



08 JUL 2021

Dear

On 11 May 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

1. *The total amount paid to SilverFern Property Services.*
2. *A breakdown of what that amount covered.*
3. *What duration those payments covered.*
4. *The average payment made.*
5. *Payments made to cover damage.*
6. *The number and nature of complaints made to MSD about SilverFern Property Services.*
7. *Confirmation around whether SilverFern Property Services repaid its wage subsidy.*
8. *All written correspondence between Silverfern Property Services and MSD.*

On 12 May 2021, you amended your request to include the following additional questions:

9. *How much was Silverfern paid?*
10. *What was the nature of the agreement?*
11. *Why did MSD stop using their services?*
12. *Is MSD considering taking action over their wage subsidy claim?*
13. *What checks were being done around the services being provided at the time?*
14. *Any comment on Silverfern being in liquidation now?*

Demand for housing across New Zealand is growing and more people are experiencing a severe and immediate need. This demand is generated by a shortage of affordable housing driving up house prices and rents. People on low incomes are most affected by rising housing costs and many seek financial help through the Ministry.

The Emergency Housing Special Needs Grant (EH SNG) is available to people who cannot remain in their usual place or 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 depending on the individual's circumstances.

After these seven nights, Work and Income arrange another appointment with the client to discuss their housing situation and if another grant is required. The Ministry works hard to support people in emergency housing to secure a long-term housing solution, either through public housing or private rental accommodation. Other options including transitional housing can also be explored as an option depending on availability and the individual's circumstances.

The Ministry recognises that motels are not a long-term solution or the solution that we want to deliver for people who are potentially in a vulnerable situation. They provide a short-term solution while more sustainable options are progressed. More information about EH SNGs is available at the following link:

www.workandincome.govt.nz/%20map/income-support/extra-help/special-needs-grant/emergency-housing.html.

Due to the growing demand for emergency housing in Auckland, the Ministry used a number of private rental properties to accommodate larger families. The Ministry became aware that this led to some property owners withdrawing their properties from the rental market to offer them as short-term emergency accommodation, which attracted a higher weekly rate.

In May 2020, landlords and property managers were informed that the Ministry would no longer use private rental accommodation to meet the needs of those requiring emergency housing. This change came into effect in June 2020.

Due to the increased availability of motel accommodation because of reduced tourism demand, the Ministry can now manage the needs of those requiring emergency housing without using private rentals.

For the sake of clarity, I will address each question.

1. *The total amount paid to SilverFern Property Services*
2. *A breakdown of what that amount covered*
3. *What duration those payments covered*
4. *The average payment made*
9. *How much was Silverfern paid?*

Please see **Table One** below, showing the total number of EH SNGs granted, distinct clients, average per grant, and total amount granted to Silverfern Property Services Ltd.

Table One: Total number of EH SNGs granted, distinct clients, average per grant, and total amount granted in the period 1 October 2017 to 30 September 2020.

Provider Registered Name	Number of Grants	Distinct clients	Average per grant	Total amount granted
Silverfern Property Services Ltd	6,524	661	\$2,255.60	\$14,715,563.41

Notes for Table One:

- This table contains a count of grants, clients, average amount granted, and total amount granted.
- The amount granted may not be the amount spent.
- Average amount granted is the mean of the amount granted by the number of grants.

5. *Payments made to cover damage*

Payments made to cover damages to Silverfern Property Services Ltd are classified and paid out in the Ministry's reporting system as 'other emergency grants'. The Ministry cannot disaggregate payments regarding property damage or loss from other types of assistance granted under the 'other emergency grants' category. In order to provide you with this information, Ministry staff would have to review thousands of individual files. As such, this part of your request is refused 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. The Ministry has concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

More information about 'other emergency grants' can be found at the following link: www.workandincome.govt.nz/map/income-support/extra-help/special-needs-grant/other-emergency-grants-01.html.

6. *The number and nature of complaints made to MSD about SilverFern Property Services*

Clients provide feedback about emergency housing accommodation suppliers in various ways including face to face, phone, or email discussions with Ministry staff at Work and Income Service Centres.

To ensure suppliers for emergency housing deliver accommodation to a suitable standard, the Ministry:

- checks in regularly with clients on issues or concerns with their accommodation when approving subsequent EH SNGs
- escalates concerns or complaints to the housing team who follow up directly with the supplier
- monitors all ongoing issues or complaints received in relation to EH SNG accommodation.

Complaints received during the period clients were accommodated by Silverfern Property Services Ltd were not reported centrally but addressed at a regional level. This information would be held on individual client files. As such, I refuse this part of your request under section 18(f) of the Act as it would require substantial manual research and collation to locate and prepare this information. 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 Ministry is however aware of complaints about the SilverFern Property Services Ltd provided from the regional housing staff. These were typically about the general condition of the property noting issues with the plumbing and furniture. At the time, the Ministry raised these issues with the supplier who worked to remedy the identified issue.

