iv)



Note: s9(2)(f)(iv)



Temporary Accommodation Assistance (Weather Events)

38 At the direction of the previous Government, MSD established an interim payment system as part of the response to the North Island Weather Events.

39 The payment was intended to assist displaced homeowners facing two sets of accommodation costs (due to the need to maintain homeownership and temporary accommodation costs at the same time) who had been relying on insurance payments which had ended. This programme is an interim measure, funded until 30 June 2024.

40 This payment deliberately has narrow eligibility criteria to allow it to be established quickly for a specified group of displaced homeowners. There is a reasonable amount of Ministry and Ministerial correspondence associated with this payment related to people ineligible for the payment.

41 s9(2)(f)(iv)

Emergency Housing Special Needs Grants

42 To support those who cannot maintain secure housing, MSD administers the Emergency Housing Special Needs Grant (EH SNG). This payment goes to individuals¹ so that households continue to have access to temporary accommodation while MSD and its partner agencies work to connect them with secure private or social housing.

43 Following a review of the emergency housing system in December 2022, the previous Government agreed to an action plan to reset and redesign emergency housing settings. Subject to your agreement, we will continue to work jointly with HUD to implement the actions. This work includes:

- **Resetting the EH SNG and entry pathways** – MSD has:
 - piloted a needs assessment tool to support the pathway for emergency accommodation and support, and to ensure, where available, people are accessing support that matches their needs
 - introduced the Temporary Housing Vacancy Management tool, which provides visibility of Transitional Housing vacancies and allows MSD to track referrals to providers within the system versus a manual approach
 - updated and streamlined all emergency housing-related policy guidance into operational policy guidance for staff, which helps ensure communications and processes are clear for EH SNG assistance
- **Strengthening mutual obligations between clients, MSD and emergency housing suppliers** – MSD has:
 - developed resources for clients and emergency housing suppliers to help ensure they understand their rights and obligations when accessing EH SNG accommodation
 - developed a resolution framework to support MSD staff in managing the emergency housing gateway and dealing with anti-social and challenging behaviour from clients.
 - made changes to secondary legislation and delivered new business processes and operational policy design on preferential granting of

¹ The grant is paid directly to the emergency housing provider by MSD on behalf of the client.

EH SNGs to emergency housing suppliers who meet supplier standards²

- **Improving the provision of support services** – MSD has:
 - increased existing supports for EH SNG clients, including intensive support services, housing brokers, ready to rent programmes, and flexible funding through to 30 June 2024 (discussed further below).

44 As a result of COVID-19, the overall number of households in emergency housing peaked, reaching a one-day peak of 5,040 on 14 December 2021. We have since made progress reducing the number of clients in emergency housing, including regional decreases. Using monthly reporting for the number of households in emergency housing at the end of the month, the number of households in emergency housing (funded by an EH SNG) at the end of September 2023:

- overall, has fallen to 3,333 households (comprising nine percent couples with children, 41 percent single parents, and 50 percent households without children)
- in Rotorua, has fallen to 96 households, following a peak of 408 households at the end of June 2021
- in Hamilton, has fallen to 600 households recently, following operational changes made in the region after a peak of 753 households at the end of both November and December 2022.

There are more opportunities for further improvement to emergency housing settings

45 While we recently made changes to emergency housing gateway settings through improving our operational policy guidance and practice, there are opportunities for further improvement. s9(2)(f)(iv)

46 s9(2)(f)(iv)

² The intent of the emergency housing supplier standards is to ensure suppliers treat EH SNG clients like other paying clients across the commercial market, and meet minimum expectations around safety and suitability.

s9(2)(f)(iv)

47 To support these changes, we have access to data providing insights on people in emergency housing and the specialised supports that can help them transition to secure housing. Some data and insights on people in emergency housing is included in Appendix 3.

Funding for MSD support services for people in emergency housing to move into sustainable housing is due to end in June 2024

48 To support the increasing number of people with multiple and complex challenges to transition into sustainable secure housing, MSD has developed support services for people in emergency housing. However, there are not enough services available in the health system or through MSD to support the growing number of people with high and complex needs (e.g. mental health, alcohol and drug addiction services).

49 A range of services intended to prevent people from needing emergency housing, support people while in emergency housing, and support people to exit emergency housing, have time limited funding to 30 June 2024. These services include:

- **Integrated Services Case Managers** – a single, consistent point of contact and one-on-one support who focus on entitlements and access to services. The introduction of the role recognises the level of support required for the complexity of the client cohort, who in many instances were spending longer in receipt of an EH SNG
- **Case Managers** – Case Managers administer benefits, including the EH SNG client contribution, and support people into jobs³
- **Contracted Navigator services** – coordinate across community, health, and government services to provide wrap-around support to families/whānau with children
- **Flexible Funding** – last resort and non-recoverable assistance to families/whānau with children to meet the additional costs of education, early childhood, and wellbeing needs of children that result from living in emergency housing (such as after school programmes)

³ The client contribution is 25 percent of the net weekly income of the client and their partner (if any) or 25 percent of the net Jobseeker Support rate, if appropriate. In 2022/2023 the amount of revenue collected from the client contribution was \$20.798 million.

- **Ready to Rent courses** – an internationally recognised and standardised programme intended to equip clients with the skills and confidence to gain and sustain private rental accommodation
- **Housing Brokers** – work to increase connections between MSD clients seeking a tenancy, private landlords, property managers, and the wider rental market to support people into suitable and sustainable private rental accommodation.

50 s9(2)(f)(iv)



Note: s9(2)(f)(iv)



Transition from emergency housing to social housing

51 Clients in emergency housing generally qualify for the Social Housing Register.⁴ MSD assesses clients for placement on the Register, if they are not already on it, using the Social Allocation System prioritisation framework. The Social Housing Register is made up of the Housing Register and the Transfer Register.⁵ Of the 3,333 distinct emergency housing clients as at the end of September 2023, 2,436 have been placed on the Housing Register.⁶

52 As shown in Figure 1, on 30 September 2023, most people in emergency housing had a high priority rating of A15 to A18. This means most of the people in emergency housing have been assessed as having their wellbeing seriously at risk due to the unsuitability and/or inadequacy of their current housing. Recent analysis shows that around 20 percent of households enter a social housing tenancy after leaving emergency housing.⁷

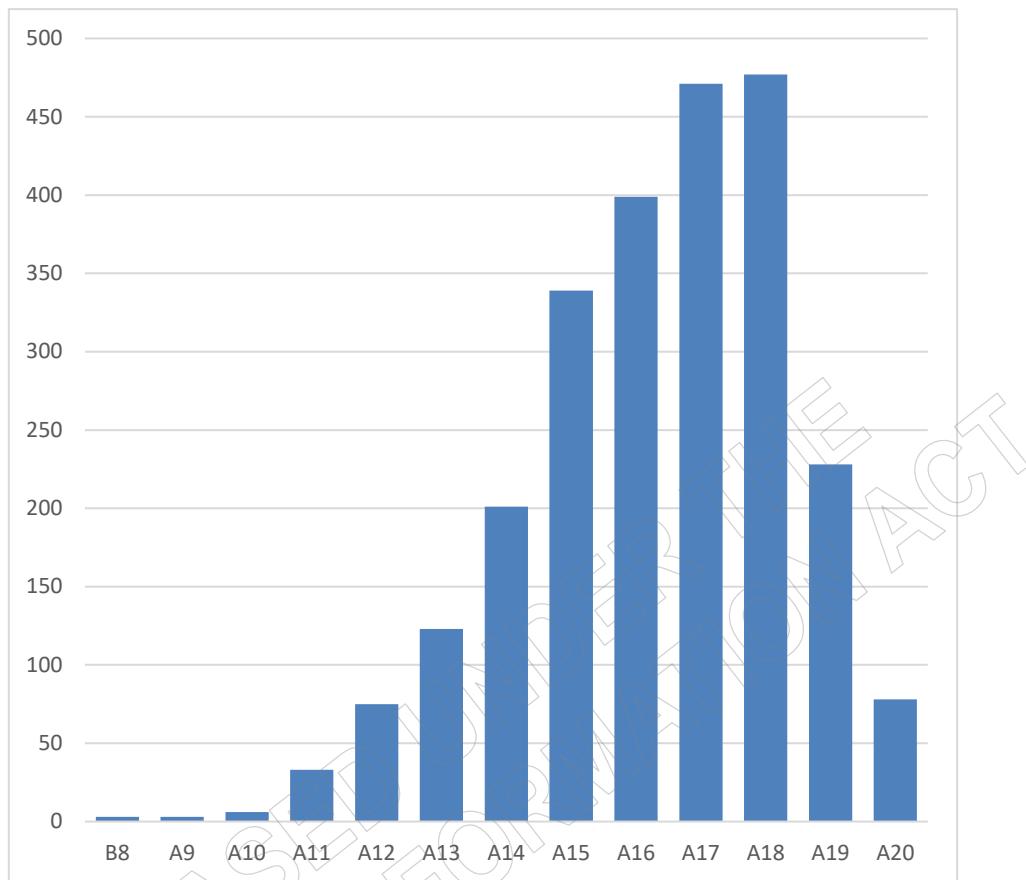
⁴ Under the Public and Community Housing Management Act 1992, MSD is required to give the client up to five working days to validate their housing need, meaning there is a time lag between a person entering emergency housing and their application going live on the Social Housing Register.

