

Manawatu Community Trust

2021/2022

STATEMENT OF INTENT

This Statement of Intent covers the year 1 July 2021 to 30 June 2022

PURPOSE

The purpose of this statement of intent is to

- (a) state publicly the activities and intentions of this council-controlled organisation for the year and the objectives to which those activities will contribute; and
- (b) provide an opportunity for shareholders¹ to influence the direction of the organisation; and
- (c) provide a basis for the accountability of the directors² to their shareholders for the performance of the organisation.

OBJECTIVES OF THE COUNCIL CONTROLLED ORGANISATION

1. Section 59 of the Local Government Act 2002 provides:

Principal objective of a council-controlled organisation

(1) The principal objective of a council-controlled organisation is to

- (a) achieve the objectives of its shareholders, both commercial and non-commercial, as specified in the statement of intent; and
- (b) be a good employer; and
- (c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and
- (d) if the council-controlled organisation is a council-controlled trading organisation, conduct its affairs in accordance with sound business practice.

(2) In subsection (1)(b), good employer has the same meaning as in clause 36 of Schedule 7 of the Local Government Act 2002.

¹ 'Shareholders' include any partners, joint venture partners, members or other persons holding equity securities in relation to the organisation. In this case the shareholders will be the Mayor and the Councillors of the Manawatu District Council.

² 'Directors' and the 'Board' include trustees, managers or office holders (however described in the organisation).

NATURE AND SCOPE OF ACTIVITIES

Nature

The Nature of the Trust is to promote and provide housing and wellbeing services that are relevant and meet long term community needs.

Scope

The Trust is a robust, professional, and viable organisation that is providing a modern healthy living environment, up to date, good quality, sustainable housing and health facilities that address the needs of the community to enhance the long term wellbeing of Manawatu residents.

OBJECTIVES OF THE MANAWATU COMMUNITY TRUST

The objectives of the Manawatu Community Trust as identified in its Deed of Trust are:

1. Any charitable purpose within the Manawatu District
2. To create a fund to be used for:
 - 2.1 The promotion of any purpose or purposes within the Manawatu District for the relief of poverty and for the benefit of the residents of the Manawatu District.
 - 2.2 The promotion and provision of housing for the elderly and disabled residents of the Manawatu District.
 - 2.3 The promotion of health services for the residents of the Manawatu District.
 - 2.4 The promotion of wellbeing services for residents of the Manawatu District – these services shall include services promoting the improvement of the lifestyle, health and welfare of residents in the Manawatu District and creating a sense of community for the benefit of the residents of the Manawatu District.
 - 2.5 To accept gifts and grants of whatever description, provided that any private benefit conferred on any individual is incidental to the above purposes.

GOVERNANCE

Six Trustees have been appointed by the Manawatu District Council to the Trust with terms as set out below.

- **Tyson Schmidt**, Chairperson, reappointed for 3 years from 1 July 2019 – 30 June 2022
- **Colin McJannett**, reappointed, 3 years from 1 July 2018 to 30 June 2021
- **Tony Murphy**, reappointed for 3 years from 1 July 2019 – 30 June 2022
- **Liam Greer**, appointed for 3 years from 1 April 2021 – 31 March 2024
- **Joanne Shortall**, appointed for 3 years from 1 April 2021 – 31 March 2024
- **Tracey Hunt**, co-opted for a period of up to 12 months from 17 November 2020, then appointed for 3 years from the date of the first available vacancy.

The Trust meets on a regular basis with the Trust Manager to conduct the Operational business of the Trust.

ESTIMATE OF THE AMOUNT OR PROPORTION OF ACCUMULATED PROFITS AND CAPITAL RESERVES THAT IS INTENDED TO BE DISTRIBUTED TO THE SHAREHOLDERS

The Trust uses accumulated profits and capital reserves for the development of and to increase assets, therefore there are no accumulated profits and capital reserves intended to be distributed to the shareholders.