Please note that the Ministry has developed and implemented a new emergency housing complaint recording system from 28 April 2021. The Ministry is currently working on what reporting will be made available publicly from the new complaints recording system and when this will occur.

7. Confirmation around whether SilverFern Property Services repaid its wage subsidy

The Ministry can advise that Silverfern Property Services Ltd has refunded an amount equal to one full time employee under the Wage Subsidy Scheme.

8. All written correspondence between Silverfern Property Services and MSD

Please find attached the following eleven documents that we identified as being in scope of this part of your request.

- Email 22 July 2019
- Email 14 May 2020
 - Attachment one
 - Attachment two
 - Attachment three
 - Attachment four
 - Attachment five
- Email 14 May 2020 (repetition of previous email)
- Letter to Zubeen Andaz, dated 10 June 2020
- Letter dated 26 November 2019 (sent to all suppliers)
- Letter to Silverfern Property Services Limited, dated 3 August 2020.

Please note that for the email thread dated 22 July 2019, at the time the Ministry made an error when Silverfern Property Services Ltd was incorrectly removed as a housing supplier. The Ministry became aware of this matter when it received an email from Silverfern Property Services Ltd on the same day querying the restriction on their account. The Ministry acted immediately to rectify the error and the issue was resolved within 24 hours.

You will note that some information has been deemed to be 'outside of scope' of your request, as this information related to Ministry staff names and contact details who are below tier 4 and/or who are not decision-makers.

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.

You will also note that the contact details of some individuals have been withheld under section 9(2)(k) of the Act in order to reduce the possibility of staff being exposed to phishing and other scams. This is because information released under the Act may end up in the public domain, for example, on websites including the Ministry's own website

Some information is also withheld under section 9(2)(b)(ii) of the Act as, if released, it would be likely to prejudice the commercial position of the person who supplied or who is the subject of the information. The greater public interest is in ensuring that the commercial position can be maintained.

10. What was the nature of the agreement?

Silverfern Property Services Ltd is one of many suppliers in Auckland who offered emergency housing accommodation. Please note that the Ministry does not hold contracts with emergency housing suppliers, therefore, this question is refused under section 18(e) of the Act, as this information does not exist.

11. Why did MSD stop using their services?

In May 2020, landlords and property managers were informed that the Ministry would no longer use private rental accommodation to meet the needs of those requiring emergency housing. This change came into effect in June 2020.

Due to the increased availability of motel accommodation because of reduced tourism demand, the Ministry can now manage the needs of those requiring emergency housing without using private rentals.

12. Is MSD considering taking action over their wage subsidy claim?

The Ministry has not made a decision on taking any action over this claim at present.

13. What checks were being done around the services being provided at the time?

The Ministry has interpreted this question as referring to the Wage Subsidy, to check that businesses meet the Wage Subsidy scheme's eligibility criteria, the Ministry's conducts targeted audits based on a risk analysis carried out with Inland Revenue, and by following up on allegations received through the complaints process.

From our audits, we have found that in the vast majority of cases, employers are doing the right thing. In many cases where entitlements have been wrongly claimed, it is due to uncertainty about the eligibility criteria, rather than deliberate attempts at deception.

Where employers have claimed money that they are not entitled to, the Ministry has several avenues open to it, including requesting repayment. In the most serious cases, where there is evidence of deliberate fraud, the Ministry will consider criminal prosecution. However, decisions about prosecutions are made only after a thorough investigation process.

14. Any comment on Silverfern being in liquidation now?

The Ministry does not wish to comment on Silverfern Property Services Ltd going into liquidation.

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

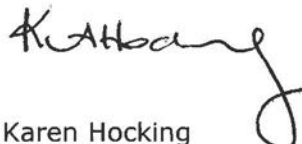
- to create greater openness and transparency about the plans, work and activities of the Government
- to increase the ability of the public to participate in the making and administration of our laws and policies
- to lead to greater accountability in the conduct of public affairs.

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 with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response regarding SilverFern Property Services Ltd, 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



Karen Hocking
**General Manager, Housing
Service Delivery**

Outside of scope

From: Outside of scope
Sent: Monday, 22 July 2019 12:30 PM
To: Outside of scope
Subject: FW: Restriction on account

fyi

From: Anne Goodall
Sent: Friday, 12 July 2019 7:24 PM
To: 9(2)(k) OIA @msd.govt.nz>
Subject: Fwd: Restriction on account

Begin forwarded message:

From: 9(2)(a) OIA
Date: 1 July 2019 at 7:44:54 PM NZST
To: Anne Goodall 9(2)(k) OIA @msd.govt.nz>
Subject: Re: Restriction on account

Thanks Anne,

Thanks for your reply . I have called many case managers today but they telling me you are the only one who can answer as why my account has been restricted. I wont be able to pay the owners out of my pocket because of the short notice. As you can understand that landlords have mortgage and financial commitments which they have to meet on a weekly basis.