⁵ The Housing Register is a list of applicants assessed as eligible for social housing that are ready to be matched to a suitable property. The Transfer Register includes households who are already in social housing who need to be rehoused for reasons such as too few or too many bedrooms, or for health reasons.

⁶ Excluding the Transfer Register.

⁷ Based on analysis of 15,518 households who left emergency housing between December 2021 and December 2022, and what support they had accessed after leaving up to June 2023.

Figure 1: Priority rating of emergency housing clients on the Housing Register as at 30 September 2023



Management of the Social Housing Register and how places are prioritised could be improved

- 53 The current social housing system is working well for some, but not for everyone with an urgent housing need. We are responsible for assessing eligibility for social housing and maintaining the Social Housing Register.
- 54 Assessing eligibility for social housing involves a two-step process: people must first meet an income and asset levels test, and meet minimum age and residency requirements. MSD then undertakes a housing needs assessment to determine their housing need using the Social Allocation System.⁸ s9(2)(f)(iv)

⁸ The Social Allocation System was first implemented in 2000, with the restoration of Income-Related Rents for State tenants and has remained largely unchanged since then.

55 Under the current Social Allocation System, priority ratings are based on an applicant's score between 1 (lowest amount of need) to 4 (highest amount of need) in the following five areas:

- **Affordability** – ability to afford suitable alternative housing in the private rental market, based on lower quartile market rent and calculated using a formula
- **Adequacy** – condition and structural integrity of housing including considering security of tenure, overcrowding, homelessness,⁹ and health and safety risks of current housing
- **Suitability** – current housing ability to meet personal, medical, and disability needs and considers factors like family violence or other violence
- **Accessibility** – barriers to housing, including discrimination, lack of availability of housing, and lack of cash for bond, rent, and furniture
- **Sustainability** – ability of the client to sustain private tenancies, taking into account factors such as a person's money management skills, social skills, or history of transience.

56 s9(2)(g)(i)



57 The Government's commitment to establishing a Priority One category for the Social Housing Register, to put families living in cars or motels for longer than three months at the front of the queue, creates an opportunity to consider the role of the Social Allocation System, as well as the wider purpose of social housing, and who it should be for.

58 As noted in Appendix 1, HUD is the policy lead for management of the Social Housing Register, in consultation with MSD. HUD and MSD will work to provide you with joint advice on options for establishing a Priority One category for the Social Housing Register within the first 100 days of Government.

⁹ The Stats NZ definition of "homelessness" includes rough sleeping, people without shelter, emergency and temporary accommodation, and living in overcrowded and uninhabitable housing.

59 Further information on the Social Allocation System is included in Appendix 4.

Decision: Indicate if you would like further advice on the purpose of social housing, who it should be for, and how it should be allocated. YES / NO

There are existing issues with the operation and management of the Social Housing Register that MSD is committed to addressing

60 MSD is aware of several issues in the social housing system which could be improved. These issues were confirmed in a review in 2023. A summary of the review findings is included in Appendix 4. The MSD-specific issues included MSD's IT systems, Register management practices, and the flow of information between MSD and housing providers. MSD is currently working to improve these systems and processes.

61 The 2023 review also found that while the Government has increased the total number of public houses, the number of households being housed from the Register was relatively stable due to:

- fewer tenants leaving public houses, due to Sustaining Tenancies, tenancy review policies, and tenants' needs becoming increasingly complex and unsuited to private rentals.
- Kāinga Ora giving first consideration for a new social house to its list of "Business Initiated Transfers" (BITs) before considering applicants from the Housing Register. The share of new houses Kāinga Ora allocates to BITs has increased from 26 percent of placements in 2020 to 45 percent in April 2023. This practice allows Kāinga Ora's build programme to scale up more quickly, but means fewer people are housed from the Register in the interim.

62 The Government's commitment to remove the Kāinga Ora Sustaining Tenancies Framework and ensure appropriate consequences for tenants who engage in repeated antisocial behaviour may help increase the number of households being housed from the Register. However, Kāinga Ora BITs will continue to limit supply available to applicants on the Register, particularly in regions with large build programmes.

63 The 2023 review also identified issues with vacant supply, and Community Housing Providers housing a higher proportion of Priority B applicants compared to Kāinga Ora. This is explained further in Appendix 4.

Social housing tenancy reviews

64 MSD is responsible for periodic social housing tenancy reviews. Tenancy reviews assess continued eligibility for social housing and/or whether the

property continues to meet the household's need. The aim is to make sure public housing is being used efficiently for those most in need.

65 Following a tenancy review, MSD advises the social housing provider of the outcome. If the tenant is no longer eligible for social housing, the housing provider then makes the decision on whether or not to end the tenancy and issue the tenant a 90-day notice. This means the role of tenancy reviews in providing exits from social housing is contingent on the housing provider supporting a tenant to leave and issuing a 90-day notice to leave, where required.¹¹

66 Tenancy reviews were paused in 2020 in response to COVID-19 (following an earlier pause in 2018 while eligibility settings were reviewed) and have continued to be paused. The previous Government agreed to recommence tenancy reviews from March 2024, initially focusing on a subset of social housing tenants who are paying market rent and have held their tenancy for three years or more.

67 MSD has identified over 380 eligible tenancies¹² paying market rent who have held the tenancy for three years or more (as at September 2023). Given this number, increased public housing exits through tenancy reviews are likely to be limited. s9(2)(f)(iv)

68 s9(2)(f)(iv)

Decision: s9(2)(f)(iv)	YES / NO

¹¹ While historically, Kāinga Ora had a policy of sustaining tenancies, the Kāinga Ora Board has agreed in principle that where a Kāinga Ora tenant has had their tenancy reviewed and is found to be no longer eligible, Kāinga Ora will issue a 90-day notice as a measure of last resort (after engaging with the tenant and exploring all options for the tenant to voluntarily vacate the social housing). Kāinga Ora is undertaking detailed operational policy work to support its decision making regarding 90-day notices.

¹² Tenancies excluded from review under the Ministerial Direction are: tenants aged 65 or over; tenants receiving a supported living payment on grounds of restricted work capacity, total blindness or caring for another person; tenants with one or more dependent children; and tenants of transferred Housing New Zealand housing, whose tenancy agreements provide the tenants with lifetime tenure.

The private housing market is increasingly unaffordable and not functioning well for lower-income households

- 69 Historical under-investment in housing in New Zealand (along with other factors such as rising immigration) has led to a housing shortage¹³ and contributed to housing unaffordability for many households.
- 70 Census data shows that homeownership peaked in the 1990s at 74 percent of households and by 2018 had fallen to 65 percent, the lowest rate since 1951.¹⁴ The decline in homeownership has occurred at a faster rate for Māori and Pacific people than for the total population.¹⁵ There are also disparities when considering homeownership rates by age, with a more pronounced decline for people in their 20s and 30s.¹⁶
- 71 In 2018, just over 1.4 million people lived in houses they did not own, including 120,000 children under five years of age. Renters represent around a third (32 percent) of New Zealand households, with around 26 percent in private rentals, and five percent in social housing.¹⁷

Housing costs have increased over time

- 72 Housing costs have increased for both homeowners and renters, making it more difficult for lower-income households to secure and maintain suitable housing in the private market.
- 73 Households who entered homeownership within the last three years are more likely to experience stress associated with their mortgage. Those who took out mortgages worth more than seven times their gross annual incomes in 2020 and 2021 are likely to be spending about half of their gross household incomes on mortgage repayments, and further increases in interest rates may result in a rise in loan defaults.¹⁸
- 74 Renters typically have lower incomes than owner-occupiers, spend a greater share of their income on housing costs and have lower material wealth. This

¹³ NZIER (2023) Assessing housing shortages in New Zealand. Available at www.nzier.org.nz/publications/assessing-housing-shortages-in-new-zealand.

