

IN THE MATTER OF the Resource Management Act 1991

AND

IN THE MATTER OF 13 publicly notified resource consent applications by Te Tūāpapa Kura Kāinga – the Ministry of Housing and Urban Development (**MHUD**) to the Rotorua Lakes Council

STATEMENT OF EVIDENCE OF TREVOR JOHN NEWBROOK

Introduction

1. My full name is Trevor John Newbrook. I currently reside at 20 Sumner Street in Glenholme, Rotorua, where I also operate 2 guest suites named Rotorua Studio on Sumner.
2. I submit this brief of evidence in support of Restore Rotorua Incorporated (**Restore Rotorua**), to assist the independent Panel who I am informed will decide on the question of whether all of the Ministry of Housing and Urban Development's (**MHUD**) resource consent applications before the Rotorua Lakes Council to convert motels in central Rotorua into emergency housing should be granted.
3. I submitted a previous statement of evidence to the Panel dated 13 December 2021, and a submission dated 11 July 2022. Both related to the evolving emergency housing resource consent applications at that time. This statement of evidence contains information from that statement which remains relevant,

and updates it to take into account the 13 resource consent applications filed by MHUD.

4. As a member of Restore Rotorua, I am prepared if required to answer any questions concerning this brief of evidence from the Panel.
5. In this brief I give evidence as:
 - (a) A resident of Glenholme, Rotorua, operating our home as a bed and breakfast; and
 - (b) The Chairman of Restore Rotorua on the formation of the society and on our advocacy with the Council.
6. I am familiar with the matters set out in this brief of evidence, and they are true to the best of my knowledge and belief.

Family, work and life in Rotorua

7. Our home is located approximately 300 metres, a 4-minute walk, from Fenton Street, the proverbial golden mile in Rotorua. Many of the proposed transitional and emergency housing sites are situated on or near Fenton Street.
8. A true copy of a map showing our home relative to the proposed sites for the emergency housing is annexed and marked by a pink dot at Appendix 1 .
9. I am 67 years old. My family and I moved to Rotorua in 1965, when I was ten. Apart from a period of 10 years away, I have lived in Rotorua all of my life.
10. Both my wife's and my families are well-known in Rotorua. My wife Rosemary was born and bred in Rotorua and grew up on Carnot Street approximately 120

metres from Fenton Street where her parents lived for over 40 years. She has always lived in Rotorua apart from the 10 years we lived away.

11. We absolutely love Rotorua and have loved living in Glenholme. It was a safe, friendly, and nice neighbourhood. We are passionate about our city and had planned to spend the rest of our retirement years here.
12. My wife Rosemary and I have three children. Rosemary attended Glenholme Primary School, as did our children when they were young. Some of our grandchildren are currently third generation students at Glenholme School. I was on the Glenholme School Board of Trustees and served as Chairman of the Parent Teacher Association. I was a Councillor and Deputy Mayor on the South Waikato District Council between 1995 and 2002.
13. My family's presence in the local community have led to people in Rotorua approaching me to voice their feedback on, amongst other things, the transitional housing issue. I have received emails, phone calls and people have found me on social media, including my Facebook page, and messaged me directly. Some were people with whom I have never interacted. I have also been stopped on the street while I have been out by people wanting to speak to me on this issue.
14. The clear anxieties of those who have approached me, and the scale of the Rotorua community's reaction to the influx of transitional and emergency housing in Rotorua, impressed on me that there was a need for more structured and organised action. I note in particular the telephone conversations I have had about establishing an incorporated society to serve as a united stakeholder group through which the local community could voice their concerns. I contemplated my suitability for the role of Chairman and spokesperson, and decided that I should take up those positions for the group.
15. I have also been acquainted with two other Glenholme residents Gisella Burt and Jenny Peace, who have originally been drumming support on their own

initiative in August 2021 for a petition concerning a motel on the corner of Wylie Street and Fenton Street: the Wylie Court.

16. Gisella, Jenny and I have identified our mutual cause and we gathered a number of other Glenholme locals for our inaugural meeting on 27 September 2021. Most of these who participated were the people I initially had telephone calls with. At this meeting, we circulated the draft rules to founding members. Over the 90 minutes, we discussed and agreed on the rules and constitution, passed a motion to form the incorporated society and the founding members signed the necessary incorporation documents. Gisella became the treasurer and Jenny became the secretary.
17. Restore Rotorua formally incorporated on 29 September 2021. Annexed and marked Appendix 2 is a copy of Restore Rotorua's Constitution, and annexed and marked Appendix 3 is a copy of Restore Rotorua's Certificate of Incorporation. These documents are accessible on the Incorporated Societies website.

General observations of effects of transitional and emergency housing from motels in Central Rotorua

Before transitional and emergency housing

18. Both my wife and I have lived in Rotorua for most of our lives. We purchased our home in May 2016 because the community is safe, peaceful and in close proximity to the Rotorua town centre and tourist attractions. We bought the house with the intention of developing it into our own home with a dual purpose as a Bed and Breakfast. Prior to purchasing it, we lived in Robertson Street, Glenholme, which is approximately 4 minutes' walk away.
19. In 2017, my wife and I spent six months completely renovating the property, including installing all new fittings and furniture, in order to offer our guests a

quiet, comfortable and friendly accommodation experience. The property is expansive, and my wife and I live upstairs and host guests in the three private guest bedrooms downstairs.

20. Prior to 2018, Rotorua had a thriving city centre where locals and tourists alike were safe to enjoy the many sights, experiences, and attractions Rotorua has to offer. My wife and I enjoyed the experience of sharing our home, and our knowledge of the city and its attractions, with our guests.

Effects of transitional and emergency housing

21. We have observed changes in the demographics and character of Glenholme for the past four to five years, but such changes noticeably intensified since the first Covid-19 lockdown in March 2020.
22. Since that time, the appearance and feel of central Rotorua has drastically changed. There has been a noticeable decline in the aesthetic of our city centre, for example, cars now park all over the footpaths on Fenton Street and the side streets which has ruined the grass verges. There are lots of abandoned supermarket trolleys, rubbish, broken glass and dog poo all over the place. There has also been a large quantity of temporary fencing put up around the motels and certain entrances have been blocked off with road cones, which looks very untidy and unwelcoming. For example, the Malones Motel at 321 Fenton Street had its Sumner Street entrance blocked off with temporary fencing and road cones. Annexed and marked Appendix 4 is a photograph of this fencing around the Malones Motel.
23. A number of the motels that MHUD have applied for Resource Consent for have now installed security fences and / or gates, which I assume are to keep visitors out and to keep the “guests” incarcerated. It makes Rotorua look like a third World country where you need to be secured behind high fences with security guards. Certainly not the look of a thriving tourist town.

24. The appearance of motel properties, and frontage has also deteriorated considerably from lack of maintenance. Broken windows, slipping roof tiles and vandalism remain unfixed for long periods of time. The commercial incentive of maintaining the aesthetic of the motels in order to attract guests no longer motivates motel owners who are being paid directly by the Ministry of Social Development (**MSD**).
25. I could say this for the majority of the motels on Fenton Street, which have received government grants to provide emergency housing. My observations here are verified by a response Restore Rotorua received on 23 November 2021 from the Ministry of Social Development to an Official Information Act 1982 request. Annexed and marked Appendix 5 is a copy of that response, which identify the following motels on Fenton Street as providers receiving grants for emergency housing in 2021 (those which are part of the MHUD resource consent applications are underlined):
- (a) Ascot on Fenton;
 - (b) RotoVegas;
 - (c) Golden Glow;
 - (d) Gateway International;
 - (e) Boulevard;
 - (f) Aaryn Court;
 - (g) La Mirage;
 - (h) Midway;
 - (i) Geneva Motor Lodge;
 - (j) Baden Lodge;
 - (k) Fenton Court;
 - (l) Brylin;
 - (m) Pure Motel and Guest House;
 - (n) Ace Motor Lodge;
 - (o) Malones;

- (p) Rose Court;
- (q) Apex on Fenton;
- (r) Coachman;
- (s) Ashleigh Court; and
- (t) New Castle Motor Lodge.

26. Central Rotorua has become a far more dangerous place and I have become much more cautious about walking through it. I recall vividly one day in 22 July 2021 when I was walking my puppy past the 'Motel Mile' on Fenton Street and a lady called out at me outside the Ace Motor Lodge (319 Fenton Street) and took a photo of my puppy. As I stated above, the Ace Motor lodge is one of the listed motels receiving a grant to provide emergency housing. I asked the lady why and I was told that the lady's cousin had a dog like that and she was going to send her cousin the photo she took. I carried on walking home and saw that two primary school aged kids followed me home, they then ran back to the Ace Motor Lodge. About two weeks later, I saw that someone had disconnected the security lights on my property and had wedged our gates so they remained open. I was worried that this was done in an attempt to steal my puppy. I no longer walk at the Fenton Street end of my own street, due to safety concerns.
27. The constant presence of the police on and around Fenton Street is very noticeable now and another part of the negative cumulative effect of emergency housing.
28. The sound of sirens in the Glenholme area has increased immensely both day and night. Another negative effect on the vulnerable residents who live in the area.
29. We also have a lot of noisy cars now, often being driven fast and dangerously around our residential streets. We regularly see cars driving through stop signs near our home, often without even slowing down.

30. I was recently talking to a resident of Wylie Street, where the Ashley Court is on the corner of Fenton and Wylie Street. This motel has a new owner who is currently gutting the property to refurbish it and will re-open as holiday accommodation. The resident told me they have really noticed a complete decline in noisy dangerous driving and undesirable pedestrian traffic since the motel closed.
31. There is no doubt that good people, who are now finding themselves vulnerable due to the cumulative effects of so much emergency housing all clustered together, are leaving Rotorua.
32. We are a close family, so it is heart-breaking for us. Our daughter, son-in-law and their 4 children moved to Nelson in January 2022. They were all born in Rotorua and have extended family here. They do not believe Rotorua is any longer a safe or suitable place to raise a family.
33. To be very clear, that is 4 of our grandchildren, aged 8 – 15 years old, now living in the South Island because of what MHUD, MSD, Kainga Ora and Rotorua Lakes Council have done to our home town, and now they are asking you to make it semi-permanent and without any plan to resolve the issues, it may become permanent.
34. They would NOT have even considered moving two and a half years ago.
35. The NIA Offence and Incidents Maps (Appendix 9 of Gary Smith’s statement of evidence) obtained under the OIA from Police by Restore Rotorua Deputy Chair clearly show a huge increase in crime around the CBD, Fenton Street, Fenton Park, Victoria, Tarewa Road and other emergency housing properties between 2018 and 2021. This is not a perception, it is fact.
36. It was reported in the Rotorua Daily Post on 4 November 2021 following a Rotorua Lakes Council Operations and Monitoring Committee meeting “More

CCTV cameras will be installed to address crime and anti-social behaviour in Rotorua, particularly in the inner city and near emergency accommodation sites on Fenton Street.” This article is attached at Appendix 6.

37. According to a report in the Rotorua Daily Post on 11 May 2022, at a RLC Operations and Monitoring Committee meeting in early May Deputy CE Anaru Pewhairangi said *“One-third of the 120 family harm calls a week in Rotorua are to emergency housing motels.”* In the meeting Mr Pewhairangi, who was the Rotorua Police Area Commander from 2017 to 2019 said *“in 2018 police would receive about 70 calls for family harm incidents in Rotorua each week.”* This article is attached at Appendix 7.
38. According to the report he also said *“There were between 5 and 10 families coming into Rotorua each week with family harm safety plans.”* *“Those are people who have high-risk, complex needs, coming into our place who, from my police colleagues, do not have any association with Rotorua.*
39. The Copthorne Hotel and The Distinction Hotel, both on Fenton Street, have recently installed security fencing around their car parks, at a huge cost to their businesses. Both these hotels have been there for over 50 years. Fencing was not required before the large cluster of emergency housing motels on and around Fenton Street.
40. The Seventh Day Adventist Church and School is located on the corner of Fenton and Tilsley Streets. A flyer (attached at Appendix 8) was dropped into letterboxes of surrounding properties dated 3 December 2021 says:

“As of recent our little school, located nearby on 3 Tilsley Street has had a spate of damages including our security cameras being smashed, sunshade ripped, our equipment shed broken into and staff threatened.”

41. This school was opened in in 1953. Now the property on both Fenton Street and Tilsley Street frontages, has new security fencing. The school has been part of this central Rotorua community for almost 70 years and now is forced to take these steps and expenses.
42. In my opinion, the Beca – Social Impact Assessment seems to be based on very limited information and very limited consultation with the Rotorua residents. Please see extract below:

3.4.2.1 Site visits:

Two site visits were undertaken in December 2021 (site visit one) and March 2022 (site visit two).

43. Site Visit One was an initial scoping visit to confirm the project team’s definition of the social areas of influence and to identify potential stakeholders for the impact assessment.
44. Site Visit Two was undertaken over two days and involved three visits to each of the 13 CEH motels at the following times:¹

- Morning (Between 9am – 11am);
- After school (between 3:30pm and 5pm); and
- Evening (after 8pm).

Each of these visits included walking and/or driving around the street or block of each of the sites and involved documenting observations of site environment, surrounding environment and activities taking place at these times. Each morning visit involved walking around the site area for 10 -20 minutes (depending on if there was a neighbourhood block to walk around). Afternoon and evening visits involved driving around the street or block for 3-5 minutes per site.

45. This shows that each property was visited for between 16 minutes and 30 minutes maximum. How can they possibly think, in that time, they can understand what it is like for us, who have been living it for 2½ years now.

¹ 3.4.2.1 of the Beca – Social Impact Assessment continued.

46. 3.4.2.4 Neighbour interviews:

Across the 13 CEH motels, neighbours (primarily residential) within close proximity of a site were either phoned directly (if operators of the sites held contact details) or delivered a leaflet (to mailboxes) inviting them to email or make contact with the social impact assessment research team to arrange a phone interview. There were approximately 65 residential neighbours identified around the 13 CEH motels. 13 interviews were conducted:

- Fairy Springs (1);
- Whakarewarewa (2);
- Victoria (4); and
- Glenholme (4 interviews and 2 emails).

Neighbours specifically referred to motels in close proximity to them including CEH motels. Overall, the neighbour interviews referred to all but 2 of the CEH sites. No one from Koutu or Fenton Park were spoken to.

47. Footnote 4 stated that *the small number of interviews is due to how many people responded to the flyers.*
48. One Glenholme resident that was interviewed was Carlyne Hall (because Carlyne Hall rang the person conducting the interviews), and one was myself.
49. This is simply not acceptable. If people did not respond to a flyer, then they should have found another way to engage.
50. A good start would have been to speak to the 37 people who submitted to the Hearing Commissioner. Or maybe they could have talked to some of the trades people who are constantly visiting these properties to carry out repairs and maintenance. They could have talked to the business owners and workers in the area.

51. They did speak, via a Zoom meeting, to me, in my capacity as Chair of Restore Rotorua Incorporated. I asked Jenny Peace, RRI secretary, to join us, which she did.
52. I suggested in an email and on the Zoom call that they speak to Gary and Rose Smith who had been forced to move to Cambridge due to the negative cumulative effects of emergency housing. I understand from Gary that they never bothered contacted them. This email is attached at Appendix 9.

The Cabinet Paper. *“Improving the provision of emergency housing in Rotorua and potential expansion”*

53. Attached at Appendix 10 is the Cabinet Paper “Improving the provision of emergency housing in Rotorua and potential expansion”. The Cabinet Paper clearly shows an intention to grow the homeless industry in Rotorua. MSD needs to stop bringing more homeless people here.
54. We have been told for a couple of years by Government Officials, The Mayor, Rotorua Lakes Council and Ministers that the people in emergency housing in Rotorua are locals. This even goes to the highest level, with the Prime Minister confirming they are locals and saying it is just a perception that they are not.
55. However, a report from MSD , dated 13 April 2022, states that 31% of people in emergency housing in Rotorua are not from Rotorua. Personally, I would question if that figure is understated, given the criteria to be classified a local. This report is attached at Appendix 11.

Measures taken in response to effects of transitional and emergency housing from motels in central Rotorua

56. After the incident with my puppy on 22 July 2021, I wrote to the Mayor of Rotorua, Steve Chadwick on 26 August 2021 (a true copy of this email is

annexed and marked Appendix 12) outlining that we were concerned about crime and safety in the Glenholme area with the continued use of motels for emergency housing. I also explained about the incident in July 2021 with our puppy. I did not receive any response from Mayor Chadwick.

57. Since the establishment of Restore Rotorua, we have accumulated 201 registered members. I understand that approximately 74 people have indicated their willingness to make a submission to the Panel by way of a brief of evidence.
58. On 5 October 2021, Restore Rotorua set up a Facebook page to communicate with the local community. As of 3 October 2022, we have 990 people who have 'liked' the page and 1129 people who follow it.
59. Restore Rotorua commissioned a report from NERA Economic Consulting which made findings on the economic cost of using motels for transitional housing on local businesses (**the NERA Report**). We released this report on 8 October 2021. A copy of the report is annexed and marked Appendix 13.
60. By establishing Restore Rotorua alongside my fellow co-founders and acting as spokesperson and Chairman, I hope to serve as a conduit for assisting concerned members of our community to speak up about the effects that concentrated transitional and emergency housing has had on central Rotorua.
61. We are also concerned about the effects on Tourism in Rotorua as the issue of safety becomes widely known. Rotorua is not just a tourist destination but also an event and conference destination. I have recently been told of a reunion of about 140 people that was to be held here but has been moved to Tauranga, due to concerns around emergency housing motels and safety.

62. One of our members who initially wanted to give evidence at this hearing has withdrawn due to concerns over their personal safety and the safety of their family if they proceeded.

Interactions with RLC

63. In my role as chair I also instructed the legal team to:
- (a) Obtain various information from the Council and from government ministries through requests under the Official Information Act 1982 and Local Government Official Information and Meetings Act 1987; and
 - (b) Write on Restore Rotorua's behalf on various concerns that require the Council's attention. These letters to the Council are usually accompanied by press releases that I issue on Restore Rotorua's behalf.

Restore Rotorua's Pressure on Rotorua Lakes Council

64. Before the thirteen resource consents were notified, Restore Rotorua sent three letters to the Rotorua Lakes Council outlining Restore Rotorua's concerns. The letter dated 1 December 2021 stated that Restore Rotorua would put the Council on notice that Restore Rotorua would file proceedings to compel the Council to enforce the District Plan to prohibit MHUD from using the motels for emergency housing without a resource consent. These letters and Rotorua Lakes Council responses are attached at Appendix 14.
65. Since the letter dated 1 December 2021, the Council has issued a directive that MHUD file resource consent applications for all motels contracted to provide emergency housing by or before 20 December 2021 to ensure that ongoing breaches of the Rotorua District Plan do not continue.

66. I believe that the current media attention and notification of the thirteen applications is a direct result of Restore Rotorua Incorporated putting public pressure on the Rotorua Lakes Council, the Government and Government Departments.
67. It has taken a lot of work and expense to reach the point where we are now at with Publicly Notified Applications, Independent Commissioner Hearings and people having the opportunity to be heard. It should not be this hard for local people to be heard or the effects on them also considered in the process.
68. Neither the Mayor or Rotorua Lakes Council has attempted to contact Restore Rotorua Incorporated. I think it would be fair to say that in Rotorua there is a major rift between Council and Ratepayers. A “them and us” attitude especially on the homeless issue.
69. After the Mayor and Council failed to take any action, even though there was huge public concern about emergency housing motels and the effects it was having, Rotorua MP Todd McClay called a public meeting, at the Arawa Bowling Club, in Glenholme. The meeting in March 2021 attracted about 350 people and spilled outside the building onto the lawn.
70. Neither the Mayor or Senior Council staff bothered to attend.
71. There were a lot of people who spoke of their experiences and incidents. People, who no longer felt Rotorua was a safe or desirable place, especially around the Fenton Street area. There was also a man that spoke who was living in an emergency housing motel and said he had come here from Wellington.
72. Local iwi, Te Arawa and Ngāti Whakāue, are now calling for the Government to end the emergency housing crisis in Rotorua and is setting up an iwi-led operational group to help make it happen. Carolyn Hall discussed this further in her statement of evidence.

Conclusion

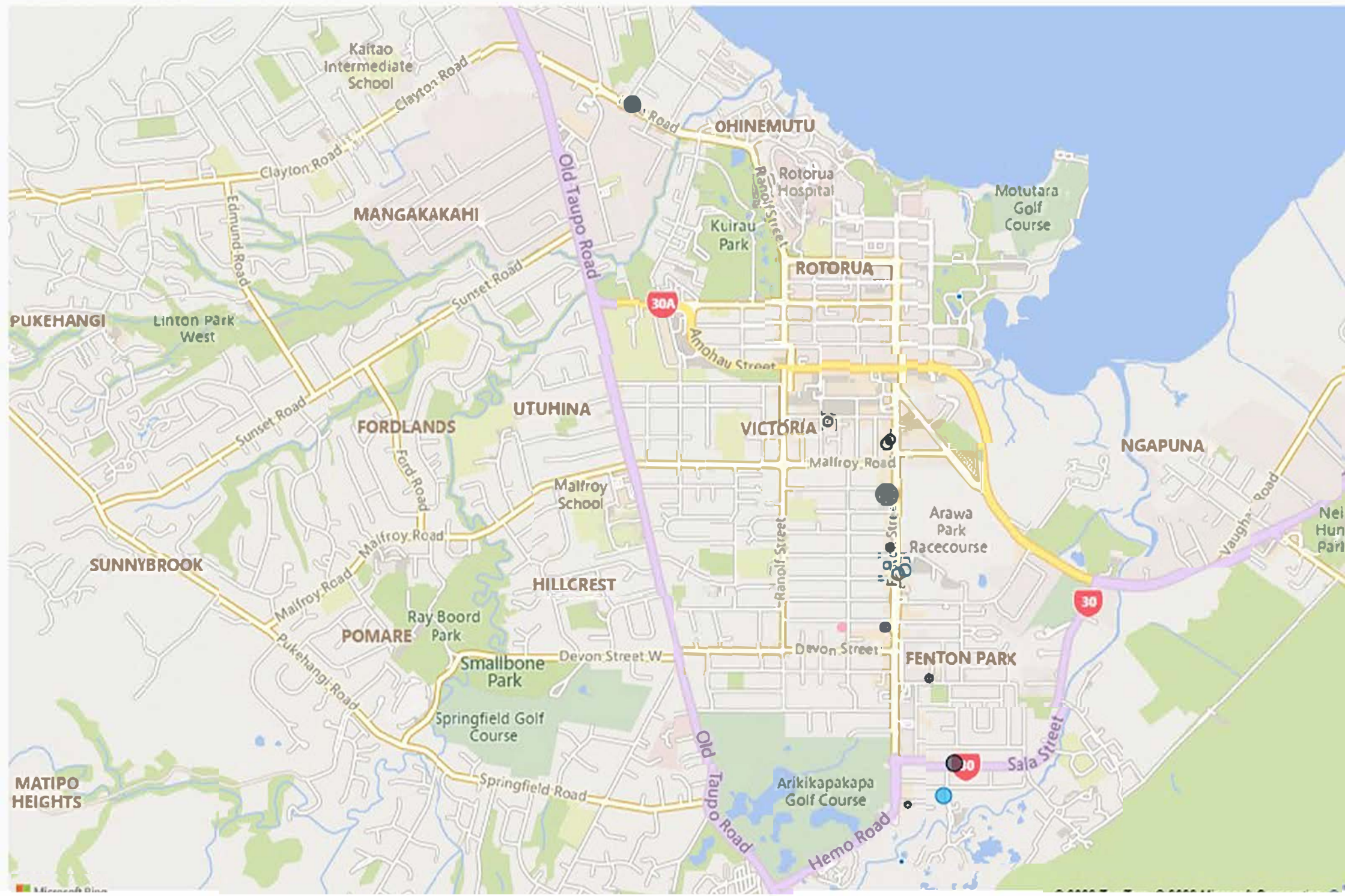
73. I feel strongly that the homeless deserve to be housed, but I do not consider that the current locations of emergency housing are appropriate solutions for either the residents of Glenholme or the homeless who are being housed in such accommodation.
74. We built and managed a motel for a number of years, so I know that motels are designed for short stay holiday accommodation where the guests are out most of the day and only sleep there. They are not designed for long-term living especially for families.
75. We have noted that the concerns of local residents are completely ignored and it has been very difficult to get anyone to listen to or consider the cumulative effect of so much emergency housing on us. We are people too and have been made very vulnerable by the excessive number of people clustered in emergency housing (both emergency housing, Special Needs Grant, and contracted emergency housing).
76. In the absence of the pride and effort that was once invested in showcasing Fenton Street to visitors as the gateway of Rotorua, Fenton Street and the centre of Rotorua has become an unsafe and visually undesirable place to be. This is having a detrimental impact on Rotorua's tourism and hospitality sector, as well as the people of Glenholme who are now looking at ways to invest to adapt to ensure their own safety.
77. The advocacy that Restore Rotorua has done has forced the Council to appoint Commissioners and the Government to take note, even if they do not listen to key concerns raised. We in turn continue to keep our membership engaged knowing that there is a lot more work to be done.

78. The CEH motels have been operating for the past 15 months and have made no apparent progress towards reducing occupants. There is also no clear plan for the future of emergency housing or the occupants of emergency housing. When RRI requested MHUD's plan for emergency housing, it was transferred to MSD who declined it to maintain the constitutional conventions for the time being which protects the confidentiality of advice tendered by Ministers of the Crown and officials (section 9(2)(f)(iv) Official Information Act 1982).
79. Based on what I have discussed above I respectfully request that the 13 CEH are declined.

Trevor Newbrook

12 October 2022

Accommodation Type ● Hotel/Resort ● Motel



Rules and Constitution of Restore Rotorua Incorporated

I certify that the Rules and Constitution were approved by the Members at the General Meeting of Restore Rotorua Incorporated held in Rotorua on 27 September 2021.

A handwritten signature in black ink, appearing to read 'J. E. P. [unclear]', written over a horizontal line.

Secretary

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1 Name

- 1.1 The name of the society is Restore Rotorua Incorporated (in the Rules referred to as the '**Society**').

2 Definitions

- 2.1 In the Rules, unless the context requires otherwise, the following words and phrases have the following meanings:

'Act' means the Incorporated Societies Act 1908 or any Act which replaces it (including amendments to it from time to time), and any regulations made under the Act or under any Act which replaces it.

'Annual General Meeting' means a meeting of the Members of the Society held once per year which, among other things, will receive and consider reports on the Society's activities and finances.

'Chair' means the Committee Member responsible for, among other things, overseeing the governance and operations of the Society and chairing General Meetings.

'Clear Days' means complete days, excluding the first and last named days.

'Committee' means the Society's governing body.

'Committee Member' means a member of the Committee, including the Chair, Deputy Chair, Secretary or Treasurer.

'Deputy Chair' means the Committee Member elected to deputise in the absence of the Chair.

'General Meeting' means either an Annual General Meeting or a Special General Meeting of the Society.

'Member' means a person properly admitted to the Society who has not ceased to be a member of the Society.

'Notice' to Members includes any notice given by post, courier or email; and the failure for any reason of any Member to receive such Notice or information shall not invalidate any meeting or its proceedings or any election.

'Register of Disclosures' means the register of interests of Committee Members, in matters relating to the Society, kept under the Rules.

'Register of Members' means the register of Members kept under the Rules.

'Rules' means the rules in this document.

'Secretary' means the Committee Member responsible for, among other things, keeping the Register of Members, the Register of Disclosures, and recording the minutes of General Meetings and Committee meetings.

'Special General Meeting' means a meeting of the Members, other than an Annual General Meeting, called for a specific purpose or purposes.

'Treasurer' means the Committee Member responsible for, among other things, overseeing the finances of the Society.

3 Purposes

- 3.1 The purposes of the Society are to:
- (a) restore Rotorua to its status as a premier tourist destination;
 - (b) ensure Rotorua is a desirable place to work and live for all residents of Rotorua and the surrounding area; and
 - (c) do anything necessary or helpful to the above purposes.
- 3.2 Nothing in the Rules authorises the Society to do anything which contravenes or is inconsistent with the Act or any other legislation.
- 3.3 The Society is not and does not intend to be registered as a charitable entity under the Charities Act 2005.

4 Registered office

- 4.1 The Registered Office of the Society shall be at such place in New Zealand as the Committee from time to time determines, and changes to the Registered Office shall immediately be notified to the Registrar of Incorporated Societies in a form and as required by the Act.

5 Powers

- 5.1 In addition to its statutory powers, the Society may
- (a) Raise or receive funds whether by activities, gifts or bequests to further the purposes of the Society;
 - (b) use its funds to further the purposes of the Society including by buying, selling or leasing real or personal property;
 - (c) employ people and enter into contracts, as may be appropriate for carrying out the purposes of the Society; and
 - (d) may invest in any investment in which a trustee may lawfully invest.
- 5.2 The Society may not borrow money.

6 Membership

- 6.1 The Society shall maintain the minimum number of Members required by the Act.

- 6.2 The Committee can provide for the process for becoming a member including by requiring an applicant to complete and sign any application form, supply any information, or attend an interview.
- 6.3 The Committee shall have complete discretion to accept or decline an application for membership. The Committee must advise the applicant of its decision (but is not required to provide reasons for that decision).
- 6.4 Every applicant for membership must consent in writing to becoming a Member.
- 6.5 The Secretary shall keep an up-to-date Register of Members, recording each Member's name, contact details, the date they became a Member, and any other information required by the Rules or prescribed by the Act.

7 Obligations and Rights of Members

- 7.1 Every Member shall provide the Society with that Member's name and contact details (including postal address, telephone number, and any email address) and promptly advise the Society of any changes to those details.
- 7.2 All Members (including Committee Members) shall promote the interests and purposes of the Society and shall do nothing to bring the Society into disrepute.
- 7.3 Membership does not confer on any Member any right, title, or interest (legal or equitable) in the property of the Society.
- 7.4 No Member is liable for an obligation of the Society by reason only of being a Member.

8 Ceasing to be a Member

- 8.1 A Member ceases to be a Member:
 - (a) on death (or if a body corporate on liquidation or if a partnership on dissolution of the partnership);
 - (b) by resignation from membership by written notice provided to the Secretary, on the date of the receipt of that notice; or
 - (c) on termination of a Member's membership.
- 8.2 A Member who resigns or whose membership is terminated:
 - (a) shall cease to hold himself or herself out as a Member;
 - (b) shall return to the Society all material provided by the Society; and
 - (c) shall cease to be entitled to any of the rights of a Member.
- 8.3 Any former Member may apply for re-admission in the manner prescribed for new applicants, and may be re-admitted only by resolution of the Committee.

9 General Meetings

- 9.1 The Committee shall give all Members at least 10 Clear Days' Notice of any General Meeting and of the business to be conducted at that General Meeting.
- 9.2 The General Meeting and its business will not be invalidated simply because one or more Members do not receive the Notice.
- 9.3 All Members may attend, speak and vote at General Meetings either in person or using any real-time audio, audio and visual, or electronic communication. Body corporate Members may attend through their authorised representative (as notified to the Secretary).
- 9.4 No General Meeting may be held unless a minimum of 8 of the Society's Members attend. This will constitute a quorum.
- 9.5 If, within half an hour after the time appointed for a meeting a quorum is not present, the meeting shall stand adjourned to a day, time and place determined by the Chair, and if at such adjourned meeting a quorum is not present those present shall be deemed to constitute a sufficient quorum.
- 9.6 The Chair, or in his or her absence the Deputy Chair, or in his or her absence a Committee Member elected by the Members, shall chair at General Meetings and may decide the manner in which any votes will be cast. Whoever chairs a General Meeting may exercise a casting vote.
- 9.7 An Annual General Meeting shall be held once a year on a date and at a location determined by the Committee and consistent with any requirements in the Act.
- 9.8 The business of an Annual General Meeting shall be:
 - (a) Receiving any minutes of the previous General Meetings;
 - (b) The Chair's report on the business of the Society
 - (c) The Treasurer's report on the finances of the Society, and the annual financial statements;
 - (d) Election of Committee Members;
 - (e) Motions to be considered; and
 - (f) General business.
- 9.9 A Special General Meeting may be called by the Committee at any time.
- 9.10 The Committee may put forward motions for the Society to vote on at General Meetings, which shall be provided to Members with the notice of the General Meeting.

- 9.11 Any Member may request that a motion be voted on at a General Meeting, by giving notice to the Secretary at least 5 Clear Days before that meeting. The Member may also provide information in support of the motion.
- 9.12 Minutes must be kept by the Secretary of all General Meetings.

10 Committee

- 10.1 The Committee will consist of at least 3 Committee Members who are all Members of the Society.
- 10.2 The Committee will include:
- (a) a Chair;
 - (b) a Deputy Chair;
 - (c) a Secretary and a Treasurer, who may be the same person; and
 - (d) such other Committee Members as the Society shall decide.
- 10.3 At all times each Committee Member:
- (a) shall act in good faith and in what he or she believes to be the best interests of the Society;
 - (b) must exercise all powers for a proper purpose;
 - (c) must not act, or agree to the Society acting, in a manner that contravenes the Act or the Rules;
 - (d) must not agree to the Society incurring an obligation unless he or she believes at that time on reasonable grounds that the Society will be able to perform the obligation when it is required to do so.
- 10.4 The quorum of the Committee shall be half the members of the Committee. All decisions of the Committee shall be by a majority vote. The Chair shall have a casting vote.
- 10.5 The Committee may appoint sub-committees consisting of such Members and for such purposes as it thinks fit. Unless otherwise resolved by the Committee:
- (a) the quorum of every sub-committee is half the members of the sub-committee;
 - (b) no sub-committee shall have power to co-opt additional members;
 - (c) a sub-committee must not commit the **Society** to any financial expenditure without express authority from the Committee; and
 - (d) a sub-committee must not further delegate any of its powers.
- 10.6 The Committee and any sub-committee may act by resolution approved in the course of a telephone conference call or through a written ballot conducted by

email, electronic voting system, or post, and any such resolution shall be recorded in the minutes of the next Committee meeting.

10.7 Other than as prescribed by the Act or the Rules, the Committee or any sub-committee may regulate its proceedings as it thinks fit.

10.8 The Secretary shall at all times maintain an up-to-date Register of Disclosures.

11 Role of the Committee

11.1 Subject to the Rules, the role of the Committee is to:

- (a) Administer, manage, and control the Society;
- (b) Carry out the purposes of the Society;
- (c) Manage the Society's financial affairs including approving annual financial statements;
- (d) Decide how a person becomes a Member and how their membership can be terminated;
- (e) Decide the procedures for dealing with complaints; and
- (f) Decide the times and dates for General Meetings, and set the agendas.

11.2 From the end of each Annual General Meeting until the end of the next, the Society shall be governed by the Committee, which shall be accountable to the Members for the advancement of the Society's purposes and the implementation of resolutions approved by any General Meeting.

11.3 Subject to the Act, the Rules and any resolution of any General Meeting the Committee may:

- (a) exercise all the Society's powers; and
- (b) enter into contracts on behalf of the Society.

11.4 Subject to the Act, the Rules and the resolutions of General Meetings, the decisions of the Committee on the interpretation of the Rules and on matters not provided for in the Rules shall be final and binding on all Members.

12 Election of Committee Members

12.1 At the Annual General Meeting of the Society, the Members may decide by majority vote:

- (a) The number of Committee Members that shall form the Committee;
- (b) Which Members shall be appointed as Committee Members; and
- (c) Who shall be the Chair, Deputy Chair, Secretary and Treasurer.

- 12.2 Nominations for Committee Members may be made by any Member of the Society. Nominees must consent in writing before any vote is held.
- 12.3 The term of office for all Committee Members shall be 1 year, expiring at the end of the Annual General Meeting following the Annual General Meeting in which they were elected. There is no limit on Committee Members serving consecutive terms if elected at the subsequent Annual General Meeting
- 12.4 If the position of the Chair, Deputy Chair, Secretary or Treasurer becomes vacant between Annual General Meetings, the Committee may appoint another Committee Member to fill that vacancy until the next Annual General Meeting.
- 12.5 If the position of any Committee Member becomes vacant between Annual General Meetings, the Committee may appoint another Member to fill that vacancy until the next Annual General Meeting.
- 12.6 If any Committee Member is absent from three consecutive meetings without leave of absence the Chair may declare that person's position to be vacant.
- 12.7 Persons cease to be Committee Members when:
- (a) They resign by giving written notice to the Committee;
 - (b) They are removed by a majority vote of the Society at a General Meeting; and
 - (c) Their term expires.
- 12.8 A Committee Member shall be deemed to have ceased to be a Committee Member if that person ceases to be a Member.
- 12.9 If a person ceases to be a Committee Member, that person shall within 5 Clear Days deliver to the Secretary all Society documents and property.