PERFORMANCE TARGETS AND OTHER MEASURES BY WHICH THE PERFORMANCE OF THE TRUST MAY BE JUDGED IN RELATION TO ITS OBJECTIVES:

1. A housing portfolio that provides a modern, healthy living environment for the elderly and the disabled

Objective	Baseline/Measure	Target	Result to 31 Dec 21	Comments
The promotion and provision of housing for the elderly and disabled residents in the Manawatu district	All occupied flats meet or exceed healthy Living Standard Regulations	2022: 8 flats renovated 2023: 8 flats renovated 2024: 8 flats renovated	3 Flats partially renovated	We have experienced difficulty in getting reliable tradespeople to complete these refurbishments
Additional Housing Stock	Strategic Plan and cash flow beyond 5 years updated and actively followed.	2022: 10 new units	Currently seeking building consent	Likely to have a completion date after June 2022

2. Be responsive to urgent maintenance requirements or resident health and safety needs

Objective	Baseline/Measure	Target	Result to 31 Dec 21	Comments
The promotion and provision of housing for the elderly and disabled residents in the Manawatu district	Maintenance requests from tenants are recorded electronically and are subsequently responded to in accordance with their priority. Service Contractors are engaged with regard to their ability to provide prompt and reliable services to our tenants.	Electronic recording indicates maintenance requests are assessed and addressed promptly. Service contractors are engaged in accordance with the priority of the maintenance request.	Achieved	

3. Maintain a high occupancy level

Objective	Baseline/Measure	Target	Result to 31 Dec 21	Comments
The promotion and provision of housing for the elderly and disabled residents in the Manawatu district	From June 2018: 97% occupancy	Average month end occupancy level ≥ 95%	Average month end occupancy to Dec 21 = 96%	

4. Facilitate the redevelopment of Clevely Wing in Duke Street

Objective	Baseline/Measure	Target	Result to 31 Dec 21	Comments
The Clevely Wing is productively used	Clevely Wing vacant	Clevely wing productively operational by June 2023	Currently underway	Expected completion date May 2022

5. The Manawatu Community and Development

Objective	Baseline/Measure	Target	Result to 31 Dec 21	Comments
The promotion of wellbeing services promoting the improvement of lifestyle, health and welfare and creating a sense of community for the benefit of the residents of the Manawatu.	Collaborate with groups working with older persons to explore where opportunities exist to improve or provide wellbeing services.	Develop and maintain working project partnerships consistent with the Trusts vision with two other community groups by June 2023.	Funding application underway for joint MCT/ MHSS/ Massey for a future needs assessment for elderly residents of Manawatu	
Collaborate with the MDC in defining, developing, and refining a strategy to address housing needs for elderly and disabled residents in the Manawatu.	Availability of suitable land and residential planning regulations have been assessed	Agreements reached on co-operative goals. The Trust has access to land for development by June 2023.	Discussions have started on Rimu Park and other possible developments	

6. Accounting policies: Comply with all legislative and regulatory provisions relating to its operations and performance. The Trust will comply with current accounting policies.

Objective	Baseline/Measure	Target	Result to 31 Dec 21	Comments
Ensure that a positive financial return on investment in line with the nature and condition of the Trust's assets is achieved for re-investment and repayment of Capital Loans.	From June 2019, 54% of housing rental income was spent on capital improvements and major maintenance	The level of housing rental income for the year to be spent on capital improvements and major maintenance to be 45-55%	Capital and major maintenance spend to 31 Dec 21 = 22.5%	Target not reached due to delays in flat renovations under current supply and tradesman shortages, as well as a delay in the start of the major Corrick project.

Provide financial Reporting to the Manawatu District Council as required. The Trust will apply the PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector).	Annual report submitted by 30 September, and six-monthly report submitted by 28 February	All reports presented before due date	Annual report 2021 not submitted by 30 Sept or 30 Nov (after extension in reporting requirements).	The delay in reporting was due to delays in audit. The MCT reports were prepared on time, but Audit NZ was unable to start our audit until 1 November, and final reports were not returned to us until mid-January 2022.
Maintain the percentage of consolidated Trust funds in relation to total assets be no less than 60%	June 2019 – 79.8%	≥ 60%	As at 31 Dec = 81.2%	