¹⁴ Stats NZ (2021) Housing in Aotearoa: 2020. Available at www.stats.govt.nz/reports/housing-in-aotearoa-2020.

¹⁵ Stats NZ (2016) Changes in home-ownership patterns 1986-2013: Focus on Māori and Pacific people. Available at www.stats.govt.nz/reports/changes-in-home-ownership-patterns-1986-2013-focus-on-maori-and-pacific-people.

¹⁶ Stats NZ (2021).

¹⁷ Ibid.

¹⁸ RBNZ (2023) Financial Stability Report November 2023 pages 17 – 20.

makes renters vulnerable to large movements in housing costs.¹⁹ Increased competition for rental housing means the most vulnerable renters (those with low incomes, complex needs, poor rental histories, and/or those potentially facing discrimination) are likely to be increasingly excluded as rental housing supply becomes more constrained.

The shortage of affordable housing is leading to more people requiring government assistance

75 There is growing reliance on housing-related social assistance.²⁰ At the end of September 2023, there were:

- 354,807 households receiving Accommodation Supplement, including:
 - over 65,000 boarding
 - over 253,000 renting
 - over 36,000 who own their own homes
- 92,333 households receiving Temporary Additional Support
- 25,284 applicants on the Social Housing Register²¹
- 3,333 households in emergency housing²² including 3,522 children.

76 According to Stats NZ, the estimated number of privately rented dwellings as of September 2023 was 653,700. The increasing demand for social housing and high reliance on emergency housing highlights the pressure on the private rental market and the lack of new supply, particularly affordable and secure rental housing for lower-income households.

¹⁹ Recent research into the key drivers of rents found that wage inflation and relative supply and demand for dwellings (measured by people per dwelling) are the two key drivers of rent inflation at a national level. See [Treasury \(2023\) What Drives Rents in New Zealand? National and Regional Analysis – August 2023](#).

²⁰ See the Ministry of Housing and Urban Development's [Government Housing Dashboard](#)

²¹ Excluding the Transfer Register.

²² Funded by Emergency Housing Special Needs Grant.

Next steps

77 Officials are available to meet with you to discuss the content of this briefing further.

Decisions:

Indicate if you would like to receive further information YES / NO
on any of the content of this briefing

Agree to meet with officials to discuss your priorities for AGREE / DISAGREE
housing

Appendix

- 78 Appendix 1: Housing responsibilities based on the previous Government's approach.
- 79 Appendix 2: MSD housing assistance and services for eligible beneficiaries and working households.
- 80 Appendix 3: Additional information about emergency housing.
- 81 Appendix 4: Social Housing Register.
- 82 Appendix 5: Key Agency Contacts.

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Appendix 1: Housing responsibilities based on the previous Government's approach

Housing assistance	Agency responsibilities and reporting lines		Ministerial responsibilities		
	Policy Advice (lead)	Operational policy and delivery	Policy settings	Legislation ²³	Funding
Accommodation Supplement	MSD, in consultation with HUD	MSD	Joint: Minister for Social Development and Employment and Minister of Housing	Social Security Act 2018	Minister of Housing, under Vote Social Development
Temporary Additional Support (where paid for housing purposes)	MSD, in consultation with HUD	MSD	Minister for Social Development and Employment	Social Security Act 2018	Minister for Social Development and Employment, under Vote Social Development
Emergency Housing Special Needs Grants	HUD, in consultation with MSD	MSD	Joint: Minister for Social Development and Employment and Minister of Housing	Social Security Act 2018	Minister of Housing, under Vote Social Development
Support services for people in emergency housing SNGs	HUD, in consultation with MSD	MSD	Joint: Minister for Social Development and Employment and Minister of Housing	n/a	Minister of Housing, under Vote Social Development
Housing Support Products – for Residential Tenancies Act (RTA) tenancies	HUD, in consultation with MSD	MSD	Joint: Minister for Social Development and Employment and Minister of Housing	Social Security Act 2018	Minister of Housing, under Vote Social Development
Hardship payments for housing purposes (e.g. Rent in Advance) for non-RTA tenancies	MSD, in consultation with HUD	MSD	Minister for Social Development and Employment	Social Security Act 2018	Minister for Social Development and Employment, under Vote Social Development:
Income Related Rent and Income Related Rent Subsidy	HUD, in consultation with MSD	MSD (IRR)	Minister of Housing, in consultation with the Minister for Social Development and Employment	Public and Community Housing Management Act 1992	Minister of Housing, under Vote Housing and Urban Development
		HUD (IRRS)	Minister of Housing, in consultation with the Minister for Social Development and Employment		
Management of the Social Housing Register	HUD, in consultation with MSD (for Social Allocation System)	MSD	Minister of Housing, in consultation with the Minister for Social Development and Employment	Public and Community Housing Management Act 1992	Minister of Housing, under Vote Social Development
Purchasing and contracting of social housing and transitional housing	HUD	HUD	Minister of Housing	Public and Community Housing Management Act 1992	Minister of Housing, under Vote Housing and Urban Development

²³ The Social Security Act 2018 is administered by MSD. The Public and Community Housing Management Act 1992 is administered by HUD and MSD.

Government commitments led by other agencies that MSD will support

HUD lead in consultation with MSD

- establishing a Priority One category for the Social Housing Register in the first 100 days which will put families living in cars or motels for longer than three months (12 weeks) at the front of the queue for a social house
- ensuring grants for emergency motel accommodation are prioritised for families in genuine need and with no genuine alternative accommodation available
- requiring families receiving emergency housing grants to use those grants in the area they are currently living, unless there is a good reason
- giving Community Housing Providers access to both government capital and operational funding for new housing places.

Kāinga Ora lead with MSD and HUD support

- directing Kāinga Ora to evict disruptive or abusive tenants and those who continually fail to comply with the Residential Tenancies Act (MSD supports identifying where those tenants will go)
- removing the Kāinga Ora Sustaining Tenancies Framework and ensuring appropriate consequences for tenants who engage in repeated antisocial behaviour.

Led by MBIE with Inland Revenue, HUD, and MSD support

- allowing people under 30 to draw on their KiwiSaver savings to help them get together bond payments for tenancy agreements (MSD to manage overlaps with Housing Support Product repayable bond grants).

HUD and MBIE lead with opportunities for MSD to support

- restoring no-cause terminations with 90 days' notice for landlords
- returning tenants' notice period to 21 days and landlords' to 42 if the tenant wishes to move or landlord wishes to sell a property
- introducing 'pet bonds' to make it easier for tenants to have pets in rental properties.

Lead agency to be decided

- establishing a Social Impact Bond with payments reflecting the long-term aim of ending emergency housing, using initial funding of \$50 million over three years, which will be administered through National's Social Investment Fund (over time paying housing providers based on the outcomes they achieve for their clients or tenants).

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Appendix 2: MSD housing assistance and services

For eligible beneficiaries and working households

Housing support	Description	Type of accommodation	Maximum rates
Accommodation Supplement	A weekly payment which helps people with their housing costs Income and asset tested.	Home ownership Private rental Private board	Area 1: \$165-\$305 Area 2:\$105- \$220 Area 3: \$80-\$160 Area 4: \$70-120
Temporary Additional Support	A weekly payment that helps people when they do not have enough money to cover their essential living costs (not just housing) Income and asset tested.	Home ownership Private rental Private board Social housing	The lesser of: • client's income deficiency or • 30 percent of the main benefit or Jobseeker Support (unless the client qualifies for a disability exception amount). Paid for a maximum of 13 weeks, but can be regranted for subsequent 13-week periods.
Housing Support Products (HSPs) (Currently only covers Residential Tenancy Act 1986 (RTA) tenancies)	Recoverable assistance aimed to address barriers to accessing or retaining housing by meeting needs not covered by other forms of assistance. Includes Bond, Rent in Advance, Rent Arrears, Moving Costs and Tenancy Costs Cover. Income and asset tested.	Residential rental housing, with RTA tenancy	Depends on grant, but not more than actual costs for Bond (up to four weeks' rent), Rent in Advance (up to two weeks' rent) and Rent in Arrears (up to four weeks' rent). Maximum of \$1,500 for Moving Costs. For Tenancy Costs Cover, this is an assurance to landlords that the client will be able to meet any tenancy related costs over and above the rental bond (up to four weeks' rent)
Emergency Housing Special Needs Grant (EH SNG)	A grant that helps people with the cost of staying in short-term emergency accommodation (usually a motel etc)	Emergency housing (e.g., motel, campsite)	Pays for the actual and reasonable costs of adequate emergency housing. Allows 7-21 nights per grant.