13 Finances

- 13.1 The funds and property of the Society shall be:
- (a) controlled, invested and disposed of by the Committee, subject to the Rules; and
 - (b) devoted solely to the promotion of the purposes of the Society.
- 13.2 The Society's financial year shall commence on 1 April of each year and end on 31 March.

14 Execution of Documents

- 14.1 The common seal of the Society must be kept in the custody of the Chair.
- 14.2 The common seal may be affixed to any document:

(a) by resolution of the Committee, and must be countersigned by two Committee Members; and

(b) by such other means as the Committee may resolve from time to time.

15 Alteration of Rules

- 15.1 The Society may amend or replace the Rules at a General Meeting by a resolution passed by a majority of the Members present and voting.
- 15.2 Any proposed motion to amend or replace the Rules shall be signed by at least 5 Members and given in writing to the Secretary at least 5 Clear Days before the General Meeting at which the motion is to be considered, and accompanied by a written explanation of the reasons for the proposal.
- 15.3 At least 2 Clear Day before the General Meeting at which any amendment is to be considered the Secretary shall give to all Members notice of the proposed motion, the reasons for the proposal, and any recommendations the Committee has.
- 15.4 When an amendment is approved by a General Meeting it shall be notified to the Registrar of Incorporated Societies in the form and manner specified in the Act for registration, and shall take effect from the date of registration.

16 Winding Up

- 16.1 The Society may be wound up, liquidated or removed from the Register of Incorporated Societies in accordance with the provisions of the Act.
- 16.2 The Secretary shall give notice to all Members of the proposed motion to wind up the Society, or remove it from the Register of Incorporated Societies, of the reasons for the proposal and of the General Meeting at which any such proposal is to be considered.
- 16.3 Any resolution to wind up the Society or remove it from the Register of Incorporated Societies must be passed by a two-thirds majority of all Members present and voting.
- 16.4 If the Society is wound up, or liquidated, or removed from the Register of Incorporated Societies, no distribution shall be made to any Member.
- 16.5 On the winding up or liquidation or removal from the Register of Incorporated Societies of the Society, its surplus assets after payment of all debts, costs and liabilities shall be transferred to another organisation that is charitable under New Zealand law.
- 16.6 Where the Members resolve to wind up the Society they may pass a resolution specifying the entity to which the Committee is to transfer the remaining assets of the Society and the Committee will comply with that resolution so long as it is consistent with the Rules and the Act.

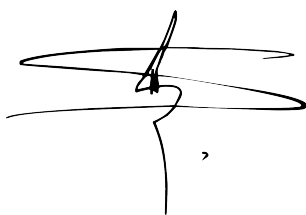
Certificate of Incorporation

RESTORE ROTORUA INCORPORATED

50078530

NZBN: 9429049925296

This is to certify that RESTORE ROTORUA INCORPORATED was incorporated under the Incorporated Societies Act 1908 on the 29th day of September 2021



Registrar of Incorporated Societies
29th day of September 2021



To check the validity of this certificate visit
<https://app.businessregisters.govt.nz/sber-businesses/verify/9429049925296/IncorporatedSociety-3150120.html>

Appendix 4





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

Leo Donnelly and Holly Cutfield
Chen Palmer
Leo.Donnelly@chenpalmer.com

November 2021

Tēnā koe Leo Donnelly and Holly Cutfield

On 12 October 2021, you emailed the Ministry of Housing and Urban Development (HUD) requesting, under the Official Information Act 1982 (the Act), the following information:

- *names of Rotorua suburbs where transitional and/or emergency housing is, or has been, provided for a minimum duration of 6 months, anytime from 2017 to 2021.*
- *For the avoidance of doubt, we are seeking the following items of information within the parameters of our request above:*
 - *a list of Rotorua suburbs where emergency housing is, or has previously been, provided for a duration of 6 months;*
 - *a list of Rotorua suburbs where transitional housing is, or has previously been, provided for a duration of 6 months; and*
 - *for each suburb identified, we request:*
 - *the total number of transitional and/or emergency housing provision sites within that suburb;*
 - *the exact duration that each of the transitional and/or emergency housing provision sites were operative within that suburb; and*
 - *whether the provision site implemented a single, or mixed use, model to transitional and/or emergency housing.*

On 14 October 2021, your request was partially transferred to the Ministry of Social Development (the Ministry), in accordance with section 14 of the Act. This was because emergency housing is more closely connected to the functions of the Ministry. HUD will respond to the rest of your request independently.

On 18 October 2021, the Ministry contacted you to advise you that the Ministry does not centrally record the names of Rotorua suburbs where emergency housing is used, and that in order to provide you with this information, Ministry staff would have to manually review thousands of files. As such, your request would be refused under section 18(f) of the Act. The greater public interest is in the effective and efficient administration of the public service.

However, the Ministry offered to provide you with a list of emergency housing suppliers for clients who are recorded in the Ministry systems as residing within the Rotorua Territorial local Authority (TLA) who received an Emergency Housing Special Needs Grant (EH SNG) between 1 January 2017 to 30 September 2021.

The EH SNG is available to people who cannot remain in their usual place of residence, if any, and do not have access to other accommodation which is adequate for them or their family's needs. The Ministry pays EH SNGs directly to the accommodation supplier and assistance is generally granted for up to seven nights but can be extended dependant on individual circumstances.

Please see attached in the Appendix, the following table:

- **Table One:** List of suppliers for clients in the Rotorua Territorial Local Authority (TLA) who received an Emergency Housing Special Needs Grant between 01 April 2021 to 30 September 2021, broken down by quarter, number of grants and distinct clients.

In the spirit of being helpful, we have also provided the following table which shows a further breakdown of information for the last two quarters in the Appendix:

- **Table Two:** List of supplier for clients in the Rotorua TLA who received an EH SNG between 1 January 2017 to 30 September 2021.

Regarding the tables provided, please note that the TLA is estimated based on the clients' address at the time of the grant. This TLA may not be the same as the address of the emergency housing supplier. Where the client address is not recorded, the location of the Ministry's service centre case managing the client has been used to approximate which TLA a client resides in. However, as the Ministry has switched to working from national queues, EH SNGs and other hardship grants could be granted by a case manager working anywhere in New Zealand. Therefore, in such cases, the TLA may not reflect the actual client address or location. Due to the transient nature of people receiving EH SNGs, the recorded address for a client may also be that of a trusted family member or friend who receives mail on their behalf.

Please also note that some of the listed suppliers have only received a small number of payments, or no more than one payment.

Although we acknowledge that you specifically asked for the names of suppliers *provided for a minimum duration of 6 months*, I am unable to provide you with this information as it is held in notes on individual case files. In order to provide you with this information, Ministry staff would have to manually review thousands of files. As such, I refuse your request under section 18(f) of the Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public. The Ministry will do this by publishing this letter on the Ministry of Social Development's website. Your personal details will be deleted, and the Ministry will not publish any information that would identify you as the person who requested the information.

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

If you are not satisfied with this response, 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



Karen Hocking
General Manager
Housing



Appendix

Table One: List of suppliers for clients in the Rotorua Territorial Local Authority (TLA) who received an Emergency Housing Special Needs Grant between 01 April 2021 to 30 September 2021, broken down by quarter, number of grants and distinct clients.

Registered name	Quarter ending				Total	
	June 2021		September 2021		Number of grants	Distinct clients
	Number of grants	Distinct clients	Number of grants	Distinct clients		
Aaryn Court Motel	30	6	33	9	63	12
Abbey Court Motel - Lower Hutt	S	S	0	0	S	S
Accolade Motor Lodge	60	21	87	27	147	42
Ace Motor Lodge	60	15	69	18	129	27
Alpin Motel & Conference Centre Rotorua	S	S	S	S	183	51
Ambassador Thermal Motel	0	0	S	S	S	S
Ann's Volcanic Motel	S	S	S	S	57	12
Apex On Fenton Motel	90	24	111	30	201	42
Apollo Hotel Rotorua	S	S	S	S	57	15
Arthouse Accommodation	S	S	S	S	S	S
Ascot On Fenton	72	18	0	0	72	18
Ashlar Motel	0	0	S	S	S	S
Ashleigh Court Motel - Rotorua	69	18	90	18	159	24
Astray Motel & Backpackers	60	21	72	24	132	39
Asure Kapiti Court Motel	0	0	S	S	S	S
B-K's Rotorua Motor Lodge	42	15	63	15	105	24
Backpackers Central Hamilton	0	0	S	S	S	S

Registered name	Quarter ending				Total	
	June 2021		September 2021		Number of grants	Distinct clients
	Number of grants	Distinct clients	Number of grants	Distinct clients		
Baden Lodge Motel	21	6	30	9	51	12
Bella Vista Motel - Rotorua	9	S	24	S	30	6
Birchwood Motel	S	S	0	0	S	S
Birchwood Spa Motel	57	9	45	18	99	21
Blenheim Bridges Holiday Park	S	S	0	0	S	S
Boulevard Hotel	0	0	S	S	S	S
Brylin Motel	72	21	84	21	153	33
Cactus Jacks	72	27	66	27	135	48
Cascades Lakefront Motel	S	S	0	0	S	S
Coachman Spa Motel Rotorua	33	9	45	9	81	15
Crash Palace Backpackers	S	S	0	0	S	S
Epsom Motor Inn	S	S	0	0	S	S
Fairy Springs Motel	S	S	S	S	9	S
Fenton Court Motel	96	30	138	42	234	63
Fernleaf Motel	45	12	39	12	84	15
Gateway International Motel	24	12	33	12	57	18
Geneva Motor Lodge	75	S	S	S	78	27
Gibson Court Motel	36	9	42	12	81	18
Golden Glow Motel	66	21	72	21	141	33
Greenview Hotels	21	S	21	S	42	12
Hastings Top 10 Holiday Park	0	0	S	S	S	S
Hine Ngakau	0	0	S	S	S	S
Holiday Rotorua Limited	51	15	66	12	117	21
Kaitaia Motor Lodge	0	0	S	S	S	S

Registered name	Quarter ending				Total	
	June 2021		September 2021		Number of grants	Distinct clients
	Number of grants	Distinct clients	Number of grants	Distinct clients		
Kea Motels & Holiday Park	0	0	S	S	S	S
Kerry's Motel	12	S	36	S	48	9
Kuirau Park Motor Lodge	93	27	81	27	174	42
La Mirage Motel	18	6	54	12	72	15
Lava Lodge	0	0	S	S	S	S
Livingston Motel	0	0	S	S	S	S
Malfroy Motor Lodge	30	6	60	12	90	15
Malones Motel	S	S	S	S	84	24
Manhattan Motel	96	18	123	30	219	36
Masterton Motor Lodge	S	S	0	0	S	S
Meryl Y Crump	12	S	9	S	18	S
Midway Motel - Rotorua	42	12	0	0	42	12
Morning Calm Lodge	0	0	S	S	S	S
Motueka Top10 Holiday Park	0	0	S	S	S	S
New Castle Motor Lodge	78	S	S	S	81	21
Oasis Motel	S	S	0	0	S	S
Ohope Beach Top 10 Holiday Park	0	0	S	S	S	S
Planet Backpackers Rotorua	S	S	6	S	6	S
Pohutu Lodge Motel	54	S	S	S	54	12
Pure Motel & Guest House	72	18	90	30	162	36
Quest On The Terrace	S	S	0	0	S	S
Rainbow Motel	S	S	S	S	6	S
Rainbow Point Motel	S	S	0	0	S	S
Rayland Epsom Motel	0	0	S	S	S	S

Registered name	Quarter ending				Total	
	June 2021		September 2021		Number of grants	Distinct clients
	Number of grants	Distinct clients	Number of grants	Distinct clients		
Red Rock Thermal Motel	42	12	48	15	90	21
Red Rose Motel	0	0	S	S	S	S
Rose Court Motel	0	0	39	15	39	15
Rotorua Downtown Backpackers	S	S	0	0	S	S
Rotorua Hideaway Lodge	S	S	S	S	9	S
Rotorua Motel	0	0	S	S	S	S
Rotovegas Motel	S	S	S	S	102	27
Shanton - Fenton Street	S	S	0	0	S	S
Spa Lodge	63	15	90	24	156	27
The Backyard Inn	S	S	S	S	15	S
The Grand Treasure Hotel Limited	237	57	237	72	474	99
The Warehouse Rotorua	S	S	0	0	S	S
Travel Soul Limited	24	6	24	9	48	9
Union Victoria Motel Rotorua	S	S	S	S	60	18
United Auckland	0	0	S	S	S	S
Victoria Lodge Rotorua	63	15	84	21	150	27

Notes:

- Emergency Housing is paid as a Special Needs Grant.
- Amount granted may not be the same as amount spent.
- A client may receive more than one grant in the period.
- TLA is estimated based on the client's address at the time of the grant. It may not be the same as the address of the emergency housing supplier.
- You will notice that the some of the suppliers are included from outside the Rotorua TLA. This is likely to be for payments made in arrears for previous period of accommodation, or payments for a future period. A number of clients may have recently moved, but their address details have not yet been updated.

- The registered supplier name is the name of the parent company of the accommodation supplier, and not necessarily the name of the accommodation itself.
- One registered supplier may provide accommodation across multiple premises with different trading names receiving payment through the single supplier record.
- Some suppliers may be listed due to a coding error when a client receives multiple assistance payments at one point in time, for example for petrol or groceries.
- To protect confidentiality the Ministry of Social Development uses processes to make it difficult to identify an individual person or entity from published data. These data tables have had random rounding to base three applied to all cell counts in the table. A value of one or two may be rounded to zero or three. The impact of applying random rounding is that columns and rows may not add exactly to the given column or row totals. The published counts will never differ by more than two counts. In certain circumstances, low numbers may potentially lead to individuals being identified. Due to these privacy concerns, numbers for some categories of clients have been suppressed or aggregated. Suppressed numbers have been replaced by an 'S'.



Table Two: List of supplier for clients in the Rotorua TLA who received an EH SNG between 1 January 2017 to 30 September 2021.

Registered name
140 Ghuznee Limited
2 Lakes Holiday Rentals
219 On Johns Holiday Park
540 Motel Limited
Aarangī Motel
Aaron Court Motor Inn Hamilton
Aaryn Court Motel
Abbey Court Motel - Lower Hutt
Abella Inn
Academy At Botany Motor Inn
Accolade Motor Lodge
Ace Caravans Rentals 2006 Ltd
Ace Motor Lodge
Acorn Estate Motel
Adelphi Motel
Affordable Willowhaven Holiday Park
Airport Manor Inn
Aladdin Motel
Aldan Lodge Motel
All Seasons Holiday Park
Alpha Motel
Alpin Motel & Conference Centre Rotorua
Ambassador Motor Inn
Ambassador Thermal Motel
Amber Court Motel
Anchor Lodge
Anglesea Motel & Conference Centre
Ann's Volcanic Motel
Ann's Volcanic Rotorua Motel
Anzac Court Motel
Apex On Fenton Motel
Apollo Hotel Rotorua
Appletree Backpackers
Aqua Beachfront Motel

Registered name
Aquarius Motel
Aquarius Motor Inn
Aquarius Motor Inn -Tauranga
Aquastar Holdings Limited
Ariki Backpackers
Arista Of Rotorua Motel
Arthouse Accommodation
Ascot Motor Lodge
Ascot On Fenton
Ashlar Motel
Ashleigh Court Motel
Ashleigh Court Motel - Rotorua
Ashwood Manor Motor Lodge
Astor Motor Inn
Astray Motel & Backpackers
Asure Kapiti Court Motel
Asure Macys Motor Inn
Atlantis Backpackers
Atlas Suites And Apartments
Auckland Airport Kiwi Motel
Auckland Airport Motel
Auckland Astro Residence
Aveda Motor Lodge
Aywon Motel
B-K's Rotorua Motor Lodge
Backpackers Central Hamilton
Baden Lodge Motel
Barclay Motel
Barclay Suites Auckland
Base Backpackers Rotorua
Base Rotorua
Beachcomber Lodge & Backpacker
Bella Vista Motel - Rotorua
Berkenhoff Lodge
Birchwood Motel
Birchwood Spa Motel
Bk's Pioneer Motor Lodge
Blenheim Bridges Holiday Park
Blenheim Spa Motor Lodge
Blewater Hotel Ltd

Registered name
BOP Accommodations Limited
Botany Motor Inn
Boulevard Hotel
Boundary Court Motor Inn
Braemar Motor Inn
Broadway Lodge Motel
Brylin Motel
Bucklands Beach Waterfront Motel
Cactus Jacks
Camellia Court Family Motel
Capri On Fenton
Caretaker Property Limited
Casa Blanca Motel
Cascades Lakefront Motel
Castles Motels Limited
Central Park Motor Inn
Centre Court Motel
Chelmswood Motel Taupo
Christchurch Motel
City Suites
Classic Motel
Cleveland Thermal Motel
Coachman Spa Motel Rotorua
Coachmans Inn
Coleraine Suites & Apartments
Colonial On Gladstone Motel
Commodore Court Motel
Cortez Motel
Cosy Cottage Thermal Holiday Park
Countdown - Ashburton
Crash Palace Backpackers
Criterion Artdeco Backpackers
Dannemora Motor Inn
Deco City Motor Lodge
Deer Pine Lodge Trust
Dipak Prasad Upreti
Dupont Motel
Eagles Nest Back Packers
Emerge Aotearoa Limited
Endeavour Lodge Motel

Registered name
Epsom Motor Inn
Fairmont Motor Lodge
Fairy Springs Motel
Fenton Court Motel
Fern Motel Napier Ltd
Fernleaf Motel
Flight Centre Rotorua
Fountain City Motor Inn
Fountain Court Motel
Four Canoes Backpackers Rotorua
Garden Court Motel
Gardena Court Motel
Gateway International Motel
Gateway Motor Inn
Geneva Motor Lodge
Geyserland Limited
Gibson Court Motel
Golden Glow Motel
Golden Glow Motel Rotorua
Golden Springs Motel And Holiday Park
Goodview Apartment Hotel
Grange Motor Lodge
Greenview Hotels
Greerton Lodge Motel
Grosvenor Motor Inn
Hah Blenheim Limited-Summit Motor Lodge
Harbour City Motor Inn
Harbour City Motor Inn - Tauranga
Hastings Top 10 Holiday Park
Hine Ngakau
Holdens Bay Holiday Park
Holiday Inn Auckland Airport
Holiday Rotorua Limited
Horse & Jockey Inn
Hotel Clevedon
Hugo & Carter's Backpackers & Motel
Hygate Motor Lodge
James Liston Hostel
Kaitaia Motor Lodge
Kapiti Coast Physiotherapy Ltd

Registered name
Katikati Motel
Kawerau Hotel
Kawerau Motel
Kawerau Thermal Motel
Kea Motels & Holiday Park
Kerrs Motel And Homestay
Kerry Lane Motel
Kerry's Motel
Knightsbridge Motor Lodge
Kuirau Dental
Kuirau Park Motor Lodge
La Mirage Motel
Lake Front Lodge Taupo
Lake Point Motel
Lake Rotoiti Holiday Park
Lake Side Paint & Panel Ltd
Lakes District Health Board
Laneway Backpackers
Lava Lodge
Leviathan Hotel Company Ltd
Lincoln Court Motel
Livingston Motel
Mag & Turbo Warehouse - Whangarei
Mahia Beach Motels And Holiday Park
Makemytrip Motel
Makoha Rest Home
Malfroy Motor Lodge
Malfroy School
Malones Motel
Manhattan Lodge Motel
Manhattan Motel
Manukau Gateway Motel
Masterton Motor Lodge
Mayfair Court Motel
Mcentral Apartments Manukau
Melrose Lifestyle Care & Village
Meryl Y Crump
Microtel Lodge
Middlemore Motel
Midway Motel - Rotorua

Registered name
Mobil Reid & Mills
Montana Lodge Motel
Morning Calm Lodge
Motueka Top10 Holiday Park
Mt Eden Motel
Mt Wellington Motel
Murupara Motor Camp
New Castle Motor Lodge
Novotel Rotorua Lakeside
Nzl Property Management
O'reillys Motel
Oakwood Manor Motor Lodge
Oasis Motel
Off Broadway Motel
Ohope Beach Top 10 Holiday Park
Paeroa Motel
Palmerston North Motel
Palms On George Limited
Papakura Motor Lodge & Motel
Parklane Motor Lodge - Epsom
Pars Inc
Pillows Travellers Lodge Orewa
Pioneer Motor Lodge And Motel
Planet Backpackers Rotorua
Pohutu Lodge Motel
Professionals Mcdowell Real Estate Rotorua
Pure Motel & Guest House
Quest - New Plymouth
Quest Henderson
Quest On Durham
Quest On Eden
Quest On Queen
Quest On The Terrace
Racecourse Motel
Raewyn Joyce Day
Rainbow Motel
Rainbow Point Motel
Ranui Motel
Ratapu House
Rayland Epsom Motel

Registered name
Rayland Motel
Red Rock Thermal Motel
Red Rose Motel
Redwood Lodge
Rockfield Motel
Rose Court Motel
Rose Court Motel - Rotorua
Roselands Motel
Rotorua Downtown Backpackers
Rotorua Family Holiday Park
Rotorua Hideaway Lodge
Rotorua International Motor Inn
Rotorua Motel
Rotovegas Motel
Sails Motor Inn Hamilton Limited
Santa Maria Motel (2006) Limited
Shanton - Fenton Street
Sheltering Arms Limited
Shortland Court Motel
Silver Birch Holiday Park
Silverfern Property Services Ltd
Silverstream Retreat Limited
Spa Lodge
St George Accommodation
Sylvia Park Motel
Takanini Park Motor Lodge
Tarawera River Lodge
Tarawera River Lodge Motel
Te Aroha Holiday Park
Te Puke Hotel
The Backyard Inn
The Grand Hotel Rotorua
The Grand Treasure Hotel Limited
The Setup On Manners
The Warehouse Rotorua
Tourist Court Motel
Travel Soul Limited
Tudor Motor Lodge
Union Victoria Motel Rotorua
United Auckland

Registered name
Utuhina Hot Springs Lodge
Victoria Lodge Rotorua
Visions Of A Helping Hand
Waiariki House
Waiariki Womens Refuge - Rotorua
Waingaro Hot Springs
Waiteti Trout Stream Holiday Park
Wellington Night Shelter
Whangarei Top 10 Holiday Park
Young Lodge

Notes:

- Emergency Housing is paid as a Special Needs Grant.
- TLA is estimated based on the client's address at the time of the grant. It may not be the same as the address of the emergency housing supplier.
- You will notice that the some of the suppliers are included from outside the Rotorua TLA. This is likely to be for payments made in arrears for previous period of accommodation, or payments for a future period. A number of clients may have recently moved, but their address details have not yet been updated.
- The registered supplier name is the name of the parent company of the accommodation supplier, and not necessarily the name of the accommodation itself.
- One registered supplier may provide accommodation across multiple premises with different trading names receiving payment through the single supplier record.
- Some suppliers may be listed due to a coding error when a client receives multiple assistance payments at one point in time, for example for petrol or groceries.

ROTORUA DAILY POST

More CCTV cameras coming for Rotorua



By [Felix Desmarais](#)

Local Democracy Reporter

4 Nov, 2021 06:00 PM ⌚ 5 mins to read



More CCTV cameras will be installed to address crime and anti-social behaviour in Rotorua, particularly in the inner city and near emergency accommodation sites on Fenton St.

Rotorua Lakes Council information solutions manager Suzanne Craig said the council hoped to expand CCTV coverage but this had been hampered by the pandemic as the hardware – cameras – were hard to come by, though in some instances temporary cameras had been installed.

Her comments were made in a council Operations and Monitoring Committee meeting on Thursday as part of a joint update with the police on the progress of its community safety plan.

Four sites had been identified on Fenton St, as well as several at the lakefront and the mountain biking hub Te Putake o Tawa and Lake Ōkāreka. Priority areas were Fenton St, Ngongotahā, Pukehangi / Fordlands, Otonga / Springfield, Lake Rd, Ōwhata / Holdens Bay, Ranolf St, and Koutu / Kawaha Pt and the inner city.

The sites would be confirmed "shortly", the presentation stated, and Craig said it was difficult to determine when they would be implemented due to the challenges with the supply of the cameras.

The presentation stated between September 19 and October 19, safe city guardians had encountered 230 incidents district-wide, including 11 liquor ban breaches, 16 suspicious activity reports, seven domestic disputes, 14 drunk- or drugged-driving-related incidents and nine incidents of disorderly behaviour.

The council was recruiting six more Safe City Guardians, which would bring the total to 10, with the intention that next year the guardians would replace contracted security patrols.

It was also recruiting for two more staff for its CCTV monitoring team – bringing the total to four.

Patrol vehicles would soon be operated by council staff, extending surveillance reach beyond the inner city into residential areas.

A mobile CCTV trailer would also travel around the district during summer to act as a deterrent and to feed information to the council and police.

Rotorua Police senior sergeant Mike Membery said there had always been "a degree of police demand around social-economic factors in Rotorua".

"The centralisation of transitional housing has not disproportionately increased our demand.

"Police are aware that this one-location approach is obviously a visibility increase for the public awareness and perception of safety, especially in the Fenton St motel strip area and the CBD."

Membery said the police had worked collaboratively with the council to address community safety issues in the city, but also the wider district.

He said there was a "zero tolerance" approach to anti-social behaviour, particularly in the inner city and shopping centres in the suburbs.

The police maintained communication with the council's CCTV network control staff and worked together to address crime, he said.

With the weather warming and daylight hours lengthening, there were more opportunities for anti-social and criminal behaviour, and there had been an increase in rough sleepers.

Council inner city manager Richard Horn said three "campsites" had been found and rough sleepers had been directed to social services.

A presentation for the committee stated anti-social behaviour in and around the CBD had recently decreased, which "can be linked to regulatory involvement and visibility of

patrols".

Councillor Raj Kumar asked what Membery meant by "zero tolerance".

"Because a lot of times, there are drunk and disorderly people in the CBD, as expressed by a lot of the store operators there. How do we tolerate anti-social behaviour when they have alcohol in their hand, police come and slap them with a wet bus ticket, or talk to them to go away, but the alcohol is not taken off them?"

Membery said it was about police interactions with people and the police were governed by the Solicitor General's prosecution guidelines.

"We don't just arrest hand-over-fist if we're not allowed to.

"If it's in the public interest but not evidential-sufficient, we don't deal with it.

"We try to keep people away from the court system these days, I think for a really really good reason. It has an effect on serious crime but some of the minor stuff, it doesn't have the same effect that we'd hope."

He said it was not an offence for an adult over the age of 18 to have alcohol in a public place unless there was a liquor ban.

Te Tatau o Te Arawa representative Rawiri Waru asked if facial recognition technology was used on the cameras, and Craig said they did have it.

Councillor Merepeka Raukawa-Tait said it would be "great if everybody just acted normally and with consideration and we wouldn't have to have these plans".

She said she had noticed more people "gravitating to Kuirau Park again", some of them "with their trolleys" and asked if it was going to be addressed as it had been in the past.

She said she'd noticed intolerance rising from people who were not homeless towards people who were, or who were in transitional housing.

She asked if that had come to the council or police's attention.

Horn said the council was mindful people weren't necessarily breaking rules by congregating in Kuirau Park, but directed them to social services.

Regarding intolerance towards homeless or houseless people, chief executive's group deputy chief executive Craig Tiriana said the important thing about the community safety plan was that "Rotorua should be a safe place for all".

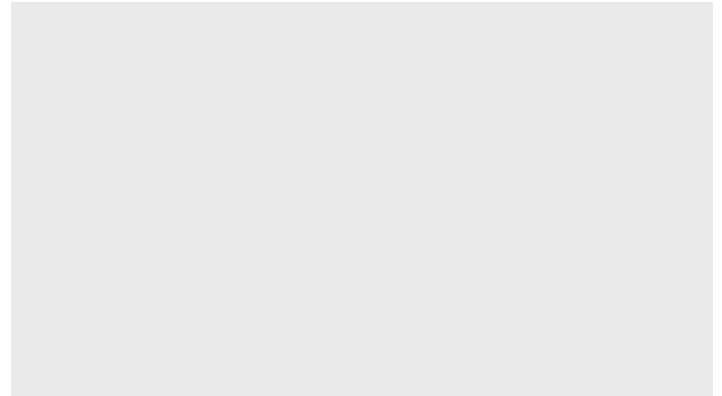
"It shouldn't be divided on what you look like, where you live ... that's what this approach is about."

Latest from Rotorua Daily Post



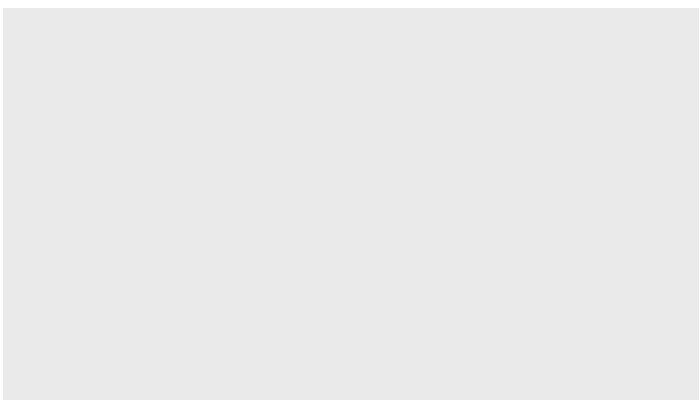
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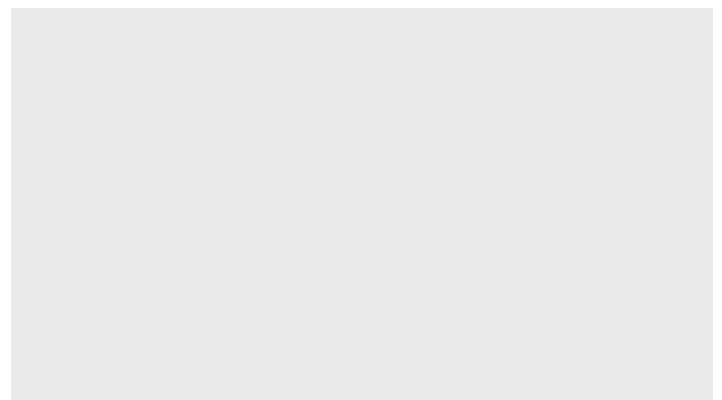
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Rotorua family lawyer and Waiariki Women's Refuge deputy chairwoman Mihi James. Photo: Andrew Warner/Rotorua Daily Post



Local Democracy Reporting

SOCIAL ISSUES

Third of Rotorua's family harm calls to emergency accommodation

Rotorua Council says in 2018 there were 70 family harm call-outs a week. Now it's 120.

One third of the 120 family harm calls a week in Rotorua are to emergency housing motels, the council says.

The comments were made by Rotorua Lakes Council community wellbeing deputy chief executive Anaru Pewhairangi, at an Operations and Monitoring Committee meeting last week.

A family harm advocate says emergency accommodation is an “incredibly unsafe” place for anyone, especially children.

Minister for Social Development Carmel Sepuloni says the need for emergency accommodation is not ideal, but is better than people sleeping rough in tents or cars.

In the meeting, Pewhairangi, who was the Rotorua police area commander from 2017 to 2019, said in 2018 police would receive about 70 calls for family harm incidents in Rotorua each week.

“Currently there are upwards of 120 family harm incidents per week.”

He said it could be a good thing and a sign of an increase in reports of family harm, as opposed to an increase of incidents.

“However, one third of the family harm that’s occurring here have come from our [emergency housing motels].”

He said there were “between five and 10” families coming into Rotorua each week with family harm safety plans.

“Those are people who have high risk, complex needs, coming into our place who, from my police colleagues, do not have any association to Rotorua.”

Pewhairangi said known gang members also resided in the motels, including mixed use motels, which were shared with tourists.

Housing Minister Megan Woods announced the Government would end the practice of “mixed use” motels in May 2021.

In the same announcement, Woods said the Ministry of Housing and Urban Development would also take responsibility for contracting motels for emergency accommodation.

In Thursday’s committee meeting, Pewhairangi said contracted and managed sites had “minimal issues”.

He said unmanaged sites appeared to have “the most issues”.

“That would be confirmed by our police colleagues as well.”

Referencing his source as data aggregator Dot Loves Data, he said 86 per cent of crime occurred in high deprivation areas and 61 per cent of people in Rotorua lived in high deprivation.

He said the council’s safe city guardians and security camera monitoring had “anecdotally” observed the impact of alcohol, anti-social behaviour and the visibility of gangs.

The council was sharing information with the police but Pewhairangi said it was “very clear” Rotorua police were “under extreme pressure” and both the police and the council had experienced an increase of calls for service, he said.

He said the most notable increase had been issues on Fenton St, and that had not been the case in 2018 when he was area commander.

“Something’s changed here.”

Pewhairangi said a visit from Police Minister Poto Williams – who is also the Associate Housing (Public Housing) Minister – to Rotorua at the end of April had been “encouraging” and he had expressed the need for an “action plan moving forward” from the Government on emergency accommodation and community safety.

In the meeting councillor Merepeka Raukawa-Tait said the safety issue was not just for the wider community but also those living in emergency accommodation.

She said it was usually – but not always – the wider community that complained about the issues at the motels, but it was important to remember some were living “day by day” in “quite a toxic environment”.

Deputy mayor Dave Donaldson said the family harm call outs to emergency housing motels and other statistics “thoroughly endorses” the council’s “regulatory approach”.

On April 28 the council revealed it had written letters to nine motels in April to discuss compliance with the Building Act, Resource Management Act and Rotorua District Plan.

It means motels will need to let the council know if they will continue as emergency housing providers or return to hosting visitors. If they remain as emergency housing providers, they will need to comply under those laws and policies, or face court action.

Outside the meeting, Rotorua family lawyer and Waiariki Women's Refuge chairwoman Mihi James, said the one third figure "definitely" sounded correct based on her experience.

She said many people who left family harm situations had no choice but to go into emergency housing to escape.

"They're forced to go into a place that's actually more unsafe."

She said she had clients who said they would "rather go home and be beaten up every day" because at home they knew their perpetrator.

"It's better the devil you know.

"Emergency housing is a great risk to anyone staying in there."

She believed there needed to be emergency accommodation – with appropriate screening in place – provided specifically for people trying to escape family violence.

James said tenants in emergency housing often had serious mental health, drug and alcohol abuse problems.

"It's incredibly unsafe, especially for children."

Social Development Minister Carmel Sepuloni said the Ministry provided wrap-around support to families in emergency housing and had family violence co-ordinators that sat at police-led family violence hui.

She said if family harm incidents happened, she expected appropriate services to intervene and provide support.

She said moteliors supplying emergency housing were free to decide who they let into units.

"We value the assistance they provide to households in the region who are in need."

She said the Ministry had advised her the majority of Rotorua motels were "not generally mixed-use", but some motels chose to accept both.

"Ideally, no one in Rotorua would be in housing distress or require emergency accommodation in motels, but successive governments have not increased the supply of housing. While we are making good strides in this area, it will still take time to build the number of houses Rotorua needs."

She said in the meantime the government's priority was to help those who needed emergency housing, while longer-term housing options were explored.

"We understand that motels are not ideal, but it is important that people in housing distress are not left to sleep rough in tents or in cars.

"We are committed to ending the need for emergency housing by building more houses."

In Thursday's meeting a Ministry of Social Development report provided to elected members revealed about a third of those staying in emergency accommodation were from out of the district.

Sixty-nine per cent of clients were from Rotorua, while 19 per cent were from surrounding areas such as Kawerau, Taupō and Tauranga. Twelve per cent were from further afield.

Between July 2019 and June 2021, taxpayers paid \$24.7m to fifteen Rotorua motels providing emergency accommodation, according to data from the Ministry of Social Development.

The police, Housing Minister Megan Woods and Waiariki MP Rawiri Waititi were approached for comment.

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MOST POPULAR ON NEWSROOM

3rd December 2021



Rotorua Seventh-day
Adventist School
Te Kura o Te Rā Whitu ki Rotorua

Kia ora Neighbour,

Community Watch

As of recent our little school, located nearby on 3 Tilsley Street has had a spate of damages including our security cameras being smashed, sunshade ripped, our equipment shed broken into and staff threatened.

