

# Budget 2022 Initiative Summary – Main Budget Process

## *Supporting the reset and redesign of the emergency housing system*

### Section 1: Overview

*This section must be completed for all initiatives.*

#### Section 1A: Basic Initiative Information

Lead Minister	Hon Dr Megan Woods, Minister of Housing					
Department	Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development					
What type of initiative is this?	Critical cost pressure initiative		Manifesto commitment initiative	X	Health and Disability System Reform initiative	
	Climate Emergency Response Fund initiative		Savings initiative		Non-Spending initiative	
Initiative description [max 800 Characters]	<p>This initiative will support a multi-year programme to reset and redesign the emergency housing system to deliver improved housing and wellbeing outcomes. Final components are dependent on Ministerial and Cabinet decisions that are expected by the end of March 2022. Actions could:</p> <ul style="list-style-type: none"><li>enable Māori-led emergency housing delivery and Māori-led alternatives to emergency housing to begin addressing the disparities in emergency housing use for Māori, and respond to issues raised through Stage One of Wai 2750 on Māori Homelessness</li><li>implement changes to the emergency housing system to improve the safety and wellbeing of individuals, families and whānau and begin the transition to an ideal system where everyone has a safe and stable place to call home</li><li>take a place-based response to urgent housing need.</li></ul>					
Is this a Cross-Vote initiative?	Y	Vote Housing and Urban Development and Vote Social Development				
Department contact	Jeremy Steele, <a href="mailto:jeremy.steele@hud.govt.nz">jeremy.steele@hud.govt.nz</a> , 04 832 2471					
Treasury contact	Alex Smith, <a href="mailto:alex.smith@treasury.govt.nz">alex.smith@treasury.govt.nz</a> Olivia Maxwell, <a href="mailto:olivia.maxwell@treasury.govt.nz">olivia.maxwell@treasury.govt.nz</a>					

#### Section 1B: Total Funding Sought

Operating funding sought (\$m)	2021/22	2022/23	2023/24	2024/25	2025/26 & outyears	Total
		s 9(2)(f)(iv)				

  

Capital funding sought (\$m)	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	Total

## Section 1C: Initiative Classifications

Is this initiative seeking funding from the Climate Emergency Response Fund (CERF)? [max 300 characters in CFISnet].	N	
Is this initiative climate-related, but not seeking funding from the CERF? [max 300 characters in CFISnet].	N	
Does this initiative align with the Crown's obligations under the Treaty of Waitangi?	Strong	<p>This initiative strongly supports the Crown's obligations under the Treaty of Waitangi, specifically the principles of equity, active protection and partnership. It directly responds to issues and concerns raised by claimants and witnesses as part of the Stage One of Wai 2750 Kaupapa Inquiry on Housing Policy and Services on Māori Homelessness. Significant issues were raised about the failures of the current emergency housing system in responding to the needs of Māori and the need for Māori-led approaches where communities lead solutions that provide safe and suitable housing and effective wraparound support. Māori are heavily overrepresented in emergency housing, making up 60% of current recipients.</p> <p>During Wai 2750, the Crown specifically acknowledged that where disparities exist at a population or group level, the Crown should aim to target housing services in an attempt to remove those disparities and that disparities in housing outcomes that exist between Māori and non-Māori are both inequitable and unacceptable.</p> <p>This initiative will support Māori-led local approaches, foster improved partnerships with whānau, hapū and Iwi Māori to develop responses and seek to address the disparities in outcomes for Māori in emergency housing with a focus on achieving Te Mauri o te Whānau (enabling the life force, an essence for revival and fulfilment to be sustained in wellbeing). Mauri is enhanced when whānau can live in a safe, secure, warm and comfortable house within which they can flourish and grow, experience whānau love, support and protection.</p>
Specify if this initiative will help reduce child poverty and describe the impact [max 300 characters in CFISnet].	Direct and indirect impact	<p>This initiative will directly and indirectly help to reduce child poverty.</p> <p>There are currently over 4,500 children in emergency housing and concerns about safety and wellbeing of children. Actions to improve accommodation, safety and support for families will directly improve outcomes for children.</p>
Does this initiative align with the Child and Youth Wellbeing Strategy?	Y	<p>This initiative directly aligns to the outcome area of supporting "children and young people to have what they need" and will help deliver on the goal of ensuring children and young people live in stable housing that is affordable, warm and dry.</p> <p>The Child and Youth Wellbeing Strategy states that "Housing conditions can have a significant impact on children and young people's wellbeing. There is strong evidence on the disruptive impact of frequently moving house, and on the negative health consequences of living in crowded conditions and in poor quality housing." These initiatives will work to help stabilise families, reduce moves and increase safety for children.</p>
Does the initiative include funding to procure from NGOs?	Y	Yes, this initiative aligns strongly to all Social Sector Commissioning procurement principles, specifically whānau, iwi and communities exercise choice; Crown-Māori partnerships are nurtured; and the sector works together locally, regionally and nationally.
Does the initiative include funding to support digital and data related investments?	N	
Is this a regulatory or legislative initiative (according to the guidance provided)?	N	
Is this a significant investment initiative per the definition at section 4.8 of the Budget 2022 guidance?	N	If yes, please specify the type of significant initiative below
	Data / Digital / ICT	Physical Infrastructure
	Organisational Transformation	Specialised Equipment
<u>See Annex A for further questions – mandatory to complete for all significant initiatives</u>		

## Section 2: Cost pressure information

~~This section must be completed for all cost pressure initiatives. Skip this section for Manifesto Commitment, Savings, Non-Spending, Health and Disability System Reform (HDSR), Climate Emergency Response Fund (CERF) and Pre-Commitment initiatives.~~

~~See section 4.2 of the Budget 2022 guidance for more information on cost pressure initiatives.~~

~~Answers must not exceed 1-2 paragraphs per section.~~

<del>Cost pressure driver</del>	<del>Volume</del>	<del>Price</del>	<del>Personnel (driven by volume/price)</del>
<del>Cost pressure description Provide evidence of what caused the pressure (e.g. population growth, price increases, wage pressures including FTE changes). This should correspond to the further detail provided in the 'funding sought by component' table in Section 6 of this document.</del>	<del>Indicate whether this cost pressure is <b>critical</b> (i.e. are there significant delivery or legal risks if funding is not provided? Could funding be deferred to future Budgets?)</del>		
<del>Cost pressure management Provide an overview of why the pressure cannot be funded from baselines and what steps have been taken to manage the pressure.</del>			
<del>Case for funding Explain how additional funding will mitigate or resolve the pressure, and provide an overview of what outputs it is purchasing.</del>			

### Section 3: Value

*Section 3 must be completed for all initiatives, unless exempted by the Minister of Finance in the invitation letter. Further information on the questions in this section can be found at Annex Two of the Budget 2022 guidance.*

This section explains the initiative's value, drawing on elements of He Ara Waiora (section 3A) and the Living Standards Framework (Section 3D). For explanations of these two frameworks, please see the accompanying guidance.

#### Explanation

Intervention logic terms such as outputs, impacts, and goals can have different definitions. Please see table below for how the Treasury defines these concepts.