Other Housing Support MSD administers:

Housing support	Purpose
Transition to Alternative housing Grant	\$3,000 payment to people who voluntarily leave social housing.
Income related rent assessment and review	Income-adjusted rent payment for people in social housing. HUD pays the Income-Related Rent Subsidy to social housing providers.
Re-establishment Special Needs Grants	Payment for re-establishing in society including accommodation costs (e.g. refugees)
Away From Home Allowance	Payment for the caregivers of dependent 16- and 17-year-olds who move away for study or training.
Accommodation Benefit	Payment to support students who are eligible for a Student Allowance with accommodation costs.
Flexible funding	Payment for parents staying in emergency housing, to assist with meeting additional costs related to children's wellbeing, where other government support is not available (e.g. participating in education).
Recoverable Assistance Payments and Advance Payment of Benefit	Recoverable payment where a client does not qualify for Housing Support Products (i.e. does not have an RTA tenancy).
Security deposits for emergency and transitional housing	Recoverable payment to support people in emergency and transitional housing, where there are costs owing at the end of the temporary tenancy arrangements.
Advance of payment benefit	Recoverable payment for essential home repairs for homeowners, or tenancy tribunal costs for renters.
Other Emergency Grants/Payments	Payment or grant to be used in cases of hardship (for other housing-related costs not covered elsewhere).

MSD has a range of other operational functions relating to housing

- 1 MSD also has operational responsibility for a range of other housing-related functions. Our responsibilities include:
 - assessing eligibility for social housing and managing the Social Housing Register (waiting list)
 - calculating Income-Related Rent and managing Crown debt in relation to underpayment of Income-Related Rent

- referring prospective tenants to social housing providers
- reviewing social housing tenancies (currently paused but due to recommence from March 2024) for eligible tenants paying the market rent
- assessing eligibility for an EH SNG for non-contracted accommodation and transitional housing (contracted by HUD), and paying for accommodation on behalf of clients to suppliers who have opted in to minimum quality standards (except in exceptional circumstances)
- calculating and collecting the emergency housing contribution for EH SNG clients (25 percent of income)
- providing support services to clients and their family/whānau in receipt of an EH SNG (note these dedicated emergency housing services have time-limited funding which ends on 30 June 2024).

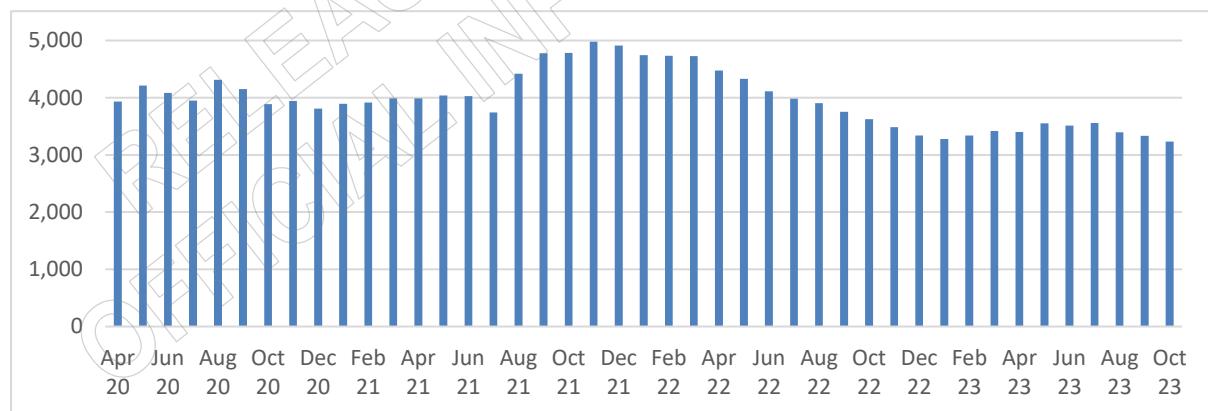
2 MSD uses data and insights gained through its operational responsibilities to support HUD and Kāinga Ora in developing housing solutions that are fit for purpose for those who need it most.

Appendix 3: Additional information about emergency housing

Emergency Housing Special Needs Grant

- 1 MSD administers EH SNGs which provide financial assistance to eligible people (beneficiary and non-beneficiary households) to meet their emergency housing needs.
- 2 The EH SNG is last resort assistance to help those with an immediate emergency housing need. It is available to those who meet the specified criteria and used when clients cannot access accommodation adequate for their needs. Alternative options have been explored first, including retaining current accommodation with MSD financial assistance products, staying with family or friends, or transitional housing.
- 3 In September 2023, 8,328 EH SNGs were granted to clients to staying in emergency housing. Total expenditure for the month was \$28.39 million.
- 4 Figure 1 shows the number of households living in emergency housing at the end of each month between April 2020 and October 2023.

Figure 1: Estimated number of households in emergency housing at the end of the month, April 2020 to October 2023²⁴



- 5 Over the past year, the number of EH SNGs granted and the number of households in emergency housing has decreased, with the number of clients who received one or more EH SNGs in a month decreasing from 4,725 in September 2022 to 4053 in September 2023, a decrease of 14.2 percent. Expenditure on EH SNGs has also decreased, with \$175.8 million in the last

²⁴ This is point in time data.

six months to September 2023 – a decrease of \$13.3 million (7 percent) over the same six months in the previous year.

We know about some of the housing history and characteristics of emergency housing clients

- 6 As at 30 September 2023, for the 3,333 households granted an EH SNG we know that:
 - most of the people in emergency housing are single. Single households without children are the largest group (1,554), followed closely by single parents (1,380)¹
 - primary recipients were mostly Māori (1,908), followed by European (1,122)
 - the largest single group by age of primary recipients were aged between 30-39 (993), followed by 20-29 year olds (807)
 - Auckland Metro had the largest number of households in emergency housing (852), followed by Waikato (618)
 - households were most likely to have been in emergency housing for 3-6 months (750)², followed by 6-12 months (645).
- 7 We also know that a large number of children are currently in emergency housing, with a total of 3,522 children across 3,333 households as of 30 September 2023.³ Other groups facing challenges include some people with mental health needs and some people released from prison.

People in transition from correctional, health, and child protection systems have particularly acute and complex levels of need

- 8 Many people accessing EH SNGs have particularly acute and complex levels of need in addition to housing, and have experienced multiple interactions with the correctional, health and child protection systems. People going into emergency housing have face to face interviews and an appointment with an intensive case manager within seven days.

¹ Household composition is based on the declared adults and children staying in emergency housing at the end of the month and may not be reflective of their actual family size.

² The consecutive weeks calculation is based on the clients most recent grant within a month. A client may have had multiple grants in a month.

³ MSD only collects information on the total number of children in each EH SNG household. This is recorded in the main applicant's EH SNG application. MSD does not collect demographic information on children.

- 9 Work is underway to bring agencies together to implement changes to improve transitions from these systems to prevent or better support those who find themselves in emergency housing.
- 10 Data from the Integrated Data Infrastructure⁴ gives an idea of the complex challenges some people in emergency housing face, providing a picture of their history with correctional, health, and child protection systems. In the period July 2016 to December 2022, of the total EH SNG recipients:
 - 28 percent had a Police proceeding against them in the previous year. This is higher than the rate for Social Housing Register clients (14 percent) and main benefit clients (10 percent).
 - 22 percent had served a Corrections sentence (other than for driving offences) in the previous year. This was higher than the rate for Social Housing Register clients (12 percent) and main benefit clients (eight percent).
 - 8 percent had served a custodial sentence (released from prison) in the previous year. This was higher than the rate on the Social Housing Register (four percent) and main benefit clients (three percent).
 - 31 percent had accessed a mental health or addiction service in the previous year. This was higher than the rates of the Social Housing Register (22 percent) and main benefit clients (17 percent).
 - 73 percent of those under-30 had an Oranga Tamariki care and protection event in their childhood.
 - 25 percent had recorded involvement with youth justice.
- 11 If MSD has concerns about any children in an emergency housing household that may be at risk, staff will complete a referral to Oranga Tamariki.