I haven't received any payments today and the people are still staying in the houses. Unfortunately the restriction on my account doesn't help. I have given some tenants long term tenancy how will those redirections be paid?

One of the tenants said " Silverfern are not the suppliers anymore and we will be put in the motels" while they were standing at Onehunga branch with their case manager. This is definitely coming from regional and i would appreciate if someone gives us a call in good faith to explain as why the account has been restricted and how we can help .

I have been calling many owners and i was just able to get a boarding house to accommodate our small families at a weekly rent which would give the children a little stability and their schooling needs would be met but this restriction on my account doesn't help . i would have been able to help 6 families with at least 12 children.

We are in the process of notifying all our tenants that potentially their extensions this week with Silverfern will not be done and they will need to vacate the premises on the same day.

You kind response and some help will be highly appreciated .

Regards
9(2)(a) OIA

On Mon, 1 Jul 2019 at 17:22, Anne Goodall [9\(2\)\(k\) OIA @msd.govt.nz](mailto:9(2)(k) OIA @msd.govt.nz)> wrote:

Hi [9\(2\)\(a\) OIA](#)

I have also heard of this today

I am not sure why this is - I have not been part of that action/direction

When I find out what the situation is I will let you know

I agree, that you should be advised of the change and if there are any concerns, these also be advised

Regards

Anne

> On 1/07/2019, at 4:07 PM, [9\(2\)\(a\) OIA](#) wrote:

>

> Hello Anne,

>

> I have been receiving calls since this morning regarding silverfern account on hold. May i know why this has happened? I have been servicing MSD for over a period of time when there was no place to accommodate people in their homeless situation , i was always available to help. Its only fair if i know where did me and my company go wrong .

>

> It will be helpful if you just give us a heads up of whats going on so we can prepare ourselves .

> Please call me back on [9\(2\)\(a\) OIA](#)

>

> --

> Regards,

> [9\(2\)\(a\) OIA](#) (Director)

> Silverfern Property Services Limited

> Mob: [9\(2\)\(a\) OIA](#)

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Regards,

[9\(2\)\(a\) OIA](#) (Director)

Silverfern Property Services Limited

Mob: [9\(2\)\(a\) OIA](#)

From: Outside of scope
To: [REDACTED]
Cc: [REDACTED]
Subject: CEO/DA - 9(2)(a) [REDACTED] - Silverfern Property Services Ltd removed as an Emergency Housing provider CS/20/774 [CE]
Date: Thursday, 14 May 2020 1:50:11 PM
Attachments: [Client requesting support \(1\).jpg](#)
[Client requesting support \(2\).jpg](#)
[evidence of removing the property from the market.jpg](#)
[Emergency Housing Arrangement.pdf](#)
[requesting payments.jpg](#)

Outside of scope

From: Outside of scope [REDACTED]@parliament.govt.nz>
Sent: Wednesday, 13 May 2020 2:28 PM
To: Outside of scope [REDACTED]@msd.govt.nz>
Subject: FW: MSD unfair treatment towards homeless families

Hi [REDACTED]

Outside of scope

Cheers,

[REDACTED]

From: Outside of scope [REDACTED] On Behalf Of Rt. Hon Jacinda Ardern
Sent: Wednesday, 13 May 2020 1:34 PM
To: 'Silverfern Property' 9(2)(a) OIA [REDACTED]
Subject: RE: MSD unfair treatment towards homeless families

Dear 9(2)
()

I am writing on behalf of the Prime Minister, Rt Hon Jacinda Ardern, to acknowledge your email of 13 May 2020 regarding alleged unfair treatment by MSD towards homeless families. Please be assured your comments have been noted.

As the issue you have raised falls within the portfolio responsibilities of the Minister for Social Development, the Hon Carmel Sepuloni, your correspondence has been forwarded to the Minister's office for consideration.

Thank you for writing to Jacinda.

Outside of scope

Office of the Prime Minister

From: Silverfern Property 9(2)(a) OIA [REDACTED]
Sent: Wednesday, 13 May 2020 12:13 AM
To: Rt. Hon Jacinda Ardern <Jacinda.Ardern@parliament.govt.nz>
Cc: C Sepuloni (MIN) <C.Sepuloni@ministers.govt.nz>

Subject: MSD unfair treatment towards homeless families

Dear Honourable Prime Minister,

I wish to express my heartfelt thanks to you for looking after the entire nation during this COVID - 19 pandemics. Not just me but the whole world is a fan of you. Not taking much of your time I will start with who I am and what my concern is.