Explanation Table		
<i>This explanation table is for your reference only. Do not fill out the sections.</i>		
	Definition	Example
<b>Outputs</b>	The good or service the initiative is purchasing.	<p>The purchased goods are localised curriculum resources in te reo Māori, as well as the services of publishers, designers and story tellers.</p> <p>Costs cover the design, development, distribution and maintenance of online tools, interactive electronic and hard copy resources to promote and provide teachers, students and whānau, and external providers with quality tools and resources to enable effective teaching and learning from offsite or the workplace using a range of online, distance and place-based delivery modes.</p>
<b>Impact</b>	The direct effect of the initiative.	<ul style="list-style-type: none"> <li>Increased whānau involvement in education which is a key driver to lifting student engagement and achievement.</li> <li>Improved student engagement and achievement in education that better reflects their identity, language and culture.</li> <li>Increased visibility of te reo Māori at schools and in the community.</li> <li>Learning programmes supported by quality te reo Māori resources.</li> </ul>
<b>Goals</b>	What this initiative aims to achieve.	<ul style="list-style-type: none"> <li>Normalisation of te reo Māori used by teachers in the classroom, wider school and home.</li> <li>Increased student and whānau participation in and retention of te reo Māori learning.</li> <li>Increase in the quality of te reo Māori used by teachers and students.</li> <li>Attitudinal shift in the wider education community that te reo Māori is recognised as being for everyone.</li> </ul>

Section 3A: Opportunity/Problem

Opportunity/Problem

Key problems

Since the introduction of Emergency Housing Special Needs Grants (EH SNGs) in September 2016, demand has increased rapidly from approximately 750 households in emergency housing to approximately 4,800 households in emergency housing in October 2021. People are also receiving EH SNGs for longer – the average stay was 17.3 weeks in October 2021 compared to 5 weeks in September 2018. In May 2021, approximately 26% of households were in emergency housing for more than six months, and 8% for more than a year.

EH SNG motel accommodation is unsuitable to respond to the ongoing housing needs of individuals, families and whānau. Ensuring people's safety in emergency housing, especially children, women and vulnerable people with high needs, is of paramount concern. Many people in emergency housing have support needs, such as mental health and addiction needs, but access to support services can be challenging. Information from the Integrated Data Infrastructure (IDI) suggests those accessing EH SNGs represent a group with particularly acute levels of need (further information in evidence sections below). For example, in the year prior to receiving a grant, 25% of EH SNG clients had an acute hospitalisation.

Māori are overrepresented and make up around 60% in those receiving EH SNGs. Wai 2750 has highlighted the significant issues with emergency housing and the opportunities for Māori-led approaches. Demand for Māori housing solutions far outstrips current funding and there is no specific funding for Māori-led delivery of support services and accommodation as alternative to MSD/agency-led approaches to respond to urgent housing need.

Factors like increased hardship and poverty, discrimination, and a lack of affordable rental supply mean more people are seeking emergency housing and are staying for longer. COVID-19 has exacerbated this need and is expected to have an ongoing impact. There are increasing concerns that there are not enough motels and that increased tourism may have an impact on the ability to use motels. Wider fixes to the housing market and affordable supply are underway, however these will take time and will not be enough on their own to stem the ongoing need for emergency housing.

There is also significant unmet demand for housing outside of the emergency housing system with people sleeping rough, severely overcrowding or couch surfing or in other forms of homelessness. Approximately 102,000 people, or 2% of the population, were estimated as being severely housing deprived in March 2018.

Key opportunities

s 9(2)(f)(iv)

*This could build on place-based approaches already underway*

There are significant regional differences in the number of people in urgent housing need and the use of EH SNGs across New Zealand. Place-based approaches to emergency housing are important for responding to the unique challenges faced in each location.

At the direction of Cabinet, a place-based approach to urgent housing need in Rotorua has been adopted and good progress is being made with its implementation (see the *Contracted Emergency Housing (Rotorua Response)* Budget bid) s 9(2)(f)(iv)



## Section 3B: He Ara Waiora

**Tikanga-** decisions are made by the right decision-makers, following a tikanga process, according to tikanga values

- This initiative has drawn from the evidence presented in Wai 2750, engagement with Te Matapihi on what the ideal emergency housing system looks like and initial conversations with providers, including Iwi and Māori housing providers (Kāhui Tū Kaha and Kahungunu Whānau Services). Further engagement will shape the detailed advice and the policy decisions needed from Ministers and Cabinet.
- s 9(2)(f)(iv)
- Further engagement will inform the development of specific local changes, alongside further decisions from Ministers and Cabinet. It is envisioned that changes will be developed and delivered using a MAIHI and place-based approach working with local communities and developed in partnership with Iwi and Māori providers, alongside local councils and other stakeholders.

**Manaakitanga-** focus on improved wellbeing and enhanced mana for iwi and Māori, and for other affected communities and groups, demonstrating an ethic of care and mutual respect

- This initiative responds directly to concerns raised through Wai 2750 and targets funding to address the disparities for Māori in emergency housing through improved wellbeing and housing outcomes and Māori-led action. The initiative will work to meet the aspirations of Māori to lead local responses and for agencies to simply enable and support. Māori-led delivery of emergency housing and Māori-led alternatives to the current emergency housing system will provide improved wellbeing for whānau Māori directly through the use of kaupapa Māori (by Māori, for Māori) approaches, values and principles, such as manaakitanga. These approaches provide holistic, mana-enhancing wraparound support that builds connections, participation and enduring relationships that seek to build intergenerational wellbeing.
- System-wide changes to reset and redesign the emergency housing system will be guided by MAIHI principles and ensure services are culturally responsive, with the wellbeing of whānau at the centre of changes. These principles provide a broader, intergenerational view of wellbeing that goes beyond the physical realities of homelessness:
  - Te Mauri o te Whānau: this is at the centre of the kaupapa Māori principles and recognises the life force of the whānau at the centre of all responses to build strength and resilience from within
  - Manaakitanga: key mechanism of engaging and building relationships
  - Tikanga: doing the right things at the right time
  - Whanaungatanga: delivering service for Māori through a whakapapa lens
  - Whakamana: empowering whānau intergenerationally
  - Tino Rangatiratanga: self-determination of self-sufficiency through creating your own sense of belonging
- The focus of the design and implementation of local changes will be shaped by conversations with Iwi to understand urgent housing needs in the area, and each Iwi's housing-related activities and areas of interest.
- Local changes will build on Iwi strategic priorities and their existing involvements in housing development.
- s 9(2)(f)(iv)
- Wider stakeholder involvement in the development of this initiative will reflect the diversity within each location, s 9(2)(f)(iv)

<sup>1</sup> Minister of Housing, Minister for Social Development, Associate Minister of Housing (Public Housing), Associate Minister of Housing (Māori Housing) and Associate Minister of Housing (Homelessness)

## Section 3C: Outputs – The good or service the initiative purchases

Output	Description
s 9(2)(f)(iv)	