I am writing to you to give our school contact details if you happen to notice anything untoward happen on our premises. We ask that you please, do not approach anyone and encourage you to keep yourself safe by all means possible. However, if you could give us a call on the contact details below it would benefit us in dealing with things promptly.

Our school was opened in 1953 and has been a part of this central Rotorua community for almost 70 years. If we can help you in any way as well, please do not hesitate to ask. Perhaps amongst all of what is happening it has opened the door for us to get to know each other a little better.

Contact details:

- | | | |
|----------------|------------------|---|
| 1. Secretary | Ph: 07 348 4689 | Email: secretary@sda.rotorua.school.nz |
| 2. Principal | Cell: 0226224929 | Email: principal@sda.rotorua.school.nz |
| 3. Board Chair | | Email: botchair@sda.rotorua.school.nz |

Nga mihi nui,

Lanea Strickland

Principal



Rotorua Seventh-day
Adventist School
Te Kura o Te Rā Whitu ki Rotorua



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www.sda.rotorua.school.nz

Appendix 9



Trevor and Rosemary Newbrook <rose.trev@gmail.com>

to Paige

Wed, Mar 16, 1:49 PM

Hi Paige

I have asked Jenny Peace the secretary of Restore Rotorua Inc to also join us - I hope that is OK ?? She will come to my home for the meeting.

I don't know who you are talking to but believe the effects on Gary and Rose Smith is a story that you should hear. Gary and Rose have a 33 year old son who has Down Syndrome. They bought a Home Unit on Grey Street (close to Fenton St) for their son , so Carl could have some independence. He did attend St Chads Communications Centre on Fenton St, where he could walk to and from alone. Because of safety concerns they have sold both their home and Carl's Unit and moved to Cambridge.

Their contact details are : goro.smith@xtra.co.nz Gary Phone: 027 755 9002

Thanks and regards

Trevor Newbrook.

In Confidence

Office of the Minister of Housing

Office of the Minister for Social Development and Employment

Office of the Associate Minister of Housing (Homelessness)

Cabinet Business Committee

Improving the provision of emergency housing in Rotorua and potential expansion

Proposal

- 1 This paper outlines steps being taken to meet urgent housing need in Rotorua and seeks Cabinet’s agreement to:
 - 1.1 fund the costs of contracting motels and providing wraparound supports for around 200 families and whānau with children currently receiving Emergency Housing Special Needs Grants (EH-SNGs) in motels in Rotorua and associated elements
 - 1.2 s 9(2)(f)(iv)

Relation to government priorities

- 2 This proposal will contribute to the Government priority of laying the foundations for the future, including addressing key issues such as our climate change response, housing affordability and child poverty.

Executive Summary

- 3 Emergency Housing Special Needs Grants (EH-SNGs) were introduced in 2016 by the previous Government to help vulnerable individuals and families with urgent housing need to meet the cost of staying in short-term accommodation, with limited supports. Funding was originally provided in Budget 2016 for 3,000 emergency housing places per year, 800 at any one time.
- 4 Accommodation is most often provided through motels, and is intended to be for seven nights at a time, but can be up to 21 nights in specific circumstances.
- 5 We have seen significant growth in EH-SNG numbers over the last two years. The number of distinct clients granted an EH-SNG in a month more than doubled from April 2019 to April 2021. Around \$320m was spent in the last year on EH-SNGs, and the average length of stay has also increased.
- 6 This is likely due to the combined impacts of underlying issues with the housing system, individual stressors, the ongoing effects of COVID-19 and the

availability of motels due to downturn in tourism. Previous trends have shown that a tightening of the gateway into EH-SNGs could contribute to a reduction in overall use (this may or may not reflect reduced need). The Ministry of Social Development (MSD) is undertaking work to better understand the pathways in to EH-SNGs.

- 7 Motels are not an ideal solution, however, it is a preferable option to people living in cars, staying in overcrowded housing, sleeping in parks or on the street.
- 8 Our goal is that we rarely need to use motels as emergency housing, in particular EH-SNGs, and where we do it is for short periods of time and not as a recurring solution. We need to offer pathways to permanent housing options, and we are making good progress on that front through our Government Build Programme and the ramping up of transitional housing places.
- 9 This Government has a clear plan and has taken significant steps (across supply, prevention and support) to directly address homelessness and prevent the need for the use of EH-SNGs. These include:
 - 9.1 the launch of the Aotearoa New Zealand Homelessness Action Plan and associated funding of over \$300m for 18 immediate actions. As part of this, over 1,000 additional transitional housing places have been made available, and prevention initiatives such as Sustaining Tenancies have been rolled out
 - 9.2 funding for a further 8,000 transitional and public housing places through Budget 2020, to be delivered by June 2024
 - 9.3 over 1,000 people being housed through COVID-19 motels, many of whom were previously experiencing homelessness for extended periods. These motels were stood up at-pace in response to the first Level 4 nationwide lockdown
 - 9.4 changes have been made to EH-SNGs to provide greater consistency with other forms of housing support and provide some support services.
- 10 Te Maihi o Te Whare Māori: Māori and Iwi Housing Innovation (MAIHI) framework was approved by Cabinet on 18 May 2020 [CAB-20-MIN-0229.02 refers]. MAIHI aims to deliver, at pace, a system-wide response to Māori housing stress, and is guided by a set of kaupapa Māori principles. Applying the MAIHI framework and its principles must be central to our continued efforts to prevent and reduce homelessness.
- 11 Alongside this, a programme of work is underway to address wider housing system issues, such as a lack of affordable housing, that drive much of the demand for EH-SNGs. This work includes promoting a well-functioning housing and urban system; supporting the development of purpose-built, affordable rentals; s 9(2)(f)(iv) and better supporting people to access and retain private market tenancies. Changes to

the Residential Tenancies Act 1986 recently took effect to improve security of tenure for renters.

- 12 Māori are significantly more likely than the general population to experience homelessness and make up 58 percent of all households accessing EH-SNGs. Stage One of the Wai 2750 Kaupapa Inquiry into Housing Policy and Services on Māori homelessness has raised numerous issues with emergency housing.
- 13 We have been concerned to see the pressure that the housing crisis and impacts of COVID-19 are placing on emergency housing around the country. Added to this, the current model of EH-SNG provision does not consistently ensure safe and quality motels, or provide wraparound social support services (targeted supports are provided). This can make it difficult for families and individuals to thrive.

We are taking steps to meet urgent need in Rotorua

- 14 Rotorua city has experienced strong population growth after two decades of stable growth. The housing supply has not responded, and the number of building consents granted remains one of the lowest in New Zealand by population. This has resulted in a sharp increase over the past five years in median rents (54 percent) and house prices (84 percent), and increases in homelessness, including overcrowding.
- 15 This has placed significant pressure on public and emergency housing, with a 67 percent increase in EH-SNGs between June 2019 and December 2020. At 19 March 2021, 371 households were in EH-SNG motels. This includes 366 children in 194 of these households. The volume of EH-SNGs in Rotorua is also the highest in the country by population. There's a high reliance on EH-SNG places relative to transitional housing, with a ratio of five-to-one, compared to roughly one-to-one ratio across the country.
- 16 While we do not see motels as a long-term solution, we need to deal with the immediate crisis that has built up over the last decade and address issues with the over reliance on EH-SNGs.
- 17 This is why we directed officials from central government to form a taskforce with the Rotorua Lakes Council and Te Arawa Iwi to develop options for providing better support and outcomes for people living in emergency housing motels. As a result of this work, Ministers have agreed to a suite of changes to meet urgent housing need in Rotorua. These changes include:
 - 17.1 Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development (HUD) contracting specific motels to provide emergency accommodation, with an initial focus on the approximately 200 families and whānau with children in EH-SNG motels
 - 17.2 providing better supports through HUD contracting additional wraparound support services to meet the needs of the families in those contracted motels and MSD improving supports available for those remaining in the current EH-SNG motel places

- 17.3 the implementation of Te Pokapū – a Rotorua Housing Hub to strengthen assessment and placement processes for emergency housing clients and co-locate relevant services.
- 18 This pilot approach in Rotorua also includes near-to-medium-term supply solutions with Kāinga Ora s 9(2)(j) scaling up work to identify new-build opportunities; s 9(2)(f)(iv).
- 19 MSD is undertaking work to cease the use of unsuitable motels and ensure accommodation is suitable, explore the potential for a new complaints process, s 9(2)(f)(iv).
- 20 It is expected that this combination of actions in Rotorua will result in increased quality and suitability of accommodation, increased support services, increased safety, better pathways to more-permanent housing, and streamlined assessment and placement processes for clients. We expect to be able to implement the main aspects (contracting motels and wraparound support services) by June/ July.
- 21 The model proposed for Rotorua will cost around s 9(2)(j) per annum, made up of:
- 21.1 s 9(2)(j) for the contracting of emergency housing motels and associated supports for 200 families and whānau with children in Rotorua, as well as s 9(2)(j) in 2021/22 only in upfront costs to implement the model
- 21.2 s 9(2)(j) for the ongoing operation of Te Pokapū – a Rotorua Housing Hub, plus s 9(2)(j) in 2021/22 only for a data system¹ and fit-out of premises
- 21.3 s 9(2)(j) s 9(2)(f)(iv)
- 22 The cost of providing accommodation under the new model will be around the same as under EH-SNGs s 9(2)(j). However, we must invest in additional elements to deliver better outcomes for families and whānau with children in emergency housing and the broader community.

¹ The database is a holistic assessment tool that looks at the whole whānau and their needs. It takes a kaupapa Māori approach – Ngā Pou e rima – WERA’s cultural framework. The information will support agencies located in the Hub with appropriate placement and assessment information. This maintains a whānau-led approach under a kaupapa Māori framework.

23 We propose that [redacted] s 9(2)(f)(iv) [redacted] and the actions in Rotorua be initially funded for 2021/22 via:

23.1 a transfer of [redacted] s 9(2)(j) [redacted] from the BoRE: Accommodation Assistance appropriation (EH-SNGs are paid from this appropriation) to a new dedicated appropriation; and

23.2 reprioritisation of [redacted] s 9(2)(j) [redacted] from the underspend of approximately \$40 to \$50 million of the Rent Arrears Assistance appropriation.

24 [redacted] s 9(2)(f)(iv) [redacted]
[redacted]
[redacted]
[redacted]

Elements of this approach could be applied more broadly

25 Rotorua is unique and not all locations have the same level of issues associated with EH-SNG use. It is also clear that the elements of the Rotorua approach alone will not address the significant demand that exists for emergency housing. However, there is value in considering expansion of elements of this pilot place-based approach taken in Rotorua. This is because of broader issues with the EH-SNG model and the likely need to utilise significant numbers of motels as emergency housing over the medium term.

26 [redacted] s 9(2)(f)(iv) [redacted]
[redacted]
[redacted]
[redacted]

27 MAIHI and its kaupapa Māori principles must drive how we expand this approach and continue to prevent and reduce homelessness. We must partner with and support Māori to deliver solutions for Māori.

28 [redacted] s 9(2)(f)(iv) [redacted]
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[redacted]

[Redacted text block]

Background

- 32 HUD and MSD currently fund and deliver emergency accommodation via two main methods:
- 32.1 **Emergency Housing Special Needs Grants (EH-SNGs)** were introduced in 2016 to provide temporary accommodation to meet an immediate housing need until longer-term options could be identified. The grant was intended to be used as a last resort and initially for no longer than seven days at a time.
 - 32.2 **Transitional housing** provides short-term accommodation, intended to be up to 12 weeks on average, alongside wraparound support to help households transition to longer-term sustainable housing.
- 33 Accommodation (mainly in motels) funded via EH-SNGs has increasingly played a role in ensuring people have a place to stay when needing urgent housing assistance. However, the current model of EH-SNG provision was never intended to operate in the way it currently does. We are seeing more people in motels, including many families and whānau with children. People in motels are also staying longer, with an average stay of around 18 weeks.
- 34 There are increasing concerns that the provision of emergency housing via EH-SNGs is unable to consistently ensure safe, adequate and suitable housing for all those who need it. MSD provides targeted support services to people staying longer than seven nights but due to high demand, support is prioritised according to need.² In addition, there are significant costs associated with this model and growing community concern in Rotorua, central Auckland, and Wellington about the social harm associated with concentrations of EH-SNG motels.
- 35 Stage One of the Wai 2750 Kaupapa Inquiry into Housing Policy and Services on Māori homelessness has raised numerous issues with emergency housing. Claimants and witnesses in support of claimants have 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 need for housing options to move into. Witnesses have also spoken of the huge amount of money spent on emergency housing and that this funding could be better spent on programmes that provide housing and effective wraparound support. However, it was also noted that emergency housing is a critical backstop for providers to refer people to.

² MSD and its partners in the community provide targeted social support to people staying in emergency accommodation longer than seven nights through Intensive Case Managers and contracted Navigators and Support Services.

- 36 Work to improve the safety, security, and quality of emergency housing is already underway. This includes work led by MSD to address some of the key issues with the use of EH-SNGs for emergency housing, including:
- 36.1 [REDACTED] s 9(2)(f)(iv) [REDACTED]
[REDACTED]
 - 36.2 ceasing use of unsuitable motels and moving clients into more suitable accommodation
 - 36.3 developing a process for ensuring emergency accommodation is suitable
 - 36.4 exploring the potential for a complaints process for emergency housing suppliers
 - 36.5 ensuring clients are aware of their obligations when staying in emergency housing.

We have a clear plan to prevent and reduce homelessness...

- 37 This Government has a clear plan and has taken significant steps (across supply, prevention and support) to directly address homelessness and prevent the need for the use of EH-SNGs. These include (see Annex One for further detail):
- 37.1 In November 2019, Cabinet agreed to a significant increase in the supply of transitional housing to reduce reliance on motels and the prioritisation of families and whānau with children for new transitional housing. 1,000 additional transitional housing places were delivered as of February 2021.
 - 37.2 In December 2019, Cabinet agreed to changes to EH-SNGs to provide greater consistency with other forms of housing support [SWC-19-MIN-0205 refers].
 - 37.3 In 2019/20, targeted social supports were introduced for people receiving EH-SNGs for longer than seven nights.
 - 37.4 In February 2020, the Aotearoa New Zealand Homelessness Action Plan was launched and is backed by over \$300 million of funding. All 18 immediate Action Plan actions are now underway, helping people address issues that put their tenancies at risk and supporting people at points where they are at-risk of homelessness, such as leaving the care of government.
 - 37.5 In June 2020, Te Maihi o Te Whare Māori: Māori and Iwi Housing Innovation (MAIHI) was launched to fundamentally respond to the crisis that exists for Māori, improve access to appropriate housing, and review and reset systems and processes so that the housing system provides equitable solutions for Māori. The MAIHI framework and its

principles are central to continued efforts to address homelessness through the Homelessness Action Plan.

- 37.6 A flexible funding package has been introduced to assist whānau with children with the extra stresses and costs of living in emergency housing, where other support is not available. It will be used to support the wellbeing and education needs of the children, to minimise disruption to their lives and keep them connected with school, early childhood education and other activities.
- 37.7 Kaupapa Māori approaches are helping to prevent homelessness, increase housing supply, build capability of Iwi and Māori housing providers, and support Māori experiencing or at-risk of homelessness. This work is supported by the He Taupua fund and He Kūkū ki te Kāinga MAIHI implementation funding.
- 37.8 A further 18 longer-term Action Plan actions are to be developed for implementation over 2020-2023, some of which are underway already. For example, new public housing supply through Budget 2020 funding, guided by the Public Housing Plan, and the \$400 million Progressive Home Ownership Fund.
- 38 There is also a range of work currently underway to address wider housing system issues, such as a lack of affordable housing, that drive much of the demand for EH-SNGs. This includes work promoting a well-functioning housing and urban system; supporting the development of purpose-built, affordable rentals; s 9(2)(f)(iv) and better supporting people to access and retain private market tenancies. s 9(2)(f) and changes to the Residential Tenancies Act 1986 recently took effect to improve security of tenure for renters.
- 39 Budget 2021 also committed \$380 million into Māori housing to deliver 1,000 new homes for Māori in the regions; further strengthen MAIHI approaches and partnerships with Iwi and Māori; improve housing quality through repairs of 700 homes; and build future capability for Iwi and Māori groups to accelerate housing projects and provide a range of support services.

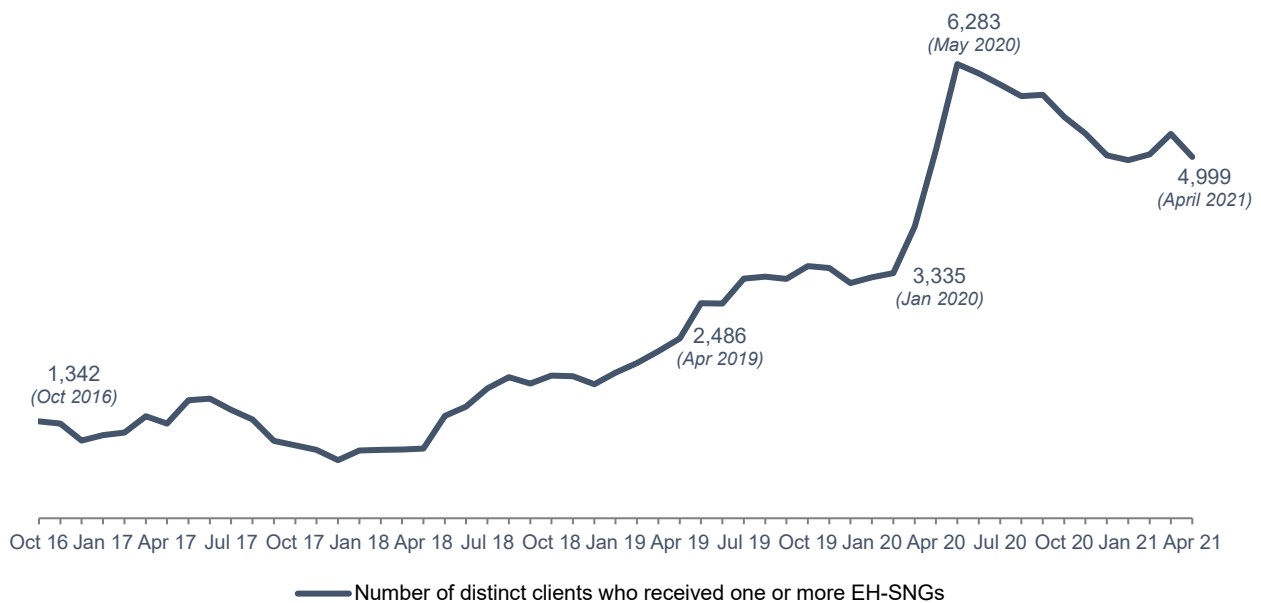
...in spite of this we have seen growth in EH-SNGs

- 40 Since the introduction of EH-SNGs, there has been significant growth in the number of households accessing the grant (see Figure 1). This growth increased dramatically in the first part of 2020. From January to May 2020, there was an 88 percent increase in the number of distinct clients who received an EH-SNG. Since the peak in May 2020, EH-SNG use has dropped slightly, with 4,999 distinct clients in April 2021 – a 20 percent decrease from May 2020. However, EH-SNG use has not returned to the level seen prior to COVID-19.
- 41 All regions experienced significant increases in the number of households seeking emergency housing during the COVID-19 lockdown period. When COVID-19 Alert Level 4 came into effect on 25 March 2020, there were 3,072

households staying in EH-SNG accommodation. As at 29 May 2020, there were 4,363 households in EH-SNG accommodation, an increase of 42 percent over the ten-week period.

- 42 Over the last two years the number of distinct clients granted an EH-SNG in a month more than doubled (from April 2019 to April 2021).
- 43 More recently, the number of clients accessing an EH-SNG has stabilised. However, previous trends have also shown that demand increases in winter months.

Figure 1: Emergency Housing Special Needs Grants



This growth is likely driven by a range of factors, including COVID-19

- 44 Homelessness and demand for EH-SNGs are driven by structural issues, such as poverty and a lack of affordable housing, and system failures, such as gaps in services that mean people do not get support at the right time. Individual pressures create pathways into homelessness such as ongoing trauma, illness, addiction and mental health issues, family violence and criminal activities.
- 45 It is likely that the social and economic impacts of COVID-19 exacerbated existing factors, such as a lack of affordable housing, and drove the increased EH-SNG demand that we have seen since March 2020. However, it is hard to determine the exact causes of increased demand and accurately identify underlying emergency housing need.

Māori are disproportionately impacted by homelessness

- 46 Māori are significantly more likely than the general population to experience homelessness and make up 58 percent of all households accessing EH-SNGs. As such, it is critical that MAIHI and its kaupapa Māori principles drive continued efforts to prevent and reduce homelessness.

- 47 Families with children and those with disabilities are also highly represented in emergency housing. As of March 2021, there were 3,928 households in EH-SNG motels. Of this cohort, 53 percent of households were families with children. We know that women are more likely to be the sole or primary caregiver for children, and may find themselves in emergency housing need as a result of experiencing domestic violence. More than 50 percent are people with disabilities, health conditions, mental health needs, or are experiencing issues with alcohol and other drugs.

The experience of homelessness plays out differently across the country

- 48 As part of the Homelessness Action Plan, we committed to taking a place-based approach. Our engagement with and across communities has highlighted the local factors that influence outcomes on the ground, including local economic performance, the state and quality of housing and infrastructure, and longstanding issues facing tangata whenua. Without a clear understanding of these issues and how they play out for communities, we will not have a clear view of what solutions will make the most difference for individuals and their communities.

Proposed new approach to meeting urgent housing need in Rotorua

- 49 In Rotorua, there are a set of specific issues that have exacerbated broader issues with EH-SNGs. Rotorua has experienced strong population growth after two decades of stable growth. Housing supply has failed to respond, and the number of building consents granted remains one of the lowest in New Zealand by population. Limited private and public housing development has resulted in a sharp increase over the past five years in median rents (54 percent growth) and house prices (84 percent growth). In addition, high levels of family violence are pushing people into emergency housing need.
- 50 A shortage of affordable homes for low-income households means more people are experiencing periods of homelessness, including in emergency and transitional housing, and the public housing register is increasing. These issues were exacerbated by the need to quickly house people experiencing homelessness through the COVID-19 pandemic.³
- 51 As a result, the volume of EH-SNGs is the highest in the country by population. The reliance on EH-SNGs relative to transitional housing is also very high. Up to five households are receiving EH-SNGs for each transitional home available for placement (compared to a one-to-one ratio across the country). 30 percent of households have been in emergency housing in Rotorua for six months or longer, and 7.5 percent for over a year.
- 52 Around 500 households are currently in government-funded motels in Rotorua, including EH-SNG and transitional housing motels, and motels used as part of our COVID-19 response. As at 19 March 2021, there were 194 households with 366 children, out of a total 371 households in EH-SNG motels.

³ As at April 21, there were approximately 156 occupants across 113 COVID-19 motel units in Rotorua.

- 53 There are also up to 140 individuals utilising both the Temporary Additional Support and the Accommodation Supplement from MSD to access temporary accommodation, largely backpacker accommodation.⁴
- 54 The volume of EH-SNGs in Rotorua has placed significant pressure on the government to manage placement and provide support to households. The absence of a tailored and vetted placement process has resulted in many clients being placed in environments inappropriate for their specific needs. For example, some motels are not suitable for families and some do not have adequate safety measures in place.
- 55 The local community has also been increasingly voicing their concerns about the security, safety and appropriateness of motels used for emergency housing.

The Government is taking action to meet urgent need

- 56 We decided that immediate and targeted action was needed to meet urgent demand for supported housing and to put pathways in place for more permanent housing. This decision also responds to the high expectations of the local community for quick movement to address issues associated with motels as emergency housing.
- 57 Government has been working actively in Rotorua for some time. In late 2019 a place-based partnership was agreed between Rotorua Lakes Council, Te Arawa Iwi and government agencies. This partnership was set up in response to the pressing issues facing the community and its housing and urban system.
- 58 The Rotorua Housing Taskforce was then established in late March 2021, made up of Rotorua Lakes Council, Te Arawa Iwi and officials from HUD, MSD, Kāinga Ora and Te Puni Kōkiri. Police Officials and the Lakes District Health Board have also participated in some of the discussions.
- 59 The Taskforce developed the following objectives to guide implementation of immediate housing solutions:
- 59.1 enabling more stable, safe and supported housing with an initial priority focus on children and families
 - 59.2 ensuring a pathway to more-permanent housing outcomes
 - 59.3 a “by Te Arawa, for Te Arawa” approach to developing solutions for their whānau and those who call Te Arawa whenua home.

⁴ Temporary Additional Support is a weekly payment, paid in addition to a main benefit, that helps to cover essential living costs.

60 The Taskforce has worked collaboratively and intensively to develop immediate solutions to the homelessness and emergency housing situation in Rotorua. On 13 May 2021, we announced immediate actions to be implemented in Rotorua, including:

60.1 HUD contracting specific motels to provide emergency accommodation, with an initial focus on the approximately 200 families and whānau with children in EH-SNG motels (in place by end of June).

60.2 HUD contracting additional wraparound support services to meet the needs of the 200 families and whānau with children in those motels. MSD will also focus supports available for those remaining in the current EH-SNG motel places (in place by end of June).

60.3 MSD retaining responsibility for assessment and placement of people into the contracted motels and strengthening assessment and placement processes for emergency housing clients (in place by end of June).

60.4 The implementation of Te Pokapū – a Rotorua Housing Hub. The Hub will be a single point of contact for individuals and whānau with emergency housing needs in Rotorua. The Hub will have a focus on strengthening assessment and referral processes to ensure the right supports are put in place to meet needs. Agencies, Iwi and local providers will be co-located with defined roles and responsibilities, and holistic assessments of need will be undertaken (in place by mid-August).

61 [Redacted] s 9(2)(f)(iv) [Redacted]
[Redacted]
[Redacted]

62 Involvement of local Iwi Te Arawa has led to tailored Iwi and whānau-centred support. Annex Two provides further detail of how the model will operate.

63 Kāinga Ora is also progressing immediate housing opportunities in Rotorua to begin putting pathways in place to permanent housing, including:

63.1 [Redacted] s 9(2)(i) [Redacted]
[Redacted] [Redacted]

[Redacted] [Redacted]
[Redacted]

[Redacted] [Redacted]
[Redacted]
[Redacted]

⁵ [Redacted] s 9(2)(i) [Redacted]
[Redacted]

63.4 [REDACTED]

64 [REDACTED] s 9(2)(f)(iv) [REDACTED]

65 HUD is engaging with the Waiariki Women’s Refuge in Rotorua to understand issues and ensure there is enough capability and capacity to support individuals experiencing family violence in Rotorua, who may have an emergency housing need. As the Hub progresses, officials will continue working with the refuge to ensure they are connected as a key stakeholder.

Contracting motels and wraparound supports will ensure quality, safety and security of emergency accommodation

66 Through a contracting model, HUD will contract whole motel facilities and wraparound support services for the approximate 200 families and whānau with children currently in EH-SNG motels. Contracting emergency housing places rather than using EH-SNGs provides a number of advantages including:

66.1 greater control over the quality and condition of the accommodation our whānau will be temporarily housed in, and the ability to work with moteliers to ensure our expectations are being met

66.2 enabling MSD to take a more planned approach to client placement, ensuring specific needs can be met such as accessibility or appropriate sleeping situations for children.

67 While we still intend for emergency housing to be for short-stays, households will be able to remain in contracted motels and receive wraparound supports for as long as needed. As with the current EH-SNG model, these clients will be required to make a client contribution of 25 percent of their income, to be paid to the provider.⁶ Annex Two includes more detail on how Te Pokapū – a Rotorua Housing Hub will operate, and Annex Three presents a stocktake of needs and supports in Rotorua.

⁶ This ensures consistency with other forms of housing assistance, including transitional housing and the current model of EH-SNGs.

68 Table 1 below outlines the differences between places secured via EH-SNGs and contracted emergency housing places.

Table 1: Overview of differences between EH-SNG and contracted motel places

Current EH-SNG places	HUD contracted emergency places
<ul style="list-style-type: none"> • MSD administers a one-off grant to meet the cost of staying in short-term accommodation (usually motels) for seven days at a time (can be up to 21 days) • MSD provides targeted support services to people staying longer than seven nights. Due to high demand, support is prioritised according to need. • MSD assesses needs but does not have control over placement of different cohorts into specific motels • MSD does not have the legislative mandate to regulate motel standards 	<ul style="list-style-type: none"> • HUD contracts specific motels for use as emergency housing • HUD also contracts wraparound support services • Through a Rotorua Housing Hub, MSD assesses need and places households into contracted motels • MSD can control placement of different cohorts into emergency housing that is appropriate to their needs • HUD and MSD can ensure motel standards such as quality and appropriateness of facilities through contracts

69 This model also better enables the provision of targeted wraparound support services to meet the needs of families staying in these facilities. The level of wraparound support provided will be similar to that of transitional housing and COVID-19 motels, with flexibility to adjust based on need.

70 Service providers will work with families requiring emergency housing from the moment they arrive to assess and identify needs; support those needs through direct work with clients and linking them into wider health, social, employment and financial supports; and facilitate pathways into transitional housing or other longer-term options. s 9(2)(j)

s 9(2)(f)(iv)

71 The approximately 177 households who will remain in non-contracted EH-SNG places in Rotorua often have complex needs. For example, they may receive a

⁷ EH-SNGs can be made recoverable in situations where a client is unreasonably contributing to their immediate emergency housing need. Between April 2020 and April 2021, around 1.5 percent of EH-SNGs were made recoverable. s 9(2)(j)

Supported Living Payment, be in emergency housing for longer periods of time (often over 40 weeks), be elderly, experience issues with alcohol and other drugs, and/or face mental health challenges.

72 [REDACTED] s 9(2)(f)(iv) [REDACTED]
[REDACTED]

Expansion of a place-based approach to other locations

73 Rotorua is unique and not all locations have the same level of issues associated with EH-SNG use. It is also clear that the elements of the Rotorua approach alone will not address the significant demand that exists for emergency housing. However, there is value in considering expansion of elements of the place-based approach taken in Rotorua (either to specific locations or as system-wide changes) because:

73.1 it is likely that there will continue to be a need to utilise significant numbers of motels as emergency housing in the medium term as new supply of sustainable housing is rolled out and homelessness responses are embedded

73.2 short-term solutions such as contracting motels and providing adequate holistic wraparound support are needed to improve support and accommodation available particularly for families and whānau with children

73.3 there are other locations around the country with high rates of EH-SNG use and concentration of EH-SNG motels around city centres. There are also locations where this has been associated with social harm and community concern.

74 [REDACTED] s 9(2)(f)(iv) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

76 Our approach to addressing homelessness also recognises that place-based factors have a significant impact on how homelessness is experienced in different towns, cities, and regions across the country. This means what works in one place might not be appropriate in another. [REDACTED] s 9(2)(f)(iv) [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[Redacted text]

Any response to homelessness must prioritise and support kaupapa Māori responses

- 77 MAIHI and its kaupapa Māori principles must drive how we expand this approach and continue to prevent and reduce homelessness. As a Treaty partner, we must partner with and support Māori to deliver solutions for Māori.
- 78 Prioritising and supporting Māori and Iwi providers will be essential to improve housing outcomes for individuals and whānau experiencing or at-risk of homelessness. Robust feedback loops will be essential to ensure responses are informed by the experience of Māori and the relevant context, and are adapted to respond to what we learn as this approach is rolled out and embedded.
- 79 While this approach will benefit Māori, who are disproportionately overrepresented among those experiencing homelessness, its principles-based approach will benefit all individuals and families.

[Redacted text] s 9(2)(f)(iv)

[Redacted text]

[Redacted text]

[Redacted text]

[Redacted text]

[Redacted text]

[Redacted text]

[Redacted text]

81

[Redacted text block]

[Redacted text block] s 9(2)(f)(iv) [Redacted text block]

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[Redacted]

Improving the broader emergency housing system

87 This work has also emphasised the need to look at how to improve the ongoing provision of emergency housing places across the country. To do this, officials will focus on improving the picture of emergency housing and the impacts and issues that may be associated with it. [Redacted] s 9(2)(f)(iv)

[Redacted]

88 The proposals will also require us to consider broader questions about EH-SNGs. [Redacted] s 9(2)(f)(iv)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

It is key that work progresses to address underlying demand for motels as emergency accommodation

89 Improving the emergency housing system requires a staged and planned approach to mitigate the risks of long-term motel use. Agencies will need to respond to urgent needs and issues arising from the EH-SNG model, while continuing to take action to address systemic issues driving demand for EH-SNGs in the first place.

90 To prevent and reduce homelessness, it is critical that multiple agencies are working together to address the many complex social issues that can lead to homelessness. Significant steps are being taken to address homelessness through the cross-agency Aotearoa New Zealand Homelessness Action Plan. However, more will be needed to deliver on the vision that homelessness is rare, brief and non-recurring. [Redacted] s 9(2)(f)(iv)

[Redacted]

[Redacted] and an 18-month review of the Action Plan will be completed around September/October 2021. This provides an opportunity to identify what further is required.

- 91 We must continue to increase the supply of public, transitional and affordable housing and progress work on addressing underlying issues within the housing market.
- 92 The Government is prioritising the supply of affordable housing through a \$3.8b investment in the provision of critical infrastructure through the Housing Acceleration Fund, the KiwiBuild programme and by leveraging the scale of our Government Build Programme to increase the number of market homes in mixed developments.
- 93 The Government is also undertaking wider system reform through the ongoing Resource Management Act reforms and the National Policy Statement on Urban Development.
- 94 HUD is also initiating the development of a new Māori Housing Strategy informed by a review of He Whare Āhuru Oranga Tangata to strengthen MAIHI and accelerate the momentum to achieve significant and enduring housing outcomes with, for and by Māori. s 9(2)(f)(iv)
- 95 Agencies are supporting the Wai 2750 Housing Policy and Services Kaupapa Inquiry process, which includes a focus on Māori homelessness. Hearings are underway and emergency housing has been raised as a key issue. This will provide an important driver to review and reset how we are enabling and supporting kaupapa Māori approaches and improve the effectiveness of policy, services and strengthen relationships with Iwi and Māori providers. Any findings and learnings will help inform future policy development.
- 96 Work across broader government workstreams will also help to reduce drivers of homelessness through addressing social and economic determinants of wellbeing.

Funding Implications

- 97 The steps being taken in Rotorua are not about saving money. They are directly focused on getting better outcomes for families, and in particular children, staying in motels. They look to minimise any potential impacts on the children and give families the best chance to quickly move to a more-permanent housing option. It is hoped they will result in downstream savings and improved outcomes in areas such as education and health for the families and children.
- 98 We propose that the s 9(2)(j) per annum that would have been spent on housing 200 families and whānau through EH-SNGs is instead invested in contracted accommodation with supports.⁸ This will not meet the full cost of the proposed changes in Rotorua because the contracted model provides much more than just accommodation.

⁸ This only pays for accommodation of varying quality, in motels alongside other cohorts, including those with complex needs. This can lead to children being exposed to antisocial behaviour, and potential safety issues.

- 99 We are seeking total funding of s 9(2)(j) to cover the initial cost (for 2021/22 only) of proposals in Rotorua. We propose funding this via an interim approach s 9(2)(f)(iv)
- 100 This includes s 9(2)(j) made up of the following for the 200 families and whānau with children:
- 100.1 s 9(2)(j) to secure dedicated facilities for 200 families and whānau with children that will include up to 330 units
 - 100.2 s 9(2)(j) for wraparound support services to be provided to each family through four providers
 - 100.3 s 9(2)(j) for onsite management and security where appropriate
 - 100.4 s 9(2)(j) for provider establishment costs and to enable meth testing to be carried out to ensure that the motels being contracted are safe to be occupied.
- 101 We are also seeking s 9(2)(j) in 2021/22 to support the establishment and running of Te Pokapū – the Rotorua Housing Hub.
- 102 In addition, we are seeking s 9(2)(j) s 9(2)(f)(iv)
- 103 This funding will provide better outcomes for these families and whānau. Contracting emergency accommodation will ensure facilities are appropriate for families and are good quality. Families will also be able to access additional wraparound support that meets their needs, and 24/7 onsite management will ensure the families in these motels are kept safe.
- 104 We consider that the new contracted model is a significant improvement on the current model and the additional cost is commensurate with the additional services provided.
- 105 A full breakdown of the funding required is attached as Annex Six.