I have been operating as a small Airbnb business since 2017. I was approached by some homeless families for accommodation for their large whanau, and then my journey began in providing shelter for needy families. I went above and beyond to look for houses for the homeless whanau. Being a proud citizen of New Zealand I couldn't see our people on the streets, or in cars with their children.

- Most Airbnb landlords certainly refused to give houses to these families as they noticed the damages and items being stolen.
- This did not stop me as I approached other owners through my contacts whose properties were on the market for sale or waiting for a development offering them higher rental plus repair and maintenance which was accepted by them.
- I gave my families ongoing support which includes food, transportation if required, food vouchers, fully furnished houses, kids play gym, and tried my best in locating them close to their school so they are not affected and parents are settled.
- We carried out weekly inspections to ensure that our families are safe. Special attention was paid to their essential needs during the alert level 4 lockdown. To be honest even this pandemic didn't stop us from reaching to my families.
- I noticed that the families with children were well settled in houses after they returned from a motel.

My concerns are:

In the last couple of weeks, I have experienced unacceptable behavior by MSD,
Strategically Defaming Silverfern:

Several families (new clients) approached us for Emergency housing requirements. We informed them we have accommodation available; however, when clients approached MSD Call Centre; the case manager told them that we "Silverfern" is not a supplier.

After a few of the above incidents happened, I had an over the phone conversation with Ms Anne Goodall, and she assured me that this is just a "misunderstanding." But still, I have experienced the same.

Another significant incident, it was with our existing client who was insisted to move out; the client has provided their statement to us that a case officer told the following;

"Silverfern is no longer a supplier."

"There is an investigation going on Silverfern."

And when the clients questioned them why they have been moving to a "similar 3 bedroom house"?

The officer's response was "If you don't move we have to reconsider your emergency housing."

We have supporting statements from the clients, and they are willing to give evidence to respective authorities for the amount of stress given to them, especially when asked to move at night during this alert level 3. However, some raised concerns that they are scared as well as if they speak, they would get targeted. I must say they are mostly our **"Pasifika families"**.

Unfair advantage to other providers:

Now the most severe concern which raises lots of questions.

The families who were explicitly moved from our properties are either moving directly to similar providers like Silverfern or redirected via Motel/hotel for a few days and then to the similar providers.

The constant names coming to us are **9(2)(b)(ii) OIA** and **9(2)(b)(ii) OIA** who is a **9(2)(b)(ii) OIA** on the same price and similar house. **This clearly proves that they are taking properties out of typical "Rental Market" and using them as emergency/transitional.**

Furthermore, it also indicates further investigation that the new clients we sending for the quotes and our existing clients have been consistently told that "Silverfern is not a provider" and moving them to the property related to the above parties. We may request further information under "Official information act."

We have also seen some evidence that the above providers and their associated parties are targeting investors to provide houses at higher rates.

Our support to our client's and MSD

We are not taking Properties from the rental market as per our discussion with Ms Goodall; however, other similar providers like us are openly acquiring properties from the market - no question asked?

Our properties are existing ones that are either on sale or waiting on a

development project which is no long term solution for our families. However, we are willing to provide long term rentals placement for the families that stay with us for over 6 -12 weeks. That will enable us to give them all the guidance and resources for their long term accommodation solution to ensure their tenancy will be sustainable. This is the strategy that would work with the landlords as they always screen clients, and we can provide our recommendation based on their history with us. We are also aware of the HUD housing initiative to eliminate Hotels and Motels accommodation under the "Action Plan." However, MSD is still moving families to Motels which is not a suitable environment for children and families we accommodate. The above mentioned "Silverfern" strategy to provide initial housing solution to long term accommodation solution is also aligned with the HUD Action plan initiative. We have trained staff dealing with Māori whānau for their support.

We are aware that our company is targeted explicitly for some reasons and allocated a sole case manager with some undisclosed instructions so families living with can not get an extension and moved out which is simply racism.

After raising my concern with the commissioner Mr. Mark Goldsmith for the unfavorable behavior with me and my clients I was emailed that " MSD has taken the decision to cease using private rental accommodation as emergency housing due to Covid - 19 pandemic". Please find the letter attached sent by MSD.

Your decision on the following will be honored:

When I continue with my Airbnb business, and I am approached again by a homeless family, should I just deny, or say we are not appropriate providers?

If properties are sitting idle for 6 months waiting for development, couldn't they be used as a shelter for a family?

At the market rental rate owners are hesitant to give their properties to the homeless, they know some of our families have less skills and confidence to look after the property and the landlords have a mortgage to pay which they think is advisable to be rented with professional people.

