
Proposal for funding of the James Liston Hostel

File No.: CP2016/17169

Purpose

1. To present a proposal, supported by the homelessness sector, in response to the challenge of enhancing the quality and quantity of emergency housing provision in the City Centre
2. To seek endorsement for the allocation of City Centre Targeted Rate (CCTR) to fund the proposal, for capital investment in the James Liston Hostel

Executive summary

3. Staff have responded to the challenge put forward by the Auckland City Centre Advisory Board at their 27 July 2016 meeting, to find practical ways to resolve Auckland City Centre's rough sleeping problem.
4. Staff have worked with the homelessness sector to investigate and develop a substantive proposal, comprising:
 - i. a new operating model, based on the Housing First approach;
 - ii. capital investment in the James Liston Hostel; and
 - iii. operational funding for additional staff and tenancy sustainment services..
5. James Liston Hostel provides the only emergency accommodation in Auckland City Centre.
6. The hostel is not currently fit-for-purpose and requires investment to ensure it is able to continue providing its service.
7. Investment in James Liston Hostel will enhance the quality and quantity of emergency housing provision in the City Centre. It will increase the numbers of people able to be supported, who are currently sleeping rough, through the hostel and into more permanent accommodation.
8. A new operating model has been implemented at James Liston Hostel, which aligns with the Housing First model. The model seeks to move clients through the hostel and into more permanent accommodation via a 12 week in-house support programme, followed by tenancy sustainment services.
9. International evidence suggests the most effective way to address homelessness is via the Housing First model. The model promotes the need for wrap around support to address the underlying causes of homelessness and focuses on transition to permanent housing.
10. \$4 million capital investment is required to address the fit-for-purpose issues at the James Liston Hostel, which will enable the following:
 - renovation of the existing building (including new roof and windows)
 - capacity for 5 new beds
 - provision of showers and bathrooms on each floor
 - installation of a security system
 - improved layout to enable staff to provide oversight and monitoring
 - specialised rapid intake rooms
 - additional meeting and activity rooms.
11. Staff propose a contribution of 50% (\$2 million) towards these capital costs be met via the CCTR, to be matched dollar for dollar by contributions from other sources.

12. To date, James Liston Hostel have sourced \$800,000 to contribute to the capital work required and are confident that they will be able to secure the additional 30% of funding required, as they have already been in discussion with potential funders and investors.
13. Funding would increase capacity by approximately 14% (to 40 beds) and alongside the new operating model, this has the potential to transition 238 people into permanent accommodation by June 2018.
14. There will be no impact on existing beds or service delivery during construction.

Recommendation/s

That the Auckland City Centre Advisory Board:

- a) endorse the allocation of \$2million from the City Centre Targeted Rate to support the proposal, for capital investment in the James Liston Hostel.

Comments

Background

15. In May 2016, the annual Auckland City Mission street count found 228 people sleeping rough in the CBD (3km radius from the Sky Tower). This represents a 55% increase from the 147 people recorded in October 2014. Rough sleepers identified as Maori increased from 42% in 2014 to 53% in 2016.
16. At their 27 July 2016 meeting the Auckland City Centre Advisory Board resolved as follows:
That the Auckland City Centre Advisory Board
 - a) receive the update on a multi-agency perspective on rough sleeping in the city centre.
 - b) request staff to investigate and develop a substantive and costed proposal to :
 - i) provide case workers and housing sustainment officers
 - ii) enhance the quantity and quality of emergency housing provision in the city centre:
 - James Liston Hostel
 - Auckland City Mission redevelopment plans.
 - c) request staff to report at the next meeting on immediate options to resolve the current 200 rough sleepers in the CBD.

Resolution number CEN/2016/39

17. In response to this, council staff have worked with the homelessness sector to develop a proposal to enhance the quality and quantity of accommodation at the James Liston Hostel.
18. International evidence suggests the most effective way to address homelessness is via the Housing First model. The model promotes the need for wrap around support to address the underlying causes of homelessness and focuses on transition to permanent housing.

James Liston Hostel

19. James Liston Hostel was built in the 1970s and has a 35 bed capacity. The hostel has traditionally provided long-term accommodation and meals. No support services were provided by the hostel.
20. As the only emergency accommodation in the central city, James Liston Hostel plays a vital role in the homelessness system.
21. A new operating model has been implemented at James Liston Hostel, which aligns with the Housing First model. The model seeks to move clients through the hostel and into more

permanent accommodation via a 12 week in-house support programme, followed by tenancy sustainment services.

22. The move from long-term to short-term accommodation will move clients more quickly into permanent housing and free up beds for Auckland's homeless population.
23. James Liston Hostel's ability to sustain positive outcomes for clients is severely impacted by the poor condition of the current accommodation. Substantial investment is required to address condition issues and to provide a more therapeutic setting.
24. Immediate work is required to replace the existing roof.

