

# 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 shareholders<sup>1</sup> to influence the direction of the organisation; and
- (c) provide a basis for the accountability of the directors<sup>2</sup> 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.

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<sup>1</sup> '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.

<sup>2</sup> '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

#### a. Refurbishments

**Objective:** The promotion and provision of housing for the elderly and disabled residents in the Manawatu district

**Baseline:** All occupied flats meet or exceed healthy Living Standard Regulations

**Measure:** Carry out refurbishment or complete upgrades on flats to ensure that they meet appropriate standards.

**Target:** 8 flats per annum.

#### b. Additional Housing Stock

**Baseline:** Strategic planning extends beyond 5 years.

**Measure:** Strategic Plan and cash flow beyond 5 years updated and actively followed.

**Target:** Have at least 10 new units constructed and occupied by June 2022.

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

**Objective:** The promotion and provision of housing for the elderly and disabled residents in the Manawatu district

**Baseline:** Residents receive prompt and appropriate responses to maintenance requests.

#### Measures:

1. Maintenance requests from tenants are recorded electronically and are responded to in accordance with their priority.
2. Service Contractors are engaged with regard to their ability to provide prompt and reliable services to our tenants.

#### Targets:

1. A permanent handyman is employed to undertake all general maintenance requests as required.
2. Service contractors are engaged in accordance with the priority of the maintenance request.

3. All maintenance requests are electronically monitored to ensure efficiency and appropriateness.

### 3. Maintain a high occupancy level

**Objective:** The promotion and provision of housing for the elderly and disabled residents in the Manawatu district

**Baseline:** From year ending June 2018, 97%

**Measure:** Average annual month end occupancy level

**Target** 95%

### 4. Facilitate the redevelopment of Clevely Wing in Duke Street

**Objective:** The promotion of health and welfare services for the residents of the Manawatu District

**Baseline:** The Clevely wing is productively used.

**Measure:** The redevelopment of Clevely Wing

**Target:** Clevely wing productively operational by June 2023

### 5. The Manawatu Community and Development

**Objective:** The promotion of wellbeing services for residents of the Manawatu District. These services shall include services promoting the improvement of 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.

**Baseline:** Review the recommendations made in Trust and District research reports alongside the Trust's strategic and operational planning process. (E.g. 'Encouraging Change' and 'Community wellbeing of the older persons living in Feilding')

**Measure:** Collaborate with groups working with older persons to explore where opportunities exist to improve or provide wellbeing services.

**Target:** Develop and maintain working project partnerships consistent with the Trusts vision with two other community groups by June 2023.

### 6. Manawatu District Council Partnership

**Objective:** Collaborate with the Manawatu District Council in defining, developing and refining a strategy to address housing needs for elderly and disabled residents in the Manawatu district.

**Baseline** Availability of suitable land and residential planning regulations have been assessed.

**Measure:** Agreements reached on cooperative goals.

**Target:** The Trust has access to land for development by June 2023

## ACCOUNTING POLICIES

**Objective:** Comply with all legislative and regulatory provisions relating to its operations and performance.

The Trust will comply with current accounting policies.

- a. 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.

**Baseline:** from year ending June 2019, 54% of housing rental income was spent on capital improvements and major maintenance.

**Measure:** Actual percentage of housing rental income for the year spent on capital improvements and major maintenance

**Target:** The level of housing rental income for the year to be spent on capital improvements and major maintenance to be 45-55%

- b. 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).

**Baseline:** From year ending June 2018, Annual report submitted by 30 September and six-monthly report submitted by 28 February

**Measure:** Each report is prepared and presented before due date.

**Target:** Report as at 30 June and as at 31 December reported by 30 September and 28 February respectively.

- c. Maintain the percentage of consolidated Trust funds in relation to total assets be no less than 60%

**Baseline:** From year ending June 2019 79.8%

**Measure:** Actual percentage as evidenced in the annual financials as at 30 June.

**Target:** The percentage of consolidated Trust funds in relation to total assets be no less than 60%

Tyson Schmidt  
Chairperson  
Manawatu Community Trust





## Budget for the Three Years to 30 June 2024

<b>Consolidated Income</b>
Sundry Income
Residential Housing Income
Commercial Rental Income
<b>Total Consolidated Income</b>

	Budget FY2022	Budget FY2023	Budget FY2024
	300	200	300
	1,809,290	1,961,730	2,157,840
	759,540	975,810	975,830
	<b>2,569,130</b>	<b>2,937,740</b>	<b>3,133,970</b>

<b>Consolidated Expenses</b>
Administration Expenses
Maintenance - All
Rates
Insurance
Trustee & Staff Expenses
Interest Expense
<b>Total Consolidated Expenses</b>

	229,370	201,580	203,850
	256,030	269,180	287,740
	339,160	381,780	476,050
	190,210	208,740	238,300
	364,680	374,550	379,670
	183,120	263,660	309,430
	<b>1,562,570</b>	<b>1,699,490</b>	<b>1,895,040</b>

<b>Operating Surplus / Deficit</b>
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<b>1,006,560</b>	<b>1,238,250</b>	<b>1,238,930</b>
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<b>Depreciation</b>
Depreciation

504,050	572,290	571,350
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<b>Net Surplus / (Deficit)</b>
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<b>502,510</b>	<b>665,960</b>	<b>667,580</b>
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<b>Planned Capital and Major Maintenance Programme</b>
Refurbishments / Major maintenance
New Developments
Healthy Homes Compliance (Heat pumps)
Misc

	Year End 31 June 22	Year End 31 June 23	Year End 31 June 24
	285,600	291,300	297,100
	5,094,400		
	136,900	197,400	215,000
	5,000	5,000	5,000

<b>Total Capital Programme</b>
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<b>5,521,900</b>	<b>493,700</b>	<b>517,100</b>
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