



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

19 JUN 2017

Dear

On 24 April 2017, you emailed the Ministry requesting, under the Official Information Act 1982, a copy of the document titled, '*Ted Manson*', dated 8 July 2016, written by Kelvin Moffatt, General Manager Contracts Social Housing.

Please find enclosed the following document, as requested:

- Memo, '*Ted Manson*', dated 8 July 2016.

The memo provides a high-level summary about the engagement between the Ministry of Social Development and the Ted Manson Foundation.

You will note that the names of some individuals are withheld under section 9(2)(a) of the Act in order to protect the privacy of natural persons. The need to protect the privacy of these individuals outweighs any public interest in this information.

Some information is also withheld under section 9(2)(i) of the Act to enable the Ministry to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). The greater public interest is in ensuring that government agencies can continue negotiate without prejudice.

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 shortly. The Ministry will do this by publishing this letter and attachments 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 with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response regarding the 'Ted Manson' memo, 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.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Scott Gallacher', written in a cursive style.

Scott Gallacher
Deputy Chief Executive, Housing



Memo

To: Section 9(2)(a) Privacy of natural persons Private Secretary

From: Kelvin Moffatt, General Manager Contracts Social Housing

Date: 8 July 2016

Security level: IN CONFIDENCE

Ted Manson

Action: For Information

Purpose

This memo is to provide you with a high level summary of the engagement between the Ministry of Social Development (MSD) and Ted Manson to date.

Background

Ted Manson was in direct conversations with a number of Community Housing Providers (CHP's), but as we understand it had narrowed down his discussions Section 9(2)(i) Commercial Negotiation
Section 9(2)(i) Commercial Negotiation

Ted has purchased two development sites with a view to developing them as 100% social housing developments.

The Liverpool Street site is in the Auckland CBD and would have seen the development of 80 apartments - Ted was in discussions with in relation to them managing nearly all the units. Section 9(2)(i) Commercial Negotiation

Ted lodged a building consent for 168 units for his Glen Eden site and was in discussion with around them managing 100% of these apartments.

Section 9(2)(i) Commercial Negotiation
Section 9(2)(i) Commercial Negotiation have concluded that they do not wish to see 100% social housing within these developments.

Summary of engagement with MSD

MSD has had numerous meetings, conversations and communications with Ted Manson since November 2015 with a view to assisting wherever possible his engagement with developing social housing within the Auckland region.

30 May 2016

Ted emailed noting that he was no longer progressing these developments due to both Section 9(2)(i) Commercial Negotiation turning down the management opportunities; and becoming a registered CHP for his Foundation would be a full time job within itself. The

Business Development Manager (BDM) tried to contact Ted. Ted was away until the 7th June.

7 June 2016

MSD BDM made contact to discuss Ted's decision not to progress these developments and to see if there was interest in identifying another interested CHP for these developments.

Ted noted that in a normal business transaction he has a high level of autonomy that requires minimum collaboration to complete development projects.

Ted agreed to meet with the BDM to discuss the options further on Friday 10th June.

8th June 2016

Ted emailed the BDM advising that he had thought further and he had strengthened his resolve not to participate in this opportunity and cancelled the meeting scheduled for Friday.

10 June 2016

Ted's planner and assistant requested a meeting with the BDM for Tuesday 14 June.

14 June 2016

BDM met with Ted's planner and assistant. It was noted that Ted does wish to progress his proposed social housing developments, and has future meetings scheduled with Section 9(2)(i) Commercial Negotiation

Ted's planner noted that they were considering contacting Compass to gauge their interest should a deal not eventuate with the existing CHP's.

It was requested that MSD:

1. Confirm the best approach for Ted to obtain an agreement in principle to funding discussed subject to him forming a partnership with a registered community housing provider. Note that the funding discussed fits within the agreed negotiating parameters and is summarised as follows:

Section 9(2)(i) Ongoing Negotiations

2. Provide further information on the contractual position should there be a change in governments and
3. Confirm government's appetite for extending the required delivery dates for projects given the Liverpool Street development would have a projected completion date of October 2018 and the Glen Eden development is expected to be completed by July 2019. In relation to this MSD have prepared a paper seeking approval for an extension of the required delivery date, which will be presented at the Housing Steering Group on Wednesday 6 July.

16 June 2016

BDM emailed Ted's planner noting that further to the meeting with on 14th June:

1. MSD Legal are reviewing the contract in terms of the query around what happens in the event there is a change in government.
2. In terms of the best approach to get an agreement in principle prior to the Ted Manson Foundation forming an relationship with a CHP – BDM was seeking approval to use an alternate channel in relation to this (other than completing the RFP).

3. MSD is seeking approval to extend the delivery date for the RFP out to enable these developments to fit within the required timeframe.

BDM confirmed that MSD would come back to them as soon as possible on points 1-3 above.

22 June 2016

Ted's assistant emailed BDM for update on timing. BDM called and advised that approval in principle could be obtained but that any approval would take a couple of weeks.

3 July 2016

Ted's assistant called BDM for an update and was advised that a response would be provided later this week.

Note: There had been some delay in progressing the Agreement in Principle with the Ted Manson Foundation by the Auckland Supply team due being required to prioritise the work on alternatives for supply of Emergency Housing and sourcing of motels, and providing input on supply parameters for the work programme on the proposed Cabinet Paper.

5 July 2016

Agreement in Principle sent to MSD General Manager Contracts for review.

6 July 2016

Agreement in Principle sent to MSD legal for advice review.

8 July 2016

Ted Manson met with the Minister.

Note: The request for an extension in the delivery date required by the RFP has been provisionally incorporated within the Cabinet paper being submitted in August 2016. Ted will be updated on MSD's contractual position should there be a change in government in conjunction with the agreement in principle.

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OFFICIAL INFORMATION ACT