Was my approach of using Airbnb method (offering higher rental)to help the homeless families, and at the same time use the funds to renovate the place and refurnish the house a negative approach?

MSD has been reluctant to pay for the tenants that are already staying in my properties, which leaves me with no choice but to remove them? Will this be fair on the families?

Is MSD prepared to house my over 100 families to appropriate housing that is a long term solution? If not then why are the families being tossed and moved around?

No matter what happens, I will be there for my people because I know WE ARE ONE " Kia Kaha".

Your kind response will be highly appreciated.

--

Nga Mihi

9(2)(a) OIA (Director)

Silverfern Property Services Limited

Mob: 9(2)(a) OIA

HELP please Inbox x



9(2)(a) OIA

to 9(2)(a) OIA

Tue, 28 Apr, 17:51



Hi would you please extend our staying at your pottery 9(2)(a) OIA Clendon park,

I got a call from [REDACTED] of work and income that she have been booked a hotel for me and my two young kids construed as the provider of 9(2)(a) OIA is not their provider anymore.

Today is the first day of the LEVEL three they are rushing me to move out of the house I have no car no transport to move my staff out of here

Please can you extend my staying here please

Regards

9(2)(a) OIA

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Housing Inbox x



9(2)(a) OIA

15:08 (7 hours ago)



to 9(2)(a) OIA

Hi there 9(2)(a) OIA

It's 9(2)(b) OIA and 9(2)(a) OIA here winz have called me and have pretty much told me to move back into a motel with my one year old and I'm also heavily pregnant . It was just last week that they have moved me into a new house because winz said they needed the 3bedroom for a bigger family , so under all the stress we moved again to papatoe . this silver Ferns property is ideal for us and way more convenient then a motel . It's safe especially for my baby , away from bad environments and influences , and close to the hospital considering I'm nearly due to give birth . After hearing this and stressing out I rang and asked winz / housing nz why they wanted us to move again they said it was because silver Ferns properties are a 9(2)(b)(ii) OIA

9(2)(b)(ii) OIA told them that they have been nothing but good to us providing a fully furnished house with all the essentials , checking in and taking care of us during the lockdown , providing new items and food vouchers , and supporting us with winz and housing situation . We have been in emergency housing for two years and just this year alone been moved by winz 5 times (2x motels & 3x houses) . This house with silver Ferns properties is the best place we have been in the past two years and we don't want to move again at all . Especially not back into a motel .

RELEASED UNDER THE OFFICIAL INFORMATION ACT

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Missing: ~~\$1050~~ | Must include: **\$1050**

Arrears list attached- Reminder Notice



Silverfern Property 9(2)(a) OIA
to ~~Outside of scope~~ Anne, ~~Outside of scope~~ mark 9(2)(k) OIA

12 May 2020, 12:04 (12 hours ago)



Kia Ora Everyone,

Hoping everyone is safe and well. I have been trying to email ~~Outside of scope~~ (the designated case manager for Silverfern PSL) and get a response for an update and trying to understand why there are delays in the payment. These arrears are now having a major impact on my business and I kindly request you to get the payment sorted, please.

When we are called to say there is a family needing a home by a case manager," can you please help me " from that moment till the tenant moves in we give them ongoing support in whichever way possible. I don't understand why we are being targetted like this and why our payments are on hold.

These families are homeless, they are going through a lot of stress and they need our support, whatever the reason is, these families shouldn't be used as a target. I request you. They are living in our accommodation and they should not be facing removal if it's not their fault

I kindly request MSD to get back to me at your earliest convenience, as its getting beyond my control.

Nga Mihi

9(2)(a) OIA Director)

Silverfern Property Services Limited

9(2)(a) OIA

RELEASED UNDER THE OFFICIAL INFORMATION ACT



11 May 2020

9(2)(a) OIA

Silverfern Property Services Ltd
2 McKean Avenue , Auckland

Tēnā koe, 9(2)(a)
OIA

Emergency Housing Arrangements

Subsequent to our letter of 26th November 2019, the Ministry of Social Development (MSD) has further considered its position in respect of the use of private rental properties for Emergency Housing.

As a result of the changed housing environment brought about by the COVID-19 pandemic, MSD has taken the decision to cease using private rental accommodation as Emergency Housing with effect from 30th June, 2020.

Therefore, MSD will cease the payment of Emergency Housing Special Needs Grants (EHSNG) to your properties. The well-being of our clients is foremost in our minds. To that end, MSD will re-house all clients, including the occupants of your rental properties, in other appropriate Emergency or Transitional Housing.