Proposal

25. The success of James Liston Hostel's new operating model is dependent on their ability to offer wrap around therapeutic support. The building is not currently fit-for-this purpose. Without the proposed investment, James Liston Hostel will be unable to continue to transition people from rough sleeping, through the hostel and into more permanent accommodation.
26. Staff propose a contribution of \$2 million towards the capital cost of increasing the quantity and quality of provision of James Liston Hostel be met via the CCTR. This would increase capacity by approximately 14% (to 40 beds) and alongside the new operating model, has the potential to transition 238 people into permanent accommodation by June 2018.
27. The table below outlines the proposed budget for the project:

James Liston Hostel contribution	\$800,000
City Centre Targeted Rate fund	\$2,000,000
Additional funding required	\$1,200,000
Total budget required	\$4,000,000

28. The city centre targeted rate contribution represents 50% of the required funding. Funding will not be released until the remaining funding is secured.
29. To date, James Liston Hostel have sourced \$800,000 to contribute to the capital work required.
30. James Liston Hostel are confident that they will be able to secure the additional 30% capital funding required and have been in discussion with potential funders and investors.
31. Funding would provide:
 - renovation of the existing building (including new roof and windows)
 - 5 new beds
 - provision of showers and bathrooms on each floor
 - installation of a security system
 - improved layout to enable staff to provide oversight and monitoring
 - specialised rapid intake rooms
 - additional meeting and activity rooms.
32. The number of beds and services provided would not be impacted by the proposed capital works.

Sector support

33. Council staff worked with the homelessness sector and the Rough Sleeping Steering Group to develop the proposal.
34. Because of its vital role in the homelessness system, enhancing the quality and quantity of emergency housing at James Liston Hostel was the sector's preferred approach.
35. The proposed approach is supported by:
 - Auckland City Mission;
 - Lifewise;
 - the Ministry of Social Development;
 - Housing New Zealand; and

The Homeless Client Committee, a group of people who have lived experience of homelessness, also support the proposal.
36. Auckland Council, through its department of Arts, Culture and Events, will provide funding for consenting and compliance costs, associated with the proposed capital work.
37. The Ministry of Social Development has already provided \$75,000.00 to James Liston Hostel for 2016/2017 for case work and tenancy sustainment.
38. Central government has announced funding of \$6 million per annum, for 2016/2017 and 2017/2018, to support case work and tenancy sustainment in Auckland. This provides the opportunity for funding the wrap-around support required to make the Housing First approach viable at James Liston Hostel.
39. Housing New Zealand are committed to addressing the housing supply issue in Auckland and have established an Auckland Housing Response Team. The Auckland Housing Response Team is responsible for making more houses available in Auckland for those who require them urgently. The team will consider a range of options to provide more houses, including significantly speeding up current processes and opportunities to create additional housing.

Housing First approach

40. The Housing First approach underpins the new operating model at James Liston Hostel.
41. The approach first moves people into housing and then provides support to address the issues underpinning their homelessness (e.g. addiction, poor mental health).
42. The approach was first developed in 1992 and was implemented through a programme in the US called Pathways to Housing. According to the Utah Housing and Community Development Comprehensive Report on Homelessness 2014, the approach has led to a 72 per cent overall drop in chronic homelessness in that state.
43. Tenancy sustainment rates, the primary indicator for measuring the success of homeless housing policies, are much higher for housing first initiatives than for treatment first initiatives. Evidence demonstrates an 85% tenancy maintenance success rate when the Housing First approach is applied.
44. The Peoples Project in Hamilton has adopted the Housing First model. Between August 2014 and May 2016 the Peoples Project successfully housed 186 people. 93% have remained housed.
45. Central government supports the Housing First approach and has recently announced it will invest \$3 million to support the implementation of Housing First in (central, west and south) Auckland.
46. Lifewise is leading the exploration of applying a unique Housing First approach that caters to Auckland City Centre's distinct cultural and social landscape. There are two project streams underway, that are investigating both housing supply and clinical and community support. The project is supported by funding from Foundation North and Auckland Council and supported by the Rough Sleeping Steering Group.

Consideration

Local board views and implications

47. The James Liston Hostel is within the Waitematā Local Board area. The Chair of the Waitematā Local Board is a representative on the Auckland City Centre Advisory Board.

Māori impact statement

48. Maori are over represented in the rough sleeping population. According to the Census 2013 14.9% of the New Zealand population are Maori. Data gathered as part of the 2016 Auckland City Street Count of Central Auckland's rough sleepers found those who identified as Maori increased to 53% from 42% in 2014. Additionally, 42% of the Auckland City Mission's case-managed clients (total) in July 2016 identified as Maori.
49. Given this disproportionality, investment will be of particular benefit to Maori.

Implementation

50. If this proposal is endorsed by ACCAB, it will then be required to be approved by the Finance and Performance Committee.
51. Council staff will develop a funding agreement between Auckland Council and the James Liston Hostel Trust.
52. Updates will then be provided to the Auckland City Centre Advisory Board on progress, including the impact of the funding on numbers of rough sleepers in the City Centre.

Attachments

There are no attachments for this report.

Signatories

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