Funding approach

- 106 Due to the urgent need in Rotorua, we have directed HUD to immediately begin contracting motels and support services using existing transitional housing funding, while a sustainable solution is identified.
- 107 It would not be appropriate, in our view, to permanently direct transitional housing funding away from new supply into contracting more motels. The funding in the Transitional Housing MCA is required to retain Government's focus on continuing to deliver new transitional housing places, including the 2,000 new places committed to in Budget 2020 by June 2022. Using this

funding for contracted motels would impact on the future pipeline of transitional housing and reduce the number of more-permanent housing options.

- 108 While there are a range of possible funding options, most only provide an interim or partial solution. Our preference is to fund this model over multiple years as, to implement the model effectively, providers need certainty over ongoing funding to enable them to recruit and procure necessary resources.
- 109 However, to meet the first year of costs we propose seeking an interim funding solution, s 9(2)(f)(iv)
- 110 We propose that the actions in Rotorua are initially funded via:
- 110.1 a transfer of s 9(2)(j) from the BoRE: Accommodation Assistance appropriation (EH-SNGs are paid from here) to a new dedicated appropriation, and
- 110.2 reprioritisation of s 9(2)(j) from the underspend of the rent arrears assistance appropriation.

111 s 9(2)(f)(iv)

Transfer from the BoRE: Accommodation Assistance appropriation to a new dedicated appropriation

- 112 Agencies have estimated that the Crown spends approximately s 9(2)(j) per annum providing EH-SNGs to the approximately 200 families and whānau with children in EH-SNG motels. We consider this funding would be better spent providing these families with better quality accommodation and more appropriate support that helps them find permanent housing more quickly.
- 113 Although EH-SNG spend is expected to reduce (as a direct result of the 200 families moving from EH-SNG accommodation to contracted accommodation), it is anticipated that contracting emergency housing accommodation in Rotorua could free up approximately 75 percent of current EH-SNG supply (used for those families) which would then be made available to meet latent demand in the city.
- 114 EH-SNGs are funded under a BoRE appropriation where funding is set at a level intended to meet forecast demand and is adjusted periodically, through joint Ministers' approval, to reflect changes in forecast demand.
- 115 MSD has estimated the potential increase in EH-SNG spend associated with meeting this latent demand at s 9(2)(g)(i) per annum and therefore this approach is not fiscally neutral.

Reprioritisation from existing baselines

- 116 In June 2020, the Government extended rent arrears support to tenants at risk of eviction once the tenancy termination restrictions implemented as part of the COVID-19 response were lifted. The rent arrears assistance is a one-off payment that tenants are required to pay back. The extension to the assistance funding ceases at the end of this financial year and MSD have advised it is projecting that \$40-50 million will remain unspent.
- 117 This paper seeks agreement for, and early confirmation of, an in-principle expense and capital transfer of s 9(2)(j) from 2020/21 to 2021/22.
- 118 Also, as the rent arrears assistance is intended to be repayable, it is funded under a capital appropriation. As there is no expectation that the costs incurred in Rotorua will be recovered, this paper also seeks agreement for a capital to operating swap.
- 119 While this swap will adversely impact the operating balance and net core Crown debt, we are asking Cabinet to agree that the fiscal implications are managed outside of budget allowances.

New funding via the Between-Budget Contingency

- 120 While a combination of the options above could provide funding over the near term, the partial funding of these options and the time-limited nature of reprioritisation mean they do not represent a sustainable funding model. Reprioritising permanently from other areas in baselines would require trade-offs, such as a reduction in additional supply, or delays to delivery timeframes. To avoid this, new funding could be sought from the Between-Budget Contingency (BBC) fund.
- 121 We do not propose to do this as a call of this quantum would utilise a significant portion of the available contingency.

Treasury comment

- 122 Treasury's recommended funding option is that the s 9(2)(f)(iv) be factored into the costings s 9(2)(f)(iv). This is on the basis that any new or cost pressure initiatives be met from existing baselines, should baseline funding be available.
- 123 We note that the s 9(2)(f)(iv) for the current financial year, and we are supportive of this funding be carried forward to provide for immediate housing need in Rotorua, particularly given the similar outputs being purchased.
- 124 s 9(2)(f)(iv)

Response

125 As noted above it would not be appropriate, in our view, to permanently direct transitional housing funding away from new supply into contracting more motels. The funding in the Transitional Housing MCA is required to retain Government’s focus on continuing to deliver new transitional housing places, including the 2,000 new places committed to in Budget 2020 by June 2022.

Implementation

Officials are working at-pace to implement the Rotorua approach

126 HUD, MSD, Kāinga Ora, Te Arawa Iwi, and Rotorua Lakes Council are working collaboratively on the ground to implement the Rotorua approach. A summary and timeline for these activities is included below.

Action	Current status
Motel contracting for 200 families and whānau with children	HUD lead agency: Officials are engaging and negotiating with moteliere to become contracted motels, and anticipate agreements to be in place by the end of June 2021.
Enhanced wraparound support services (contracted motels)	HUD lead agency: Four organisations have agreed to provide wraparound support services for households in contracted motels, with contracts expected to be in place in June.
Motels for sole EH-SNG use (non-contracted)	MSD lead agency: Officials are visiting motels to determine suitability and discuss EH-SNGs with moteliere. Officials expect to complete identifying potential motels by the end of June.
s 9(2)(f)(iv) [Redacted]	MSD lead agency: [Redacted] s 9(2)(f)(iv) [Redacted] [Redacted] [Redacted] [Redacted]
Te Pokapū – Rotorua Housing Hub	MSD lead agency: Te Taumata O Ngāti Whakaeue iho ake (Iwi partner) will be involved with the Hub. [Redacted] s 9(2)(f)(iv) [Redacted] [Redacted] [Redacted]
Kāinga Ora Housing pipeline	Kāinga Ora lead agency: [Redacted] s 9(2)(j) [Redacted] [Redacted]
s 9(2)(f)(iv) [Redacted] [Redacted]	HUD lead agency: [Redacted] s 9(2)(f)(iv) [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted] [Redacted]


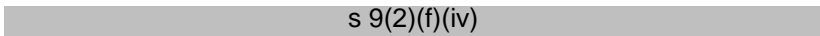
127 As officials continue to implement the actions in Rotorua, there will be further decisions to confirm:

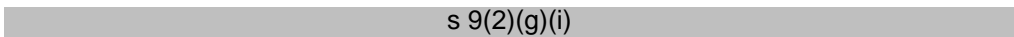



127.1 how the Hub operates, and roles of Hub members in assessing and placing people into motels

127.2 how MSD undertakes their core EH-SNG role to better align with the placement of different cohorts into suitable motels.

Evaluating the approach to meet urgent housing need in Rotorua

128 The approach to meeting urgent housing need in Rotorua will be evaluated. Findings will form an evidence base to consider which aspects of the approach work most effectively and should be sustained, and which are least effective and should be modified. As part of this, officials will assess findings against MAIHI principles and other kaupapa Māori approaches to consider how whānau Māori are being supported, and how they could be better supported.

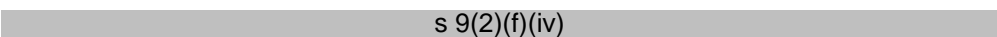



129 Evaluation learnings will also inform future emergency housing approaches 
s 9(2)(f)(iv) 




130  s 9(2)(g)(i) 



Reporting on progress

131 Officials will provide regular updates to Ministers on progress in Rotorua, and on other locations. Annex Five provides a mock-up of a dashboard officials will use to provide these updates.

132 We will report back to Cabinet:

132.1  s 9(2)(f)(iv)




Legislative Implications

133 There are no legislative implications arising from the proposals in this paper.

Regulatory Impact Statement

134 A Regulatory Impact Statement is not required for the proposals in this paper.

Climate Implications of Policy Assessment

135 There are no climate impacts arising from the proposals in this paper.

Population Implications

Māori	The ongoing impact of cultural discrimination and disadvantage are key drivers of homelessness for Māori. Māori are significantly more likely than the general population to experience homelessness and make up 58 percent of all households accessing EH-SNGs. This proposal will positively impact Māori with an emergency housing need in Rotorua.
Pacific peoples	Pacific peoples are disproportionately impacted by homelessness, particularly in terms of the broader definition of homelessness. Low household incomes, a lack of houses designed for large multi-generational households and severe housing unaffordability in the regions (largely Auckland) that Pacific peoples are concentrated in, contribute to housing stress.
Women	Women are more likely to be the sole or primary caregiver of children and young people and sole parents with dependent children, and make up a higher proportion of those in emergency accommodation and sharing accommodation temporarily. For some women, experiences of domestic or family violence can lead to homelessness. This proposal will positively impact women accessing emergency accommodation and provide a safer environment for women who are primary caregivers of children.
People who are gender diverse	Gender diverse people (an umbrella term for a varied range of identities, including whakawahine, transgender, fa'afafine, takatāpui, non-binary, and gender-neutral people) have an increased risk of homelessness and a high level of vulnerability within mainstream services. It is important that services are tailored to the diverse needs of people experiencing homelessness and seek to better understand the needs and responses required.
Children	53 percent of households accessing EH-SNGs are families with children. For children and young people, homelessness can be especially harmful and have longer-term impacts on wellbeing. Constant moving and insecure housing take children outside of familiar environments and may involve moving schools and/or school absences. There are long-term impacts from experiences of childhood poverty and childhood trauma, which have been shown to be a key predictor of future homelessness. This proposal will prioritise families with children and provide more suitable accommodation and support for these households.
Disabled people	Approximately one in four people (24 percent) in New Zealand are disabled and this rate increases with age. Disabled people, particularly those with accessibility needs, often experience more difficulty finding a home. Disabled people have specific risk factors that can lead to homelessness as well as specific needs when experiencing homelessness. The contracted emergency motel model gives the opportunity to identify and contract motels that meet the accessibility requirements of individuals and whānau accessing emergency housing.
Older people	There are many older people experiencing homelessness or living in unsuitable housing (too expensive, inaccessible or unsafe). The economic impacts of COVID-19 may impact older workers who have or

	might become unemployed and those living in rentals facing housing stress as a result of the loss of income.
--	--

Human Rights

- 136 This proposal is consistent with the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.
- 137 Elements of positive discrimination are intended to respond to identified need, and improved support for general emergency housing provision is also planned.

Consultation

138 This paper has been prepared by Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development. To prepare this paper, officials worked with the Ministries of Education, Health, Pacific Peoples, and Social Development, the Departments of Corrections, and Prime Minister and Cabinet, Kāinga Ora, New Zealand Police, Oranga Tamariki–Ministry for Children, Te Puni Kōkiri, Public Service Commission, and Treasury.

Communications

139 On 13 May 2021, we announced decisions we have made in relation to Rotorua. We will continue making announcements as work progresses to expand elements of the approach being taken in Rotorua to other locations.

Proactive Release

140 [Redacted] s 9(2)(f)(iv)
[Redacted]
[Redacted]

Recommendations

The Minister of Housing, the Minister for Social Development and Employment, and the Associate Minister of Housing (Homelessness) recommend that the Committee:

- 1 **Note** that this Government has taken significant steps to directly address homelessness and has a focus on reducing the use of EH-SNGs
- 2 **Note** that there is also a range of work currently underway to address the structural issues, such as a lack of affordable housing, that drive much of the demand for EH-SNGs
- 3 **Note** that in spite of this direct focus on reducing EH-SNG use, we have seen significant growth in EH-SNG numbers over the last two years
- 4 **Note** that the current model of EH-SNG provision does not consistently ensure safe and quality motels, or provide for wraparound social support services. This can make it difficult for families and individuals to thrive

- 5 **Note** that Ministers have agreed to a suite of changes to meet urgent need in Rotorua. These include:
- 5.1 HUD contracting specific motels to provide emergency accommodation, with an initial focus on the approximately 200 families and whānau with children in EH-SNG motels
 - 5.2 providing better supports through HUD contracting additional wraparound support services to meet the needs of the families in those contracted motels and MSD improving supports available for those remaining in current EH-SNG motel places
 - 5.3 the implementation of a Rotorua Housing Hub to strengthen assessment and placement processes for emergency housing clients and co-locate relevant services
 - 5.4 near-to-medium-term supply solutions

Funding options

- 6 **Agree** to fund the first year’s cost s 9(2)(j) of contracting motels and providing wraparound supports and 24/7 onsite management for around 200 families and whānau with children currently in EH-SNG motels in Rotorua
- 7 **Agree** to fund the first year of operating cost s 9(2)(j) for Te Pokapū, the Rotorua Housing Hub, which will strengthen the assessment and placement processes for emergency housing clients and co-locate relevant services
- 8 **Agree** to fund the capital cost of the fit-out of Te Pokapū s 9(2)(j) and the development of a data system that will support agencies located in the Hub with appropriate placement and assessment information s 9(2)(j)
- 9 **Agree** to fund the first year’s cost s 9(2)(f)(iv), s 9(2)(j)
- 10 **Agree** to establish the following appropriations to give effect to the decisions in recommendation 6 to 8 above:

Vote	Appropriation Minister	Title	Type	Scope
Housing and Urban Development	Minister of Housing	Contracted emergency housing accommodation and services	Non-Departmental Output Expense	This appropriation is limited to contracting with service providers for emergency housing accommodation (including ancillary services such as onsite management) and to supporting clients in contracted emergency

				housing to move into sustainable housing.
Social Development	Minister of Housing	Housing Place-Based Approaches	Non-Departmental Output Expense	This appropriation is limited to the delivery of housing-related services and operational support of collective initiatives utilising a place-based approach.
Social Development	Minister of Housing	Housing Hub capital costs Place-Based Approach	Non-departmental Other Expense	This appropriation is limited to the capital costs for the delivery of a Housing Hub in support of collective initiatives utilising a place-based approach.

EITHER: [Through the redirection of EH-SNG funding and projected Rent Arrears Assistance underspend – recommended option]

- 11 **Note** that EH-SNG expenditure is expected to reduce (as a direct result of the 200 families moving from EH-SNG accommodation to contracted accommodation) by s 9(2)(j) in 2020/21
- 12 **Note** that EH-SNGs are funded under the Vote Social Development Benefits or Related Expenses appropriation: Accommodation Assistance where funding is set at a level intended to meet forecast demand. It is expected that contracting emergency accommodation in Rotorua will free up approximately 75 percent of current EH-SNG supply that would then be available to meet latent demand in the city thereby diminishing any potential permanent reduction in EH-SNG spend
- 13 **Note** that MSD has estimated the potential increase in EH-SNG spend associated with meeting this latent demand at s 9(2)(g)(i) and therefore this approach is not technically fiscally neutral
- 14 **Agree** to reprioritise s 9(2)(j) from the Accommodation Assistance appropriation that would otherwise be spent providing EH-SNGs to the 200 families and whānau in Rotorua to partially fund the costs agreed to in recommendations 6 to 9 above
- 15 **Note** that MSD projects that there will be a \$40-50 million underspend in the Housing Support Assurances MCA category: Recoverable Housing Support Assurances in the 2020/21 financial year
- 16 **Note** that Rent Arrears Assistance is recoverable capital expenditure and is therefore expected to be fiscally neutral over time. Redirecting this underspend will not be fiscally neutral as there is no expectation that the costs incurred in Rotorua will be recoverable and therefore transferring the underspend will impact on the operating balance and net core Crown debt
- 17 **Agree** to reallocate s 9(2)(j) of the projected \$40-50 million underspend in the Housing Support Assurances MCA category: Recoverable Housing

Support Assistances from the 2020/21 financial year to fund the balance of costs agreed to in recommendations 6 to 9 above

18 **Note** that the proposal in recommendation 17 above will adversely impact the operating balance and net core Crown debt

19 **Agree** that the fiscal implications under recommendation 18 above are managed outside of budget allowances

20 **Note** that funding this initiative from the reduction in EH-SNG expenditure and the Rent Arrears Assistance underspend is an interim measure only s 9(2)(f) (iv)

21 **Agree** to the following in-principle transfer of up to s 9(2)(j) to give effect to the decision in recommendation 17 above:

Vote Social Development Minister of Housing	\$m – increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & outyears
Multi-Category Expenses and Capital Expenditure: Housing Support Assistances MCA Non-departmental Capital Expenditure: Recoverable Housing Support Assistances	s 9(2)(j)	s 9(2)(j)	-	-	-

22 **Note** that early confirmation of the full amount of the available capital transfer is required to give effect to recommendation 21 above

23 **Agree** a capital transfer of s 9(2)(j) from 2020/21 to 2021/22

24 **Approve** the following changes to appropriations to give effect to the decisions in recommendation 23 above, with no impact on the operating balance and net core Crown debt across the forecast period:

Vote Social Development Minister of Housing	\$m – increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & outyears
Multi-Category Expenses and Capital Expenditure: Housing Support Assistances MCA Non-departmental Capital Expenditure: Recoverable Housing Support Assistances	-	s 9(2)(j)	-	-	-

- 25 **Agree** to a fiscally neutral capital to operating swap to provide for the decision in recommendation 17 above, with the following impacts on the operating balance and net core Crown debt:

	\$m – increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & outyears
Vote Social Development Minister of Housing					
Operating Balance and Net Core Crown Debt Impact	-	-	-	-	-
Operating Balance Only Impact	-	-	-	-	-
Net Core Crown Debt Only Impact	-	s 9(2)(j)	-	-	-
No Impact	-	-	-	-	-
Vote Housing and Urban Development Minister of Housing					
Operating Balance and Net Core Crown Debt Impact	-	s 9(2)	-	-	-
Operating Balance Only Impact	-	-	-	-	-
Net Core Crown Debt Only Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	-	-	-	-

- 26 **Approve** the following changes to appropriations to give effect to the decisions in recommendations 6 to 9, 21, and 23 to 25 above, with a corresponding impact on the operating balance and net core Crown debt:

	\$m – increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & outyears
Vote Social Development Minister of Housing		s 9(2)(j)			
Benefits or Related Expenses:					
Accommodation Assistance	-		-	-	-
Multi-Category Expenses and Capital Expenditure:					
Housing Support Assistances MCA:					
Non-departmental Capital Expenditure:					
Recoverable Housing Support Assistances	-		-	-	-
Departmental Output Expense:					
Services to Support People to Access Accommodation	-		-	-	-
Non-departmental Output Expense:	-		-	-	-

Housing Place-Based Approaches					
Non-departmental Other Expense:					
Housing HUB capital costs Place-Based Approach	-		-	-	-
Vote Housing and Urban Development Minister of Housing					
Non-departmental Output Expense:					
Contracted emergency housing accommodation and services	-		-	-	-
Total Operating	-		-	-	-
Total Capital	-		-	-	-

27 **Agree** that the proposed changes to appropriations in recommendations 21 and 23 to 26 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply

OR: [Through the **redirection of existing transitional housing funding – the Treasury preferred approach**]

28 **Agree** that the costs agreed to in recommendations 6 to 9 above be funded through the redirection of existing transitional housing funding as an interim measure only

29 **Note** that permanently directing transitional housing away from new supply will impact on the Government’s ability to deliver new transitional housing places, including the 2,000 new places committed to in Budget 2020 by June 2022, which are critical to reducing the ongoing reliance on motels

30 **Note** that funding this initiative from the redirection of existing transitional housing funding is an interim measure only s 9(2)(f)(iv)

[Redacted text]

31 s 9(2)(f)(iv)

[Redacted text]

32 **Approve** the following fiscally neutral adjustments to give effect to the decisions in recommendations 6 to 9 and 28 above, with no impact on the operating balance or net core Crown debt:

	\$m – increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & outyears
Vote Housing and Urban Development Minister of Housing					

	\$m – increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & outyears
Multi-Category Expenses and Capital Expenditure: Transitional Housing MCA: Non-departmental Output Expense: Provision of Transitional Housing Places	-	s 9(2)(j)	-	-	-
Non-departmental Output Expense: Transitional Housing Services	-		-	-	-
Non-departmental Output Expense: Contracted emergency housing accommodation and services	-		-	-	-
Vote Social Development Minister of Housing					
Departmental Output Expense: Services to Support People to Access Accommodation (funded by revenue Crown)	-		-	-	-
Non-departmental Output Expense: Housing Place-Based Approaches	-		-	-	-
Non-departmental Other Expense: Housing HUB capital costs Place-Based Approach	-		-	-	-

33 **Agree** that the proposed changes to appropriations in recommendation 32 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply

Next steps

- 34 [Redacted] s 9(2)(f)(iv) [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

37 s 9(2)(f)(iv)

[Redacted text block]

Authorised for lodgement

Hon Dr Megan Woods
Minister of Housing

Hon Carmel Sepuloni
Minister for Social Development and Employment

Hon Marama Davidson
Associate Minister of Housing (Homelessness)

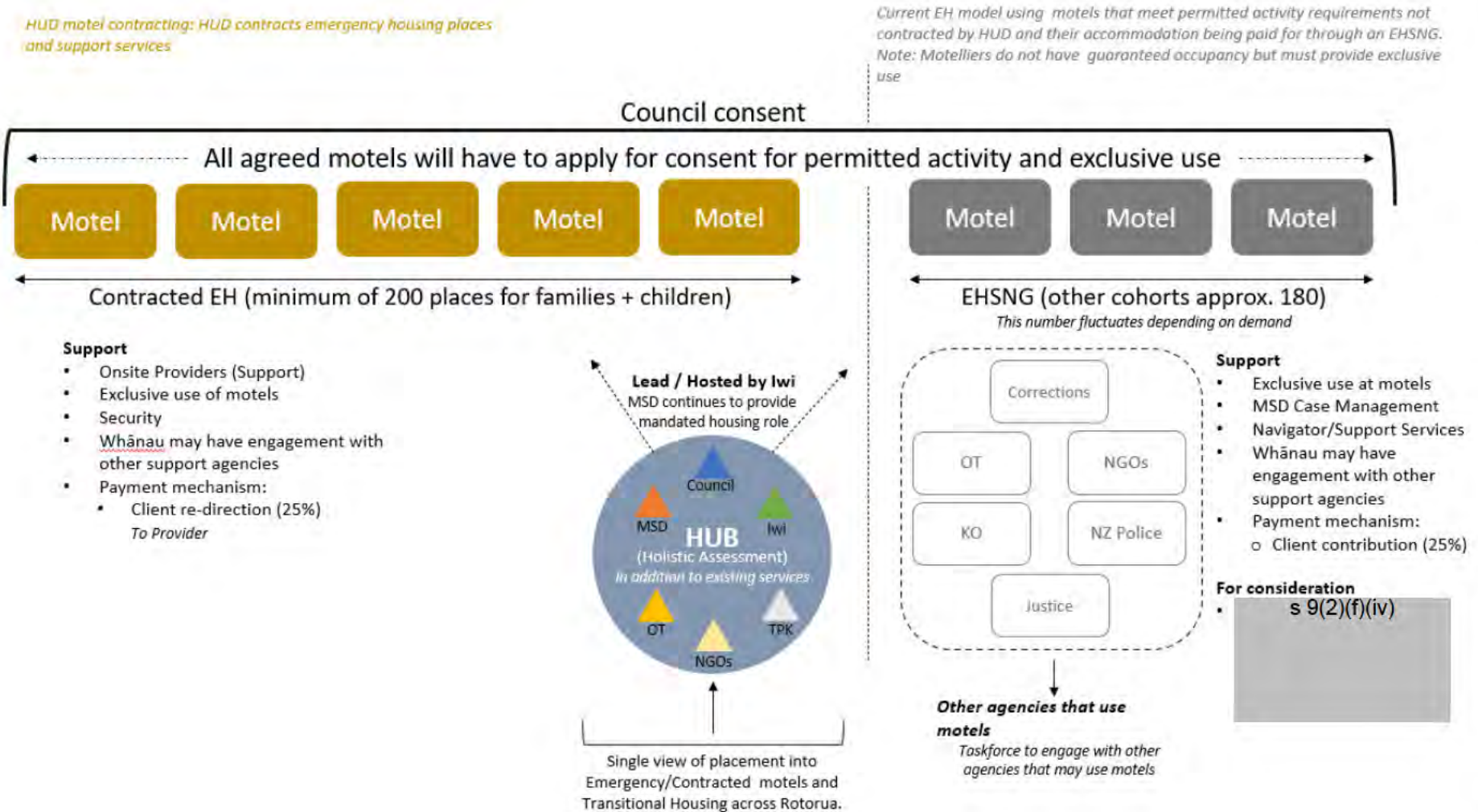
Annex One: Measures to prevent and reduce homelessness

- 1 Significant measures have already been introduced or are underway to reduce homelessness. However, we know it will take time to see the full impact of these. In November 2019, Cabinet agreed to a significant increase in the supply of transitional housing to reduce reliance on motels and the prioritisation of families with children in to the new transitional housing [SWC-19-MIN-0181 refers]. As of February 2021, 1,000 additional transitional housing places have been delivered.
- 2 In December 2019, Cabinet agreed to changes to EH-SNGs to provide greater consistency with other forms of housing support [SWC-19-MIN-0205 refers]. These changes introduced a financial contribution of 25 percent of a client's income towards the cost of emergency housing and enabled MSD to extend the duration of the grant for up to 21 days where the client is engaged with an intensive support service.
- 3 MSD and its partners in the community provide targeted social support to people staying in emergency accommodation longer than seven nights through Intensive Case Managers and contracted Navigators and Support Services. Over 2019/20, the Government allocated \$67.18 million over three years to support a total of 2,943 households in emergency housing at any one time. This included funding through the Aotearoa New Zealand Homelessness Action Plan. Given the increase in the number of people in emergency housing, this support is prioritised based on the level of client need.
- 4 The Homelessness Action Plan was launched in February 2020 and is backed by over \$300 million to deliver on the Government's vision that homelessness is prevented where possible, or is rare, brief and non-recurring. This includes the focus on stable homes and wellbeing and looking past the short-term approach of providing emergency housing, so that individuals and whānau have space to recover and improve their wellbeing and be part of their community.
- 5 During the initial COVID-19 response, agencies worked collaboratively at-pace with housing providers and Māori organisations to house over 1,000 individuals and whānau in motels across New Zealand, supported by over \$100 million in funding. Providers noted very limited numbers of people sleeping rough during the COVID-19 Level 4 lockdown. To meet increased demand, the number of places in Sustaining Tenancies and Rapid Rehousing was also increased (from 1,451 to 2,150 and 170 to 549 places, respectively). Budget 2020 also provided funding to maintain these places.
- 6 All 18 immediate Action Plan actions are now underway, helping people address issues that put their tenancies at risk and supporting people at points where they are at risk of homelessness, such as leaving the care of government. This included work to expand housing support for young people leaving Oranga Tamariki care; improve transitions from acute mental health and addiction inpatient units; improve discharge planning for people leaving hospital and inpatient units; support women leaving prison; and support returned overseas offenders experiencing homelessness.

- 7 With the support of He Taupua and He Kūkū ki te Kāinga MAIHI implementation funding, our delivery of kaupapa Māori approaches is helping to prevent homelessness, increase housing supply, build capability of Iwi and Māori housing providers, and support Māori experiencing or at risk of homelessness.
- 8 A further 18 longer-term actions are to be developed for implementation over 2020-2023, some of which are underway already. For example, new public housing supply is underway through Budget 2020 funding, guided by the Public Housing Plan, and the \$400 million Progressive Home Ownership Fund will help between 1,500 and 4,000 New Zealand families and whānau buy their own homes. The Progressive Home Ownership Fund has a specific aim to address housing affordability issues for three priority groups: Māori, Pacific peoples, and families with children.

Annex Two: Overview of how Rotorua approach will operate

- The figure below provides an overview of how the Rotorua approach will operate on the ground, as well as its governance structure.



IN CONFIDENCE

Annex Three: Stocktake of needs and supports in Rotorua

1 This appendix provides a high-level summary of the needs of key cohorts in emergency housing in Rotorua, as well as the supports available to them. Our understanding of need will grow as case management progresses in Rotorua. There is also scope to adjust contracts with wraparound support providers to account for client needs as they emerge.

Cohort	Need profiles of those in emergency housing in Rotorua Some of these factors drive a need for emergency housing, while others are a result of being in emergency housing	Supports provided through Te Pokapū – the Rotorua Housing Hub	Support provided in Rotorua	Additional supports for those remaining in non-contracted EH-SNG places in Rotorua and nationwide	Wider health and social wellbeing supports in Rotorua
Families and whānau with children (individuals or couples)	For many families and whānau with children, the key issue driving their need for emergency housing is a lack of affordable private rentals. Additional supports for some include: <ul style="list-style-type: none"> • budgeting support • support to overcome challenges of living in a motel, ie maintaining engagement, or re-engaging children, in education • family violence support. 	The Hub will take a holistic, joined-up approach to assessing a wide range of needs for anyone requiring emergency housing in Rotorua. The Hub will be a single point of contact, with referral processes in place, supported by defined roles and responsibilities for agencies and organisations located onsite. Iwi partner, Te Taumata o Ngāti Whakaue Iho Ake, will host the Hub.	Wraparound support will focus on identifying needs and co-ordinating access to wider social and health supports to respond to specific needs. The level of support will adjust according to the need. <i>Service providers</i> <ul style="list-style-type: none"> • Emerge Aotearoa • Lifewise • Visions of a Helping Hand Charitable Trust • WERA Aotearoa Charitable Trust 	A flexible funding package has been introduced through the Homelessness Action Plan to assist whānau with children with the extra stresses and costs of living in emergency housing where other support is not available. It will be used to support the wellbeing and education needs of the children to minimise disruption to their lives and keep them connected with school, early childhood education and other activities.	<i>Iwi and/or kaupapa Māori services</i> <ul style="list-style-type: none"> • Iwi-based social services delivered through Whānau Ora / Te Puni Kōkiri • Manaaki Ora <i>Oranga Tamariki</i> <ul style="list-style-type: none"> • Social Workers in Schools • Family Start <i>Ministry of Social Development</i> <ul style="list-style-type: none"> • Budgeting services • Employment supports <i>Ministry of Health</i> <ul style="list-style-type: none"> • Healthy Homes Initiative <i>Lakes DHB</i> <ul style="list-style-type: none"> • Alcohol and Drug services • Community mental health services
Rangatahi	Rangatahi/young people require intensive, tailored and youth-focused support to assist with: <ul style="list-style-type: none"> • positive and healthy social and community connections • engaging in education or training • mental health wellbeing • day-to-day life skills (running a home, paying bills, cooking etc) • navigating family relationships. 	As above	As above	MSD is undertaking work to improve the provision of emergency housing. This will benefit all cohorts receiving EH-SNGs through non-contracted motels, and includes: <ul style="list-style-type: none"> • improving safety and security • ceasing use of unsuitable motels and moving clients into more suitable accommodation • developing a process for ensuring emergency accommodation is suitable • the potential for a complaints process for emergency housing suppliers • ensuring clients are aware of their obligations when staying in emergency housing. 	
Disabled people	The lack of accessible and affordable rental accommodation, or other barriers such as discrimination, poor employment opportunities and low incomes, can lead to disabled people needing emergency, transitional or public housing. Disabled people are diverse and have a variety of needs, and may require additional social supports depending on the nature of their disability. For example, they may need support to manage daily personal tasks such as cooking and washing, or need communication assistance.	As above	As above		
Individuals with complex needs	Individuals with complex needs may require support with: <ul style="list-style-type: none"> • issues with alcohol and other drugs • mental health • anti-social behaviour. 	As above	MSD will provide: <ul style="list-style-type: none"> • regular check-in with clients • housing-based case management • proactive visits to clients at motels • Navigators. 		

Annex Five: Mock dashboard to report on progress

s 9(2)(g)(i)



Annex Six: Costing assumptions and breakdowns

- 1 This annex provides costing assumptions and breakdowns for the following components of the model:
 - 1.1 Accommodation costs to house 200 families and whānau with children in Rotorua in contracted motels
 - 1.2 Support service costs for wraparound support services and 24/7 onsite management for 200 families and whānau with children in Rotorua
 - 1.3 Te Pokapū – Rotorua Housing Hub to strengthen assessment and placement processes for emergency housing clients
 - 1.4 s 9(2)(f)(iv)

Component	No. of places/motels/ households	Cost per night	Cost per week	Cost per year	\$m				Total
					2021/22	2022/23	2023/24	2024/25 and outyears	
Accommodation	330 motel units	s 9(2)(j)							
Wraparound supports	200 households with children in contracted motels								
24/7 onsite management at contracted EH-SNG motels	20 contracted motels								

⁹ Providers will be responsible for collecting the client contribution (generally 25 percent of their income). s 9(2)(j)

Component	No. of places/motels/ households	Cost per night	Cost per week	Cost per year	\$m				
					2021/22	2022/23	2023/24	2024/25 and outyears	Total
Subtotal: Contracted Emergency Housing Model					s 9(2)(j)				
Upfront Payments to Providers	Four providers – technology set up costs plus meth swab testing on units								
Te Pokapū – Rotorua Housing Hub	Staffing: s 9(2)(j)								
	Operating: s 9(2)(j)								
	Capex: - Fitout (one-off) - Data system capex								
	Subtotal: Te Pokapū – Rotorua Housing Hub								
s 9(2)(f)(iv)									
TOTAL COST									



Report

Date: 13 April 2022

Security Level: IN CONFIDENCE

To: Hon Carmel Sepuloni, Minister for Social Development and Employment

Rotorua Emergency Housing Analysis

Purpose of the report

- 1 This report introduces the analysis "Rotorua Emergency Housing Demand" and highlights the key insights from that analysis.

Recommended actions

It is recommended that you:

- 1 **note** the contents of this report and the attached analysis "Rotorua Emergency Housing Demand" which describes context and drivers for Emergency Housing demand in the Rotorua District
- 2 **agree** to forward this report to the Minister of Housing

Agree/Disagree

PP

Viv Rickard
Deputy Chief Executive
Service Delivery

13/04/2022

Date

Hon Carmel Sepuloni
Minister for Social Development and
Employment

16/4/22

Date

Background

- 2 Rotorua is a focus area for the Government because of its high level of housing need. Agencies have been working actively in Rotorua for some time. In late 2019 a place-based partnership was agreed between Rotorua Lakes Council (RLC), Te Arawa Iwi and government agencies.
- 3 The Rotorua Housing Taskforce was then established in late March 2021, made up of Rotorua Lakes Council, Te Arawa Iwi and officials from Te Tūāpapa Kura Kāinga– Ministry of Housing and Urban Development (HUD), MSD, Kāinga Ora and Te Puni Kōkiri. Police Officials and the Lakes District Health Board have also participated in some of the discussions.
- 4 On 13 May 2021, Ministers announced a range of immediate responses to the homelessness and emergency housing situation in Rotorua. This included:
 - HUD contracting specific motels to provide emergency accommodation and contracting additional wrap around support services to meet the needs of 200 families and whānau with children. Contracted Emergency Housing was established on 1 July 2021 in Rotorua to provide better support and outcomes for people living in Emergency Housing motels, particularly families and whānau with children. Currently 13 motels in Rotorua have been contracted by HUD and are housing around 250 households.
 - Implementation of Te Pokapū – a Rotorua Housing Hub to strengthen assessment and placement processes for clients and co-locate relevant services. Te Pokapū provides a single access point connecting people with the right contracted accommodation and providing advice on suitable commercial accommodation for those eligible for an EHSNG and support services in Rotorua. Agencies, Iwi and local providers are co-located with defined roles and responsibilities.
- 5 The Council remain interested in MSD data around who is staying in emergency housing in Rotorua. For example, there has been a persistent narrative over the last few years that the growing number of clients living in Emergency Housing in Rotorua has been driven by people from other parts of New Zealand moving to Rotorua.