If you wish to continue to provide accommodation to the current occupants beyond 30th June 2020, you could consider entering into a long-term tenancy agreement in accordance with the requirements of the Residential Tenancies Act 1986 (RTA). The occupants may be eligible for financial support, including the Accommodation Supplement, to meet the costs of their rent. We would be happy to work with those clients to ensure they're receiving their full and correct entitlement.

Alternatively, if the current occupants leave prior to 30th June, 2020 or you do not wish to continue to house the current occupants, MSD may be able to help by identifying a short list of suitable clients that you could consider housing subject to the usual landlord and tenant responsibilities and obligations of the RTA.

We are aware that the Ministry of Housing and Urban Development (HUD) continues to increase the supply of Transitional Housing in Auckland and across New Zealand. MSD would be happy to connect you with officials at HUD if you wish to discuss the potential use of your rental property as Transitional Housing.

Please let MSD know if you are prepared to let your rental under a longer-term tenancy agreement to the current occupants, or other suitable applicants provided by MSD, or should you wish to discuss a Transitional Housing option with the Ministry of Housing and Urban Development.

Please contact Anne Goodall at MSD on 9(2)(k) OIA for further information and to let MSD know your intentions. If we do not hear from you by 1st June, 2020 we will assume that you intend to find your own tenants.

Finally, on behalf of the Ministry I would like to thank you for assisting people with emergency housing needs. We look forward to working with you to ensure a smooth transition for the clients you are currently supporting and wish you well for the future.

Nāku noa, nā



Mark Goldsmith
Regional Commissioner
Ministry of Social Development

From: Outside of scope @parliament.govt.nz>
Sent: Thursday, 14 May 2020 3:52 PM
To: Outside of scope
Subject: FW: MW20-1568 FW: MSD unfair treatment

Hi [redacted]

Further email from 9(2)(a) OIA below.

Cheers,
[redacted]

From: Outside of scope
Sent: Thursday, 14 May 2020 3:47 PM
To: 9(2)(a) OIA
Subject: FW: MW20-1568 FW: MSD unfair treatment

Dear 9(2)(a) OIA

I write on behalf of Hon Dr Megan Woods, Minister of Housing, to thank you for your email on 13 May 2020.

The subject matter you raise falls within the portfolio responsibilities of the Minister for Social Development, Hon Carmel Sepuloni.

Your correspondence has therefore been referred to this office for their information.

Thank you for writing.

Kind regards,

Outside of scope

Office of Hon Dr Megan Woods

Minister of Energy and Resources | Minister for Greater Christchurch Regeneration | Minister of Housing |
Minister of Research, Science and Innovation
Private Bag 18041 | Parliament Buildings | Wellington 6160 | New Zealand
Office Phone: +64 4 817 8705 Email: m.woods@ministers.govt.nz

From: Silverfern Property 9(2)(a) OIA
Date: Wednesday, 13 May 2020, 12:22 PM
To: phil.goff@aucklandcouncil.govt.nz <phil.goff@aucklandcouncil.govt.nz>, N Mahuta (MIN) <n.mahuta@ministers.govt.nz>, Megan WoodsMP <Megan.WoodsMP@parliament.govt.nz>
Cc: advocates@aaap.org.nz <advocates@aaap.org.nz>
Subject: MSD unfair treatment

Kia Ora Honourable Ministers,

I wish to express my heartfelt thanks to you for looking after us. I am really honoured to be a proud citizen of New Zealand. Not taking much of your time I will start with who I am and what my concern is.

I have been operating as a small Airbnb business since 2017. I was approached by some homeless families for accommodation for their large whanau, and then my journey began in providing shelter for needy families. I went above and beyond to look for houses for the homeless whanau. Being a proud citizen of New Zealand I couldn't see our people on the streets, or in cars with their children.

- Most Airbnb landlords certainly refused to give houses to these families as they noticed the damages and items being stolen.
- This did not stop me as I approached other owners through my contacts whose properties were on the market for sale or waiting for a development offering them higher rental plus repair and maintenance which was accepted by them.
- I gave my families ongoing support which includes food, transportation if required, food vouchers, fully furnished houses, kids play gym, and tried my best in locating them close to their school so they are not affected and parents are settled.
- We carried out weekly inspections to ensure that our families are safe. Special attention was paid to their essential needs during the alert level 4 lockdown. To be honest even this pandemic didn't stop us from reaching to my families.
- I noticed that the families with children were well settled in houses after they returned from a motel.

My concerns are:

In the last couple of weeks, I have experienced unacceptable behavior by MSD,

Strategically Defaming Silverfern:

Several families (new clients) approached us for Emergency housing requirements. We informed them we have accommodation available; however, when clients approached MSD Call Centre; the case manager told them that we "Silverfern" is not a supplier.

After a few of the above incidents happened, I had an over the phone conversation with Ms Anne Goodall, and she assured me that this is just a "misunderstanding." But still, I have experienced the same.