There are critical gaps in support for emergency housing clients

- 12 Unmet client needs can contribute to longer durations of emergency housing need and/or clients returning to emergency housing. While investment in supply-driven initiatives can help address urgent housing need in a more direct way, support services for emergency housing clients are needed to ensure clients access services that match their needs and reduce the risk of a reoccurring need for emergency housing.

⁴ The IDI, managed by Stats NZ, is a large research database, holding de-identified microdata about people and households. The data is about life events, like education, income, benefits, migration, justice, and health. It comes from government agencies, Stats NZ surveys, and non-government organisations (NGOs). The data is linked together, or integrated, to form the IDI.

- 13 Significant work is underway for taking a place-based approach in Rotorua, Wellington, and Hamilton, where solutions are developed in partnership with local councils, iwi, and providers.

A recent determination about the use of motels for emergency and temporary accommodation may impact emergency housing supply

- 14 MBIE recently issued a determination under the Building Act 2004 that the Rotorua Lakes Council was correct in issuing a notice to fix to a motel in Rotorua that housed EH SNG clients. The notice outlined a change of use that had occurred (from Sleeping Accommodation to Sleeping Residential) and that the motel therefore needed to undertake works to comply.
- 15 If other councils rely on this determination and require motels to comply with a change of use to continue as temporary housing providers, this could affect the supply of motels for government programmes, including the MBIE Temporary Accommodation Service and EH SNG accommodation.
- 16 We are also aware that insurance cover is becoming unaffordable or unavailable for some providers of emergency and transitional housing. This could also impact the future supply of temporary housing.

Appendix 4: Social Housing Register

Social housing plays an important part in supporting people who may struggle in the private rental market

- 1 MSD manages the Social Housing Register, which is made up of the Housing Register and the Transfer Register. The Housing Register is a list of applicants assessed as eligible for social housing that are ready to be matched to a suitable property. The Transfer Register includes households who are already in social housing who need to be rehoused for reasons such as too few or too many bedrooms, or for health reasons.
- 2 At the end of September 2023, there were 25,284 applicants on the Housing Register. In addition, there were 5,010 people on the Transfer Register, taking the total Social Housing Register to 30,294. The 12-month average for the year ending September 2023 shows that the total Social Housing Register has decreased by seven percent, when compared to the 12-month average for the year ending September 2022. Of those on the Social Housing Register, 93 percent were assessed by MSD as Priority A clients¹ (28,062) and seven percent were assessed as Priority B clients² (2,226).
- 3 Demand for social housing remains high. Many lower income households are unable to access affordable and appropriate rental housing in the private rental market.
- 4 Approximately 90.5 percent of households on the Social Housing Register are receiving a main social security benefit.
- 5 Numbers on the Register represent a 'snapshot' or point in time, as people's circumstances and situations change.
- 6 As at 30 September 2023, for the 30,294 applicants on the Social Housing Register (including both the Housing Register and Transfer Register):
 - the highest demand by ethnicity was for Māori (14,943 applicants), followed by European (10,674), and Pacific peoples (5,043)
 - the highest demand by age was for people aged 30-39 years old (8,223), followed by people aged 20-29 years old (6,492), and people aged 40-49 years old (5,415)
 - the highest demand in accommodation size was for one-bedroom accommodation (13,827), followed by two bedrooms (9,024), and three bedrooms (4,692)

¹ At risk – a severe and persistent housing need that must be addressed immediately.

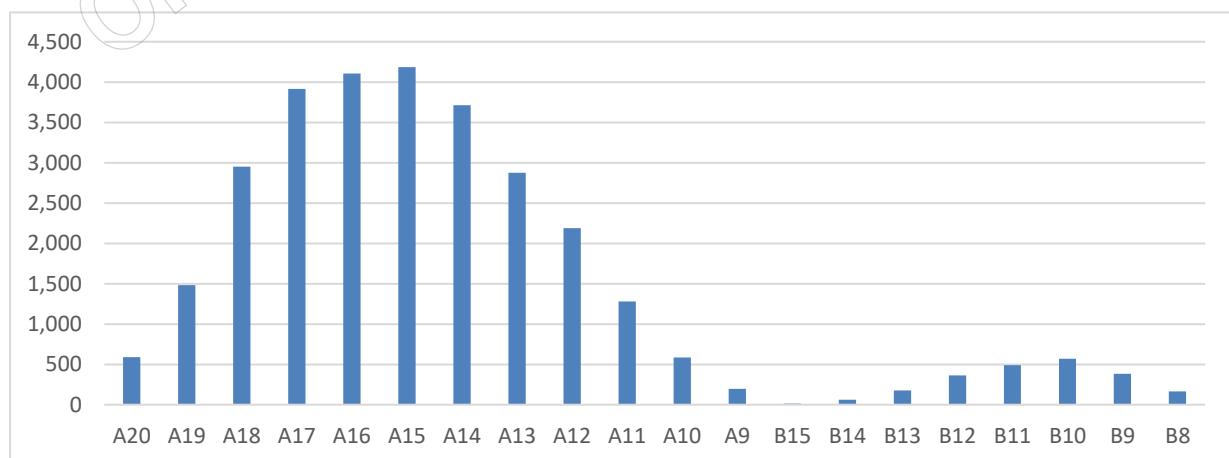
² Serious housing need – a significant and persistent housing need.

- the highest regional demand was in Auckland Metro region (10,830), followed by Bay of Plenty (2,967), and Canterbury (2,838).

Eligibility and assessment for social housing – the Social Allocation System

- 7 Housing need is assessed by MSD using the Social Allocation System to fully understand a person's housing needs. An assessment looks at both an applicant's need to move, and their ability to afford, access, and sustain a private rental. If there are many barriers to an applicant accessing a private rental, this will be reflected in a higher need rating.
- 8 The Social Allocation System also prioritises need across eligible applicants, as social houses are allocated on a needs basis, rather than a 'first in, first served' basis. To qualify for social housing, a client must be assessed as having a housing need priority rating of either:
 - **Priority A** – applicants are considered to be 'at risk' and include households with a severe and persistent housing need that must be addressed immediately
 - **Priority B** – applicants with a 'serious housing need' (this includes households with a significant and persistent need).
- 9 While in 2014 there was broad parity between Social Housing Register applicants rated Priority B and those rated Priority A, Priority A applicants now make up 93 percent of all applications, with the majority at or above A13.
- 10 Within the 'A' category, applications are further prioritised based on the results of the Social Allocation System from A20 (highest) to A15, then B15 to B8 (lowest). Figures from 30 September 2023 show that most applications on the Social Housing Register have a priority rating between A13 and A18 (Figure 1).

Figure 1: Social Housing Register (both the Housing Register and Transfer Register) by Priority Rating as at 30 September 2023



People on the Housing Register are placed into homes by Kāinga Ora or Community Housing Providers

- 11 When a social house becomes available, Kāinga Ora and CHPs generate a prioritised list from the Social Housing Register from which to identify a suitable applicant for placement. CHP placement officers can exercise discretion to identify applications from the Register that suit the CHP, its cohorts, and its services.
- 12 At the end of September 2023, there were 75,888 social housing tenancies, of which Kāinga Ora provides 63,354, with the remainder (12,534) provided by CHPs.³
- 13 MSD is aware of several issues in the social housing system which could be improved. These issues were confirmed in a review in 2023. The review of MSD's Register management practice between April and June 2023 confirmed several issues which could be improved, including MSD's IT systems, Register management practices, and the flow of information between MSD and housing providers. MSD is currently working on a plan to improve these systems and processes.
- 14 The report's high-level findings on the management of the Register, in summary, were that:
 - Register management processes are under pressure and not well integrated into MSD's wider processes and operations
 - operational issues are affecting the Register's accuracy and reliability, creating barriers to some applicants' housing needs
 - there is inconsistency between Kāinga Ora and CHP decisions on placements from the Register.
- 15 The review found applicants from the Social Housing Register do not get first consideration of newly available social houses built by Kāinga Ora. Kāinga Ora maintains an internal list of 'Business Initiated Transfers' (BITs): tenants who are in social housing but who need to move at Kāinga Ora's direction (usually so that their house can be redeveloped as part of Kāinga Ora's build programme, including redevelopments to increase the number of houses on a site, but can also be for antisocial behaviour reasons).
- 16 Kāinga Ora generally gives first consideration for a new social house to its list of BITs, before considering applicants from the Housing Register. A high number of BIT transfers means that housing supply increases over the

³ At the end of August 2023. www.hud.govt.nz/stats-and-insights/the-government-housing-dashboard/public-homes/#tabset

medium term,⁴ but does mean fewer people are placed off the Housing Register in the interim.