Key insights

- 6 The Rotorua District has experienced continued population growth since 2014, increasing house prices and rental prices, which combined with low levels of residential building consents, low incomes and high rates of benefit dependency have led to a high level of housing need in Rotorua.
- 7 While the Rotorua population is estimated to be 1.5% of the total New Zealand population, applications on the Public Housing Register from the Rotorua District account for 3.3% of all applications.
- 8 While the Public Housing Register in Rotorua has increased by almost 950 applications since October 2016, the number of active Public Housing tenancies has only increased by 161 (26%) tenancies, with 142 of these being provided by Community Housing Providers.
- 9 Around 250 families and whānau with children were prioritised to move from SNG funded Emergency Housing in to Contracted Emergency Housing. However there has been another increase in EH SNG use in Rotorua, with around 400 households being supported by Emergency Housing SNGs each month since September 2021.
- 10 There were 1,121 clients who entered Emergency Housing in Rotorua in 2021. We looked at their addresses one month before entering Emergency Housing and combined that data with manual investigation into client circumstances to determine that:

- 778 clients (69%) were already living in the Rotorua District TLA one month before entering Emergency Housing or had previously lived in the Rotorua District
 - A further 208 clients (19%) were living in one of the Neighbouring TLAs one month before entering Emergency Housing, where often supply of Emergency Housing is limited
 - The final 135 clients (12%) came from other TLA's across New Zealand or had an unknown address one month before their stay in Emergency Housing began.
- 11 This analysis shows that the vast majority of emergency housing special needs grant recipients in Rotorua are for clients from the Rotorua District or the surrounding areas. Of those who are not, around half were in Rotorua for family and whānau support. A lack of Emergency Housing Supply in neighbouring TLAs has also contributed to clients requiring Emergency Housing in Rotorua.
- 12 Of the 135 clients with an address from outside the Rotorua District TLA or a Neighbouring TLA one month before they entered Emergency Housing in Rotorua, case note investigation found that:
- 64 clients had family and whānau in Rotorua that they moved to be close to, many living temporarily with them before requiring Emergency Housing
 - 13 clients had returned home to nearby regions where their local Emergency Housing supply was unable to accommodate them and then moved to Rotorua
 - 10 moved to Rotorua for work opportunities, 8 clients were passing through and impacted by lockdowns, 9 had left prison or rehab and 2 clients had grants made in error
 - 9 clients had friends in Rotorua that they moved to be close to, again, with many temporarily living with these friends before requiring Emergency Housing
 - For 20 clients we were unable to establish a link to Rotorua during our investigations. However, this is not to say there is no link to Rotorua for these clients, it may just not have been recorded in client files.

Next steps

- 13 MSD and other agencies remain closely engaged with Council and the Rotorua Housing Task Force in our efforts to implement a strengthened emergency housing approach. While Council is a key partner in the pilot's success it also has its regulatory position to consider.
- 14 RLC is currently considering options to ensure that motel use within its boundaries comply with the terms of the Resource Management Act, District Plan and other applicable regulation. It is possible that MSD or another agency may be named as a party to any proceeding.
- 15 MSD officials are available to discuss the content of this report should you require.

Appendix

Rotorua Emergency Housing Demand – an analysis

REP/22/4/326

Author: ^{s9(2)(a)} [REDACTED], Principal Analyst, System Performance

Responsible manager: Fleur McLaren, General Manager System Performance, Strategy and Insights



Rotorua Emergency Housing Demand – an analysis

Purpose

The purpose of this analysis is to attempt to understand the drivers contributing to the demand for Emergency Housing in Rotorua. We also look at where clients staying in Emergency Housing in the Rotorua District have come from, and if they have not recently been living in Rotorua, what their connections are to the area.

Background

Rotorua is a focus area for the Government because of its high level of housing need. Government has been working actively in Rotorua for some time. In late 2019 a place-based partnership was agreed between Rotorua Lakes Council, Te Arawa Iwi and government agencies. The Rotorua Housing Taskforce was then established in late March 2021, made up of Rotorua Lakes Council, Te Arawa Iwi and officials from Te Tūāpapa Kura Kāinga–Ministry of Housing and Urban Development (HUD), MSD, Kāinga Ora and Te Puni Kōkiri. Police Officials and the Lakes District Health Board have also participated in some of the discussions.

On 13 May 2021, Ministers announced a range of immediate responses to the homelessness and emergency housing situation in Rotorua. This included:

- HUD contracting specific motels to provide emergency accommodation and contracting additional wrap around support services to meet the needs of 200 families and whānau with children. Contracted Emergency Housing was established on 1 July 2021 in Rotorua to provide better support and outcomes for people living in Emergency Housing motels, particularly families and whānau with children. Currently 13 motels in Rotorua have been contracted by HUD and are housing around 250 households.
- Implementation of Te Pokapū – a Rotorua Housing Hub to strengthen assessment and placement processes for clients and co-locate relevant services. Te Pokapū provides a single access point connecting people with the right contracted accommodation and providing advice on suitable commercial accommodation for those eligible for an EHSNG and support services in Rotorua. Agencies, Iwi and local providers are co-located with defined roles and responsibilities.

MSD and HUD are continuing to engage with Rotorua Lakes Council. Some of the specific concerns from the Council include:



- compliance of motels (contracted and non-contracted) with the Resource Management Act 1991 and Building Act 2004. The Council are planning to take regulatory action over 2022
- suitability and safety issues with many of the backpackers and motels being used for emergency accommodation. For example, many have outdated fire systems and are not suitable for longer term stays
- mixed use of motels for tourists and EHSNG clients is seen to impact on both security and certainty for EHSNG clients
- concentration of motels along key streets.

The Council remain interested in MSD data around who is staying in emergency housing in Rotorua. For example, there has been a persistent narrative over the last few years that the growing number of clients living in Emergency Housing in Rotorua has been driven by people from other parts of New Zealand moving to Rotorua.

Key Findings

Drivers and Context

While the Rotorua population is estimated to be 1.5% of the total New Zealand population, the Rotorua District Territorial Local Authority (TLA) has higher levels of benefit dependency and Emergency Housing use and accounts for 3.3% of applications on the Public Housing Register, indicating higher levels of housing need in Rotorua.

The introduction of Contracted Emergency Housing in Rotorua temporarily decreased demand for Emergency Housing SNGs, but overall demand has remained high, with 9% of all Emergency Housing clients being situated in Rotorua.

Reasons for high demand for Emergency Housing in Rotorua are:

- Rotorua median rents growing at a faster rate than national rents
- House prices in Rotorua growing at a faster rate than national rates
- Higher levels of benefit dependency and of unemployment than the overall population
- Earnings at less than the national median
- Low levels of residential building consents
- Faster growth in applications on the Public Housing Register than national averages

Public Housing in Rotorua has increased by 161 tenancies in the last 5 years, primarily driven by Community Housing Providers, while the Public Housing Register has had an additional 950 applications in the same period.



Where people are coming from

This analysis shows that the vast majority of emergency housing special needs grant recipients in Rotorua are for clients from the Rotorua District TLA or the surrounding areas. Of those who are not, around half were in Rotorua for family and whānau support.

There were 1,121 clients who entered Emergency Housing in Rotorua in 2021. We looked at their addresses one month before entering Emergency Housing and combined that data with manual investigation into client circumstances to determine that:

- 778 clients (69%) were already living in the Rotorua District TLA one month before entering Emergency Housing or had previously lived in the Rotorua District
- A further 208 clients (19%) were living in one of the Neighbouring TLAs one month before entering Emergency Housing, where often supply of Emergency Housing is limited
- The final 135 clients (12%) came from other TLA's across New Zealand or had an unknown address one month before their stay in Emergency Housing began.

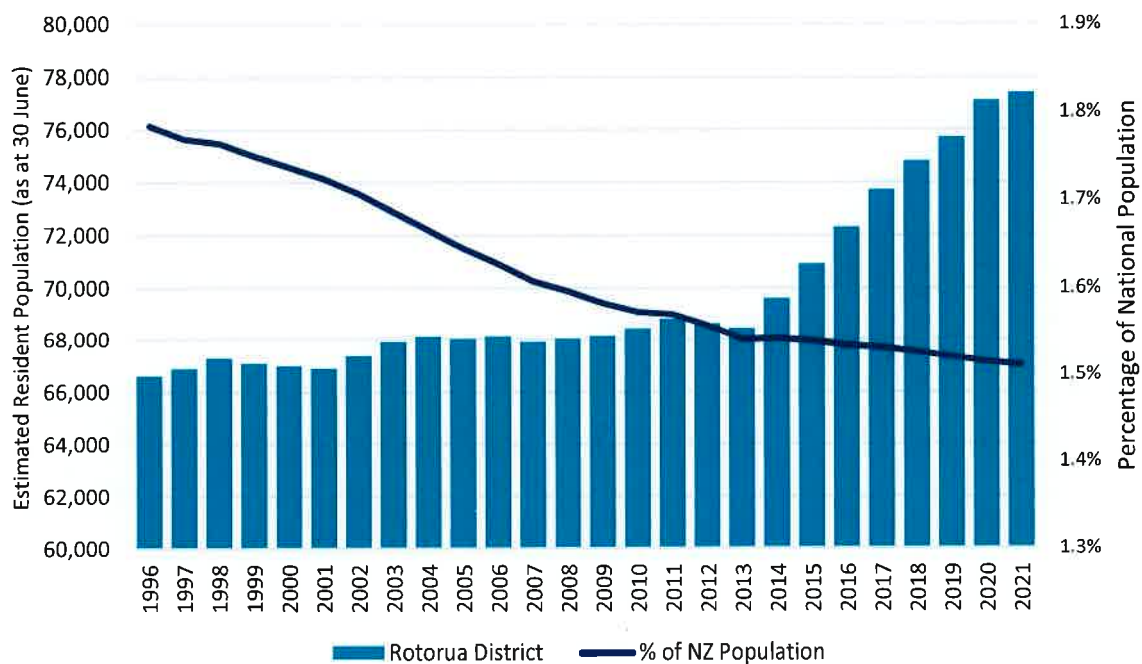
Of the 135 clients with an address from outside the Rotorua District TLA or a Neighbouring TLA one month before they entered Emergency Housing in Rotorua, case note investigation found that:

- 64 clients had family and whānau in Rotorua that they moved to be close to, many living temporarily with them before requiring Emergency Housing
- 13 clients had returned home to nearby regions where their local Emergency Housing supply was unable to accommodate them and then moved to Rotorua
- 10 moved to Rotorua for work opportunities, 8 clients were passing through and impacted by lockdowns, 9 had left prison or rehab and 2 clients had grants made in error
- 9 clients had friends in Rotorua that they moved to be close to, again, with many temporarily living with these friends before requiring Emergency Housing
- For 20 clients we were unable to establish a link to Rotorua during our investigations. However, this is not to say there is no link to Rotorua for these clients, it may just not have been recorded in client files.

Rotorua Population and income demographics

The Rotorua estimated resident population has increased 7% between June 2016 and June 2021, after a long period of stability between 2003 and 2013. Rotorua growth has been slower than the total New Zealand population, as the percentage of the estimated New Zealand population in Rotorua has been decreasing. As at June 2021, it is estimated by Statistics New Zealand that the Rotorua population is 1.51% of the New Zealand total estimated resident population, down from 1.78% in June 1996.

Figure 1: Estimated Resident Population for Rotorua District and the percentage of the total New Zealand population this is by year (30 June)¹



Income and Employment

The average unemployment rate in the Rotorua District was 6.1% in December 2021. This was higher than the New Zealand Average of 3.8% and the total Bay of Plenty Region with a rate of 4.5%².

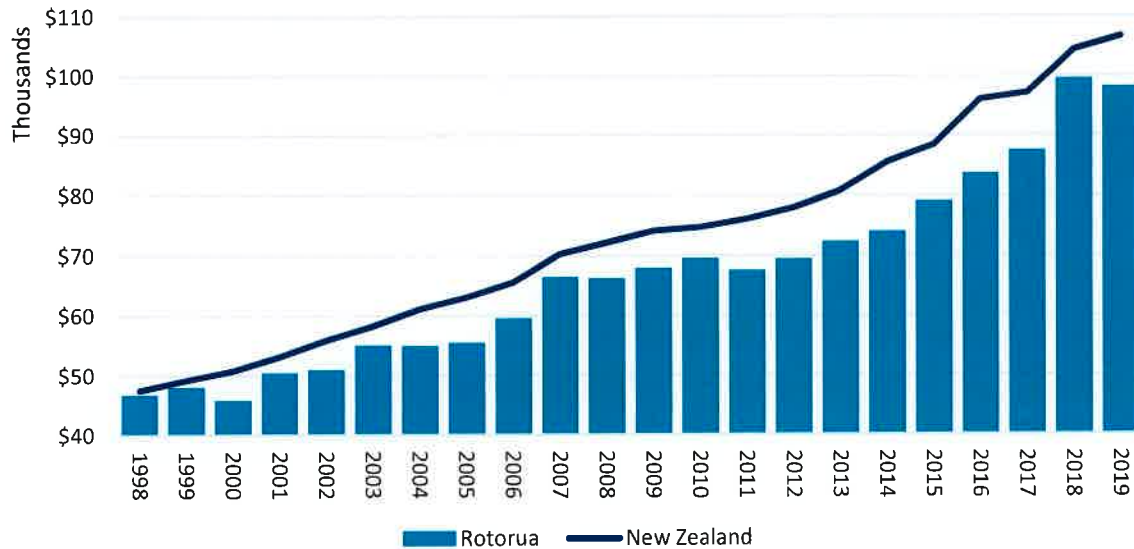
MBIE estimates the mean annual household income in Rotorua for 2019 to be \$98,000 down 1.4% from \$99,400 in 2018. This is lower than the National mean household income of \$106,600 which had increased 2.1% in the same period, up from \$104,400 in 2018.

¹ Estimated Resident Population sourced from [Home | Stats NZ](#) March 2022

² [Quarterly Economic Monitor | Rotorua District | Unemployment rate \(infometrics.co.nz\)](#) March 2022

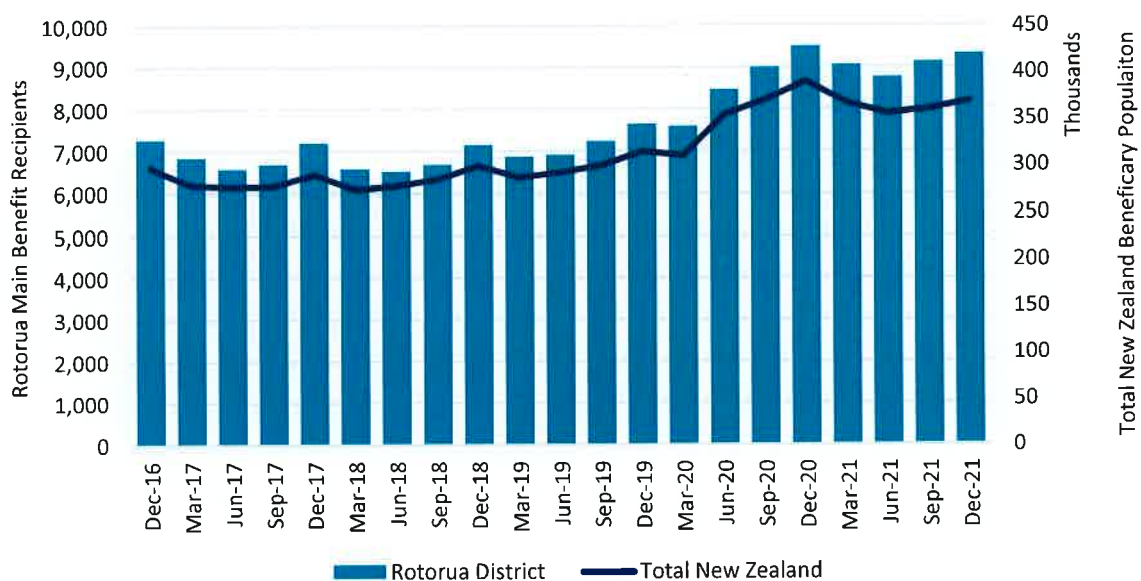


Figure 2: Rotorua District and Total New Zealand mean annual household income³



As at the end of December 2021, there were 9,303 benefit recipients in Rotorua. This accounts for 2.5% of the National Benefit population, meaning that Rotorua has higher levels of beneficiary assistance than proportionally is expected with 1.5% of the New Zealand population. This number included 5,313 recipients receiving Jobseeker Support, 2,208 receiving Sole Parent Support and 1,590 receiving Supported Living Payments.

Figure 3: Rotorua District and Total New Zealand Main Benefit population⁴



³ Mean Annual Household Income sourced from [Regional economic activity report \(mbie.govt.nz\)](https://www.mbie.govt.nz) March 2022

⁴ MSD benefit factsheets [Benefit Fact Sheets - Ministry of Social Development \(msd.govt.nz\)](https://www.msd.govt.nz)



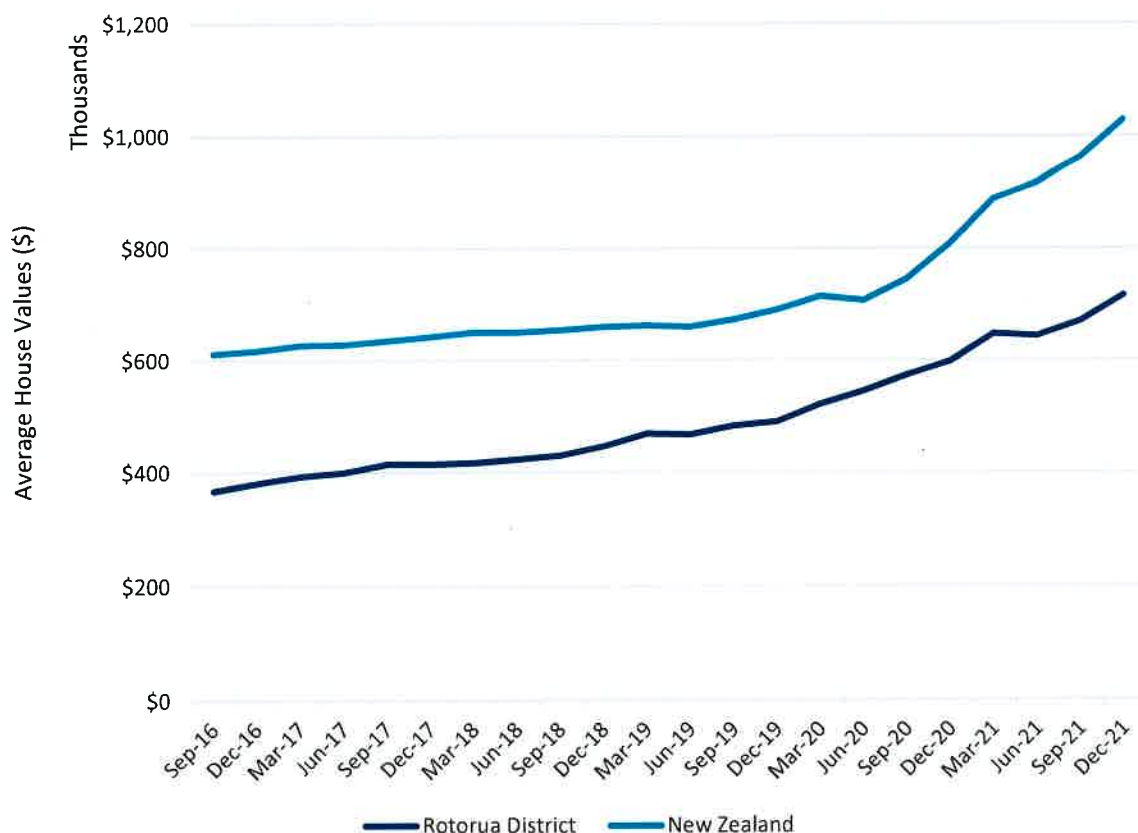
Rotorua Housing and Rental Market

The 2018 New Zealand Census estimated there were 28,562 private dwellings in Rotorua, with an additional 99 under construction. It estimated that 25,236 (88%) of these dwellings were occupied⁵.

House Values

While Rotorua house values have increased, as at the end of 2021 they are on average \$300,000 less than the National House price. Rotorua house prices have increased at a higher rate with Rotorua house prices sitting around 60% of National values at the end of 2016. This has increased with Rotorua houses now being valued at around 70% of the National house price.

Figure 4: Average House Value by month, Nationally and for Rotorua District⁶



⁵ Statistics NZ [Place Summaries | Rotorua District | Stats NZ](#)

⁶ Average House Value sourced from www.infometrics.co.nz March 2022

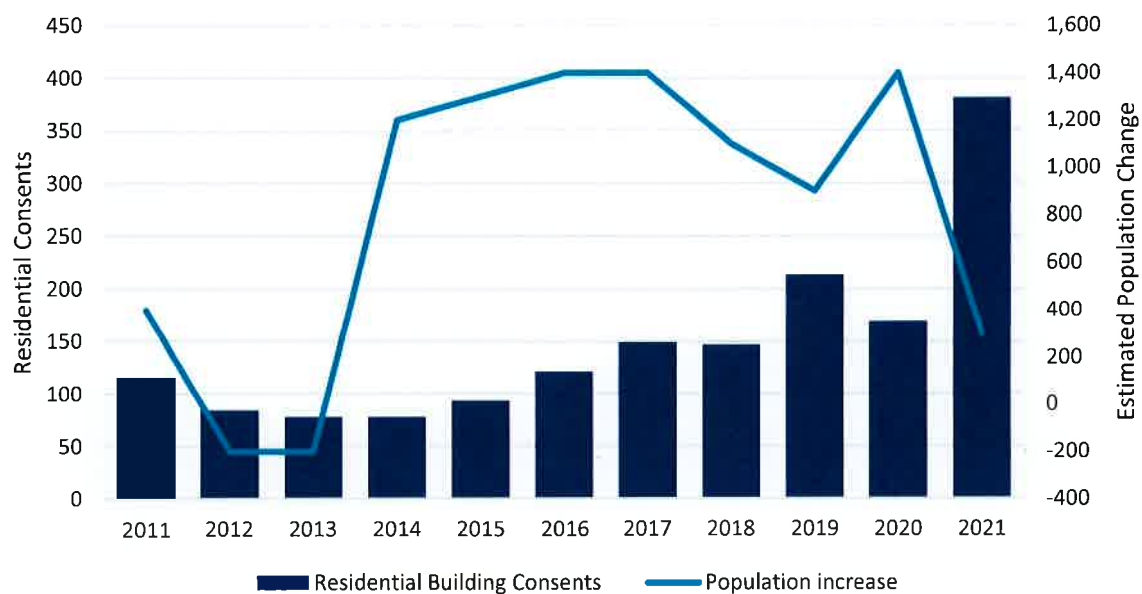


Building Consents

It is estimated that Rotorua's population grew by 5,100 people in the last 5 years, while only 1,179 residential consents were issued in Rotorua District, with a large proportion of these consents being issued in the last 12 months.

There was a period of sustained population growth between 2014 and 2020 where Residential consents were low and did not increase at the expected rate to support the increases in population.

Figure 5: Number of Residential Consents for Rotorua District and the Estimated Population Change⁷



In 2021, there were a total of 48,899 residential consents granted across New Zealand, with only 381 (0.8%) being in the Rotorua District. While Rotorua consents increased in 2021, between 2016 and 2020 they only accounted for between 0.40 and 0.57% of total New Zealand residential consents.

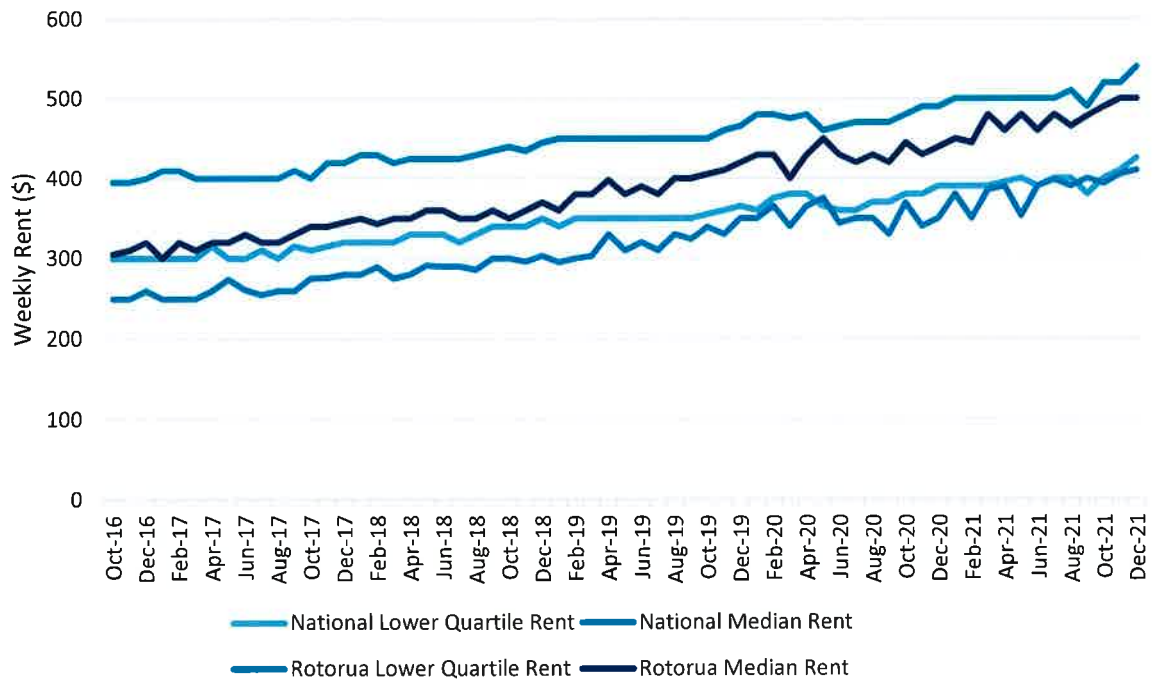
Rental Market

Median and lower quartile rents in the Rotorua District have grown at a faster rate than National rents have for the last few years. This is shown in Figure 6, where the distance between the dark blue line and the dark teal line has narrowed as Rotorua rents have moved closer to the National rents. In 2016 Rotorua median rents were around \$100 less than the National median; this difference had reduced to between \$20 and \$40 for most of 2021.

⁷ Residential Consents sources from Statistics NZ [Building consents issued: December 2021 | Stats NZ](#) March 2022



Figure 6: Median and Lower Quartile Rent by month, Nationally and for Rotorua District⁸



Accommodation Supplement

Currently 2.4% of all Accommodation Supplement (AS) recipients are living in Rotorua. This equates to around 8,700 recipients in Rotorua, who on average are receiving almost \$78 a week towards their accommodation costs.

The increase in the weekly rates in 2018 was due to the changes to Accommodation Supplement as part of the Families Package. While the Rotorua District AS Area did not change (remaining at area 3), the maximum amount of Accommodation Supplement available to people in Rotorua did increase.

Between October 2016 and December 2021, the average weekly costs claimed by Rotorua clients for accommodation increased \$81 from \$221 to \$302. The increase in the maximum Accommodation Supplement rate means that the Accommodation supplement is still covering around 26% of clients' accommodation costs each week in Rotorua.

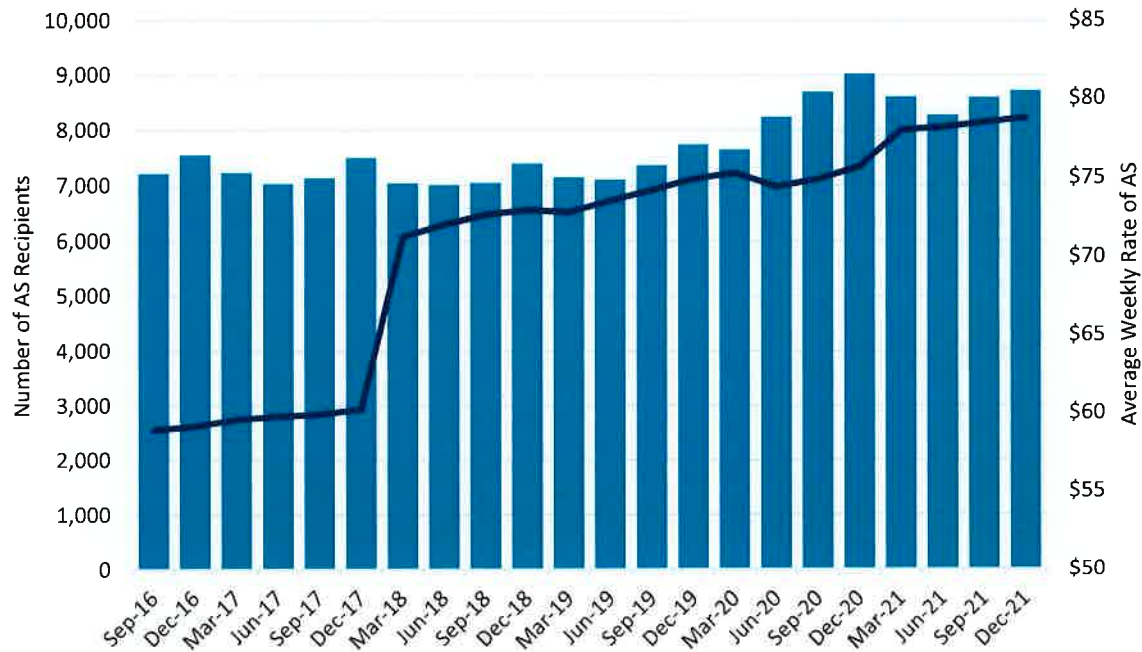
The quarterly trends in Accommodation Supplement recipients for the Rotorua District are very similar to the National trends, with both peaking at the end of December 2020. Rates of Accommodation Supplement always increase in December due to the increase in students receiving this assistance over the summer break, however the December

⁸ Rental Data sourced from MBIE <https://www.tenancy.govt.nz/about-tenancy-services/data-and-statistics/rental-bond-data/> March 2022



2020 peak was much higher than expected due to the impacts of COVID-19 and the economy.

Figure 7: Number of Accommodation Supplement Recipients and average weekly rate for Rotorua District



Public Housing Register, Tenancies and Numbers being Housed

The Public Housing Register

The number of applications on the Public Housing Register in Rotorua has increased significantly. Between October 2016 and February 2022, the number of applications increased from 85 to 1,064 applications, a 1152% increase. Nationally in the same period the Public Housing Register increased from just over 6,000 applications to 31,654, an increase of 421%.

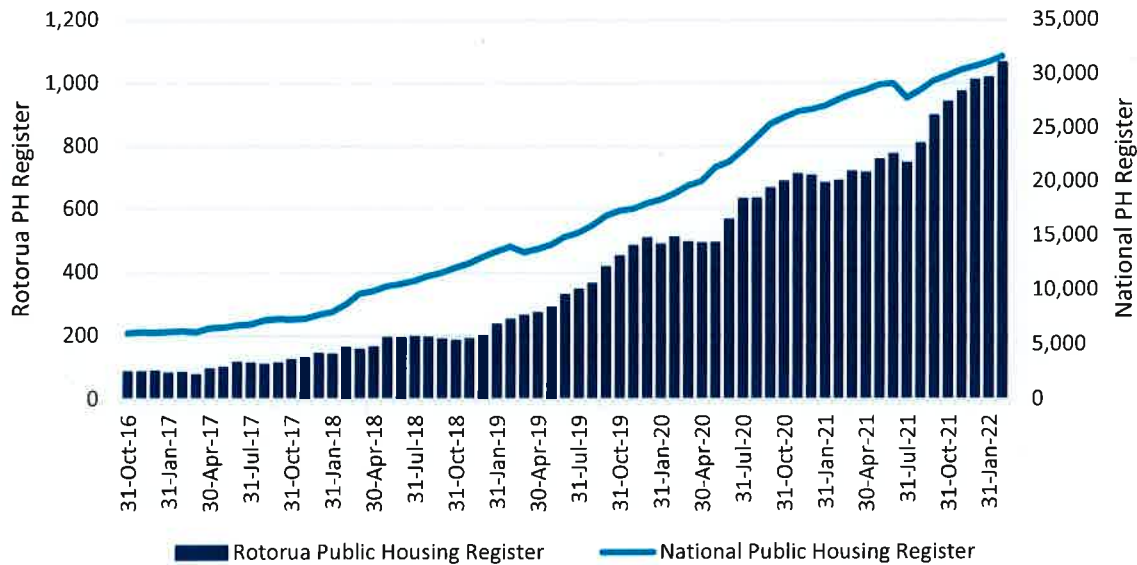
In Rotorua, 96% of applications on the Public Housing Register are on the Housing Register, with only 4% on the Transfer Register. Nationally 17% of the Public Housing Register are on the Transfer Register.

While Rotorua accounts for an estimated 1.5% of the New Zealand population, Rotorua based applications made up 3.3% of the Public Housing Register at the end of 2021.

In general, the level of need in Rotorua is higher than the national level with 69.4% of applications in Rotorua, as at 28 February 2022, having a priority rating of A20-A15, compared to the national level with 52.3% of applications being priority A20-A15. There are very few applications in Rotorua with a B priority, only accounting for 1.6% of applications, compared to the national level of 8.2% of applications.



Figure 8: Number of Applications on the Public Housing Register Nationally and for Rotorua by month

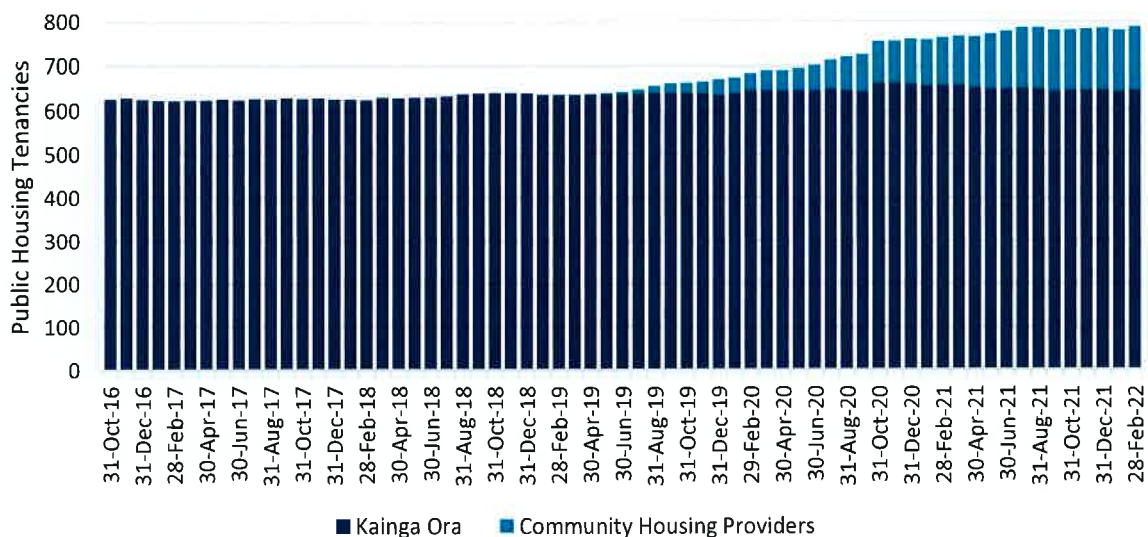


Public Housing Tenancies

Currently 1.1% of Public Housing Tenancies are in the Rotorua District TLA, while, as stated above, 3.3% of the Public Housing Register applications are for applicants living in Rotorua. This increases to 3.9% when only considering those on the Housing Register and not those applicants on the Transfer Register.

While the Public Housing Register in Rotorua has increased by almost 950 applications since October 2016, the number of active Public Housing tenancies has only increased by 161 (26%) tenancies, with 142 of these being provided by Community Housing Providers.

Figure 9: Number of Public Housing Tenancies in Rotorua by month and provider





The number of applicants housed in Public Housing from the Register in Rotorua is proportionally lower than the number of applications in Rotorua on the Register. In 2021, 87 (1.4%) of new Public Housing Tenancies were in the Rotorua District, while at the end of 2021, 3.3% of the Public Housing Register applications were for applicants living in Rotorua, up from 2.5% of applicants in January 2021.

The increase in the number of applications housed in Rotorua in 2020 was due to applications being housed by Community Housing Providers. From the start of 2020 to the end of 2020 Community Housing providers increased the number of tenancies in Rotorua from 36 to 98.