## Section 3D: Impacts – The direct effect of the initiative

Please repeat these questions for each impact

<b>Impact 1</b>	<b>Description of the impact</b> <i>Please provide more detail on the impacts of the initiative, including any possible negative associated impacts. Will the initiative impact people and/or have other impacts e.g. improved environmental outcomes?</i> <i>If the impacts are on people, are different groups impacted differently, and why? Examples may include different age-groups, location/regions, different service-requirements. For more-specific questions on</i>	Reduction in the number and percentage of Māori in EH SNG accommodation and in urgent housing need through actions to enable Māori-led delivery and Māori-led alternatives to emergency housing.
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	<p><i>distributional effects, please see section 3F below.</i></p> <p><b>Quantification</b></p> <p><i>Please quantify the impacts in a way that puts the number in context (e.g. percentage of land affected, proportion of people affected in relation to the population size). Please also monetise the present value gain or loss of the impacts if possible (CBAx model can help).</i></p> <p><i>If quantification is not possible, please define and provide a qualitative assessment of the impacts (e.g. low, moderate, high).</i></p>	<p>It is expected that as a result of this initiative there will be a reduction in the number and percentage of Māori receiving EH SNGs and in urgent housing need. The exact scale of reduction will depend on funding available, the approaches Māori and Iwi providers wish to take, and capacity and capability to implement proposals.</p> <p>Out of the almost 4,800 households in EH SNG accommodation at the end of October 2021, approximately 60% are Māori. Further, the 2018 Severe Housing Deprivation estimate (of approximately 102,000 people across all categories) indicate Māori made up:</p> <ul style="list-style-type: none"> <li>• 26 percent of those living without shelter</li> <li>• 18 percent of those living in commercial accommodation</li> <li>• 37 percent of those sharing accommodation</li> <li>• 26 percent of those living in uninhabitable dwellings.</li> </ul> <p>The current estimates for Māori are lower than what Te Tūāpapa Kura Kāinga (HUD) is hearing from providers who work with Māori experiencing homelessness. Anecdotally homelessness providers, who are very aware of need, are advising HUD that homelessness has been getting worse, particularly among Māori.</p> <p>There was substantial variation in response rates by ethnicity for the 2018 Census, with Māori and Pacific people particularly affected. The main impact on the severe housing deprivation estimate is that around 330,000 people could not be allocated to a household. Māori and Pacific make up almost half of the 330,000 people missing from households and are more likely to share with family or friends when unable to access a place of their own.</p>
	<p><b>Supporting Evidence</b></p> <p><i>Provide relevant evidence (data/other information) for the impacts and outcomes you have identified.</i></p>	<p>Iwi and Māori representatives had limited involvement in the design of the original emergency housing funding model. Stage One of the Wai 2750 Kaupapa Inquiry into Housing Policy and Services (Wai 2750) highlighted a range of challenges for Māori in accessing and navigating the current emergency housing system. Māori and Iwi providers called for:</p> <ul style="list-style-type: none"> <li>• funding of Māori-led initiatives</li> <li>• using tikanga Māori approaches and strengths-based social support approaches</li> <li>• EH SNG-funded motel units only to be used as a last resort.</li> </ul> <p>Witnesses during Wai 2750 with lived experience of emergency housing raised significant issues with the quality of the accommodation, unsafe and dangerous situations particularly for wāhine, the long-term effects on tamariki, difficulty accessing basic support services, and the lack of housing options to move into.</p> <p>Issues in the process of trying to access emergency housing included:</p> <ul style="list-style-type: none"> <li>• feeling a sense of whakamā, a loss of mana and a loss of dignity when needing to ask to access emergency accommodation</li> <li>• hard-to-follow processes to get income and housing support from government</li> <li>• government agencies not working well together, making clients go back and forth between different agencies</li> <li>• not being treated with respect by frontline workers and feelings of discrimination.</li> </ul> <p>New Zealand research argues for Māori-driven interventions that work with people experiencing homelessness to address the results of intergenerational trauma. It emphasises that Māori values and perspectives are essential in policy formulation and delivery. This could include leadership roles for urban Māori authorities and urban marae, through to targeted initiatives.</p> <ul style="list-style-type: none"> <li>- <i>Take J., 2016, Service responses to Māori urban homelessness. Parity, 29(8), 15-16.</i></li> <li>- <i>Take J., 2016, Policy response to Māori Urban Homelessness. Whangarei: Te Matapihi.</i></li> </ul> <p>People accessing housing support are mostly females, are disproportionately Māori and are generally under 40. Recent New Zealand research about young Māori mothers showed the importance of good access to support services and that the provision of good quality housing for young families is key to supporting health and well-being. Low-quality housing can negatively affect health, safety, employment, education, social connectedness and identity</p>



		<p>(p.171). Support from whānau, friends or service providers was seen as helpful in improving outcomes. Trying to find housing for themselves and their child(ren) was described as frustrating. “Obtaining assistance from Work and Income was sometimes posed as difficult, with the system challenging to navigate and embarrassing to have to rely on.”</p> <p>- Adcock, Cram, Lawton, 2021. “It feels real good having my own space” – Young Māori Mothers in the E Hine Study Talk About Housing. <i>New Zealand Population Review</i>, 47, 171–197</p>
	<b>Gaps in Evidence</b> <i>Are there gaps, or uncertainties in applying the evidence that make it difficult to evaluate this initiative’s value?</i>	It is difficult to estimate expected reductions in the number and percentage of Māori receiving EH SNGs or increases in wellbeing. While there is clear evidence of positive wellbeing outcomes of kaupapa Māori approaches for Māori, there is limited evidence in terms of long-term outcomes and differences in outcomes of Māori-led housing programmes versus other housing programmes. However, this provides an opportunity to build the evidence base.
	<b>Assumptions</b> <i>Please state any assumptions you are using.</i>	It is assumed that Māori-led housing and support responses will be able to be developed, designed and delivered by Māori, including capability and capacity to undertake changes. Given the calls from Māori providers to play a role in this space, this assumption seems reasonable (see section 5F: market capacity for more detail).
	<b>Implications</b> <i>Do the assumptions or gaps in evidence imply risks to the initiative achieving its impacts and outcomes? If the initiative is in an innovative policy or an early-stage initiative, what is your approach to understanding whether the initiative will achieve desired impacts?</i>	The assumptions and gaps in evidence are low and there have been numerous calls from Māori for the Crown to support Māori-led changes. Any innovative accommodation components may take longer to have an impact. Progress and outcomes will be monitored and reported on.
Impact 2	<b>Description of the impact</b>	Improved access to suitable accommodation and support for those in urgent housing need, and a reduction in negative experiences associated with accessing emergency accommodation.
	<b>Quantification</b>	<p>The number of households in emergency housing has remained consistent since 2020 with approximately 4,800 households reliant on EH SNGs at any one time. All people accessing and needing emergency housing will experience improved accommodation and support.</p> <p>Improved access to needed accommodation and support will reduce the negative impacts of being without shelter or in unsuitable housing and the stress with trying to access temporary accommodation.</p>
	<b>Supporting Evidence</b>	<p>s 9(2)(f)(iv)</p> <p>Whilst operational changes made to the maximum duration of EH SNGs saw a reduction in the number of monthly grants being processed, people are generally staying in EH for a longer duration and an increasing number of EH SNG recipients are required to reapply for additional EH SNGs. Over a quarter of the approximate 4,800 households currently in emergency housing have been receiving EH SNGs for more than six months. Frontline staff are required to repeat the same application process for each additional grant period.</p> <p>Those experiencing longer stays in emergency housing tend to have higher needs and more challenging life experiences, such as childhood poverty and trauma, mental health and addiction needs or time in prison.</p> <p>A significant proportion of clients with high needs are applying for subsequent grants, and changes to simplify and clarify the existing EH SNG (re)application process or shift from the SNG model for this group could have a high positive impact on those in emergency housing need applying for EH SNGs.</p>
	<b>Gaps in Evidence</b>	We know that more people are likely to be eligible for emergency housing and other housing supports than those who currently apply and approach MSD for support. However, it is difficult to accurately predict how significant unmet need is now or in the future.