- 17 While Kāinga Ora's build programme increases the overall supply of social housing, the proportion of that supply going to Housing Register applicants is affected by the number of BIT transfers, as well as vacant supply. Vacant supply includes homes undergoing short-term repair as well as those having major renewal work needed to upgrade and renew social housing (e.g. retrofit).⁵
- 18 While some CHPs follow the same placement process as Kāinga Ora (i.e. consulting a list from the Social Housing Register in priority order) operational guidelines allow CHPs to exercise discretion when selecting applicants from the Register. Some CHPs provide support services for specific cohorts (such as older people, or people with addiction issues) and aim to house applicants from these cohorts over other higher priority applicants from outside those groups.
- 19 In general, CHPs exercise more discretion in who they house relative to Kāinga Ora. While CHPs and Kāinga Ora continue to house a higher number of priority A applicants than priority B applicants, CHPs tend to house a higher proportion of households with lower priority ratings compared to Kāinga Ora (See Figure 2 and Figure 3).
- 20 With limited supply of social housing, a higher number of priority B applicants being placed in housing will reduce the number of priority A applicants being housed.

⁴ As Kāinga Ora scales up its build programme.

⁵ At 31 October 2023, of the 67,588 State Rental properties managed by Kāinga Ora, 3,906 (or 5.8 percent) were vacant. Of these, 2,880 were unavailable (consisting of 762 renewals, 1,469 long-term vacancies, and 629 disposals) and 1,026 were short-term vacancies: 561 ready to let, and 465 under repair. Kāinga Ora data on properties managed and vacant is reported publicly on their website

Figure 2: Number of Priority A applicants on the Housing Register (excluding the Transfer Register) housed by CHPs and Kāinga Ora – Quarterly from March 2018 to June 2023

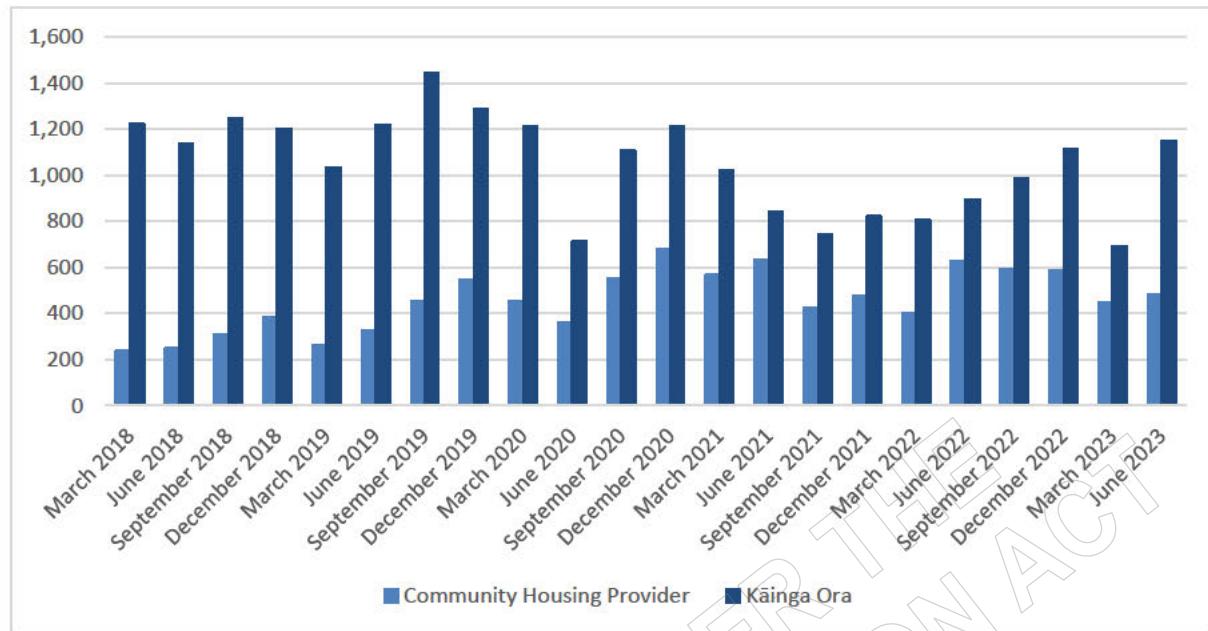
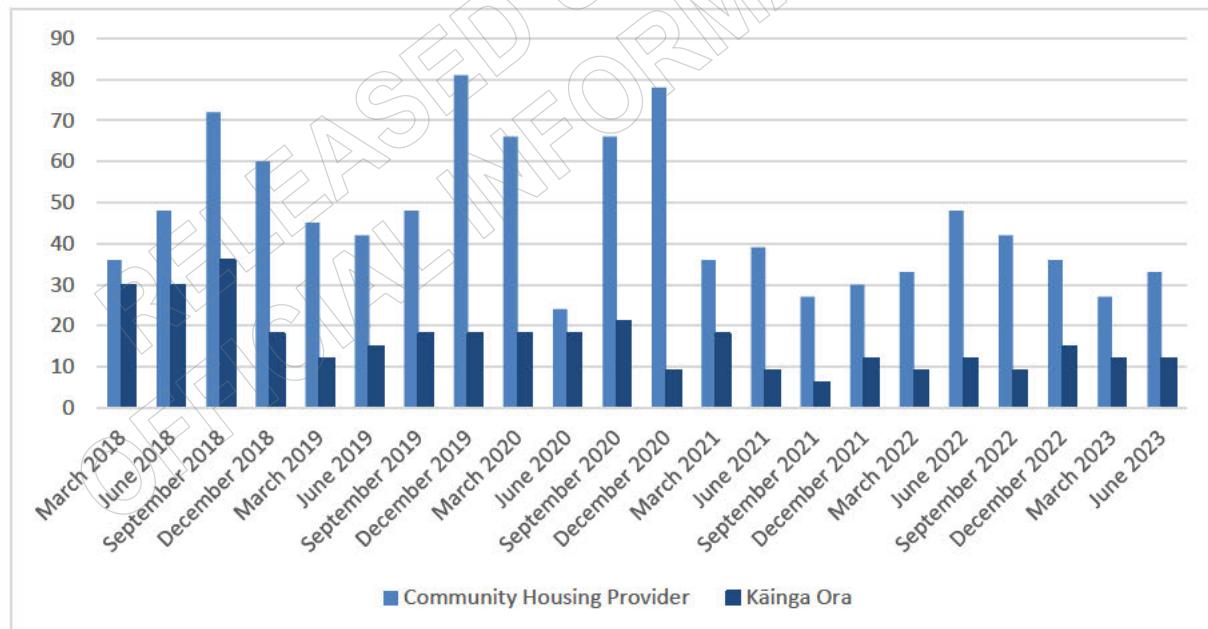


Figure 3: Number of Priority B applicants on the Housing Register (excluding the Transfer Register) housed by CHPs and Kāinga Ora – Quarterly from March 2018 to June 2023



Fast tracks

21 Fast track for social housing is available to households with children at risk of rheumatic fever, or that are caring for a child or young person in the custody of Oranga Tamariki. Fast track applications are short-listed for all vacant social housing properties that meet the requirements of the household (i.e. number of bedrooms and location).

Social housing tenants and emergency housing

22 Of the total 75,888 active social housing tenancies as at 30 September 2023, approximately 14,946 (19.7 percent) previously received an EH SNG.

Income Related Rent

23 Social housing tenants are required to pay an Income-Related Rent (IRR), calculated by MSD. IRR is calculated based on a client's assessable income and their household type. The maximum rent that is payable is the market rent for the property. The government pays the remainder to the provider through the Income Related Rent Subsidy.