Table 1: Number of Applications housed in Public Housing each year in Rotorua and Nationally

Year	Rotorua Number Housed	National Number Housed	Percentage in Rotorua
2016	61	6,597	0.9%
2017	59	7,075	0.8%
2018	58	6,588	0.9%
2019	80	7,267	1.1%
2020	152	7,067	2.2%
2021	87	6,116	1.4%

Demand for Emergency Housing in Rotorua

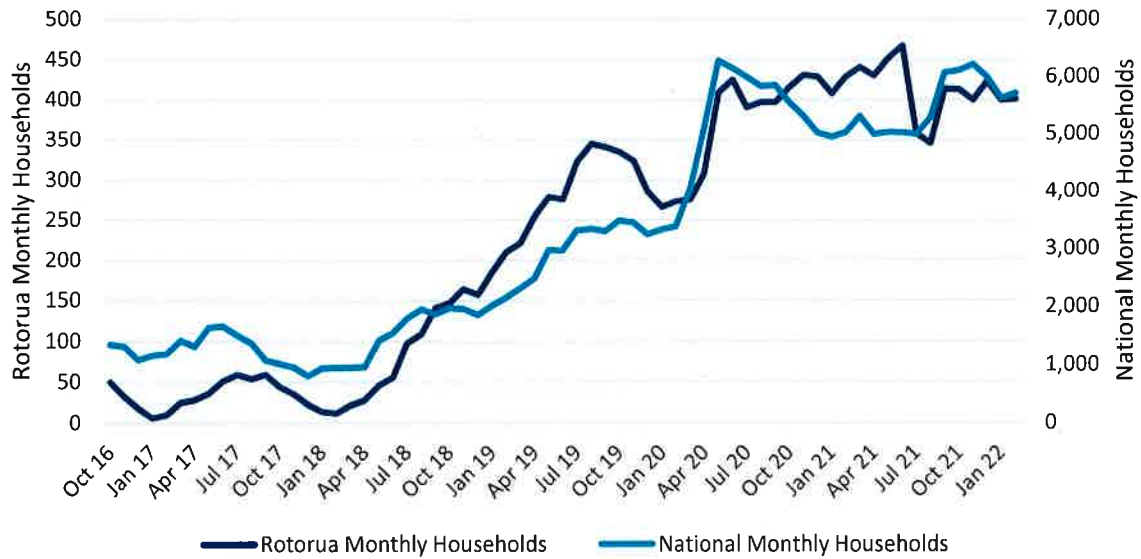
The number of households accessing Emergency Housing in Rotorua has increased significantly since 2016 in line with National trends.

Rotorua appears to have had higher proportions of households in Emergency Housing in 2019 (with around 10% of all Emergency Housing households being in Rotorua) and again at the start of 2021 where Rotorua households accounted for around 9% of all households. Noting, it is estimated that only around 1.5% of the National population is in Rotorua.

The number of households requiring Emergency Housing in Rotorua increased significantly in early-mid 2020 due to the National COVID-19 level four lockdown. This increase was in line with National trends as clients were unable to stay with family and friends or in other shared accommodation due to the bubble concept which was implemented to reduce the spread of COVID-19.

The monthly number of households in Rotorua accessing Emergency Housing Special Needs Grants (SNGs) dropped in mid-2021 with the introduction of Contracted Emergency Housing. Around 250 families and whānau with children were prioritised to move from SNG funded Emergency Housing in to Contracted Emergency Housing. However there has been another increase in EH SNG use in Rotorua, with around 400 households being supported by Emergency Housing SNGs each month since September 2021.

Figure 10: National and Rotorua Households in Emergency Housing, funded by EH SNGs across each month⁹



Transitional and Contracted Emergency Housing in Rotorua

Contracted Emergency Housing

Contracted Emergency Housing was established on 1 July 2021 in Rotorua to provide better support and outcomes for people living in emergency housing motels, particularly families and whānau with children.

The key changes agreed to by Cabinet as part of the Rotorua pilot were:

- HUD contracting specific motels to provide emergency accommodation, with an initial focus on the approximately 200 families and whānau with children in EH-SNG motels.
- Providing better supports through HUD, who contract for additional wraparound support services to meet the needs of the families in those contracted motels, and MSD improving supports available for those remaining in the current EH-SNG funded places.
- The implementation of Te Pokapū – a Rotorua Housing Hub to strengthen assessment and placement processes for emergency housing clients and co-locate relevant services, including MSD.

⁹ Due to suppliers of Emergency Housing not being geocoded in MSD systems, this data is based on EH SNGs where the clients address at the time of the grant is in the Rotorua Territorial Local Authority (TLA). Rotorua may not be the location of their Emergency Housing. Similarly, clients in Rotorua Emergency Housing with addresses outside of the Rotorua TLA will not be included in this analysis. This methodology is consistent with previously released data for OIAs and PQS, but does differ from the analysis in the second half of this paper.



Currently 13 motels in Rotorua have been contracted by HUD and are housing around 250 households. Contracted wraparound support services are provided to these households. Operational reporting obtained from HUD indicates an additional 250 households have been through this Contracted model since July 2021.

Additional support has also been made available to those remaining in non-contracted motels which are funded via EH SNGs.

Transitional Housing

The most recent data available on HUD’s website states there are 111 Transitional Housing places in the Rotorua District as at 30 September 2021. Data from HUD’s monthly factsheets indicates there were less than 15 Transitional Housing places in Rotorua in October 2016.

The number of Transitional Housing places nationally has increased 319% from 1,123 in June 2017 to 4,710 places in September 2021. The number of Transitional Housing places in Rotorua has increased 594% from 16 places to 111 places.

The number of Transitional Housing places in Rotorua dropped in mid-2020 to 68 places, due to the closure of the Night Shelter in Rotorua that was being managed by Visions of a Helping Hand. The majority of clients displaced from the Night Shelter were placed into COVID Motels (contracted by HUD), which continue to operate in Rotorua with Visions of a Helping Hand providing wraparound support to clients.

As at the end of September 2021, 2.4% of the Transitional Housing places were in Rotorua, while 6.8% of Emergency Housing households were in Rotorua that month, with an additional 250 households also being accommodated in Contracted Emergency Housing.

Figure 11: National and Rotorua Transitional Housing places by quarter¹⁰



¹⁰ Data Sourced from the Ministry of Housing and Urban Development [The Government Housing Dashboard | Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development \(hud.govt.nz\)](https://www.hud.govt.nz/the-government-housing-dashboard/) March 2022



Where are Rotorua Emergency Housing clients coming from?

Approach

For the following analysis, we looked at all of the clients who entered Emergency Housing in 2021 (i.e. a new spell began in Emergency Housing¹¹). This population was then reduced to only include clients who had spent time in 2021 in Rotorua Emergency Housing¹². There were 1,121 clients who began 1,213 spells in Emergency Housing in 2021 and spent part of that spell in Rotorua during 2021.

The following analysis uses this 1,121 as our base population¹³. The first spell a client began in 2021 is the spell retained for this analysis.

A Client's recorded address¹⁴ one month before the beginning of their Emergency Housing stay was used to determine where clients were coming from before entering Emergency Housing in Rotorua in 2021. Clients were then classified into four groups based on this previous address information, at the Territorial Local Authority (TLA) level. The following 4 categories were used:

- Clients with an address in Rotorua a month before entering Emergency Housing (Blue on Figure 12 below)
- Clients with an address in Neighbouring TLA's a month before entering Emergency Housing (Teal on Figure 12 below). This includes the following TLAs: Western Bay of Plenty, Kawerau District, Whakatāne District, Tauranga City, Ōpōtiki District, Waipa District, Taupō District and South Waikato District (Blue on Figure 12 below)
- Clients with an address in another part of New Zealand a month before entering Emergency Housing
- Clients with an unknown address one month before entering Emergency Housing.

¹¹ This analysis is based on spells in Emergency Housing. A spell is defined as an almost continuous period in Emergency Housing which is ended after an absence period of 4 weeks or more. If the client returns to Emergency Housing with more than 4 weeks between their last check out date and next check in date, this is considered to be the beginning of a new spell in Emergency Housing.

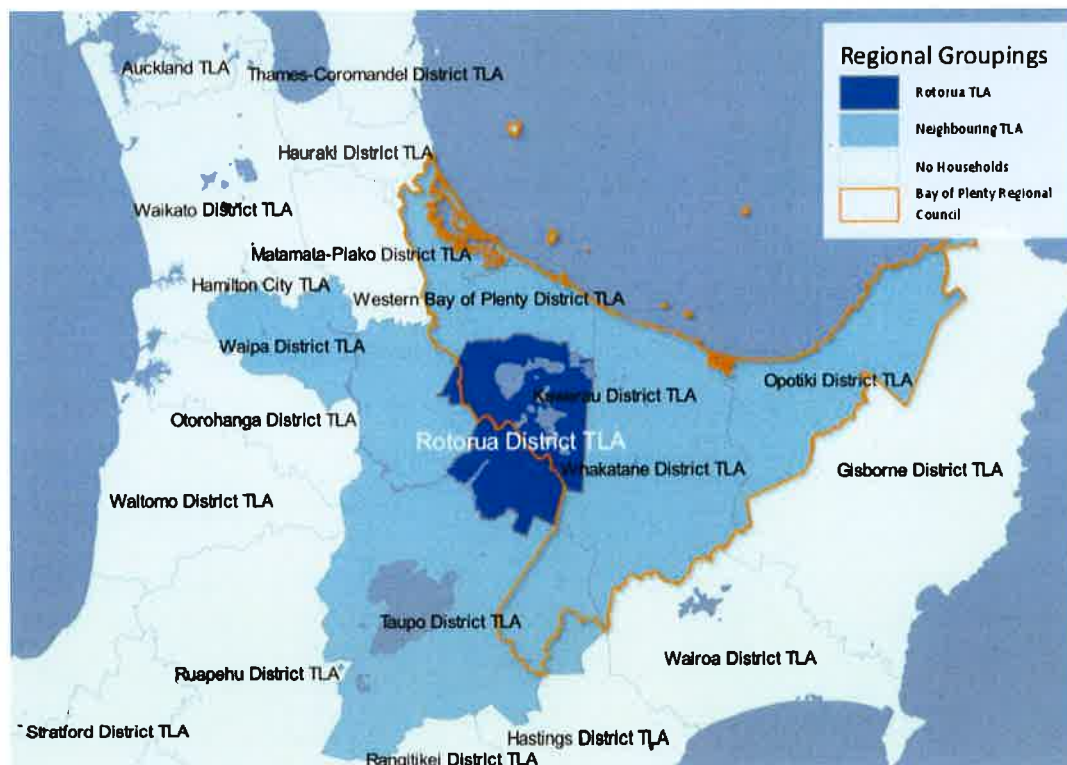
There were 84 clients included in this analysis who had more than one spell begin in Emergency Housing in Rotorua in 2021 (16 clients had 3 spells begin and 76 clients had 2 spells begin in 2021). To simplify the analysis these spells are referred to individually as if the clients were not re-entering Emergency Housing and were in fact new clients and are labelled as such in this analysis.

¹² This analysis uses experimental geocoding tools and processes to estimate regions for Emergency Housing Suppliers. Due to the nature of this new and unofficial analysis method, previously published data and analysis will differ as different logic is used to determine the region of suppliers.

¹³ This analysis does not include clients who were already in Emergency Housing prior to 1 January 2021. This analysis does not take into account previous spells a client may have had in Emergency Housing.

¹⁴ The computational analysis carried out of addresses one month prior to a client entering Emergency Housing only looked at recorded residential addresses. The subsequent manual analysis looked at all recorded addresses on a client's file which provides a fuller picture of a client's location. A number of clients may not have previous address information recorded in MSD systems as they may not have been MSD clients prior to entering Emergency Housing.

Figure 12: Map of TLAs, Regional Council and classifications used for analysis



Where did clients live before they entered Emergency Housing?

Our initial approach to the question of where clients were living before entering Emergency Housing was to use the approach outlined above. We were looking only at the clients address data exactly one month prior to entering Emergency Housing.

This preliminary analysis determined that, of the 1,121 clients that entered Emergency Housing in 2021 and stayed in Emergency Housing in Rotorua:

- 668 (60%) were already living in the Rotorua District one month before entering Emergency Housing
- A further 208 (19%) clients were living in one of the Neighbouring TLAs
- Another 171 (15%) came from other regions across New Zealand, including Auckland and Tauranga City
- The remaining 74 clients (7%) had an unknown address one month before their stay in Emergency Housing began

In total, 79% of clients were confirmed through previous address data as living in Rotorua or a neighbouring TLA in the month before entering Emergency Housing using MSD address data.

This analysis is extended upon in the following section where case notes and individual client circumstances are used to supplement this analysis.



Figure 13: Initial analysis of Address of clients one month prior to entering Emergency Housing in Rotorua in 2021

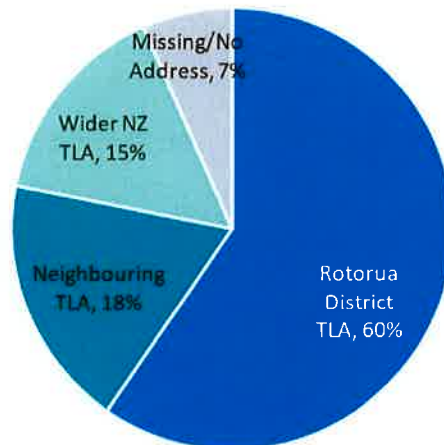


Figure 14 below shows that the Whakatane District contributed the highest number of clients, with 58 clients (5%) in Emergency Housing in Rotorua coming from the Whakatane District based on client addresses one month prior.

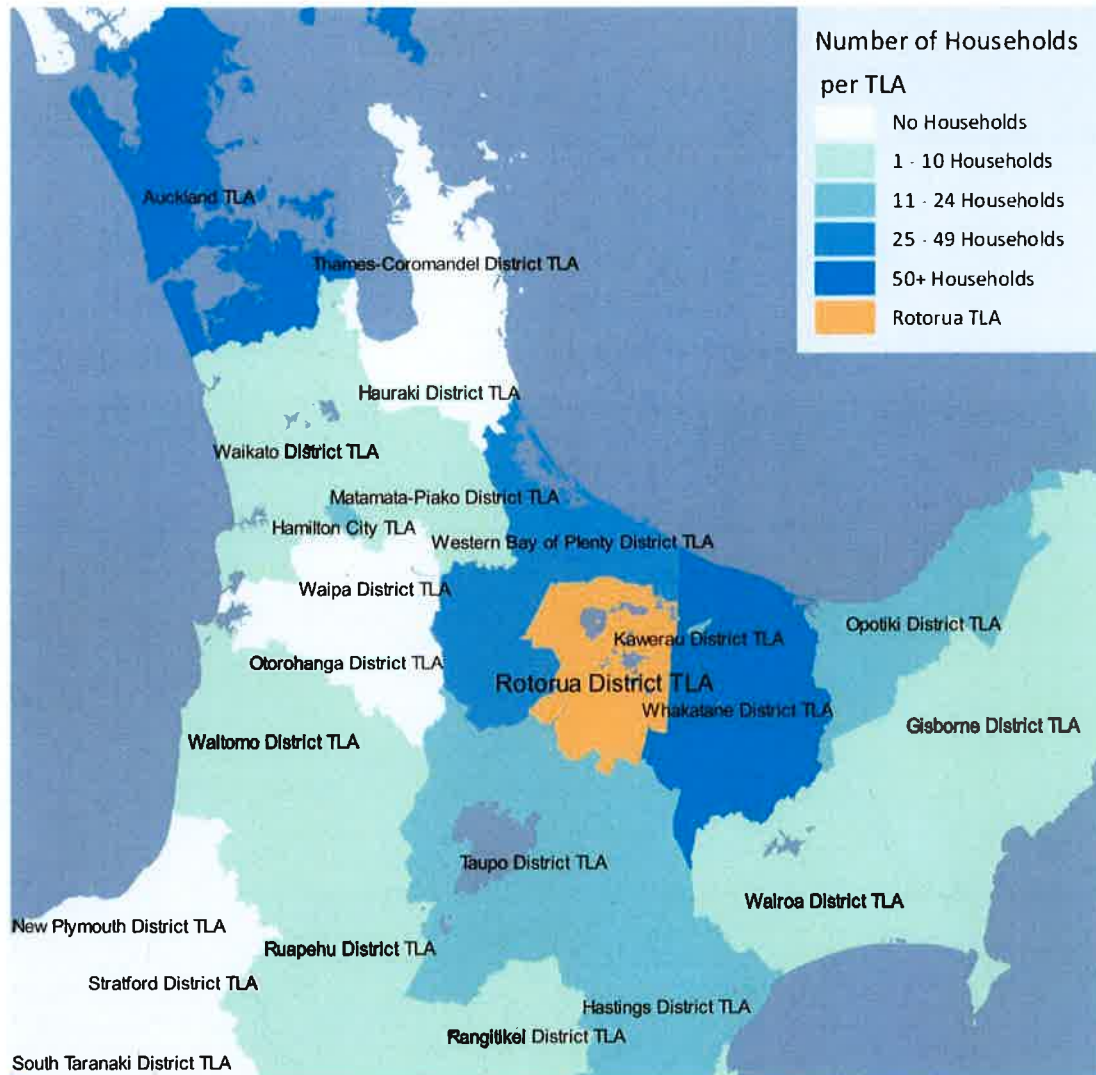
Another 59 clients (5%) had addresses in the Auckland City TLA one month before entering Emergency Housing and staying in Rotorua at some point.

Tauranga City (36) and South Waikato District (29) TLAs each represented 3% of clients based on their previous addresses, with small numbers having addresses in other TLAs across of New Zealand.

There are 9 clients (1%) with addresses in the South Island one month before entering Emergency housing in 2021 which included a stay in Rotorua Emergency Housing at some stage in 2021. These clients had addresses in Christchurch City (4), Nelson City (1), Tasman District (1), Dunedin City (1) and Clutha District (2).



Figure 14: Location of clients with a non-Rotorua District address one month prior to entering Emergency Housing 2021 by Territorial Local Authority (TLA)



An in-depth look at clients with addresses in other regions

For the analysis above, we were looking at the data to find an address exactly one month before the client entered Emergency Housing. Due to gaps in recorded addresses in MSD's Client Management System (CMS) this sometimes did not pick up that the client was already living, or previously had been living, in Rotorua.

We closely examined the client files, address history and case notes of the 245 (21.8%) clients who had an address outside of Rotorua or the neighbouring TLAs one month before they entered Emergency Housing.

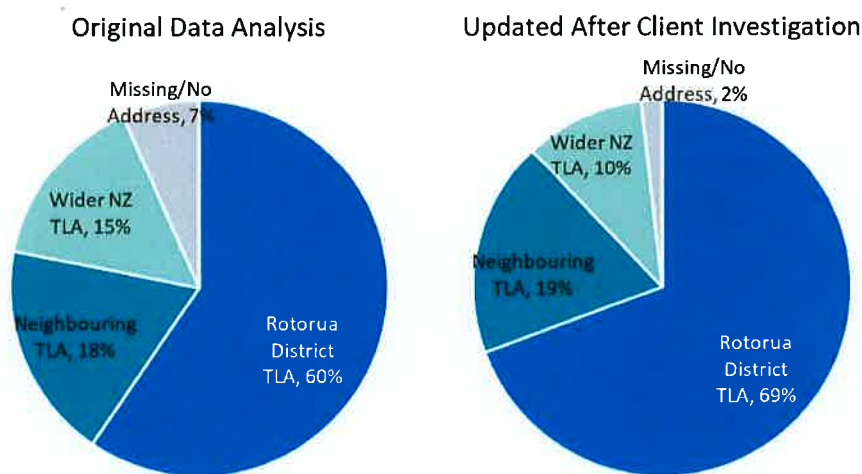
The available address history for these 245 clients showed that 56 (33%) of the clients from the wider TLAs of New Zealand and 54 (73%) of the clients with an unknown address were from or had previously lived in Rotorua. This means that a total of 110

(45%) of the 245 clients who had appeared to come from outside the Rotorua region, had previously lived in the Region. Many had address records that showed these clients were from Rotorua or had lived in Rotorua for a number of years before requiring Emergency Housing.

Investigation showed that missing addresses were common while clients were sleeping in cars or staying temporarily with family or friends prior to requiring Emergency Housing.

Updating the pie graph above in figure 13 to account for this new information, we can now see that 70% of the clients who entered Emergency Housing in Rotorua in 2021 were from Rotorua or had previously been living in Rotorua.

Figure 15: Location of applicants one month prior to entering Emergency Housing in Rotorua for 2021 – updated to include those from the Rotorua region who were originally classified as coming from outside the wider Bay of Plenty

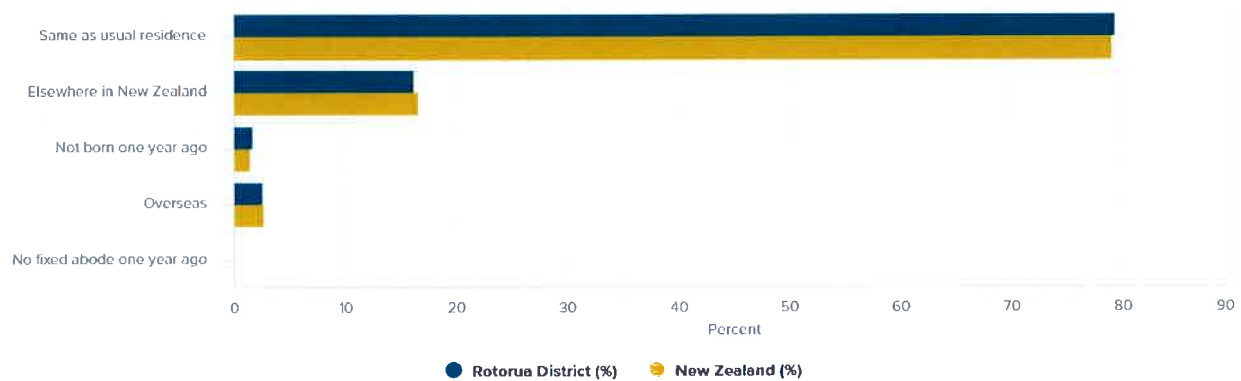


This analysis aligns with information produced by Statistics New Zealand as part of the 2018 New Zealand Census. This found that in 2018, 16.3% of those living in the Rotorua District had been living outside the Rotorua District a year earlier¹⁵.

¹⁵ Usual Residence one year ago Sourced from Statistics New Zealand [Place Summaries | Rotorua District | Stats NZ](#) March 2022



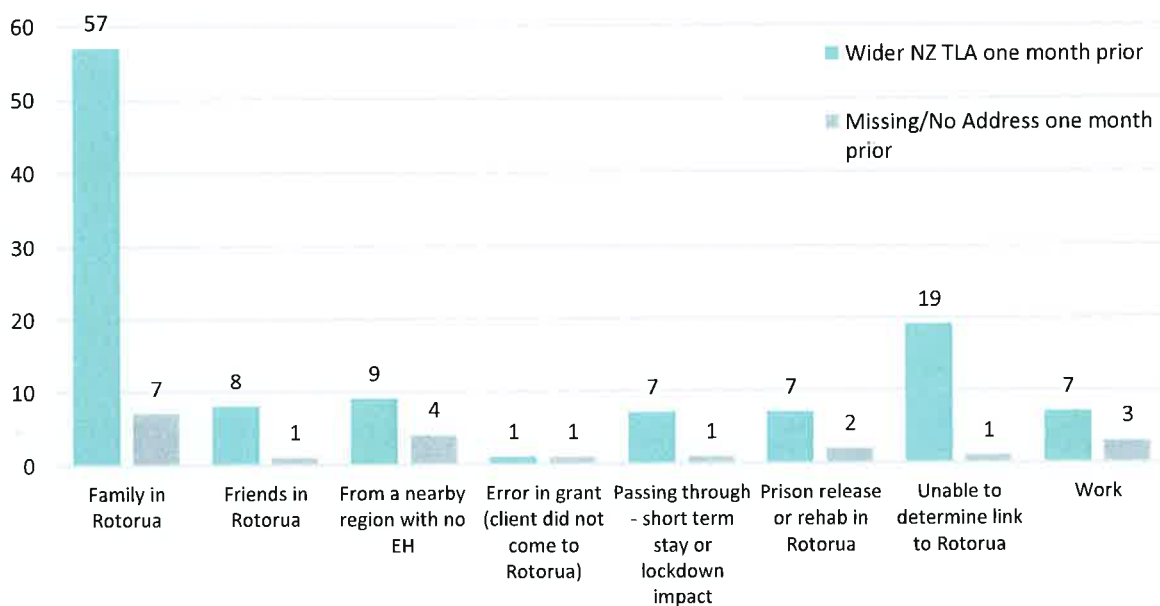
Figure 16: Usual residence one year ago for people in Rotorua District and New Zealand, 2018 Census¹⁶



Why are clients coming to Rotorua?

For those who did not previously have an address in Rotorua, or after searching address history did not appear to have a history that indicated they were from Rotorua, we sought to establish the reason for their Emergency Housing need in Rotorua. This was done by looking at individual client case notes and the comments attached to their Emergency Housing SNG applications. The results of this analysis are displayed in figure 16 below.

Figure 16: Clients with an address in wider NZ TLAs or unknown/missing one month prior to entering Emergency Housing (who were determined not to have been from Rotorua) by reason for requiring Emergency Housing in Rotorua



¹⁶ Statistics New Zealand have advised that this data needs to be treated with caution as there are high rates of missing data for the Māori population and usual residence one year ago variable is rated as poor quality



Of these 135 clients in Emergency Housing in Rotorua who did not have a previous address link to the district, 64 (47%) had family in Rotorua and an additional 9 (7%) had friends in Rotorua. Many of these clients had previously been living with their family or friends in alternative accommodation in Rotorua before requiring Emergency Housing for themselves. Others had come to assist with the care of family members, for example children or relatives.

13 (10%) of these clients who were in Rotorua Emergency Housing had returned to their hometowns in nearby regions and been unable to obtain Emergency Housing locally in these regions due to the limited supply available. This included clients seeking Emergency Housing in their hometowns of Kawerau, Taumarunui, Tokoroa and the Whakatāne District.

The rehabilitation services provided by Lifewise in Rotorua brought a small number of clients to Rotorua who required Emergency Housing pre- or post-rehabilitation. Likewise, there seemed to be a small number of clients recently released from prison who made their way to Rotorua to make a fresh start.

There were 8 clients (6%) who required Emergency Housing in Rotorua for short periods of time as they were passing through Rotorua on their way to another destination. In the case of 6 of these clients, the August 2021 lockdown impacted their need for and duration of Emergency Housing in Rotorua.

10 clients (7%) had relocated to Rotorua for work (including seasonal work) or for work opportunities without accommodation secured resulting in the need for Emergency Housing.

For the remaining 20 clients we were unable to establish a link from their case notes to Rotorua. This could be from a lack of information in the notes, or limited previous interactions with MSD. It is important to note that this does not mean that these clients did not have a link to Rotorua.

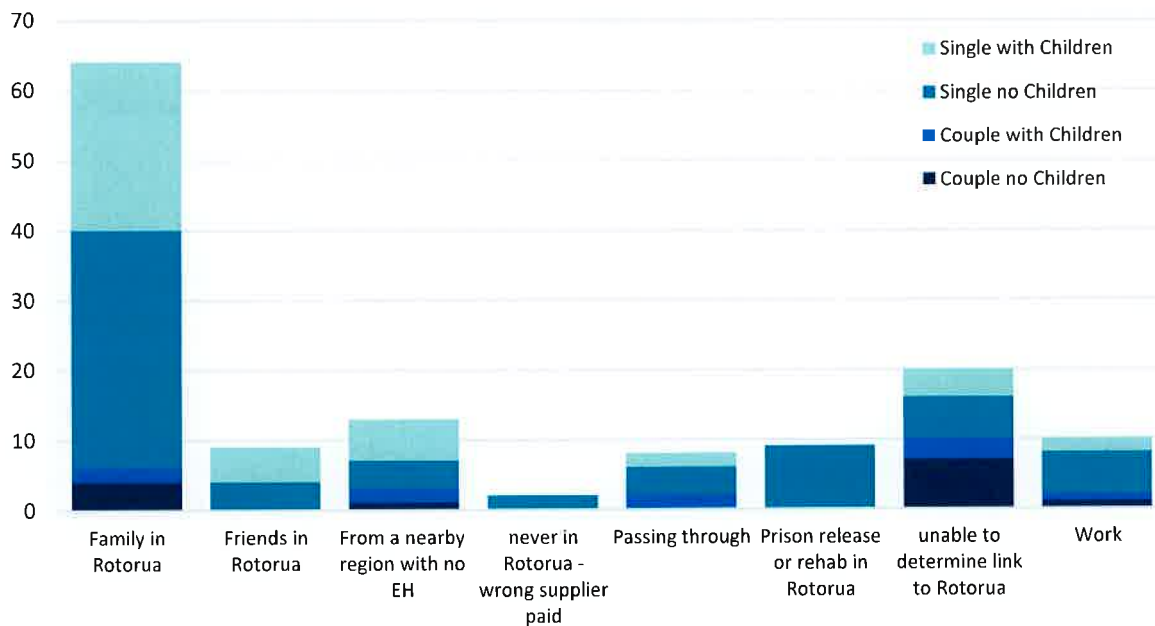
Characteristics of these clients

Of the 135 clients who entered Emergency Housing in Rotorua without a previous address link to Rotorua, 47 (35%) were aged under 25, 60 (44%) were aged between 26 and 39, 25 (18%) were aged 40-64 and 3 (2%) were over 65.

When looking at the household type for these clients, 43 (32%) were single adult households with children staying in the Emergency Housing with them. 69 (51%) were single with no children. Only 23 (17%) were couples.



Figure 17: Clients with an address in wider NZ TLAs or unknown/missing one month prior to entering Emergency Housing (who were determined not to have been from Rotorua) by reason for requiring Emergency Housing in Rotorua and household type



Almost all these clients (86%) were on a benefit at the time of entering Emergency Housing, with 77 (57%) receiving Job Seeker Support, and 25 (18%) receiving Sole Parent Support. There were small numbers of clients receiving NZ Super, Supported Living Payment, Youth Payment or Young Parent Payments. An additional 5% of clients were receiving ongoing financial support from MSD in the form of supplementary assistance (Accommodation Supplement, Temporary Additional Support or Disability Allowance).

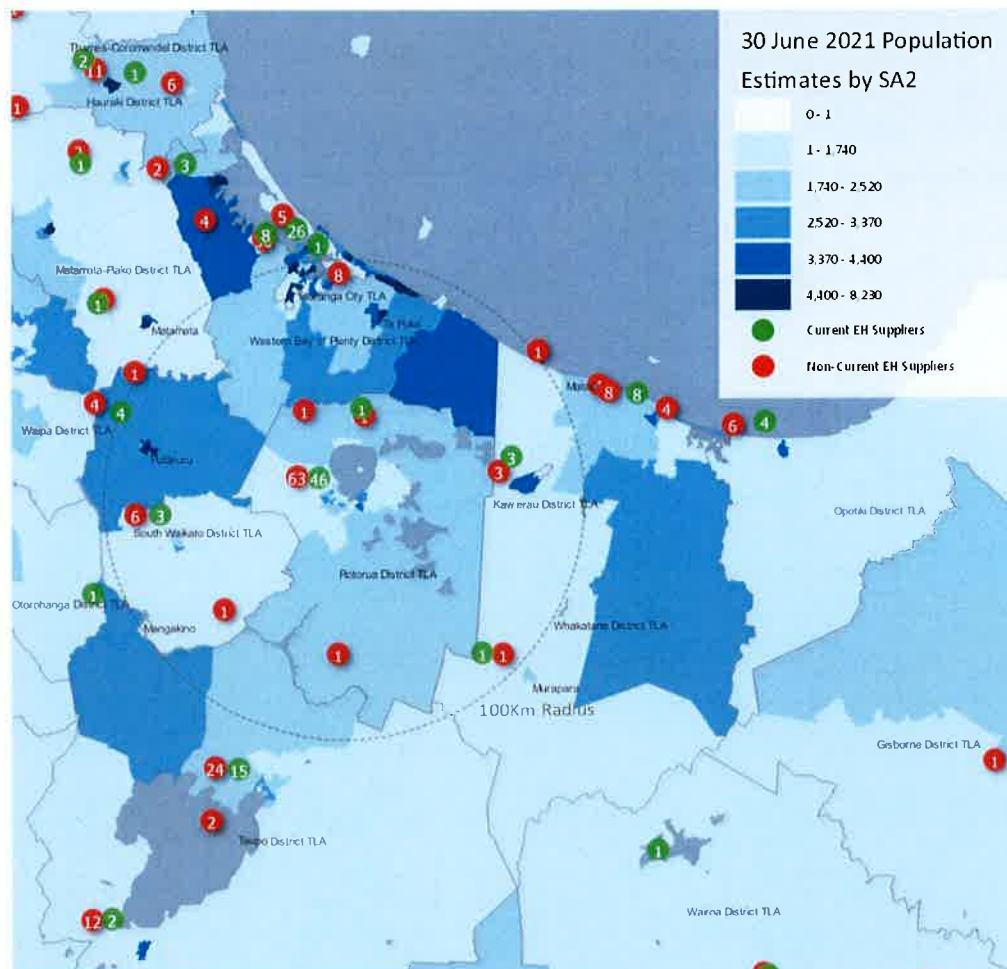
Regional distribution of registered Emergency Housing Suppliers.

By incorporating Emergency Housing supplier information, we can gain insight into the availability and utilisation of Accommodation suppliers in the region. The lack of Emergency Housing suppliers in nearby TLAs is a contributing factor to the numbers of clients from nearby TLAs seeking accommodation in Rotorua.

Figure 18 below displays the number of current Emergency Housing suppliers (green circles) that have been used for Emergency Housing in the quarter ending December 2021. Non-Current suppliers (red circles) have been used previously for Emergency Housing but have not been in use in the quarter ending December 2021.

The number of suppliers within nearby TLAs has decreased, with only small numbers of Emergency Housing suppliers in use in nearby regions. Rotorua has the highest concentration of current Emergency Housing suppliers, with an additional 13 Contracted Emergency Housing providers, followed by Tauranga City and Taupō.

Figure 18: Number of current and non-current Emergency Housing suppliers by location



Population estimates sourced from StatHz <https://www.stats.govt.nz/information-releases/subnational-population-estimates-at-30-june-2021-provisional>

Clients who began their Emergency Housing stay outside of Rotorua

30 (2.7%) of the 1,121 clients in our population started their Emergency Housing stay in a region other than Rotorua, before relocating to Emergency Housing in Rotorua at some stage.

- 7 (23%) of these clients had an address in the Rotorua District one month before entering Emergency Housing in another TLA
- 10 (33%) of these clients had an address in one of the neighbouring TLAs one month before entering Emergency Housing outside of Rotorua
- 7 of these clients began their Emergency Housing stay in Auckland, 6 in Tauranga, 4 in Hamilton City and 4 in the Taupō District. The remaining clients began their spells in Hastings District (2), Ōpōtiki District (2), with one client beginning a spell in each of Nelson City, Kawerau District, Whakatāne District, Matamata-Piako District and Napier City

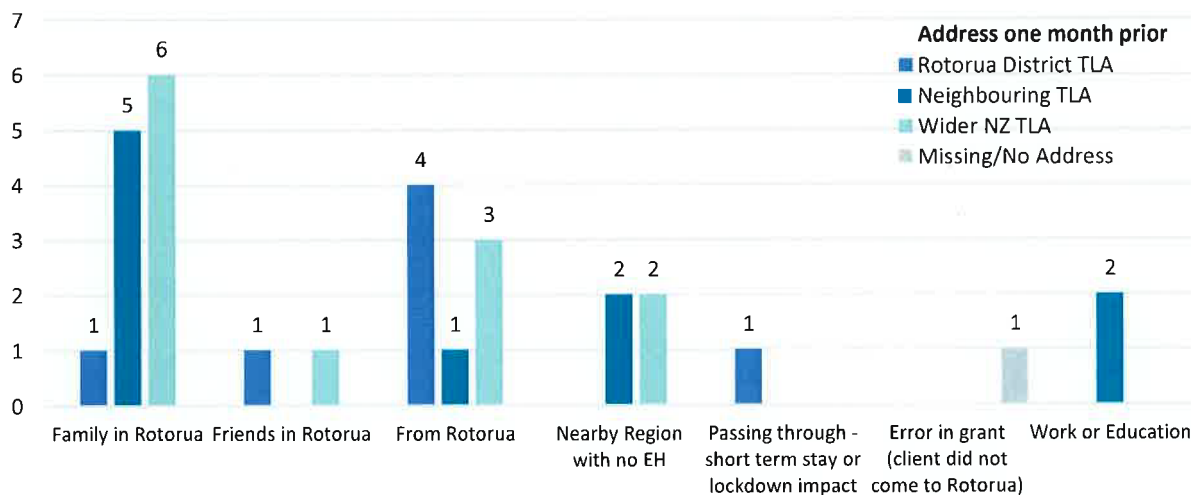


- 10 (33%) had relocated to Emergency Housing in Rotorua within the first month of their Emergency Housing stay

An investigation into these 30 clients' records to determine why they had moved from Emergency Housing in another region to Emergency Housing in Rotorua found that:

- 12 (40%) had family in Rotorua
- 8 (27%) were from Rotorua and had lived there previously
- 4 (17%) were in nearby regions where local Emergency Housing suppliers were unable to accommodate the client long term and had only offered short-term accommodation initially (Kawerau and Whakatane).
- 2 (7%) had moved to Rotorua for job opportunities or youth education
- 2 (7%) moved to Rotorua to be supported by friends
- 1 (2%) was passing through Rotorua and affected by the August lockdown
- 1 (2%) was for a client who was never in Rotorua as the grant was made in error.