		This is because government administrative data can only capture people who access government assistance. There is a significant 'hidden homeless' population of people who are rough sleeping, in boarding houses, camping grounds or sharing accommodation, who do not access government housing assistance, or are turned away from providers who have no capacity to provide help.
	Assumptions	<p>s 9(2)(f)(iv)</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
	Implications	<p>The assumptions and gaps in evidence stated above pose a low risk to the initiative achieving intended impacts and outcomes.</p> <p>Given there is an existing cohort of hidden homeless not yet accessing EH SNGs for emergency housing, and with ongoing housing vulnerability within the COVID-19 context,</p> <p>s 9(2)(f)(iv)</p> <p>[REDACTED]</p>
Impact 3	Description of the impact	Improved quality and suitability of accommodation and delivery of support services for people in emergency accommodation.
	Quantification	<p>Impacts will be dependent on regional variations, and the specific components agreed to by Ministers and Cabinet.</p> <p>As the actions are yet to be decided, it is challenging to accurately quantify the impact at this stage. However, based on the success of actions in Rotorua (which this initiative will draw on), the high number of families and whānau and extended periods of stay in emergency housing, and the significant concerns around these issues highlighted in Wai 2750 and the review of the emergency housing system, the impact is likely to be large.</p> <p>s 9(2)(f)(iv)</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
	Supporting Evidence	<p>Information from the Integrated Data Infrastructure <sup>2</sup> suggests those accessing EH SNGs have high levels of need and need better integration of support. Clients receiving these grants are more likely to have experienced challenging situations such as needing acute healthcare, support with mental health and addiction, low incomes, or time in prison. For example, in the year prior to receiving a grant:</p> <ul style="list-style-type: none"> <li>• 25 percent of EH SNG clients had an acute hospitalisation.</li> <li>• 53 percent of EHSNG clients had accessed a mental health or addiction service<sup>3</sup>.</li> <li>• 59 percent of EH SNG clients received no taxable income (excluding main benefits or NZ Superannuation)</li> <li>• 94 percent of EH SNG clients had received a main benefit</li> <li>• 10 percent of EH SNG clients had been in prison in the last year.</li> </ul> <p>There is significant international evidence for the provision of support services, along with temporary or emergency accommodation. Interventions that are described as Basic/Unconditional (i.e. those that only satisfy very basic human needs such as a bed and food) led to worse health and housing stability outcomes for people, even when compared to no intervention. Initiatives described as High support/Unconditional resulted in greatest housing stability (statistically significantly different to Basic/Unconditional and No intervention)</p>

<sup>2</sup> These results are not official statistics. They have been created for research purposes from the Integrated Data Infrastructure (IDI) which is carefully managed by Stats NZ.

<sup>3</sup> Mental health or addiction services include specialist mental health services (PRIMHD), mental health hospitalisations, laboratory tests and pharmaceuticals generally prescribed for mental health and addictions.

	<p>and better in health outcomes. Wider public and community engagement was identified as a key component of successful programme implementation.</p> <ul style="list-style-type: none"> <li>- Keenan et al., 2020, <i>Accommodation-based programmes for individuals experiencing or at risk of homelessness: a systematic review and network meta-analysis</i>, Centre for Homelessness Impact.</li> </ul> <p>s 9(2)(f)(iv)</p> <p>Through developing shared objectives and actions in a place-based approach, the initiative underway to improve the provision of emergency housing in Rotorua (some aspects of which may be replicated or modified to meet local need elsewhere) have been successful at providing whānau with suitable accommodation and timely access to appropriate support. For example, contracting motels to be used as emergency housing has allowed for the installation of kitchens to ensure whānau are able to cook and store food safely, and the establishment of Te Pokapū – a Rotorua housing hub involving medical staff – has meant whānau are able to easily access support for their mental and physical health needs.</p>
<b>Gaps in Evidence</b>	<p>The evidence base is relatively extensive for interventions in that include intensive support and non-conditional accommodation (which includes, for instance, Housing First). However, there is limited evidence for lower support models.</p>
<b>Assumptions</b>	<p>This impact assumes there is willingness from moteliors, or other accommodation providers, to contract with HUD or to work alongside the relevant parties to improve the quality of accommodation (e.g. ensuring rooms are warm and dry). There is a risk that in some cases this assumption may not hold, but the experience to date in Rotorua suggests that there would be enough willingness to have a positive impact.</p> <p>This impact assumes there is capacity among support service providers to deliver the level of support required to meet the needs of whānau in emergency housing. In some locations, support service provider capacity may be an issue, especially in light of COVID-19. Growing provider capacity and capability is a focus of the Homelessness Action Plan.</p>
<b>Implications</b>	<p>This initiative will be developed in partnership with people who have a clear understanding of local issues, need, and potential constraints to achieving the desired impact. This approach should minimise the risks associated with the assumptions and gaps in evidence stated above.</p>



