



STATEMENT OF INTENT 2023/24

This Statement of Intent covers the year 1 July 2023 to 30 June 2024

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

Five 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 2022 – 30 June 2025
- **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**, appointed for 3 years from 1 July 2021 – 30 June 2024
- **Allan Davey**, appointed for 3 years from 6 May 2022 – 5 May 2025

The Trust meets on a monthly basis, and on a regular basis meets with senior staff to review the operational business of the Trust.

STATEMENT OF ACCOUNTING POLICIES

The Trust has elected to apply PBESFR-A (PS) Public Benefit Simple Format Reporting – Accrual (Public Sector) on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million in the two years prior to June 2022.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

PERFORMANCE TARGETS

Goal 1: Develop and maintain existing housing stock

Description	Starting Point	Target	Results to 31 st December 2023	Management Comments
<p>Have all occupied housing stock at a 3 Star* rating or above by 2025.</p> <p><i>*A rating system from 1 to 5 Star, 5 Star being the highest.</i></p>	Housing at a 3 Star rating or above as at 30 June 2021: 193 of 205	<p>2024: 200 OF 205</p> <p>2025: All housing stock</p> <p>2026 All housing stock</p>	<p>2023: 200 of 205.</p> <p>Currently MCT has 5 units that do not meet 3 Star* rating. Replacement of roofs at the Rawhiti Complex and repair the roof at the Cedar Complex is expected to be completed by June 2024 which will result in the achievement of this goal 12 months ahead of time.</p>	<p>Achieved.</p> <p>Achieved /On track.</p>
Maintain average month end occupancy at above 95%.	Average month end occupancy 2022: 96%	<p>2024: >95%</p> <p>2025: >95%</p> <p>2026: >95%</p>	2023: 96% average occupancy of the full residential portfolio .	Achieved.
Be responsive to urgent maintenance requirements or resident health and safety needs	<p>Maintenance requests from tenants are recorded electronically and are subsequently responded to in accordance with their priority.</p> <p>Service Contractors are engaged with regard to their ability to provide prompt and reliable services to our tenants.</p>	<p>Electronic recording indicates maintenance requests are assessed and addressed promptly.</p> <p>Service contractors are engaged in accordance with the priority of the maintenance request.</p>	There were 9 urgent plumbing jobs recorded within the MCT database and were allocated to the appropriate service provider within expected timeframe.	Achieved.

Goal 2: Increase the number of housing units.

Description	Starting Point	Target	Results to 31 st December 2023	Management Comments
MCT will facilitate development to a total of 250 housing units by 2030	As at 30 June 2022: 205 units.	2024: 205 2025: 208 2026: 220	MCT is currently progressing the development of 19 new units. Four will be completed on the Prince Street site by December 2024. Three will be created within the Alexandra complex by December 2025, and an additional 12 will be completed on the Beatie Street site by December 2026.	Achieved. In progress and on track.
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	2023: Agreement reached on co-operative goals. 2025 – 2026: Advancing goals as determined above	MCT has provided regular updates on the progress of establishing a Feilding based Community Housing Provider at Council Meetings. A Trust Deed has been established and a board selected. The application process with Community Housing Regulatory Authority has commenced.	Achieved.

Goal 3: Develop services promoting health and wellbeing

Description	Starting Point	Target	Results to 31 st December 2023	Management 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	Needs assessment developed in association with Manchester House.	2024: Outcome decisions made, and planning commenced for services and community facilities 2025 – 2026: Implementation of community services and facilities	Research based future needs assessment has been completed. MHSS/MCT shared actions are in development.	Achieved.

Continue to offer Manawatū residents the option of rentals at no more than 30% of the superannuation and accommodation benefits available.	April 2023: Highest rental at 30% of single superannuation benefit and available accommodation supplement. Note that 92% of tenants are not at the highest rental.	2024: <30% 2025: <30% 2026: <30%	The highest rent at 31 st December 2023 is \$191 per week, which is 30% of the single superannuation and accommodation benefits available.	Achieved. Only 15% of MCT tenants pay the top rent of \$191. The lowest rent paid per week is \$158 and the median rent is \$181
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Compliance and Financial Performance Targets

Description	Starting Point	Target	Results to 31st December 2023	Management Comments
Provide financial reporting to the MDC as required applying PBE SFR (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector).	Meet half yearly and annual reporting deadlines set by MDC and Audit NZ	2024 - 2026: Reports submitted on time and to the satisfaction of MDC	Satisfaction feedback from MDC is pending.	Achieved.
Meet ANZ financial undertakings as per our loan agreements to maintain an effective equity / total tangible asset % greater or equal to 50%.	As at 30 June 2022: 83.6%	2024–2026: ≥ 50%	83.13%	Achieved.
Maintain an interest coverage ratio of EBITDA to interest at above 3.	As at 30 June 2022: 8.5	202 -2026: >3	3.39	Achieved.

Tyson Schmidt
Chairperson
Manawatu Community Trust