Figure 19: Clients who began their Emergency Housing spell outside of Rotorua before requiring Emergency Housing in Rotorua by Reason for moving to Rotorua and their address one month prior to entering Emergency Housing



Report prepared by ^{s9(2)(a)} and ^{s9(2)(a)}

Housing Insights, System Performance

Ministry of Social Development

April 2022

Rautaki me Matawhānui



Homeless Motels

Trevor and Rosemary Newbrook <rose.trev@gmail.com> Aug 26, 2021, 4:04 PM

to Steve

Hi Steve

We are extremely concerned about crime and safety in the Glenholme area and the continued long term use of Motels for emergency / transitional housing. To date there seems to have been no action by yourself or Council to address the issues locals are facing.

We were shocked that Council approved a Resource Consent for the Boulevard Motel without it being Publicly Notified. We were astonished when we read Deputy Chief Executive Jean-Paul Gaston's comment in the Daily "it was determined that the effects of people staying in the accommodation as visitors and people staying in the motel for residential purposes would be relatively similar".

You only have to walk down Fenton Street to see there is a HUGE difference. As you know, a public meeting earlier this year was attended by over 350 people concerned about crime and safety in Rotorua - people don't feel safe, even in their own homes.

It is obvious this Resource Consent was processed in secret to stop locals having a chance to have a say or ask questions. This is certainly not being open and transparent by Kianga Ora or Rotorua Lakes Council.

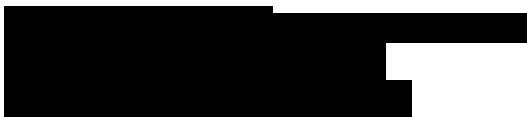
Even during the current lockdown, in the middle of the night, we have had a person or persons enter our property through closed gates. We believe the intention was to steal our puppy. We now live with fear for our own safety, the safety of our properties and the safety of our pets.

We don't think you or council really understands what the Glenholme people are living with. There is growing discontent in the community about motels being used for emergency housing with no plan or solution in place - just adding more motels !!

We look forward to your response.

Kindest regards

Trevor & Rosemary Newbrook





The economic effects of using motels for transitional and emergency housing in Rotorua

Restore Rotorua Incorporated

6 October 2021

Project team

Kevin Counsell, Associate Director

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1. Introduction and summary

1. The New Zealand government, through the Crown entity Kāinga Ora, has recently purchased the Boulevard Motel, a 34-unit motel located at 265 Fenton St in Rotorua. The Rotorua Lakes Council has granted Kāinga Ora resource consent to use the Boulevard Motel solely for “transitional housing” – housing provided to those in the community with a “high housing need”, intended to be provided on a temporary basis while more permanent residential accommodation is sourced.¹ We have been asked by Restore Rotorua Incorporated to prepare an expert report setting out the economic effects of this resource consent decision.
2. In addition to the Boulevard Motel, the government is either directly contracting with, or seeking to purchase, further motels in Rotorua’s CBD to be used solely for housing. There are six pending resource consent applications by the government for motels to be used as “emergency housing”,² which covers immediate housing needs over a period of seven days.³ While there are currently up to 45 motels in Rotorua that are currently being used in a “mixed use” function to provide both for tourism and transitional/emergency housing, the government is moving to a “single use” model, where the intention is for up to 30 motels to be used solely for transitional/emergency housing. There are also currently three managed isolation and quarantine (MIQ) facilities in Rotorua. While the analysis in this report is focused on the economic effects of the use of the Boulevard Motel in particular, we also consider at a high-level the cumulative effects of multiple resource consent applications and the broader context of reduced accommodation capacity in Rotorua more generally.
3. It is not clear what the timeframe is over which the government intends to retain the Boulevard Motel (and other motels in Rotorua) for the use of transitional/emergency housing. We note that the resource consent for the Boulevard Motel allows for a review within 36 months of the consent being given effect.⁴ The six pending resource consent applications are contracted for an “initial” one-year period and allow for a reversion to tourism accommodation as “long-term accommodation options” come on stream, but anticipate that contracted motels will be required for emergency housing “for the next few years”.⁵ However, there is insufficient detail on precise timeframes. The purchase of the Boulevard Motel for the sole purpose of transitional housing suggests that there may be a longer-term aspect to the government’s intentions, as do aspects of the change in use that require some investment to transition the space to its new use, such as filling in the existing swimming pool to convert to carparking/shared open space and installing fencing to create family spaces.⁶ For the purposes of our analysis in this report, we assume that the use of motels in Rotorua for transitional/emergency housing is likely to be a longer-term occurrence.

¹ The Property Group Limited, “Application for Resource Consent – 265 Fenton Street, Rotorua”, 14 June 2021.

² The Property Group Limited, “Application for Resource Consent – Contracted Emergency Housing – 131 Lake Road, Rotorua”, 6 August 2021; The Property Group Limited, “Application for Resource Consent – 16 Sala Street, Rotorua”, 6 August 2021; The Property Group Limited, “Application for Resource Consent – 18 Ward Avenue, Rotorua”, 6 August 2021; The Property Group Limited, “Application for Resource Consent – 321 Fenton Street, Rotorua”, 13 August 2021; The Property Group Limited, “Application for Resource Consent – 3 Meade Street, Rotorua”, 13 August 2021; The Property Group Limited, “Application for Resource Consent – 26-28 Victoria Street, Rotorua”, 20 August 2021. Hereinafter collectively referred to as “the pending resource consent applications”.

³ Ministry of Housing and Urban Development, “Transitional Housing Factsheet”, available at: <https://www.hud.govt.nz/assets/Community-and-Public-Housing/Increasing-Public-Housing/Transitional-Housing/c7ba1ae13b/Transitional-housing-factsheet-June-2019.pdf>

⁴ Rotorua Lakes Council, Notice of Resource Consent Decision, Doc Ref RDC-1155740, 9 July 2021.

⁵ See the pending resource consent applications.

⁶ The Property Group Limited, “Application for Resource Consent – 265 Fenton Street, Rotorua”, 14 June 2021, p.10.

4. In summary, our findings are:
- a. The use of the Boulevard Motel for transitional housing will reduce the available supply of tourist accommodation in Rotorua. This reduction will exacerbate already falling accommodation supply in Rotorua. Rotorua has previously had around 60 hotels and motels, but the number of hotels and motels has decreased by 22% in Rotorua over 2021 to date, compared with only 3% in other tourist regions such as Taupo and New Zealand overall;
 - b. This supply reduction is unlikely to be offset by increased guest nights at other accommodation facilities in Rotorua, due to the use of a large number of these facilities for MIQ and transitional/emergency housing. In particular, there are three MIQ facilities and up to 45 motels currently being used for mixed use transitional/emergency housing purposes. While the intention is to have “fewer than 30” motels used solely for transitional/emergency housing, this would imply that half of the original number of hotels and motels in Rotorua are unavailable to accommodate tourism demand. Many of the hotels and motels in Rotorua are situated on (or near to) Fenton St, which is considered to be the golden mile in Rotorua and runs through the central business district (CBD), suggesting a concentration of transitional/emergency housing near the CBD. An approximately 2km radius covers the Boulevard Motel, the six pending resource consent applications, the MIQ facilities and the Rotorua CBD;
 - c. The reduction in tourist accommodation in Rotorua will flow through to a reduction in tourist expenditure at businesses in Rotorua. There is evidence of a recent reduction in tourist expenditure in Rotorua relative to Taupo, which is consistent with the relative reduction in accommodation facilities. In particular, from 2018, domestic tourism spending in Rotorua has typically been at or above that of Taupo, but there is a distinct break in this pattern around August 2020, with spending in Rotorua now consistently below Taupo spending;
 - d. We estimate that the use of the Boulevard Motel for transitional housing is likely to result in a loss of annual domestic tourism expenditure to Rotorua businesses of approximately \$3.4m. This loss reflects only domestic tourism expenditure at Rotorua businesses arising from reduced guest nights at a single motel, and does not account for reduced tourism expenditure due to the use of hotels for MIQ facilities and the large number of other motels that are used in transitional/emergency housing in Rotorua. By extrapolation to the six motels with pending resource consents for emergency housing, the total annual loss of domestic tourism expenditure (including Boulevard Motel) is approximately \$18.2m. In addition, when borders re-open, there will be the potential for international tourism expenditure, which is greater, per tourist, than domestic expenditure, but will be foregone if there is insufficient accommodation capacity for these tourists;
 - e. As further motels are contracted or purchased by the government for transitional/emergency housing, there will be cumulative effects from a loss of tourism expenditure. Even a small loss of expenditure may push some Rotorua businesses past their tipping point, given that they have already been affected by the loss of tourism expenditure from international tourists. Pre-Covid-19, annual international visitor expenditure in Rotorua was \$354m, or around 40% of total visitor expenditure in Rotorua. The ongoing lockdown in Auckland and restrictions on travel beyond the Auckland border are also likely to be having an effect, given that Aucklanders provide the highest annual visitor expenditure (\$145m per annum) of all domestic and international visitors to Rotorua;
 - f. This may result in financial viability concerns for some businesses, and may be particularly stark for small businesses such as cafés, restaurants, bars, and tourism operators that are heavily reliant on tourism. The consequences of these concerns would include difficulty servicing debt, the need to reduce workforces or some businesses exiting the industry, resulting in unemployment. With the tourism sector as the largest employer in Rotorua, and tourism accounting for around 17% of Rotorua’s Gross Domestic Product (GDP), compared

to 6% nationally, adverse economic effects on the tourism sector could be particularly detrimental;

- g. Any direct loss of expenditure would also lead to indirect adverse “multiplier” effects on interrelated businesses that supply goods and services to Rotorua tourism businesses, again with the potential to lead to debt servicing difficulties, unemployment and/or industry exit. As context to these indirect effects, for the tourism industry in New Zealand overall, where there is a direct effect on GDP, there is a further indirect effect of nearly 70% of the original direct effect;
 - h. Any direct and indirect reductions in tourist expenditure will result in a reduction in Rotorua’s GDP. Rotorua GDP peaked at \$3,813m in the December 2019 quarter, before falling 4% to \$3,664m in the December 2020 quarter. GDP has since recovered slightly, to \$3,807m in the June 2021 quarter, but any reductions in tourism expenditure will undermine Rotorua’s continued recovery;
 - i. The reduced accommodation capacity can make it difficult for conferences, conventions and sporting events to be held in Rotorua, and there is anecdotal evidence consistent with this. To the extent that events are moved elsewhere and/or there is reduced overnight attendance additional to the reduction in tourism described above, this will further reduce tourism expenditure in Rotorua;
 - j. There have been reports that the increasing use of transitional/emergency housing in Rotorua has increased crime rates in nearby areas. Increased crime can impose economic costs on society, including medical costs, property losses, loss of income, and increased security costs. An increase in crime can also reduce economic productivity and investment, adversely impacting economic growth; and
 - k. While motel owners that sell to or contract with the government to provide transitional/emergency housing will profit from doing so, this profit is likely to be sufficient to just offset the loss of tourism business to the motels themselves, and therefore any net benefit to motel owners will be marginal.
5. The remainder of this report is structured as follows:
- a. In section 2 we set out the relevant background to the use of motels in Rotorua for transitional/emergency housing, as well as some context on the importance of tourism to Rotorua;
 - b. In section 3 we outline the direct economic effects on Rotorua tourism businesses of a reduction in tourism arising from the use of motels for transitional/emergency housing; and
 - c. In section 4 we discuss the indirect economic effects, along with economic effects related to large events, crime, and potentially offsetting economic effects for motel owners.

2. Background to transitional/emergency housing and Rotorua tourism

6. The New Zealand government operates a system where clients of the Ministry of Social Development (MSD) that are in need of emergency housing are able to apply for a grant to be temporarily accommodated in a motel. The Ministry of Housing and Urban Development (MHUD), in collaboration with the Crown entity Kāinga Ora, also operates a programme to provide transitional housing for those in need of short-term housing. In early 2021, there were reports that up to 45 motels in Rotorua were being used to accommodate those in need of transitional/emergency housing.⁷ These motels were “mixed use” motels: they were being used to provide accommodation to tourists but had the dual function of providing transitional/emergency housing accommodation.
7. In May 2021, the government announced that it was moving to directly contracting with motels in Rotorua for transitional/emergency accommodation, which would end the practice of mixed use (tourism and transitional/emergency housing) motels and allow motels to be dedicated to providing transitional/emergency housing.⁸ In July 2021, it was announced that 12 motels in Rotorua, with a total of 260 units, had been contracted by the government for this purpose.⁹ There are reports that the intention is to decrease the number of motels providing transitional/emergency housing from the 45 mixed use motels noted above to “fewer than 30”, which would solely provide transitional/emergency housing.¹⁰
8. In addition, around July 2021 the government, through Kāinga Ora, directly purchased the Boulevard Motel in Rotorua, for \$8.1m, for use in transitional housing.¹¹ The Boulevard Motel is a 34-unit motel located at 265 Fenton St in Rotorua, with space to accommodate up to 132 occupants.¹² Fenton St is considered to be the golden mile in Rotorua, and a large number of hotels and motels are situated on (or near to) this street.
9. The Rotorua Lakes Council (RLC) has granted resource consent to Kāinga Ora to use the Boulevard Motel for transitional housing. It is intended that there will be a slight reduction in occupancy levels at the Motel for these purposes, with the use of 31 units and a maximum occupancy of 88 transitional housing tenants.¹³ There are also other changes associated with the shift in use of the Motel, including closing the Motel’s restaurant to the public and using it for on-site meals, and filling in the existing swimming pool.

⁷ “Rotorua moteliers fear penalties for refusing unwanted emergency housing guests”, *Stuff*, 9 May 2021, available at: <https://www.stuff.co.nz/national/124934460/rotorua-moteliers-fear-penalties-for-refusing-unwanted-emergency-housing-guests>

⁸ “Rotorua Emergency Housing update”, 13 May 2021, available at: <https://www.beehive.govt.nz/release/rotorua-emergency-housing-update>

⁹ “Twelve Rotorua motels contracted for emergency accommodation”, *NZ Herald*, 1 July 2021, available at: <https://www.nzherald.co.nz/rotorua-daily-post/news/twelve-rotorua-motels-contracted-for-emergency-accommodation/55LIKVCAIMKZW06CGO47CDPJE/>

¹⁰ “Rotorua’s emergency housing woes could have been avoided if MSD acted sooner – councillor”, *NZ Herald*, 1 July 2021, available at: <https://www.nzherald.co.nz/rotorua-daily-post/news/rotoruas-emergency-housing-woes-could-have-been-avoided-if-msd-acted-sooner-councillor/57IGARKMXT3CHEBZ4D6IJETJZ4/>

¹¹ “Sold: Government pays \$8.1m for Boulevard Motel to house homeless”, *NZ Herald*, 21 July 2021, available at: <https://www.nzherald.co.nz/rotorua-daily-post/news/sold-government-pays-81m-for-boulevard-motel-to-house-homeless/WBRLIMDOR5BDLCE5T3EZGJMF4/>

¹² The Property Group Limited, “Application for Resource Consent – 265 Fenton Street, Rotorua”, 14 June 2021.

¹³ The Property Group Limited, “Application for Resource Consent – 265 Fenton Street, Rotorua”, 14 June 2021.

10. We understand the Kāinga Ora and MHUD are seeking to purchase more motels in Rotorua, and/or obtain resource consent to use these motels exclusively for transitional housing. In addition, MHUD has recently applied for resource consent for the following six motels/hotels to be used for emergency housing:¹⁴
 - a. Malones Motel, a 20-unit motel (accommodating up to 66 occupants);
 - b. Lake Rotorua Hotel, a 38-unit hotel (accommodating up to 140 occupants);
 - c. Pohutu Lodge Motel, a 14-unit motel (accommodating up to 58 occupants);
 - d. Alpin Motel, a 40-unit motel (accommodating up to 142 occupants);
 - e. Union Victoria Motel, a 20-unit motel (accommodating up to 78 occupants); and
 - f. New Castle Motor Lodge, a 16-unit motel (accommodating up to 64 occupants).
11. There are also currently three managed isolation and quarantine (MIQ) facilities in Rotorua: the Rydges Rotorua; the Ibis Rotorua; and the Sudima Rotorua. In September 2021 it was reported that the government was considering the addition of a fourth MIQ facility,¹⁵ however this was officially ruled out shortly after.¹⁶
12. Figure 1 shows an approximately 2km radius covering the Boulevard Motel, the six pending resource consent applications, the MIQ facilities and the Rotorua CBD.

¹⁴ See the pending resource consent applications.

¹⁵ “Local Focus: Fourth MIQ for Rotorua would be ‘too much of an impact’ for tourism industry”, *NZ Herald*, 19 September 2021, available at: <https://www.nzherald.co.nz/rotorua-daily-post/news/local-focus-fourth-miq-for-rotorua-would-be-too-much-of-an-impact-for-tourism-industry/VPYDATYGYVXN525A3IKVWSCSCU/>

¹⁶ “Covid-19 coronavirus Delta outbreak: no more MIQ for Rotorua as Government announces additional managed isolation hotel in Christchurch”, *NZ Herald*, 23 September 2021, available at: <https://www.nzherald.co.nz/rotorua-daily-post/news/covid-19-coronavirus-delta-outbreak-no-more-miq-for-rotorua-as-government-announces-additional-managed-isolation-hotel-in-christchurch/B4PSXD3ZWKZXTKOFJ5VGEZO2AI/>

Figure 1: Approximately 2km radius covering Boulevard Motel, six pending resource consent applications, MIQ facilities and Rotorua CBD



Source: NERA analysis

13. Other relevant context is that tourism is a particularly vital component of the Rotorua economy. Tourism accounts for around 17% of Rotorua’s Gross Domestic Product (GDP),¹⁷ compared to a 6% share of GDP nationally.¹⁸ In 2019, 23% of employment in Rotorua was directly related to tourism, compared to 9% nationally,¹⁹ with tourism being the largest employer in the District.²⁰ Statistics New Zealand estimates that, in August 2021, there are 4,000 filled jobs in Rotorua in selected tourism industries.²¹
14. Rotorua is often considered (along with regions such as Queenstown and Kaikoura) to be a key centre for tourism in New Zealand.²² Indeed, the RLC has recognised the importance of tourism to the District, stating that “A strong tourism sector has been a key element in our district’s economic success”.²³

¹⁷ Rotorua Economic Development, *Annual Report 2019-2020*, p.6.

¹⁸ Tourism and the Economy, <https://www.mbie.govt.nz/immigration-and-tourism/tourism-research-and-data/tourism-data-releases/tourism-and-the-economy/>

¹⁹ Infometrics (2020), “Economic impacts of COVID-19 on the Rotorua Economy – Early Estimates”, for Rotorua Lakes District Council, April.

²⁰ Rotorua Lakes Council, *Long-Term Plan 2021-2031*.

²¹ Data available at: <https://www.stats.govt.nz/experimental/covid-19-data-portal?tab=Economic&category=Tourism>

²² See, e.g., Infometrics (2020), “Economic impacts of COVID-19 on the Rotorua Economy – Early Estimates”, for Rotorua Lakes District Council, April.

²³ Rotorua Lakes Council, *Long-Term Plan 2021-2031*, p.229.

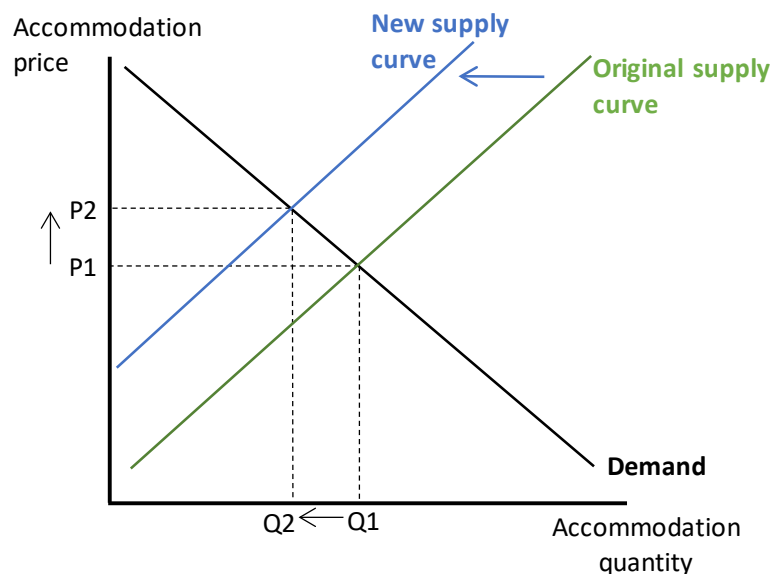
3. Direct economic effects on tourism

15. In this section we set out how Kāinga Ora’s purchase of the Boulevard Motel, and the RLC’s decision to grant resource consent to use the motel for transitional housing, is likely to have an adverse economic impact on tourism in Rotorua. We discuss first how tourist guest nights are likely to fall, before tracing the impact of this decrease on tourism businesses in Rotorua more generally.

3.1. Reduction in tourist guest nights

16. A change in the use of the Boulevard Motel to transitional housing reduces the available supply of tourist accommodation in Rotorua. In the standard economic framework of supply and demand, a reduction in supply (through an inwards shift of the supply curve) leads to a fall in output and an increase in price. This is shown in Figure 2, where supply shifts inwards, output falls from Q_1 to Q_2 and price increases from P_1 to P_2 . In this case, a fall in output is commensurate with a decrease in the number of guest nights stayed by tourists to Rotorua, while accommodation prices in Rotorua are likely to increase. On this basis, the removal of the Boulevard Motel as an accommodation provider would result in a reduction in tourism to Rotorua.

Figure 2: Shift in supply curve in a standard supply-demand framework



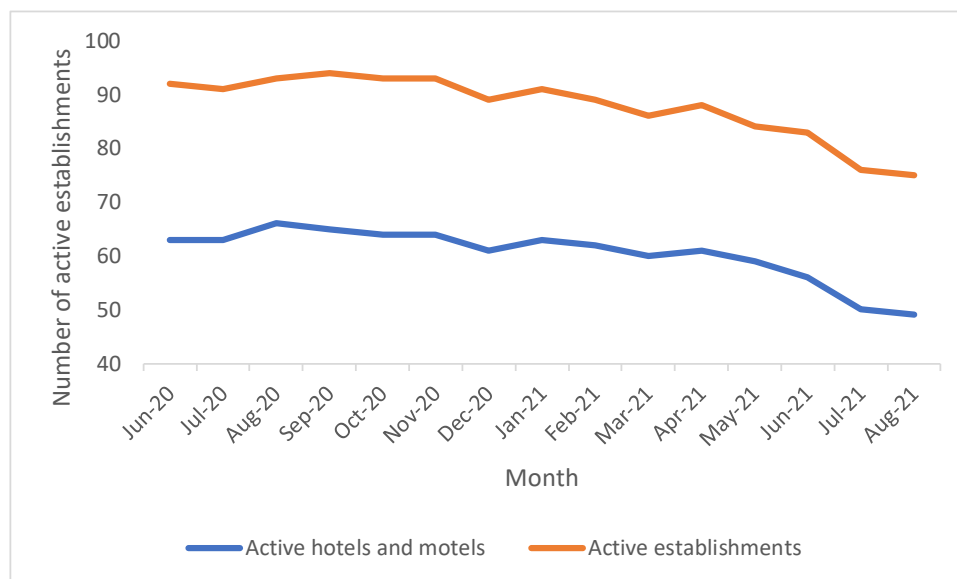
17. It may be that other accommodation providers in Rotorua have sufficient capacity to effectively “pick up the slack” and accommodate those tourists that would have otherwise stayed at the Boulevard Motel, mitigating the impact of any tourism decrease. However, the following factors weigh against this:

- There are currently three MIQ facilities in Rotorua, which are not available to accommodate tourism demand for as long as the MIQ system continues; and
- Other motels (potentially up to 45) are currently being used for transitional/emergency housing purposes. While these motels can currently accommodate both tourist and transitional/emergency housing demand, the government is moving to a single use model. A mixed use motel could, in concept, allow for tourism to be maintained if there is spare capacity at the motel after transitional/emergency accommodation has been allowed for. On the other hand, having transitional/emergency housing tenants on-site may discourage some

tourists. A single use motel, by definition, could not accommodate tourism even if there was spare capacity. There are 12 motels that the government is currently contracting with to solely provide transitional/emergency housing, MHUD is seeking resource consent to contract six motels for emergency housing, and we understand Kāinga Ora is seeking to purchase motels for transitional housing. As noted earlier, while the intention is to have “fewer than 30” motels in Rotorua being used for transitional/emergency housing, this suggests there is still a relatively large number of motels that are unavailable for tourism accommodation due to their use for transitional/emergency housing.

18. The decrease in accommodation capacity in Rotorua is already starting to show in Accommodation Data Programme (ADP) data produced by the Ministry of Business, Innovation and Employment (MBIE). The ADP data runs from June 2020 to August 2021, with data on various accommodation metrics such as the number of active establishments, occupancy rates, and guest nights. In Figure 3 we plot the total number of all active establishments in the area covered by the Rotorua Regional Tourism Organisation (RTO), as well as the number of active hotel and motel establishments.
19. As Figure 3 shows, the number of active motels and hotels fluctuated around approximately 60 for most of 2020, with a total of 63 in January 2021. This has since decreased in 2021 to 49 in August 2021 i.e., a decrease of 14 establishments, which likely captures some (or all) of the shift in motels to transitional/emergency housing. If there are ultimately around 30 establishments that are being used for transitional/emergency housing, then this implies that half of the original number of hotels and motels (of around 60) are unavailable to accommodate tourism demand.

Figure 3: Number of active accommodation establishments in Rotorua, June 2020-August 2021



Source: NERA analysis based on ADP data

20. The recent reduction in the number of active establishments in Rotorua is materially greater than that for other regions in New Zealand, suggesting that this is not a phenomenon that is also occurring elsewhere (e.g., due to the impacts of Covid-19 on tourism). As Table 1 shows, active hotels and motels have fallen by around 22% for Rotorua from January 2021 through to August 2021, but only by 3% over the same period in other tourist regions of Taupo and Queenstown, and in New Zealand overall.

Table 1: January 2021 to August 2021 percentage change in the number of active hotels and motels across selected regions

Region	Active hotels and motels January 2021	Active hotels and motels August 2021	Percentage change
Rotorua	63	49	-22%
Taupo	63	61	-3%
Queenstown	79	77	-3%
All New Zealand	3,296	3,212	-3%

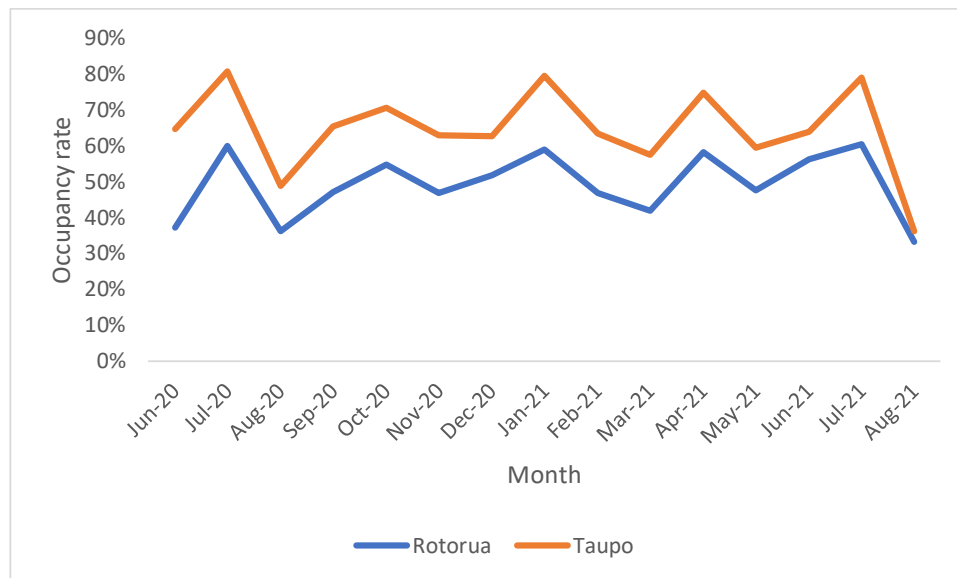
Source: NERA analysis based on ADP data

21. If the reduction in tourist guest nights at the Boulevard Motel could be captured by other accommodation providers in Rotorua, then we would expect to see evidence of this dynamic already occurring, given that there has already been a decrease in the number of active establishments in Rotorua in 2021. That is, we would expect to see an increase in occupancy rates at the establishments that remain active, as tourist demand shifts to these establishments.
22. In Figure 4 we show the occupancy rate for hotels and motels in Rotorua, over the June 2020 to August 2021 period.²⁴ The occupancy rate varies on a monthly basis, so as a benchmark we have compared the rate in Rotorua to that in Taupo where (as noted above) there has only been a small decrease in the number of active establishments. There is no compelling evidence that the occupancy rate at hotels and motels in Rotorua has increased, relative to that of Taupo, particularly over the January to August 2021 period when the number of active establishments fell in Rotorua. Indeed, the gap in the occupancy rate between Rotorua and Taupo stays largely constant over the entire time period shown, implying that occupancy of the establishments that remain in Rotorua has *not* been increasing relative to those in Taupo.²⁵

²⁴ The occupancy rate is calculated in the ADP data by taking the stay nights occupied divided by the available monthly stay unit capacity.

²⁵ In August 2021, the occupancy rate in Taupo decreases by more than it does in Rotorua. However, in the month prior, the occupancy rate increased in Taupo by more than it did in Rotorua.

Figure 4: Hotel and motel occupancy rate for Rotorua and Taupo, June 2020 to August 2021



Source: NERA analysis based on ADP data

23. In summary, based on the analysis presented in this section, we find that the use of the Boulevard Motel for transitional housing is likely to result in a reduction in tourist guest nights, and this reduction is unlikely to be offset by increased guest nights at other accommodation facilities in Rotorua.

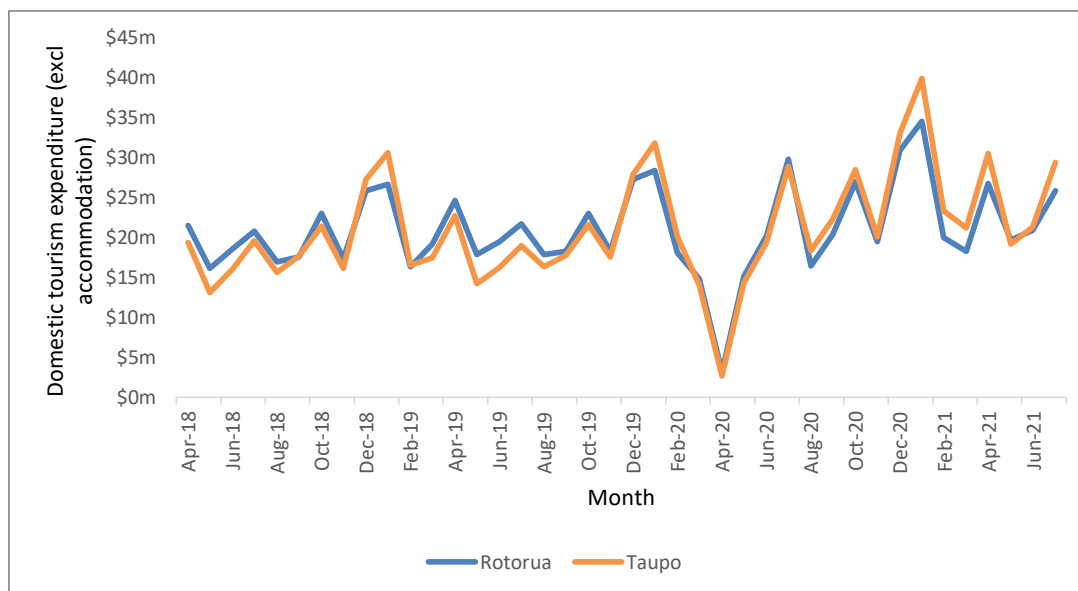
3.2. Adverse impacts on Rotorua tourism businesses

24. As established above, the use of the Boulevard Motel for transitional housing is likely to result in a reduction in tourist guest nights. If there are fewer tourists staying in Rotorua, then it follows that (all else equal) this will result in a reduction in tourist expenditure at businesses in Rotorua.
25. There is some evidence to suggest that a reduction in domestic tourism expenditure is already occurring, presumably as a result of the fall in active accommodation establishments throughout 2021 as previously illustrated. To see this, we have analysed MBIE data on Tourism Electronic Card Transactions (TECT). The TECT data tracks electronic card spending by both domestic tourists (defined as those using a payment card at a location that is more than 40km from their usual place of residence) and international tourists (those using overseas payment cards). The TECT data are available on a monthly basis, from April 2018 through to July 2021. Spending by international tourists has been significantly impacted by Covid-19 over the April 2020 period onwards, and therefore MBIE recommends focusing on the domestic data over this period.²⁶
26. Figure 5 shows monthly electronic card spending for domestic tourists to Rotorua and compares this with spending by domestic tourists to Taupo. We have excluded spending on accommodation from each of these series, so as not to include any reduction in spending at accommodation facilities that have closed (we return to the issue of reduced accommodation spending (and therefore reduced profits for motel owners) later in this report). It can be seen that domestic spending in Rotorua and Taupo shows similar variation over time, and is of a broadly similar level. Accordingly, Taupo appears to provide a suitable baseline against which to assess Rotorua tourism expenditure. In the early part of the series, spending in Rotorua is generally very close to, or slightly higher than, spending in Taupo. However, there is a distinct break in this pattern

²⁶ <https://www.mbie.govt.nz/immigration-and-tourism/tourism-research-and-data/tourism-data-releases/tourism-electronic-card-transactions/>

around August 2020. From that point onwards, monthly domestic tourism spending in Rotorua is nearly always below that of Taupo. This is consistent with the findings earlier of a materially greater reduction in the number of active tourism establishments in Rotorua than in Taupo.