## Section 3E: Goals – What this initiative aims to achieve

Please repeat these questions for each goal

<b>Goal 1</b>	<p><b>Description</b></p> <p><i>Please describe in more detail the goal(s) of this initiative and how they link to the impacts described above. Please define them in terms of the LSF wellbeing domains and where relevant alignment to the He Ara Waiora principle of manaakitanga. In CFISnet, please identify the primary LSF domain and whether there is alignment with the He Ara Waiora principle of manaakitanga, referring to the guidance for the definitions of the 12 wellbeing domains. If you have identified any other goals, you may include them also.</i></p>	<p>A primary goal of this initiative is to improve outcomes for Māori in urgent housing need.</p> <p>Improvements in housing and wellbeing outcomes for Māori, and longer-term impacts on intergenerational wellbeing, will be achieved through a reduction in the disproportionate negative impacts on Māori in the emergency housing system. Being in more suitable and culturally appropriate forms of accommodation with wraparound support rather than EH SNGs is expected to lead to improved wellbeing for individuals and whānau.</p> <p>There will be impacts across wellbeing including, mental health, cultural wellbeing, and education and employment. Social connection and cultural identity will improve.</p> <p>Increased Māori-led delivery of services for people in urgent housing need is expected to reduce the number of Māori in emergency housing and improve wellbeing outcomes, such as mental health, increased housing stability, and cultural connections. Delivery of emergency housing functions, such as the holistic assessment and placement by Māori and Iwi providers will result in a better experience of Māori in urgent housing need. Subjective wellbeing will increase among those who receive Māori-led services and responses to urgent housing needs. This will result in increased resilience of whānau, stability and safety, lower mental health needs and more sustainable housing outcomes than currently.</p>
	<p><b>Quantification</b></p> <p><i>Please quantify the goals of the initiative, if possible.</i></p>	<p>This initiative will have a significant impact on outcomes for Māori in urgent housing need.</p> <p>It is hard to quantify exactly, but given the large number of Māori in urgent housing need (see the quantification section of impact 1 for details) and the findings from Wai 2750 around the severe negative impacts from being in EH SNG accommodation, it will be large.</p>
	<p><b>Timeframes</b></p> <p><i>Indicate if the goal will be realised in the short (&lt;5 years), medium (5-10 years), or long term (&gt;10 years). Please indicate whether, and why, goals vary across different timeframes.</i></p>	<p>The goal will be realised in the medium term. Whānau in urgent housing need could experience improvements in the short-term to the process and reductions in the stress, the feeling of manaaki and aroha. Medium-term outcomes in terms of housing stability and educational and employment outcomes will take longer to realise.</p>
	<p><b>Evidence and Assumptions</b></p> <p><i>If there is any additional information on evidence and assumptions beyond what has been identified through the impacts table above, please provide any additional evidence (data/other information) and assumption for the identified goals, including any gaps or uncertainties.</i></p>	<p>There is a significant need to change the emergency housing system to provide better outcomes for Māori. Iwi and Māori representatives had limited involvement in the design of the original emergency housing funding model. Through Wai 2750 it is clear that there are a range of challenges for Māori in accessing and navigating the current emergency housing system and that the level of kaupapa Māori delivery does not meet the level of need among Māori. It was also clear that Māori providers were working in ways that were aligned with MAIHI and providing holistic and whānau-centred support.</p> <p>Recent research has shown that for Māori home is about whānau, family, friends and communities and as a place of belonging, safety, connection and acceptance. Participants in this study explained 'home' as being about connection to people, land and identity. Being 'at home' was described as an experience of psychological, physical and spiritual comfort.</p> <ul style="list-style-type: none"> <li>- Boulton et al., 2021, Māori perceptions of 'home': Māori housing needs, wellbeing and policy, <i>Kōtuitui: New Zealand Journal of Social Sciences Online</i></li> </ul> <p>Some people find that they experience cultural and social disconnection from being homeless. Not having a home means they move around a lot and there are times where family and children cannot visit or stay. This means that they cannot exercise manaakitanga and whanaungatanga, and lose their connection with wider whānau and crucial support networks.</p> <p>There is evidence to support taking this approach to improving outcomes for Māori. Existing approaches of Māori-led delivery of emergency housing have been successful and delivered improved outcomes. For example, in 2016 Te</p>

		<p>Puea Memorial Marae (TPMM) initiated a kaupapa Māori marae-led response that stabilises whānau through supporting their health, educational, employment and financial wellbeing prior to placing them in long-term healthy and affordable accommodation. TPMM remain closely involved with the whānau offering ongoing specialised support and advocacy to ensure their new tenancies are fully sustainable.</p> <p><i>Lee-Morgan, Hoskins. 2017. Kāinga tahi, kāinga rua: A kaupapa Māori Response of Te Puea Memorial Marae. Parity Vol 30-08</i></p>
	<b>Implications</b> <i>Do the assumptions or gaps in evidence imply risks to the initiative achieving its goals?</i> <i>If the initiative is in an innovative policy or an early-stage initiative, what is your approach to understanding whether the initiative will achieve desired goals?</i>	<p>The risk to the initiative achieving its goals is low. It may take time to achieve and progress and outcomes will be reported on.</p>
Goal 2	<b>Description</b>	<p>A primary goal of this initiative is to improve the wellbeing of those in urgent housing need and needing an emergency housing response.</p> <p>s 9(2)(f)(iv)</p> <p>Māori-led support models and targeted actions to improve access to support services s 9(2)(f)(iv) will ensure whānau are able to address their immediate and ongoing physical and mental health needs – there is a high correlation between health issues and homelessness – as well as other factors that may have contributed to their housing need (health domain). Support models that are designed and delivered by Māori will ensure this support is whānau-centred and responds to cultural needs (cultural identity domain).</p>
	<b>Quantification</b>	<p>This scale of this goal will be dependent on regional variations and the specific components agreed to by Ministers and Cabinet, but is likely to be large. See the quantification section of impact 3 for more detail.</p>
	<b>Timeframes</b>	<p>This initiative will have short, medium and long-term effects on whānau wellbeing. Some actions will have an immediate impact on whānau wellbeing. Negative experiences in emergency housing can have an enduring effect, particularly for children, and by mitigating this negative experience, this initiative will have ongoing positive impacts beyond leaving emergency housing.</p> <p>A more-positive experience of seeking and engaging with support will increase the likelihood that whānau continue to access it after leaving emergency housing, which will have long-term benefits.</p>
	<b>Evidence and Assumptions</b>	<p>There is a significant need to improve the wellbeing of those in urgent housing need. Homelessness can have a negative impact on mental health and lead to loneliness, depression and low self-esteem. Whānau in emergency housing reported feelings of vulnerability and powerlessness. Living in emergency housing created a significant amount of ongoing anxiety, depression, fear and distress. Stress is further compounded through the need to search for long-term housing, trying to earn an income, limited space and privacy, and a lack of certainty over their housing situation.</p> <ul style="list-style-type: none"> <li>- Ministry of Housing and Urban Development. (2019). <i>Emergency Housing Funding Model: Summary Report</i>. Unpublished.</li> </ul> <p>Homelessness can affect a child's growth and development. Constant moving and insecure housing can take children outside of familiar environments and may involve moving schools and/or school absences.</p>