24 Reviews of IRR occur annually, as well as when a client requests a review, or there has been a change in circumstances; for example, an increase in assessable income, or a change in the number of children in a client's care.

Transition to Alternative Housing Grant

25 A Transition to Alternative Housing Grant is a one-off, non-recoverable incentive payment of \$3,000 to encourage social housing tenants, who are ready and able, to move to a private rental. Those found to be ineligible for social housing following a tenancy review are not eligible to receive the Transition to Alternative Housing Grant.

26 The grant is not intended to meet costs of moving. Clients may qualify for other financial assistance for these costs, such as a Moving Costs Grant, Bond Grant, or Rent in Advance Grant.

MSD has been implementing a new approach to Social Housing Register management

27 MSD has implemented the first phase of its Social Housing Register management strategy. Monthly housing data is available on the MSD website.⁶ In Budget 2022, MSD received additional funding of \$11.725 million to more effectively manage the Social Housing Register and better support clients with a serious housing need.

28 The refreshed approach to Register management has seen MSD make more frequent contact with applicants, allowing MSD to confirm their on-going need for social housing. This has contributed to Social Housing Register decreases over 2022/23 through the removal of a significant number of applicants that no longer require social housing. New applications have remained relatively stable at around 1,700 per month.

⁶ www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/statistics/housing/monthly-housing-update/2023/monthly-housing-update-october-2023.pdf

Appendix 5: Key Agency Contacts

The table below provides contact details for MSD senior housing officials.

Name	Role	Contact phone number and email
Debbie Power	Chief Executive	s9(2)(a)
Simon MacPherson	Deputy Chief Executive – Policy	
Viv Rickard	Deputy Chief Executive – Service Delivery	
Hayley Hamilton	General Manager, Housing, Employment and Climate Change Policy	
Karen Hocking	Group General Manager, Housing Service Delivery	

Report



Date: 1 December 2023 **Security Level:** IN CONFIDENCE

To: Hon Louise Upston, Minister for Social Development and Employment

Housing Roles and Responsibilities

Purpose of the report

- 1 To support your discussion with the Minister of Housing and Associate Minister of Housing (Social Housing) on agency and Ministerial responsibilities, particularly for item 48 of the 100-day plan: *establish a priority one category on the social housing waitlist to move families out of emergency housing into permanent homes more quickly.*

Executive summary

- 2 Supports in the housing system have shared Ministerial responsibilities due to legislation and funding responsibility:
 - The Minister for Social Development and Employment is responsible for legislation under the Social Security Act 2018 and the Minister of Finance,¹ the Minister of Housing and the Minister of Social Development and Employment have joint responsibility for legislation under the Public and Community Housing Management Act 1992.
 - The Minister of Housing has responsibility for most of the funding for housing supports.
- 3 Government agencies work together to fulfil their statutory roles and support their respective Ministers. The Ministry of Social Development (MSD), Ministry for Housing Urban and Development (HUD) and Kāinga Ora – Homes and Communities (Kāinga Ora) work together to share relevant data and

¹ In practice, decision-making rests with the Minister of Housing and Minister for Social Development and Employment, but the Minister of Finance is a joint signatory to any changes to secondary legislation under the Public and Community Housing Act 1992.

information to help inform advice on policy initiatives and changes required in the current housing system.

- 4 Given joint responsibilities in housing services, the previous Government had specific arrangements for responding to Parliamentary questions. These arrangements alongside Ministerial and agency responsibilities are detailed in Appendix One.
- 5 Using the example of how roles and responsibilities will fall for the delivery of item 48 of the 100-day plan:
 - The Minister of Finance, Minister of Housing, and Minister for Social Development and Employment all have a role due to joint responsibility for Ministerial Directions which fall under Public and Community Housing Management Act 1992 legislation, and the Minister of Housing having additional responsibility for funding decisions
 - HUD (policy lead), MSD (policy support, data and insights, legislation and implementation) and Kāinga Ora – Homes and Communities (implementation) also all have a role.
- 6 The complexity of housing responsibilities is due to authorities related to legislation and appropriations. We can provide you with advice on options to confirm or adjust these responsibilities if you wish.

Recommended actions

It is recommended that you:

- 1 **note** the contents of this briefing to inform your discussion with the Minister of Housing and Associate Minister of Housing (Social Housing)
- 2 **indicate** whether, following discussion with the Ministers of Housing, you would like further advice on options to confirm or adjust Ministerial responsibilities.

YES / NO

Simon MacPherson
Deputy Chief Executive
Policy

Date

Hon Louise Upston
Minister for Social Development and
Employment

Date

Supports in the housing system have shared Ministerial responsibilities due to legislation and funding responsibility

- 7 Housing agencies (Ministry of Social Development and Employment (MSD), Ministry for Housing and Urban Development (HUD), and Kāinga Ora) provide a range of housing supports to improve outcomes for clients who struggle to maintain permanent housing.
- 8 A table of housing responsibilities based on the previous Government's approach, modified from the one provided in the Initial Briefing on the Housing System, is in Appendix One.
- 9 The legislation for these supports falls under either the Social Security Act 2018 or the Public and Community Housing Management Act 1992.
 - The Minister for Social Development and Employment is responsible for the Social Security Act 2018, including approving amendments to secondary legislation under the Act. The Ministry of Social Development (MSD) administers this legislation.
 - The Minister of Finance, the Minister of Housing and the Minister for Social Development and Employment have joint responsibility for approving and amending secondary legislation under the Public and Community Housing Management Act 1992. The Ministry of Housing and Urban Development (HUD) and MSD administer this legislation.
- 10 Most housing income support products are paid out of the Accommodation Assistance appropriation in Vote Social Development, which is the responsibility of the Minister of Housing.

Government agencies work together to fulfil their statutory roles and support their respective Ministers

- 11 Government agencies that support emergency housing clients into permanent housing are:
 - **MSD:** responsible for policy advice and delivery of income support and housing-related client-facing services for low-middle income households. MSD administers social housing needs assessments and referrals, manages the Social Housing Register, referrals and review of social housing tenancies. These functions support clients access housing that is adequate and suitable for their needs.
 - **HUD:** Responsible for policy advice and delivery of housing supply initiatives, such as establishing contractual relationships with housing providers, for example transitional housing.

- **Kāinga Ora – Homes and Communities:** responsible for undertaking pre-placement interviews to gain additional information about client needs (supplements information from MSD) and makes decisions on placing clients into social housing alongside Community Housing Providers (CHPs). ²

12 These agencies work together to share relevant data and information to help inform advice on policy initiatives and changes required in the current housing system. An example of how the Ministerial and agency responsibilities and roles will work in practice for delivery of item 48 of the 100-day plan is included below.

Roles and responsibilities to support the delivery of item 48 of the 100-day plan

13 The Minister of Finance, Minister of Housing and Minister for Social Development and Employment all have roles in the delivery of the Government’s commitment to establish a priority one category on the Social Housing Register to move families out of emergency housing into permanent homes more quickly. Similarly, HUD, MSD and Kāinga Ora all have responsibilities in the delivery of this commitment.

14 An example of decisions that will need to be made and Ministerial responsibilities for these decisions, including the reason for these responsibilities, is included in the table below.

² Note that Te Puni Kōkiri and the Ministry for Pacific Peoples also have responsibilities for supply-driven initiatives.

Table 1: Ministerial responsibilities for decisions likely to be required for the delivery of item 48 of the 100-day plan

Decision	Responsible Minister	Reason
Identify eligibility settings	Minister of Finance, Minister of Housing, and Minister for Social Development and Employment	Joint responsibility for Ministerial Directions which fall under Public and Community Housing Management Act 1992 legislation
Funding needed to support changes	Minister of Housing	Vote Social Development (Minister of Housing Responsibility)
How to prioritise in relation to other fast tracks	Minister of Finance, Minister of Housing, and Minister for Social Development and Employment	Joint responsibility for Ministerial Directions which fall under Public and Community Housing Management Act 1992 legislation
How to prioritise people evicted from Public Housing on the grounds of anti-social behaviour	Minister of Finance, Minister of Housing, and Minister for Social Development and Employment	Joint responsibility for Ministerial Directions which fall under Public and Community Housing Management Act 1992 legislation

15 In delivery of this commitment under the 100-day plan, the roles and responsibility of agencies is as follows:

- **Policy advice:** HUD leads policy advice, in consultation with MSD.
- **Data to support advice:** MSD holds the data, insights and operational policy on Emergency Housing Special Needs Grants recipients (EH SNG), which are used to inform the policy advice.
- **Legislation:** MSD is the lead agency responsible for amending Ministerial Directions necessary for this commitment.
- **Implementation:**
 - MSD holds implementation responsibility for assessing priority of clients in Emergency Housing (receiving an Emergency Housing Special Needs Grant) on the Housing Register and maintaining the Register. This will include moving clients receiving an EH SNG to the priority one category once they have been in Emergency Housing for 12 weeks.
 - Kāinga Ora – Homes and Communities and Community Housing Providers (CHPs) have responsibility for placing clients in the Register in social housing. These organisations are responsible for identifying

clients who are on the fast track for being in EH SNG more than 12 weeks and prioritising placement of these clients in Social Houses.