Figure 5: Monthly electronic card spending for domestic tourism (excluding accommodation) in Rotorua and Taupo, April 2018 to July 2021



Source: NERA analysis based on TECT data

27. A reduction in tourist expenditure at businesses in Rotorua will adversely affect the ability of those businesses to earn a competitive return. This adverse effect should also be considered within the context of an industry that is already experiencing significant adverse effects due to border closures from Covid-19 and the almost complete absence of international tourists. Indeed, for the year ended October 2019 (i.e., prior to any Covid-19 impacts), \$354m, or around 40% of total visitor expenditure in Rotorua, was from international visitors,²⁷ but such spending will now be close to zero. The ongoing lockdown in Auckland and restrictions on travel beyond the Auckland border is also likely to be having an effect, given that Aucklanders provide the highest annual visitor expenditure (\$145m per annum) to Rotorua of all domestic and international visitors.²⁸
28. Any further reduction in tourist expenditure will result in a reduction in Rotorua's GDP. Rotorua GDP peaked at \$3,813m in the December 2019 quarter, before falling 4% to \$3,664m in the December 2020 quarter.²⁹ GDP has since recovered slightly, to \$3,807m in the June 2021 quarter, but any reductions in tourism expenditure will undermine Rotorua's continued recovery.
29. In addition, a reduction in tourism expenditure may result in financial viability concerns for some businesses and may be particularly stark for small businesses such as cafés, restaurants, bars, and tourism operators that are heavily reliant on tourism. This could likely lead to:

²⁷ Based on international visitor expenditure of \$354m and domestic visitor expenditure of \$499m, sourced from <https://www.rotoruanz.com/en-nz/do-business/insights/statistics-and-research>

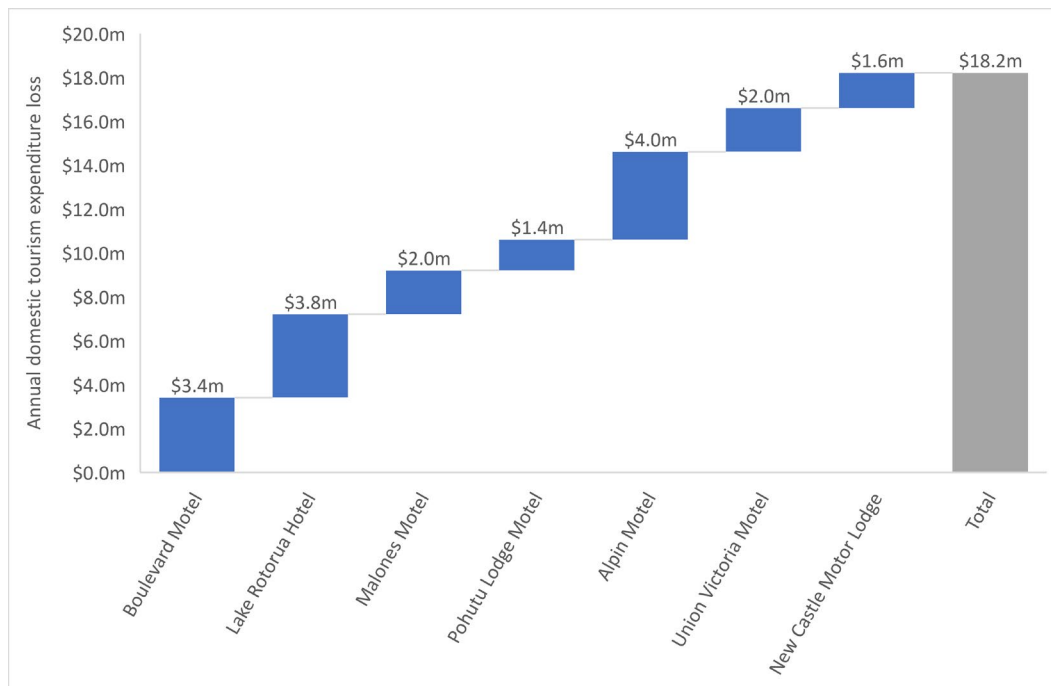
²⁸ Rotorua Tourism Factsheet, available at: <https://rotoruanz.blob.core.windows.net/rotoruanz/rotoruanz/media/pdf/tourism%20statistics/rotoruatourismfactsheet.pdf>

²⁹ Data sourced from Infometrics Quarterly Economic Monitor for the Rotorua District, available at: <https://qem.infometrics.co.nz/rotorua-district/indicators/gdp?compare=new-zealand.bay-of-plenty-region>

- a. Difficulty servicing existing debt;
 - b. The need for businesses to reduce the size of their workforce, resulting in some unemployment; and/or
 - c. Some businesses exiting the industry (which will have further adverse effects on employment).
30. To obtain a feel for the magnitude of the impact on tourism expenditure due to the loss of the Boulevard Motel in particular, we have estimated the reduction in the number of domestic visitors and their associated expenditure. We do so by first estimating the domestic tourism expenditure (excluding accommodation) per domestic visitor to Rotorua on a monthly basis. We then multiply this expenditure per visitor by an estimate of the number of visitors that would have otherwise been accommodated at the Boulevard Motel in each month. The result is an estimate of the lost tourism expenditure due to the loss of the Boulevard Motel. Further details of this calculation approach are set out in Appendix A.
31. Based on this analysis, we find that the use of the Boulevard Motel for transitional housing is likely to result in a loss of, on average, approximately \$280,000 per month in domestic tourism expenditure in Rotorua. Over a one-year period, the loss in expenditure is approximately \$3.4m.
32. This loss reflects only domestic tourism expenditure at Rotorua businesses arising from reduced guest nights at a single motel, and so is only a small proportion (about 1%) of domestic tourism expenditure. However, it is important also to keep in mind that:
- a. There are a number of other accommodation providers in Rotorua that are also being used (or intend to be used) for transitional/emergency housing, so there will be further losses of expenditure from these providers (as estimated below);
 - b. Many businesses in Rotorua may be close to a tipping point, due to the loss of tourism expenditure from international tourists and the recent loss from Auckland tourists, and so a small further loss of domestic tourism expenditure could have a material adverse effect on these businesses; and
 - c. The analysis is based on only the loss of domestic tourism expenditure. While this is appropriate in the present climate with the borders closed, international tourism will become more important as the borders re-open (or at least as the re-introduction of a trans-Tasman bubble allows more freedom of travel between New Zealand and Australia). International tourists spend more than domestic tourists,³⁰ and therefore the loss of a given international tourist will be greater than that for a given domestic tourist.
33. As an estimate of the additional loss in domestic tourism expenditure arising from the six other motels for which there are pending resource consent applications, we have taken the \$3.4m annual loss for the 34-unit Boulevard Motel, which implies an annual loss of approximately \$100,000 per motel unit. We then multiplied this by the number of units at the motels of each of the six pending applications, to yield an estimate of the annual loss for each of these motels. In Figure 6 we show the estimated loss for the Boulevard Motel and each of the six other motels. In total, the annual loss of domestic tourism expenditure across these seven motels sums to \$18.2m.

³⁰ Tourism New Zealand data shows domestic tourists spend \$155 per day, while international tourists spend \$232 per day. Tourism New Zealand (2020), “Te Ohanga: Understanding how visitors contribute to New Zealand’s wellbeing”, November.

Figure 6: Cumulative effect of annual loss of domestic tourism expenditure across Boulevard Motel and 6 pending resource consent applications



Source: NERA analysis

34. We recognise that there is the potential for some offsetting expenditure to the above estimates, because transitional/emergency housing tenants are also likely to spend money in Rotorua. However, we understand that most of the people that move to transitional/emergency housing are already based in Rotorua, so there will be no net increase in their expenditure in the District. It may be that some of those in transitional/emergency housing come from outside of Rotorua, which would result in an injection of spending into the District. However, it seems reasonable to assume that this would not be material, relative to the loss of tourism expenditure, given that those who move into transitional/emergency housing are likely to exhibit lower discretionary spending.

4. Indirect and other economic effects

35. A key relevant economic principle in an assessment of economic effects is that a direct effect in a given (primary) market can have further second-round, or indirect/“multiplier”, economic effects in related secondary markets. In this case, where there is a direct effect on tourism businesses in Rotorua, this will have an indirect impact on other interrelated sectors of the economy. This occurs because people and businesses that interact with tourism businesses have their patterns of economic activity influenced by the direct reductions in expenditure at tourism businesses, creating small ripple effects in economic activity in other sectors of the economy.
36. For example, a restaurant that serves tourists will purchase food from other industries, and any reduction in tourist demand at the restaurant will flow through to a reduction in its demand for inputs from these other industries. Similarly, top tourist attractions in Rotorua such as Skyline Rotorua or Te Puia will use inputs such as food and beverages, electricity, and fuel. Many tourism businesses may also contract with interrelated businesses such as transport providers. All of these interrelated businesses can experience adverse impacts due to the initial decrease in expenditure at other businesses which they supply goods and services to.
37. As context for the extent of indirect effects, Tourism Satellite Account data produced by Statistics New Zealand calculates both the direct and indirect contribution of tourism to New Zealand GDP. For the most recent period available (the year ended March 2020), tourism generated a direct contribution to GDP of \$16.4b and a further indirect contribution to GDP of \$11.3b.³¹ That is, where there is a direct effect on GDP, there is a further indirect effect of nearly 70% of the original direct effect.
38. Another potential adverse economic effect arising from the use of motels in transitional/emergency housing is that it reduces the available accommodation capacity to hold conferences, conventions and sporting events. This could lead to a reduction in the number of attendees at these events or a reduction in attendees staying overnight and/or it may act as a deterrent to organisers from holding these events. To the extent that this is additional to the reduction in tourism already described above, then this could further reduce tourism expenditure in Rotorua.
39. There is anecdotal evidence of this effect. For example, in June 2021 it was reported that the Whaka 100 mountain biking event held in Rotorua was set to establish a “tent city” to ensure sufficient accommodation for visitors. While it was reported that there have always been accommodation shortages associated with this event, “the shortage was compounded by the fact that three Rotorua hotels had quarantine guests and that, according to the latest figures, there were about 400 households staying in more than 40 Rotorua motels under the emergency housing scheme”.³²
40. Evidence from other areas is corroborative of this. There were reported accommodation shortages for the Fieldays event in Hamilton in 2021, due to half of the capacity in the Waikato region being already utilised for MIQ facilities or emergency housing.³³ In this regard, the 2021 Annual Report of Hamilton and Waikato Tourism, the RTO for the region, states the following:³⁴

³¹ Data available at: <https://www.mbie.govt.nz/immigration-and-tourism/tourism-research-and-data/tourism-data-releases/tourism-and-the-economy/>

³² “Visitor bed shortage sparks ‘tent city’ plan: Aim to house bike event crowd in Rotorua rather than elsewhere”, *Rotorua Daily Post*, 24 June 2021.

³³ “Record year predicted for Fieldays but nowhere for people to stay”, *Stuff*, 28 May 2021, available at: <https://www.stuff.co.nz/national/125211884/record-year-predicted-for-fieldays-but-nowhere-for-people-to-stay>

³⁴ Hamilton and Waikato Tourism (2021), *Annual Report to South Waikato District Council: 1 July 2020-30 June 2021*.

Unfortunately, three of our largest commercial accommodation providers are now unavailable as they are Managed Isolation Facilities, which has impacted on the conference market, significantly reducing our offer for larger multi-day association conferences. Hosting some of these conferences is now very challenging due to limited accommodation availability.

In addition to our limited commercial accommodation inventory, the biggest threat to the conference market is uncertainty. Event organisers cannot confidently book conference venues or accommodation, plus they are afraid of the force majeure clauses in contracts. Currently venues are experiencing short lead-in times which brings its own challenges.

41. It is also relevant to consider economic effects in relation to crime. It has been reported that the increasing use of transitional/emergency housing in Rotorua has increased crime rates in the nearby areas.³⁵ In the first quarter of 2021, Rotorua had one of the highest rates of violent crime nationally.³⁶ To the extent that there has been an increase in crime, this may result in adverse economic effects. Economic analysis shows that crime can impose a range of economic costs on society, including medical costs, property losses, loss of income, and increased security costs.³⁷ It can also adversely affect economic productivity and investment, as victims miss work or targeted businesses close their doors. It has been shown that crime has a net negative impact on economic growth, by discouraging investment, reducing the competitiveness of businesses, and creating uncertainty and inefficiency.³⁸
42. Lastly, we note that there may, on its face, be some positive economic effects arising from the use of motels in transitional/emergency housing, specifically in respect of motel owners who profit from the sale or contracting of their motels to the government. However, at the same time as motel owners profit from the payment from the government, this should be balanced against the direct loss of tourism profits to the motels. When considering both these effects, there is likely to be only a marginal gain.
43. To elaborate, motel owners are unlikely to sell/contract with the government if doing so means that the profits that they would have otherwise earned from tourists are less than the government payment. That is, the government would need to pay at least the lost profits from tourists to encourage motel owners to sell/contract. However, it seems unlikely that the payment from the government would be materially greater than the amount needed to just compensate motel owners for their lost profits. If it were, then the government would be utilising taxpayer funds to pay considerably more than what would otherwise be a competitive market price.
44. Accordingly, we would expect the optimal payment to be the amount equal to (or a small margin over) the profits that motel owners would have lost from the lost tourist accommodation. The net effect is only a marginal positive gain to motel owners.

³⁵ “Emergency housing: Police documents point to increasing concern over crime”, *RNZ*, 15 June 2021, available at: <https://www.rnz.co.nz/news/political/444729/emergency-housing-police-documents-point-to-increasing-concern-over-crime>

³⁶ Global Risk Consulting Ltd (2021), “Security Situation Report: Q1 2021 A quarterly snapshot of New Zealanders’ security”.

³⁷ See, for example, “Economic and Social Effects of Crime”, available at: <https://www.encyclopedia.com/law/encyclopedias-almanacs-transcripts-and-maps/economic-and-social-effects-crime>

³⁸ Claudio Detotto and Edorado Otranto (2010), “Does Crime Affect Economic Growth?”, *Kyklos: International Review for Social Sciences*, 63(3), 330-345.

Appendix A. Estimate of tourism expenditure loss from Boulevard Motel

- A1. In this Appendix we set out how we have estimated the loss of domestic tourism expenditure due to a reduction in tourists from the use of the Boulevard Motel for transitional housing.
- A2. We start by using the ADP data, which provides monthly data on the number of “guest arrivals” in Rotorua, by accommodation type. A guest arrival is a measure of the number of guests that stayed in the accommodation facility. In Table A.1 we show, over the entire period for which the ADP data has been collected, the number of guest arrivals for motels in Rotorua with greater than 20 units, as well as the number of these establishments that are active in each month. This allows us to also calculate the average guest arrivals per active establishment.
- A3. We do not have disaggregated data for the guest arrivals for the Boulevard Motel specifically. However, we assume that the average guest arrivals per active establishment, as calculated in Table A.1, is an appropriate measure of this Motel’s monthly guest arrivals. If anything this may be a slight understatement, as we note that the Boulevard Motel has 34 units, but the average number of units per motel in Rotorua (with more than 20 units) is approximately 31 units across the time period of the ADP data.

Table A.1: ADP data on guest arrivals and active establishments for motels in Rotorua with over 20 units, June 2020-August 2021

Month	Guest Arrivals	Number of active establishments	Average guest arrivals per active establishment
Jun-20	3100	11	282
Jul-20	5800	12	483
Aug-20	3500	13	269
Sep-20	5800	13	446
Oct-20	6400	13	492
Nov-20	4100	13	315
Dec-20	8000	13	615
Jan-21	10400	13	800
Feb-21	4700	13	362
Mar-21	3800	13	292
Apr-21	9200	13	708
May-21	5300	13	408
Jun-21	5000	10	500
Jul-21	8600	9	956
Aug-21	2500	8	313

Source: NERA analysis based on ADP data

- A4. As a next step, we determine the total domestic tourism expenditure (excluding accommodation) per guest arrival in Rotorua. For this we use the TECT data on domestic tourism expenditure excluding accommodation, and divide by the total guest arrivals in Rotorua in each month from the ADP data (across all accommodation types). This is shown in Table A.2. Note that this data series ends in July 2021, as this is the most recent data point for the TECT data.

Table A.2: Domestic tourism expenditure (excluding accommodation) per guest arrival in Rotorua, June 2020-July 2021

Month	Domestic tourism expenditure (excluding accommodation)	Number of guest arrivals	Average tourism expenditure per guest arrival
Jun-20	\$20m	25400	\$794.57
Jul-20	\$30m	51300	\$581.26
Aug-20	\$16m	25400	\$645.90
Sep-20	\$20m	38300	\$532.65
Oct-20	\$27m	51600	\$522.18
Nov-20	\$19m	31000	\$628.35
Dec-20	\$31m	51500	\$599.25
Jan-21	\$35m	60100	\$574.79
Feb-21	\$20m	37200	\$535.85
Mar-21	\$18m	32500	\$562.84
Apr-21	\$27m	57300	\$466.17
May-21	\$20m	34300	\$574.23
Jun-21	\$21m	36700	\$569.67
Jul-21	\$26m	52400	\$493.67

Source: NERA analysis based on TECT and ADP data

A5. The last step is to take the average tourism expenditure per guest arrival from Table A.2, and multiply by the estimated number of guest arrivals for the Boulevard Motel in each month (from Table A.1). This is shown in Table A.3.

A6. Based on this analysis, the average domestic tourism expenditure in Rotorua from the Boulevard Motel, calculated over the June 2020 to July 2021 period of this analysis, is approximately \$280,000 per month. For the year to July 2021, the total domestic tourism expenditure from the Boulevard Motel sums to approximately \$3.4m.

Table A.3: Estimated domestic tourism expenditure (excluding accommodation) for Boulevard Motel guest arrivals, June 2020-July 2021

Month	Average tourism expenditure per guest arrival	Estimated Boulevard Motel guest arrivals	Estimated tourism expenditure from Boulevard Motel
Jun-20	\$794.57	282	\$223,923
Jul-20	\$581.26	483	\$280,944
Aug-20	\$645.90	269	\$173,897
Sep-20	\$532.65	446	\$237,646
Oct-20	\$522.18	492	\$257,076
Nov-20	\$628.35	315	\$198,173
Dec-20	\$599.25	615	\$368,767
Jan-21	\$574.79	800	\$459,832
Feb-21	\$535.85	362	\$193,729

Mar-21	\$562.84	292	\$164,523
Apr-21	\$466.17	708	\$329,904
May-21	\$574.23	408	\$234,108
Jun-21	\$569.67	500	\$284,834
Jul-21	\$493.67	956	\$471,729

Source: NERA analysis based on ADP data

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7 October 2021

Rotorua Lakes Council
 Civic Centre
 1061 Haupapa Street
 ROTORUA

Attention: Chief Executive Geoff Williams

RESOURCE CONSENT APPROVALS OF TRANSITIONAL AND EMERGENCY HOUSING IN ROTORUA CBD

- 1 We act for Restore Rotorua Incorporated.
- 2 We write to you in the first instance to raise the following concerns in relation to resource consent applications before the Rotorua Lakes Council (the **Council**):
 - 2.1 The Council granted resource consent on 29 July 2021 to Kainga Ora to convert the Boulevard Motel on 265 Fenton Street (**Boulevard Motel Consent**) into permanent housing for people requiring transitional housing. This application was not publicly notified or limited notified to nearby land owners. As a result, the totality of the adverse effects on the environment was not considered; and
 - 2.2 That there are at least six (6) other resource consent applications¹ lodged with the Council between 6 August 2021 and 20 August 2021 by the Ministry of Housing and Urban Development to convert tourist accommodation to residential accommodation on sites within a two (2) kilometre radius to the Boulevard Motel.² Our client understands that these applications state the proposed activities are “for a temporary period of a few years”,³ but without explicit timeframes, so they appear in practice to be indefinite in length. The applications also state “long-term, it is anticipated that the motel will revert back to the standard style tourist accommodation.”⁴ But once again, “long-term” is not defined. As the Council knows, once a consent is given effect to under the Resource Management Act

¹ Known to Restore Rotorua Inc. at the time of this letter. Restore Rotorua Inc. has made requests under the Local Government Official Information and Meetings Act 1987 to ascertain whether any other similar applications were lodged with the Council.

² **Lake Rotorua Motel**, 131 Lake Road, application 6 August 2021 to convert tourism accommodation into emergency housing; **Alpin Motel and Conference Centre**, 16 Sala Street, application 6 August 2021 to convert tourism accommodation into emergency housing; **New Castle Motor Lodge**, 18 Ward Avenue, application 6 August 2021 to convert tourism accommodation into emergency housing; **Malones Spa Motel**, 321 Fenton Street, application 13 August 2021 to convert tourism accommodation into emergency housing; **Pohutu Lodge Motel**, 3 Meade Street, application 13 August 2021 to convert tourism accommodation into emergency housing; **Union Victoria Motel**, 26-28 Victoria Street, application 20 August 2021 to convert tourism accommodation into emergency housing.

³ Alpin Motel and Conference Centre application, at pages 6, 8, 11, and 24; Malones Spa Motel application, at pages 6, 8, 11, 24 and 26; Lake Rotorua Motel application, at pages 6, 12 and 26; New Castle Motor Lodge application, at pages 6, 8, 11 and 22; Pohutu Lodge Motel application, at pages 6, 8, 11, 22, and 25; Union Victoria Motel application, at pages 6, 8, 12, and 24.

⁴ Malones Spa Motel application, at page 11; New Castle Motor Lodge application, at page 11; Lake Rotorua Motel application, at page 12; Pohutu Lodge Motel application, at page 11; Union Victoria Motel application, at page 12.

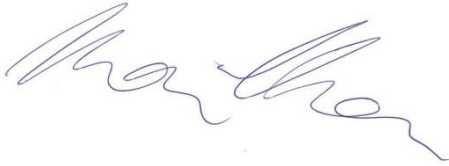
1991 (**RMA**), then there is no turning the clock back. Any effects arising will in essence become permitted by these applications before the Council.

- 3 Our client has since commissioned an economist's report in relation to the likely impact resulting from the approved Boulevard Motel Consent and the six pending consent applications (altogether "the **Activities**"). We **enclose** a copy of the report.
- 4 Our client has similarly taken planning advice in relation to the Activities.
- 5 Viewed together, the economic and planning advice provides an empirical basis for our client's concerns that the adverse effects to the environment by the Activities are at least minor or more than minor. The evidence our client has obtained confirms a real and likely risk that the Council overlooked mandatory relevant considerations as to whether each of the consents ought to be notified under the **RMA**. We note in particular:
 - 5.1 The outcome of the Boulevard Motel Consent was decided without any notification;
 - 5.2 The time limits required under section 95(2)(a) and (2)(b) of the RMA for the Council to decide whether to notify the six pending applications appear to have already lapsed. However, Jean Paul Gaston and Rosemary Viskovic advised at a meeting of 6 October 2021 via Zoom, attended by the Council's lawyer, Theresa le Bas, ("**RLC meeting**") that no decisions on notification have yet been taken on these applications. Given the availability to extend timeframes under section 37 and 37A of the RMA, we urge the Council to consider very carefully the implications of a failure to notify these resource consents.
- 6 In light of the small radius in which the proposed conversion of tourist accommodation is taking place, there are cumulative effects that warrant a further examination of the effects of the entirety of the conversion of these six (6) sites and the Boulevard Motel. We have not seen or been provided with how the totality of effects are being considered by the Council. Neither has there been one bundled application that addresses the global issues raised by these individual consents.
- 7 Although the implications of the legal impropriety are serious and provide grounds for formal legal challenges, our client takes the view that it is possible at this earlier stage to address these concerns through dialogue. At this stage, our client is willing to engage in formal discussions with the Applicant and the Council. In our client's view, it is possible to ensure that adequate conditions are in place to avoid, mitigate or remedy adverse effects arising from the conversion of tourist accommodation to permanent residential accommodation.
- 8 Furthermore, it is our client's view that all six (6) consents ought to be given to an independent commissioner to determine the issue of notification. This provides assurance to our client that a neutral and objective expert is assessing the applications.
- 9 Alternatively, the applicant could be asked to bundle the consents together, along with any other, to allow for the full effects to be ascertained.
- 10 Given the likelihood that the Council may make a decision to notify or not in the near future and then proceed with the remaining applications, time is of the essence. Our client **hereby puts the Council on formal notice** of its request that the Council urgently dialogue with our client on a without prejudice basis with the intention of resolving the concern that Council will illegally fail to notify under the RMA for any of the six existing consent applications lodged before it as with the Boulevard Motel Consent.

- 11 We are instructed to require a substantive response to this letter **by 12 noon 13 October 2021**.
- 12 Should the Council fail to respond to the above request within the stipulated timeframe, our client has instructed us to commence formal legal proceedings against the Council, which include but are not limited to judicial review on the Council's decision of 29 July 2021 to approve the Boulevard Motel Consent and without notification, and any relevant interim orders.
- 13 We write to remind the Council that in addition to the relevant expert evidence in support, the grounds of legal challenge only strengthen with each successive consent approval as the Court on review will factor in the cumulative adverse environmental effects of all activities approved for such intensive permanent residence (as of tourist accommodation) with 2 adults, 2 children in studio units and inadequate open spaces. The 6 applications along with the Boulevard Motel Consent already granted are all within very close geographical proximity.
- 14 Our client trusts that common sense prevails and looks forward to your timely response to the above requests.

Yours sincerely

Chen Palmer

A handwritten signature in blue ink, appearing to read 'Mai Chen', with a stylized, cursive script.

Mai Chen
Managing Partner

DDI/cellphone: 09 557 0351/021565709

E-mail: mai.chen@chenpalmer.com |

8 October 2021

File Ref: 01-65-082

Doc No: RDC-1190125

Civic Centre
1061 Haupapa Street
Private Bag 3029
Rotorua Mail Centre
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New Zealand

Chen Palmer
PO Box 106 114
AUCKLAND 1010

For: Mai Chen
Email: mai.chen@chenpalmer.com

Dear Mai

Resource consent for transitional housing and resource consent applications for emergency housing in the Rotorua CBD

1. Thank you for your letter of 7 October 2021 on behalf of your client Restore Rotorua Incorporated (**Restore Rotorua**).
2. Rotorua Lakes Council (**RLC**) acknowledges the concerns your clients have raised in relation to notification regarding Kāinga Ora's resource consent for transitional housing and the six resource consent applications for emergency housing lodged by the Ministry for Housing and Urban Development (**MHUD**).
3. Turning to the six resource consent applications for emergency housing lodged by MHUD which RLC is currently processing, I can confirm that:
 - (a) MHUD has not, to date, requested public notification of the six applications.
 - (b) RLC has not yet made any decision on the notification process to apply to each of the six applications. It would therefore not be inappropriate for me to comment on notification decisions that have not yet been made.
 - (c) RLC has appointed Craig Batchelar, an independent and senior planning consultant, and Bethany Bennie, Planner at Boffa Miskell, to process the six applications on behalf of RLC.
 - (d) RLC has issued requests for further information on all six of the applications. MHUD has advised RLC that it expects to be in a position to respond to those requests in the week beginning Monday 18 October 2021.
 - (e) Once the further information process on the applications has concluded, Craig Batchelar and Bethany Bennie will proceed to prepare a notification report and recommendation on each application.
 - (f) As is usual in such circumstances and to ensure transparency and rigour in its decision-making processes on the six applications, RLC is proceeding to engage and appoint

independent hearings commissioners with appropriate delegated authority to make decisions on behalf of RLC as the consent authority on:

- (i) The appropriate notification process to apply to each application.

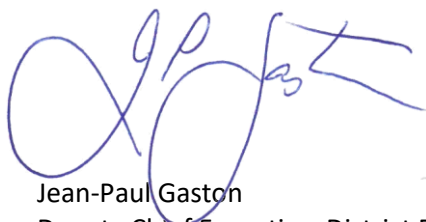
RLC proposes to give the commissioners delegated authority to conduct a notification hearing to assist their decision making on the appropriate notification process for each of the six applications; and

- (ii) The subsequent substantive decision to grant or decline each application.

Again, RLC proposes to give the commissioners delegated authority to exercise all relevant RLC functions as a consent authority under the RMA including directing appropriate pre-hearing meetings, mediation and commissioning reports and conducting hearings for any application that is limited or publicly notified for submissions (or where a hearing is otherwise requested by MHUD for any application that is non-notified).

- 4. I would appreciate if you could assure your clients that RLC always has and will continue to ensure that its decision-making processes on Kāinga Ora's resource consent for transitional housing and MHUD's six resource consent applications for emergency housing are robust and in accordance with RLC's obligations as a consent authority under the RMA.

Ngā mihi



Jean-Paul Gaston
Deputy Chief Executive, District Development

11 November 2021

Rotorua Lakes Council
Civic Centre
1061 Haupapa Street
ROTORUA

Attention: Chief Executive Geoff Williams

PUBLIC NOTIFICATION – FAILURE TO PROVIDE SECTION 92 INFORMATION

- 1 We refer to all previous correspondence on behalf of Restore Rotorua Inc.
- 2 We write to you in relation to the resource consent applications by Ministry of Housing and Urban Development (“the **Applicant**”) to convert the following tourism accommodation into emergency housing in Rotorua:
 - (a) Lake Rotorua Motel, on 131 Lake Road, submitted 6 August 2021;
 - (b) Alpin Motel and Conference Centre, on 16 Sala Street, submitted 6 August 2021;
 - (c) New Castle Motor Lodge, on 18 Ward Avenue, submitted 6 August 2021;
 - (d) Malones Motel and Spa, on 321 Fenton Street, submitted 13 August 2021;
 - (e) Pohutu Lodge, on 3 Meade Street, submitted 13 August 2021; and
 - (f) Union Victoria Motel, on 5 Union Street, submitted 20 August 2021.Collectively referred to as the “**Six Applications**”.
- 3 We are aware that the Rotorua Lakes Council (“**RLC**”) made a request to the Applicant for further information for each of the Six Applications under section 92(1) of the Resource Management Act 1991 (“the **RMA**”) (“the **section 92 request**”).
- 4 Our records show that
 - (a) The section 92 Request for Lake Rotorua Motel, Alpin Motel and Conference Centre, New Castle Motor Lodge, Malones Spa and Motel, and Union Victoria Motel, were made on 24 September 2021, and requested that the Applicant provide the information no later than **14 October 2021**;¹ and
 - (b) The section 92 Request for Pohutu Lodge was made on 20 October 2021, and requested that the Application provide the information no later than **9 November 2021**.²
- 5 We write to identify that under the prescriptive regime of the RMA, the RLC, as the relevant consent authority, can only extend the timeframe for the section 92 requests for a length of time not exceeding twice the maximum time period prescribed by RMA (in this case, 15 working days).³ Thus, if the RLC were to extend time, the maximum extension for the Applicant to provide the information requested for the Lake Rotorua

¹ As required under, section 92A(2)(a) of the RMA.


² As required under, section 92A(2)(a) of the RMA.

³ Section 37A(2)(a) of the RMA.

Motel, Alpin Motel and Conference Centre, New Castle Motor Lodge, Malones Spa and Motel, and Union Victoria Motel, is 30 working days, due on **4 November 2021**.

- 6 Unless RLC can provide evidence that the Applicant is granted timeframe extensions under section 37A to respond, RLC must consider the applications listed above as they are otherwise out of time.⁴ Restore Rotorua Inc takes the view that any decision to extend timeframes would run contrary to section 37A(1)(a) of the RMA as both the RLC and the Applicant are aware that Restore Rotorua Inc. is directly affected by any such timing extension.
- 7 At the very least, RLC is required to publicly notify all applications listed above.⁵ It is also prudent that RLC exercise its discretion under section 95A(9) of the RMA to require the Pohutu Lodge to be publicly notified in light of the requirement that the cumulative adverse environmental effects of the activities proposed in the Six Applications must be assessed together.
- 8 Restore Rotorua Inc. considers that the RMA regime requires the RLC to either:
 - (a) make a decision to decline the applications on the information currently supplied; or
 - (b) publicly notify the Six Applications as soon as practicable.
- 9 We are instructed to put the RLC **on formal notice** of its obligation to comply with the statutory framework. Restore Rotorua Inc will consider its formal legal options in the event of any failure to comply.
- 10 We strongly urge the RLC's co-operation and we look forward to receiving your response.

Yours sincerely
Chen Palmer



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Managing Partner

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cc: [Theresa Le Bas](#)

⁴ Section 92A(3)(c) of the RMA
⁵ Section 95C(2)(a) of the RMA

1 December 2021

Rotorua Lakes Council
Civic Centre
1061 Haupapa Street
ROTORUA

Attention: Chief Executive Geoff Williams

EMERGENCY HOUSING IN ROTORUA: MHUD'S FAILURE TO COMPLY WITH DISTRICT PLAN

- 1 We refer to all previous correspondence, in particular our letter dated 11 November 2021 outlining Restore Rotorua's concerns with the failure of Rotorua Lakes Council (the **RLC**) to comply with the Resource Management Act 1991 (**RMA**) and the Rotorua Lakes District Plan (the **District Plan**).
- 2 As previously noted, the Ministry of Housing and Urban Development (**MHUD**) has to date failed to comply with the Council's section 92 requests.
- 3 Restore Rotorua is concerned that MHUD is using motel premises for emergency housing in contravention of the District Plan. The contraventions relate to those motels currently being used for "temporary activities" as emergency housing. By continuing to permit the changed use of motels from tourism accommodation to emergency housing to be carried out as a 'temporary activity' as defined in the District Plan, the RLC is failing to enforce the District Plan.
- 4 This is in breach of section 9 of the RMA.
- 5 At the time of our 11 November 2021 letter, it was to Restore Rotorua's knowledge and understanding that there were six motels subject to resource consent applications before the RLC.¹ In the interim, some or all of those motels are being used as emergency housing as a 'temporary activity' under the District Plan. However, in light of new information, there is genuine cause for concern that the District Plan has been inappropriately applied/not complied with.

New information

- 6 On 24 November 2021, Restore Rotorua received a response to an Official Information Act 1986 request from MHUD. This response disclosed an email dated 23 June 2021 from an MHUD employee. A copy of the 23 June 2021 email is **enclosed**.
- 7 The 23 June 2021 email indicated that:
 - (a) The list of twelve (12) motels, attached to the email, had been contracted by MHUD for use as emergency housing from 1 July 2021;
 - (b) The contracts for emergency housing for each of the 12 listed motels was for the duration of twelve (12) months; and
 - (c) For each of the 12 motels, the relevant contractors ² provided support services for emergency housing at the motels from 1 July 2021.

¹ Per paragraph 2 of our 11 November 2021 letter.

² Being any of: Visions of Helping Hands, Engage Aotearoa, WERA Aotearoa, and Lifewise Trust.

- 8 On 28 November 2021, it came to the attention of Restore Rotorua, by way of an article published in the *Rotorua Daily Press*, that a total of fifteen (15) motels, initially designed for tourism accommodation in Rotorua, were being used as emergency housing since June and July 2021. We **enclose** a copy of the 28 November 2021 article to this letter.
- 9 The 28 November 2021 article lists (in no apparent order) these 15 motels being used as emergency housing:
- (a) Grand Treasure Hotel;
 - (b) Spa Lodge;
 - (c) Manhattan Motel;
 - (d) Kuirau Park Motor Lodge;
 - (e) Union Victoria Motel;
 - (f) Fenton Court Motel;
 - (g) Cactus Jacks;
 - (h) Alpin Motel & Conference Centre;
 - (i) Rotovegas Motel;
 - (j) Geneva Motor Lodge;
 - (k) Astray Motel & Backpackers;
 - (l) Golden Glow Motel;
 - (m) Brylin Motel;
 - (n) Pure Motel & Guest House; and
 - (o) Ashleigh Court Motel.
- 10 Restore Rotorua has indicated in previous correspondence of its knowledge that two of the motels from this list are under application with the RLC for resource consent: the Union Victoria Motel and Alpin Motel & Conference Centre. Restore Rotorua has also made requests under the Official Information Act and the Local Government Official Information and Meetings Act 1987 to verify whether any of these motels are also before the RLC with resource consent applications.

Contravention of District Plan Rules

- 11 MHUD is considered to have breached the District Plan, by either:
- (a) using of some or all of these listed motels for emergency housing as a 'temporary activity', when it is clear that this permission involves an overly broad extension of the temporary activities District Plan rules; or
 - (b) permitting the use of some of all of these listed motels for emergency housing as a 'temporary activity' by rolling over the 28-day time limitation for temporary activities, resulting in a duration far in excess of 28 days.
- 12 The RLC has failed to issue any abatement notices or notices to MHUD putting in on notices that these contraventions have occurred.
- 13 The District Plan allows 'temporary activities' as a permitted activity in all relevant District Plan zones that the motels in questions are located. The rules relating to temporary activities permit an activity, such as changed use of a property, to be carried out without the pre-requisite of obtaining a resource consent.³

³ See the District Plan, September 2021, Part 2 'District Wide Matters', General District Wide Matters, at 79.

- 14 The District Plan defines “Temporary Activities” as:⁴

*An activity or event carried out for a **period of no longer than 28 days in any calendar year**, including:*

Individual carnivals, fairs, galas, public meetings, filming, concerts, sporting events, community and other special events and associated temporary buildings and structures.

- 15 The definition of ‘temporary activities’ does not allow unfettered discretion by the RLC to permit a change of use for motels from tourism accommodation to emergency housing. The definition is clear. It only permits activities, such as events which have a positive impact on the social, cultural, and economic wellbeing of Rotorua residents, on a “temporary” basis.⁵ Restore Rotorua takes the position, and has factual evidence in support, that the use of tourism accommodation for emergency housing for a greater than 28 day period and up to two years will certainly result in a more than minor negative impact on the social, cultural, and economic wellbeing of Rotorua and is a clear breach of the express definition under the District Plan.
- 16 The 23 June email and 28 November 2021 article show that MHUD has contracted some or all of the listed motels for emergency housing for a 1 to 2 year period. This clearly excludes the proposed activity from temporary activities rules because the proposed period of between 1 to 2 years is far in excess of 28 days. In the alternative, the proposed period of permitted use could in practice see up to twenty four (24) continuous roll overs of that 28-day time frame.
- 17 Restore Rotorua **hereby puts the RLC on notice** that the RLC’s continued permission of such land use as temporary activity, without a resource consent constitutes an intentional breach of the District Plan and justifies a legal proceeding enforcement action. Restore Rotorua will consider its formal legal options in the event of a continued failure to comply by MHUD and the RLC’s failure to enforce the District Plan.
- 18 RLC has to date failed to take any steps to enforce its District Plan against MHUD. Failure to see this remedied within the next 5 working days may result in our client commencing its own enforcement action.

Yours sincerely

Chen Palmer



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Managing Partner

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⁴ See the District Plan, September 2021, Part 1 ‘Introduction and General Provisions’, Interpretation, at 34, emphasis added.

⁵ As stated in the District Plan, September 2021, Part 2 ‘District Wide Matters’, General District Wide Matters, at 78.