		<ul style="list-style-type: none"> <li>- Noble-Carr, D., 2016, <i>The experiences and effects of family homelessness on children</i>, Institute of Child Protection Studies, ACU National for the ACT Department of Disability, Housing and Community Services.</li> <li>- McCoy-Roth, M., 2012, <i>When the Bough Breaks: The Effects of Homelessness on Young Children</i>.</li> </ul> <p>During research interviews, whānau in emergency housing spoke of a lack of access to transport to and from early childhood services or schools making regular attendance problematic.</p> <ul style="list-style-type: none"> <li>- Ministry of Housing and Urban Development, 2019, <i>Emergency Housing Funding Model: Summary Report</i>. Unpublished.</li> </ul> <p>Insecurity and stress within the family can have a subsequent negative impact on mental health for children in this situation and cause adverse impacts later in life. There are long-term impacts from experiences of childhood poverty and childhood trauma which has shown to be a key predictor of future homelessness.</p> <ul style="list-style-type: none"> <li>- Bramley, B., &amp; Fitzpatrick, S., 2016, <i>Homelessness in the UK: Who is at risk?</i></li> <li>- Housing First Auckland, 2019, <i>Care as a Pathway to homelessness</i>.</li> </ul> <p>The Rotorua initiative s 9(2)(f)(iv) is having a positive impact on wellbeing while whānau are in contracted emergency housing. The formal evaluation will provide more insights into how physical and mental wellbeing are being affected and which elements of the initiative are having the biggest impact. However, the learnings from Rotorua will only cover the short-term impact on whānau outcomes.</p>
	Implications	<p>This initiative will be developed in partnership with people who have a clear understanding of local issues, need, and potential constraints to achieving the desired impact. This approach should minimise the risk that this initiative does not achieve its intended goals.</p> <p>Further Ministerial and Cabinet decisions are needed to shape how we will deliver on this goal and begin implementation s 9(2)(f)(iv). Detailed development and design is needed and progress will be monitored. s 9(2)(f)(iv)</p>
Goal 3	Description	<p>Another key goal of this initiative is to lay the groundwork for moving towards a system that is less reliant on motels and works towards appropriate accommodation and support that meet people's needs.</p> <p>This initiative is part of wider work to reset and redesign the emergency housing system to make it whānau-centred and strengths-based. It will aim to be a mana-enhancing experience (subjective wellbeing domain) and provide easier to access support when needed, and access to wider social and health services (health domain).</p> <p>By reducing reliance on motels and working towards providing appropriate and stable accommodation, as well as providing support that meets people's needs, this initiative helps to provide living conditions and support that enables those with urgent housing need to participate within society (human capital). s 9(2)(f)(iv)</p> <p>supporting individuals and whānau in urgent housing need to maintain connections and contributing to societal wellbeing (social capital).</p>
	Quantification	<p>It is challenging to quantify this goal as it is the first step in a large-scale reset and redesign of the emergency housing system. We know that in the year ending 30 June 2021, over 21,000 distinct clients received an EH SNG. In addition, improving the emergency housing system will also affect anyone who could end up in housing stress, as well as support service providers and MSD frontline staff.</p> <p>Hence, there is potential for this initiative to have a significant impact, however this will depend on which actions are progressed following Ministerial and Cabinet decisions.</p>

	<b>Timeframes</b>	This goal will be realised in the medium to longer-term. A reset and redesign of the emergency housing system will require making incremental changes throughout a period of transition in order to shift from the current state to the ideal state.
	<b>Evidence and Assumptions</b>	<p>There is a significant need to improve the experience of the emergency housing system. The review of the emergency housing found that the system is not achieving the outcomes we would expect.</p> <ul style="list-style-type: none"> <li>• Over a quarter of all EH SNG households have been receiving EH SNGs for more than six months highlighting that exits are increasing difficult.</li> <li>• There are high numbers of single adults and sole parents receiving EH SNGs reflecting the difficulties experienced by these groups in the housing market.</li> <li>• People experiencing longer stays tend to have higher needs and more challenging life experiences, such as childhood poverty and trauma, mental health and addiction needs or time in prison.</li> <li>• People who experience emergency housing report safety concerns, high levels of drug harm, concerns for children and young people, such as disconnection from schooling, and difficulties accessing support.</li> <li>• Māori are overrepresented among EH SNG recipients. Wai 2750 claimants highlighted opportunities for Māori-led responses that put whānau at the centre.</li> <li>• People are not receiving the right levels of support or housing suitable for their needs and aspirations.</li> <li>• Wai 2750 and the review of the emergency housing system have identified significant issues with how whānau experience the emergency housing system. These issues include: complicated processes to access support; a lack of out-of-hours support; feelings of whakamā and a loss of mana when interacting with frontline staff; needing to relive trauma through retelling story multiple times; and, being relocated far from schools, jobs and social networks into accommodation that is not suitable for whānau needs.</li> <li>• In several countries, such as Canada, Scotland, Finland and Norway, there has been a shift away from temporary and unsupported accommodation towards a system where more intensive services are provided together with access to permanent accommodation. These include supported housing models, such as Housing First for those with high and complex needs and single-site supported housing. These countries have experienced positive trends in the number of people experiencing homelessness and their outcomes.</li> </ul>
	<b>Implications</b>	<p>Further Ministerial and Cabinet decisions are needed to shape how we will deliver on this goal and begin implementation s 9(2)(f)(iv) . Detailed development and design is needed and progress will be monitored. s 9(2)(f)(iv)</p>

## Section 3F: Distributional Analysis

<b>Question 1: Does the initiative have the following types of distributional impacts for Māori?</b> <i>[max 300 characters in CFISet]</i>	A	Direct	X	Indirect		No Impact	
	If direct, please complete Question 1B. If indirect or no impact, please progress to Question 2.						
	B	Targeted and tailored for Māori	X	Disproportionate positive impact	X	Other (explain)	
This initiative will support Māori-led emergency housing delivery, and alternatives to emergency housing, with the aim of reducing the number of Māori in EH SNG accommodation and improving outcomes for Māori in urgent housing need. Māori make up around 60% of EH SNG recipients across New Zealand.							
<b>Question 2: Does the initiative have the following types of distributional impacts for Pacific Peoples?</b> <i>[max 300 characters in CFISet]</i>	A	Direct	X	Indirect		No Impact	
	If direct, please complete Question 2B. If indirect or no impact, please progress to Question 3.						
	B	Targeted and tailored for Pacific Peoples		Disproportionate positive impact	X	Other (explain)	
Pacific Peoples are disproportionately impacted by homelessness, including living in over-crowded conditions. Pacific Peoples represent around 11% of EH SNG recipients across New Zealand.							
<b>Question 3: Does the initiative have the following types of distributional impacts for children?</b> <i>[max 300 characters in CFISet]</i>	A	Direct	X	Indirect		No Impact	
	If direct, please complete Question 3B. If indirect or no impact, please progress to Question 4.						
	B	Targeted and tailored for children		Disproportionate positive impact	X	Other (explain)	
There are currently over 4,500 children in emergency housing across New Zealand. Actions to improve accommodation, safety and support for families will directly improve outcomes for children.							
<b>Question 4: Does the initiative have direct impacts on any other population groups?</b>	N						
<b>Question 5: What region is this initiative expected to impact?</b>	X	All of New Zealand		Gisborne		Northland	
		Areas outside regions		Hawke's Bay		Offshore	
		Auckland		Manawatu-Wanganui		Otago	
		Bay of Plenty		Marlborough		Southland	
		Canterbury		Nelson		Taranaki	
							Tasman
							Waikato
							Wellington
							West Coast

## Section 4: Alignment

*Section 4 must be completed for all initiatives, unless exempted by the Minister of Finance in the invitation letter. Further information on the questions in this section can be found at Annex Two of the Budget 2022 guidance.*