MSD has key client-facing levers to support the delivery of item 48 of the 100-day plan

- 16 MSD administers and supports clients accessing the EH SNG and security deposit grants to meet the cost of short-term commercial accommodation where those people have no other adequate options, and there are no suitable vacancies in transitional housing contracted by HUD.
- 17 MSD provides a range of supports to support a client's journey (and their family) into social housing. MSD carries out the following responsibilities (some of which are statutory obligations) that will support the delivery of item 48 of the 100-day plan:
 - **Conducting social housing needs assessment for emergency housing clients:**³ MSD Case Manager uses the Social Allocation System to conduct a formal needs assessment with the client, considering the needs of their family (if any). The client's application receives a priority rating and is placed on the Social Housing Register.
 - **Supporting emergency housing clients with their entitlements and access to permanent housing:** MSD provides a range of housing support services, which includes Case Management, Intensive Case Management and Housing Brokers which support clients to access and sustain longer-term housing.
 - **Conducting ongoing assessment for social housing:** When an application is pending, MSD periodically calls the applicant to check and update details. Applicants may also call MSD to notify changes in their circumstances and request updates to their application.
 - **Making referrals to social housing:** When social housing becomes available, MSD provides a prioritised shortlist of applicants from the Social Housing Register to Kāinga Ora and CHPs for placement decisions.
 - **Calculating the rate of Income-Related Rent:** Income-Related Rent is a subsidised rent scheme for social housing tenants with low income.⁴ MSD calculates the rate of Income-Related Rent and the social housing provider charges this as rent to the client. HUD pays the Income-Related Rent subsidy to the providers.
 - **Administering social housing tenancy reviews:** MSD reviews social housing tenancies to assess whether tenants still qualify for social housing.

³ Housing need is assessed by MSD with the criteria set out in a Ministerial Direction in accordance with s 102 of the Public and Community Housing Management Act 1992.

⁴ Clients in social housing either pay market rent or Income-Related Rent.

MSD has the data capability to provide insights and information about clients in receipt of an EH SNG

- 18 MSD collects information relating to the administration of the EH SNG and social housing. We provide and publish a monthly overview of clients receiving the EH-SNG and of uptake of the Public Housing Register.⁵
- 19 MSD's data capability will support the implementation and progress reports on item 48 of the 100-day plan. For example, the Monthly Housing Report compares the present month with the previous month, client demographics, along with some information presented in a time series. This reporting can be adapted to meet your needs for progress reports and insights on outcomes for item 48 of the 100-day plan. We are preparing separate advice regarding the content of the Monthly Housing Report and will provide this to your Office in due course.

Previous arrangements for Parliamentary questions relating to Housing

- 20 In light of the joint responsibilities in housing services, the previous Government had specific arrangements for responding to Parliamentary questions. These arrangements are detailed in Appendix One.
- 21 For departmental OIAs received by MSD, MSD will transfer all or part of an OIA request to the relevant Minister's Office, when the requested information is not held by MSD but is believed to be held by the Minister's Office, or when the requested information is more closely connected with the functions of the Minister.

Next steps

- 22 Following your discussion with the Minister of Housing and Associate Minister of Housing (Social Housing), we will seek your direction to confirm Ministerial responsibilities for decisions, funding, and delivery of item 48 of the 100-day plan.

⁵ We collect information on either the Special Needs Grant or the main applicant. This includes main applicant age, ethnicity, and reason for needing emergency housing. Our information relies on declaration from the main applicant at the time of application.

Information on the Social Housing Register includes details of the main applicant including their priority on the register, age, ethnicity and number of bedrooms required. Although we do not include details about children and ages of children in our published reporting, we are able to see the number of children and their ages.

Appendix

Appendix 1: Housing responsibilities based on the previous Government's approach.

Report number: REP/23/12/904

Author: Malisha Frawley, Senior Analyst, Housing Policy

Responsible manager: Hayley Hamilton, General Manager, Housing Employment and Climate Change Policy

Appendix 1: Housing responsibilities and arrangements for responding to Official Information Act requests and Parliamentary questions based on the previous Government's approach

Housing assistance	Agency responsibilities and reporting lines		Ministerial responsibilities			
	Policy Advice (lead)	Operational policy and delivery	Policy settings	Legislation ⁶	Funding	Written Parliamentary Questions (WPQs) and Oral Parliamentary Questions (OPQs)
Accommodation Supplement	MSD, in consultation with HUD	MSD	Joint: Minister for Social Development and Employment and Minister of Housing	Social Security Act 2018	Minister of Housing, under Vote Social Development	Minister for Social Development and Employment (or delegate) Reason: MSD provides the response as this is an Income product
Temporary Additional Support (where paid for housing purposes)	MSD, in consultation with HUD	MSD	Minister for Social Development and Employment	Social Security Act 2018	Minister for Social Development and Employment, under Vote Social Development	Minister for Social Development and Employment (or delegate) Reason: MSD provides the response as this is an Income product
Emergency Housing Special Needs Grants	HUD, in consultation with MSD	MSD	Joint: Minister for Social Development and Employment and Minister of Housing	Social Security Act 2018	Minister of Housing, under Vote Social Development	Minister for Social Development and Employment (or delegate) Reason: MSD provides the response as this is an Income product
Support services for people in emergency housing SNGs	HUD, in consultation with MSD	MSD	Joint: Minister for Social Development and Employment and Minister of Housing	n/a	Minister of Housing, under Vote Social Development	Minister of Housing or Associate Minister of Housing MSD provides the response, copying in the Office of the Minister for Social Development and Employment
Housing Support Products – for Residential Tenancies Act (RTA) tenancies	MSD, in consultation with HUD	MSD	Minister for Social Development and Employment in consultation with the Minister of Housing	Social Security Act 2018	Minister of Housing, under Vote Social Development	Minister for Social Development and Employment or Associate Minister for Social Development and Employment Reason: MSD provides the response as this is an Income product
Hardship payments for housing purposes (e.g. Rent in Advance) for non-RTA tenancies	MSD, in consultation with HUD	MSD	Minister for Social Development and Employment	Social Security Act 2018	Minister for Social Development and Employment, under Vote Social Development:	Minister for Social Development and Employment or Associate Minister for Social Development and Employment Reason: MSD provides the response as this is an Income product
Income Related Rent and Income Related Rent Subsidy	HUD, in consultation with MSD	MSD (IRR)	Minister of Housing, in consultation with the Minister for Social Development and Employment	Public and Community Housing	Minister of Housing under Vote Housing and Urban Development	Minister for Social Development and Employment (or delegate) Reason: MSD provides the response as MSD clients are in receipt of Income Related Rent

⁶ The Social Security Act 2018 is administered by MSD. The Public and Community Housing Management Act 1992 is administered by HUD and MSD.

		HUD (IRRS)	Minister of Housing, in consultation with the Minister for Social Development and Employment	Management Act 1992		Minister of Housing or Associate Minister of Housing HUD provides the response, copying in the Minister for Social Development and Housing
Management of the Social Housing Register	HUD, in consultation with MSD (for Social Allocation System)	MSD	Minister of Housing, in consultation with the Minister for Social Development and Employment	Public and Community Housing Management Act 1992	Minister of Housing, under Vote Social Development	Minister of Housing or Associate Minister of Housing MSD provides the response, copying in the Office of the Minister of Housing
Purchasing and contracting of social housing and transitional housing	HUD	HUD	Minister of Housing	Public and Community Housing Management Act 1992	Minister of Housing under Vote Housing and Urban Development	Minister of Housing or Associate Minister of Housing HUD provides the response, copying in the Office of the Minister for Social Development and Employment