Another significant incident, it was with our existing client who was insisted to move out; the client has provided their statement to us that a case officer told the following;

"Silverfern is no longer a supplier."

"There is an investigation going on Silverfern."

And when the clients questioned them why they have been moving to a "similar 3 bedroom house"?

The officer's response was "If you don't move we have to reconsider your emergency housing."

We have supporting statements from the clients, and they are willing to give evidence to respective authorities for the amount of stress given to them, especially when asked to move at

night during this alert level 3. However, some raised concerns that they are scared as well as if they speak, they would get targeted. I must say they are mostly our "Pasifika families".

Unfair advantage to other providers:

Now the most severe concern which raises lots of questions.

The families who were explicitly moved from our properties are either moving directly to similar providers like Silverfern or redirected via Motel/hotel for a few days and then to the similar providers.

The constant names coming to us are 9(2)(b)(ii) OIA and Fred 9(2)(b)(ii) OIA who is a 9(2)(b)(ii) OIA on the same price and similar house. **This clearly proves that they are taking properties out of typical "Rental Market" and using them as emergency/transitional.**

Furthermore, it also indicates further investigation that the new clients we sending for the quotes and our existing clients have been consistently told that "Silverfern is not a provider" and moving them to the property related to the above parties. We may request further information under "Official information act."

We have also seen some evidence that the above providers and their associated parties are targeting investors to provide houses at higher rates.

Our support to our client's and MSD

We are not taking Properties from the rental market as per our discussion with Ms Goodall; however, other similar providers like us are openly acquiring properties from the market - no question asked?

Our properties are existing ones that are either on sale or waiting on a development project which is no long term solution for our families. However, we are willing to provide long term rentals placement for the families that stay with us for over 6 -12 weeks. That will enable us to give them all the guidance and resources for their long term accommodation solution to ensure their tenancy will be sustainable. This is the strategy that would work with the landlords as they always screen clients, and we can provide our recommendation based on their history with us. We are also aware of the HUD housing initiative to eliminate Hotels and Motels accommodation under the "Action Plan." However, MSD is still moving families to Motels which is not a suitable environment for children and families we accommodate. The above mentioned "Silverfern" strategy to provide initial housing solution to long term accommodation solution is also aligned with the HUD Action plan initiative. We have trained staff dealing with Māori whānau for their support.

We are aware that our company is targeted explicitly for some reasons and allocated a sole case manager with some undisclosed instructions so families living with can not get an extension and moved out which is simply racism.

After raising my concern with the commissioner Mr. Mark Goldsmith for the unfavorable behavior with me and my clients I was emailed that " MSD has taken the decision to cease using private rental accommodation as emergency housing due to Covid - 19 pandemic". Please find the letter attached sent by MSD.

Your decisions on the following will be honored:

When I continue with my Airbnb business, and I am approached again by a homeless family, should I just deny, or say we are not appropriate providers?

If properties are sitting idle for 6 months waiting for development, couldn't they be used as a shelter for a family?

At the market rental rate owners are hesitant to give their properties to the homeless, they know some of our families have less skills and confidence to look after the property and the landlords have a mortgage to pay which they think is advisable to be rented with professional people.

Was my approach of using Airbnb method (offering higher rental)to help the homeless families, and at the same time use the funds to renovate the place and refurnish the house a negative approach?

MSD has been reluctant to pay for the tenants that are already staying in my properties, which leaves me with no choice but to remove them? Will this be fair on the families?

Is MSD prepared to house my over 100 families to appropriate housing that is a long term solution? If not then why are the families being tossed and moved around?

No matter what happens, I will be there for my people because I know WE ARE ONE " Kia Kaha".

Your kind response will be highly appreciated.

--
Nga Mihi
9(2)(a) OIA (Director)
Silverfern Property Services Limited
Mob: 9(2)(a) OIA



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

10 JUN 2020

9(2)(a) OIA

Tēnā koe 9(2)(a) OIA

Thank you for your email dated 13 May 2020 to the Prime Minister claiming that the Ministry of Social Development is being unfair to homeless families and discriminating against your company, Silverfern Property Services Limited. Your email was referred to the Ministry of Social Development (the Ministry) for reply as the matters you raise are operational.

I appreciate you taking the time to write with your concerns. Let me take this opportunity to reassure you that the Ministry's actions here are not a reflection on you or on your business, but rather reflect the Ministry's desire to ensure that affordable long-term accommodation is not unnecessarily removed from the rental market.

I am informed that the Ministry's Regional Housing Manager, Anne Goodall, has been in regular contact with you to work through a number of issues relating to your company's role as a supplier of emergency housing. I also understand that the matters raised in your email to the Prime Minister were canvassed in those discussions.