### Section 4A: Strategic Alignment

How does this initiative link with your strategic intentions/statement of intent?	<p>This initiative has strong alignment to TeTūāpapa Kura Kāinga's statement of Strategic Intentions. It directly works to deliver on the priorities of ending homelessness and achieving equitable housing outcomes for Māori and works towards the purpose of our organisation which is to create "thriving communities where everyone has a place to call home". Specifically, this initiative is designed to achieve the following immediate outcomes in our Strategic Intentions:</p> <ul style="list-style-type: none"> <li>• Māori, whānau, hapū and iwi are empowered to realise their housing aspirations.</li> <li>• Use of a place-based approach</li> <li>• Everyone has access to a warm, safe and dry home with security of tenure appropriate to their circumstances.</li> <li>• People have access to the services they need to be able to sustain their housing.</li> <li>• Collaboration and effective partnerships shape the system.</li> </ul> <p>This initiative aligns closely with the 'Enable people into stable, affordable homes' and 'Support whānau to have safe, healthy affordable homes with secure tenure' focus areas of the Government Policy Statement on Housing and Urban Development.</p>
Does this initiative link with other sectoral or whole-of-government strategies (e.g. the Pacific Wellbeing Outcomes Frameworks)?	<p>This initiative aligns to several whole-of-government strategies, including:</p> <ul style="list-style-type: none"> <li>• Child and Youth Wellbeing Strategy: by improving the provision of emergency housing, where many families and whānau with children are currently living, this initiative aligns to the outcomes 'Children and young people are loved, safe and nurtured' and 'Children and young people have what they need'.</li> <li>• Aotearoa New Zealand Homelessness Action Plan: by better supporting whānau who are in emergency housing and providing a pathway to more-permanent housing, this initiative aligns to the support pillar within the Action Plan. The support pillar states that support helps households experiencing homelessness move into stable accommodation and access wider social supports to address need.</li> <li>• The Māori Housing Strategy: MAIHI Ka Ora. This initiative will contribute to the goals sought, including a significant increase in the number of quality, locally-led Māori housing solutions that meet the needs of whānau, and ensuring that whānau have better access to effective support that is fit for purpose and enables them to attain and maintain their preferred housing option.</li> </ul>
Does this initiative impact other agencies directly or indirectly? If so, how?	<p>There will be direct impacts on the Ministry of Social Development (MSD) who are working jointly with TeTūāpapa Kura Kāinga on these policy changes and initiatives. There are likely to be policy and operational impacts as a result of improving the experience for individuals, families and whānau in urgent housing need and <b>S 9(2)(f)</b> (iv)</p>

### Section 4B: Alignment to Government's goals

The Government's goals for this term are:

- 1) Continuing to keep New Zealand safe from COVID-19
- 2) Accelerating the recovery and rebuild from the impacts of COVID-19
- 3) Laying the foundations for the future, including addressing key issues such as our climate change response, housing affordability and child poverty

Alignment to Government goals	<p>The actions in this initiative will contribute to the Government's goal of "Laying the foundations for the future, including addressing key issues such as our climate change response, housing affordability and child poverty". It directly supports improved housing and wellbeing outcomes.</p>
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## Section 4C: Contribution to the Government's Wellbeing Objectives

The Government's five wellbeing Objectives are:

- **Just Transition:** supporting the transition to a climate-resilient, sustainable, and low-emissions economy.
- **Future of Work:** enabling all New Zealanders and New Zealand businesses to benefit from new technologies and lift productivity and wages through innovation
- **Physical and Mental Wellbeing:** supporting improved health outcomes for all New Zealanders, including protecting New Zealanders from the impacts of COVID-19.
- **Māori and Pacific:** lifting Māori and Pacific incomes, skills, and opportunities, including through access to affordable, safe, and stable housing
- **Child Wellbeing:** reducing child poverty and improving child wellbeing, including through access to affordable, safe, and stable housing.

*\*Please note: these objectives have been agreed by Cabinet subject to wider consultation. The final versions of the objectives will be published in the Budget Policy Statement in December 2021.*

Contribution to Wellbeing Objective(s)	<p>This initiative aligns and contributes directly to the wellbeing objectives of:</p> <ul style="list-style-type: none"> <li>• <b>Physical and Mental Wellbeing:</b> by supporting the delivery of alternatives to emergency housing that are safer, more supported and more culturally appropriate than EH SNG accommodation, and by enhancing the experience of accessing emergency housing.</li> <li>• <b>Māori and Pacific:</b> by providing Māori with more suitable and culturally appropriate forms of accommodation with wraparound support rather than EH SNGs, and by supporting Iwi and Māori providers to deliver emergency housing functions.</li> <li>• <b>Child Wellbeing:</b> by implementing actions to improve emergency housing accommodation, safety and support (affecting the over 4,500 children that are in emergency housing).</li> </ul>
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## Section 5: Delivery

Section 5 must be completed for all initiatives. Further information on the questions in this section can be found at **Annex Two** of the Budget 2022 guidance.

## Section 5A: Fit with existing activity

The answer must not exceed 1-2 paragraphs.

<p><b>How does the initiative link with existing initiatives with similar objectives?</b></p> <p><i>Describe how the initiative links with existing services or initiatives, including non-spending arrangements, with similar objectives.</i></p>	<p>This initiative has strong links with MAIHI Ka Ora and Whai Kāinga Whai Oranga. Whai Kāinga Whai Oranga includes the \$380 million Budget 2021 initiative alongside a \$350m Māori Infrastructure Fund. Key differences in this initiative are that it is specifically supporting the access to kaupapa Māori and Māori-led support services for people in urgent housing need and alternatives to emergency housing, rather than the supply of houses, repairs, capability or infrastructure. It is also not prioritised according to any specific locations; however a place-based approach will be taken to guide decisions. Similar to Whai Kāinga Whai Oranga, investments will use similar principles such as delivery that is consistent with MAIHI, is Māori-led, and has a focus on partnerships.</p> <p>This initiative builds on a number of actions within the Homelessness Action Plan that also aim to improve outcomes for whānau in emergency housing. For example, the expansion of Intensive Case Managers and the Flexible Funding Programme for whānau in EH SNG accommodation. It will also complement further changes as part of the Action Plan (see the <i>Homelessness Action Plan</i> and <i>Housing Support Products</i> Budget bids) and will build on lessons learnt from the changes being made in Rotorua to emergency housing (see the <i>Contracted Emergency Housing (Rotorua Response)</i> Budget Bid).</p> <p>This initiative complements work underway through the Public Housing Plan 2021-2024 to create more permanent housing options and reduce demand for emergency housing.</p>		
<p><b>Is the initiative an expansion or a cost pressure for an existing initiative?</b></p>	<table> <tr> <td data-bbox="478 1758 558 1877">N</td><td data-bbox="558 1758 1426 1877"> <p><i>If yes, provide a concise overview of how this initiative will expand on or maintain existing services.</i></p> <p><i>If no, move on to section 5B.</i></p> </td></tr> </table>	N	<p><i>If yes, provide a concise overview of how this initiative will expand on or maintain existing services.</i></p> <p><i>If no, move on to section 5B.</i></p>
N	<p><i>If yes, provide a concise overview of how this initiative will expand on or maintain existing services.</i></p> <p><i>If no, move on to section 5B.</i></p>		



## BUDGET-SENSITIVE

Provide an overview of existing funding levels for this initiative, and/or initiatives with similar objectives, in the two tables below.

	Operating Funding profile (\$m)						Total				
	2021/22	2022/23	2023/24	2024/25	2025/26 & outyears						
Existing funding for this/similar initiatives											
Total funding sought for this initiative											
% change between existing funding and funding sought											
Comments (optional)	Provide explanatory comments to help interpretation of the above baseline figures.										
	Capital Funding profile (\$m)										Total
	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	
Existing funding for this/similar initiatives											
Total funding sought for this initiative											
% change between existing funding and funding sought											
Comments (optional)	Provide explanatory comments to help interpretation of the above baseline figures.										