It may help if I explain that the Ministry is under no legal or other obligation to use a particular supplier of emergency housing. Our concern has always been that the continued use of accommodation that could be leased as long-term rentals for emergency housing is, in some cases, distorting the local housing market and may be contributing to increased need for emergency housing.

The letter you received from Mark Goldsmith, Regional Commissioner, is not in any way a judgement on the quality of the places offered by Silverfern Property Services Limited or the service you provide. Rather, it reflects a desire to increase the supply of affordable rental properties. A similar letter has been sent to all the providers we are aware of in a similar position.

I am sorry if this is not the response you were expecting, and I encourage you to continue to liaise with Anne Goodall, as she is familiar with your situation and is best placed to assist you should you wish to take up any of the options noted in Mark's letter to you. You can contact Anne by email here: 9(2)(k) OIA @msd.govt.nz

If, after further discussions with Anne you remain dissatisfied, you are welcome to take your complaint to the Office of the Ombudsman, www.ombudsman.parliament.nz/.

Thank you again for writing. I wish you all the best.

Nāku noa, nā

Kate Satterthwaite
General Manager
Ministerial and Executive Services

26 November 2019

UNCLASSIFIED

Emergency Housing Accommodation

The Ministry is writing to individuals/companies that are supplying Emergency Housing accommodation in Auckland. This is to ensure you understand the Ministry's expectations around the supply and our utilisation of, Emergency Housing in Auckland.

The government's intention is to reduce reliance on motels and the use of Emergency Housing generally by increasing the supply of Transitional and Public Housing including, in the Auckland Market. The Ministry remains focused on ensuring Aucklanders have a warm, safe and dry place to call home.

If the Ministry is accessing Emergency Housing accommodation through you it is important to be aware that we will only use Emergency Housing Suppliers that are:

- Compliant with the Residential Tenancies Act (1986) and the Residential Tenancies (Healthy Homes Standards) Regulations (2019)¹. It is important to note there may be potential risks to your business if you are found to be acting in a manner inconsistent with the RTA.
- Providing emergency housing that includes the required chattels for such accommodation i.e. heater, bedding, linen, cooking facilities etc.
- Not impacting the housing market by reducing the supply of long-term rental properties in the Auckland market.
- Not marketing to existing landlords with tenanted properties by offering higher returns from Emergency Housing.
- Make properties available on request for inspection by the Ministry.
- Not marketing or using Emergency Housing to trial a tenant's suitability for more permanent housing.
- Not directly marketing vacancies to MSD case managers. Our preference would be to establish a centralised contact point, so we can ensure the right households are placed in your properties, and so we can minimise any unintended consequences of our utilisation.

¹ This regulation prescribes the healthy homes standards for the purposes of sections 45(1)(bb) and 66I(1)(bb) of the Residential Tenancies Act (1986)

If the Ministry becomes aware that Emergency Housing is being provided outside of these recommended guidelines, we will cease using this Supplier.

As an Emergency Housing Supplier please note the following:

- The Ministry will look to align the maximum rates paid with the market rent for similar properties.
- Where possible, our preference is that properties used for Emergency Housing are converted to either a fixed term or periodic tenancy. The Ministry has a range of Housing Support Products to assist tenants secure permanent housing.

The Ministry would like to recommend that you consider becoming a Transitional Housing Provider with the Ministry of Housing and Urban Development. We would be happy to provide information around the process including arranging an initial meeting to discuss this process with representatives from the Ministry of Housing and Urban Development.

We would welcome the opportunity to meet and discuss any aspect of this letter.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Mark Goldsmith', with a stylized, cursive script.

Mark Goldsmith
Regional Commissioner
Ministry of Social Development



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIA TO ORA

Silverfern Property Services Limited
11B Oxford Street
Manurewa
Auckland

IR number: 9(2)(b)(ii) OIA

3 August 2020

Tenā koe 9(2)(a)

Thank you for participating in the audit of your subsidy application.

As a result of the audit and based on the information that you provided it has been assessed that a repayment of \$53,407.20 is required.

You can pay this amount by internet banking using the details below:

Account number:	03 0049 0005363 26
Account name:	Ministry of Social Development (MSD)
Bank and Branch:	Westpac, NZ Government Branch, Wellington
Particular:	DBT-P27636102
Analysis Code:	Business name (first 12 letters)
Reference:	123478037 (no dashes)

If you have any questions regarding this repayment, please reply to the email.

If you have questions about other assistance, please phone 0800 40 80 40 for the wage subsidy line or 0800 559 009 for Work and Income general enquiries. You can also go to www.workandincome.govt.nz for more information.

Ngā mihi

Jacqui Kime
National Manager Fraud Intervention Services
Ministry of Social Development