### Section 5B: Funding sought by input

Provide a breakdown of what the requested funding will purchase. Briefly explain the formula used, or key assumptions made, to calculate the cost of each output. Add additional rows to the table as needed to capture each output separately. Please include which Vote(s) will be impacted by each component.

s 9(2)(f)(iv)

FTE-specific Input Information (if applicable)

## BUDGET-SENSITIVE

New FTE funding											
New contractor funding											
Additional FTE overhead funding											
<b>Total</b>											
<b># of FTE's (employees and/or contractors)</b>											
<b>What's the % increase in FTE compared to baseline FTE numbers</b>											
	<b>Funding profile (\$m)</b>										<b>Total</b>
<b>Input – Capital</b>	<b>21/22</b>	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>	<b>30/31</b>	
<b>Total</b>											
<b>Appropriations</b>	Indicate whether this funding would increase existing appropriations (if so, please list the existing appropriation or category that will be used), establish any new appropriations, or alter the scope of an existing appropriation with effect from 1 July 2022.										

### Section 5C: Options analysis

The answer must not exceed 1-2 paragraphs.

#### Options analysis

Provide a bullet point list of different options, with short summaries where needed, that were considered for addressing the problem or opportunity. Include alternative funding options, reprioritisation within baselines, and non-spending arrangements.

Options for change are in development, with the next piece of advice due to Ministers in January. s 9(2)(f)(iv)

#### Counter-factual question

Please explain the implications if this funding is not approved or is deferred. If there are options (e.g. choosing to reduce either output or quality of an existing service if funding is not approved), please detail these here. Explain how the department would address the pressure or problem if the funding is not approved.

The current emergency housing system is not effectively providing a pathway to permanent housing, supporting people at the right time, addressing housing disparities, or improving the housing and wellbeing outcomes of individuals, families and whānau. Without funding, we will not be able to make the changes needed to the emergency housing system and ensure it provides improved safety, stability and wellbeing of people currently urgent housing need. As a result, the experience of staying in emergency housing would likely continue to hinder, rather than improve, the outcomes for some individuals, families and whānau reliant on emergency housing.

s 9(2)(f)(iv)

More detail on the possible options for addressing these issues and the consequences if funding is not approved will be provided to Cabinet in early 2022.

## Section 5D: Scaled option

The answer must not exceed 1-2 paragraphs.

**Option overview**

Provide a concise overview of the preferred scaled option to fund this initiative (the funding level at which it would be better to defer the initiative than fund it at a lower level). Explain how the initiative's expected outputs and outcomes can differ if fully funded and any risks associated with scaling (up or down).

Options for change are in development, with the next piece of advice due to Ministers in January. This will include options for scaling and related risks and trade-offs.

Possible scaling options (dependent on Ministerial and Cabinet decisions) could include:

- time-limited funding for across three years, with no outyears funding: This would impact on the ability to make changes with confidence and impact on the ability to contract providers and accommodation.
- focusing on providing support, and enhanced safety and stability for families with children currently in emergency housing. This would half the funding required. There are specific and immediate concerns for the over 4,500 children currently in emergency housing and the need to provide improved safety and stability. The expected outputs and outcomes would be limited to families with children. Single adults will not receive additional support or experience direct improvements in their emergency housing need. s 9(2)(f)(iv)

Provide a breakdown of what the minimum viable option would purchase. If the formula used or key assumptions made differ from those used for the primary option, briefly explain these. Add additional rows to the table as needed to capture each output separately.

**Formula and Assumptions**

Explain if different from primary option.

s 9(2)(f)(iv)

## Section 5E: Monitoring and Evaluation

The answer must not exceed 1-2 paragraphs.

Outline the overall evaluation and monitoring methodology for the initiative; how often and to whom monitoring and performance reports will be provided; and when the first report back is expected. If not indicated in the cost breakdown in section 5B, please indicate here what funding is proposed to be allocated to monitoring and evaluation.

Describe the performance measures that will be in place for this initiative. Performance measures should be specific, measurable, achievable, relevant and timely (SMART). You can use these measures as the basis for your estimate performance information.

A full implementation plan will be developed for this initiative including how each action will be monitored and reported on. s 9(2)(f)(iv)

## Section 5F: Implementation readiness

The answer to each question must not exceed 1-2 paragraphs.

<b>Workforce: Are additional FTEs or contractors required?</b>	<b>N</b>	
<b>Workforce: Resourcing considerations</b>		What is the ability to secure the required FTE, considering relevant departmental vacancy information, turnover rates and average salaries of similar roles? [max. 300 characters in CFISnet].
<b>Timeframes</b>  What are the timeframes for delivery? Are there any dependencies to delivering this initiative?		Advice is currently in development to Ministers seeking key decisions on changes to the emergency housing system. s 9(2)(f)(iv)
<b>Delivery Risks</b>  What are the key risks to delivering this initiative and what are your plans to mitigate these to ensure delivery? Please outline the risks and associated mitigating actions.		
<b>Market capacity</b>  Explain any market capacity constraints in the production of this initiative's outputs, and any planned mitigations to reduce these issues (including procurement plans).		

**Previous delivery experience**

*Describe delivery of any previous similar activities, in particular how delivery aligned or differed from the proposed plan (e.g. if significant delays, price overruns or changes to delivery outputs occurred), and key processes in place to ensure delivery (e.g., risk management, governance structures, project management).*

HUD has experience delivering on the Transitional Housing places and contracting a range of accommodation and support from providers, including working with Kāinga Ora on supply and procurement of properties.

There are other funds that HUD has delivered to build providers capacity and capability and increase housing supply for Māori (He Taupua Fund, He Taupae Fund, He Kūkū ki te Kāinga Fund). We can learn from the delivery of these funds and improve processes to make application more efficient and the fund easier to access. There are also some initiatives in place already in this area that provide good examples of government and Māori and Iwi providers working together and supporting Māori-led initiatives:

- Te Puea Memorial Marae runs the Manaaki Tangata e Rua ("MTeR") programme with wraparound support and support to find longer-term stable housing, all underpinned by kaupapa Māori principles. Officials from MSD and Kāinga Ora are co-located onsite at the marae.
- Te Pokapū – the Rotorua Housing Hub is a community-led hub that brings together agencies, Iwi and local providers into one place. It is intended to strengthen assessment and referral processes for emergency housing clients and co-locate relevant services.
- Kāhui Tū Kaha place emergency housing clients into appropriate accommodation when MSD offices are closed.

**s 9(2)(f)(iv)**

Procurement will align strongly to the Social Sector Commissioning procurement principles, specifically whānau, iwi and communities exercise choice; Crown-Māori partnerships are nurtured; and the sector works together locally, regionally and nationally. Key processes will be put in place to monitor and report on progress, including potential oversight and governance from the MAIHI Whare Wānanga.

For wider changes to the emergency housing system as part of the review and reset, further Ministerial and Cabinet decisions are needed, along with the development of an implementation plan, including the detail on delivery and key processes to monitor and manage changes. The delivery of the Homelessness Action Plan initiatives will be used to learn from the delivery and improve processes – there examples of delivery that aligned to plans to build on.