



ANNUAL REPORT FROM CHAIRPERSON

1 September 2021

Nga mihi nui.

Welcome to the annual report of the Fifeshire Foundation for 2020-21.

Our aim since 1993 has been to help people in crisis and hardship. As a local charity looking after local people we make sure 100% of the money given to us for grants goes to people in need. The Foundation sustains administration costs by raising funds from sponsors. We are pleased to report that during the 2020-21 year we successfully increased our fundraising for grants as well as securing full sponsorship for administration costs. We are seeing much greater need in our community than ever before, this in part due to the COVID-19 crisis that began in 2020.

An important part of contributing to the people who apply for assistance from Fifeshire Foundation is that we request they get ongoing support from social or community agencies who can work with them in the long term. We rely heavily on agencies to support our activities and we endeavour to support them where we can. We have noticed the increasing stresses that the community sector in the Nelson Tasman region is suffering. The trustees acknowledge the important work provided by local social agencies.

Growing Inequality & Poverty

Data shows a worsening inequality in our region. The Fifeshire Foundation exists to assist individuals and families who are being left behind. Data from the Household Economic Survey provided by the NZ Statistics Department show that the poorest 50% of New Zealand's population own 2% of its wealth¹. Poverty is a well defined measure statistically and so is material hardship - by either measure there are thousands of people in our region who are living in hardship, including many children.

Nelson Tasman has many strengths however our work at the Fifeshire Foundation continually identifies significant pockets of poverty, a regional housing crisis, an ageing population and low productivity. Many of the people we help are unable to afford their own homes and rental is regularly more than 50% of their disposable income. That does not leave much for food, clothing, school and health needs. Mean incomes are 13% below the New Zealand average and yet our houses are among the least affordable. The Te Tau Ihu Intergenerational Strategy recognised in January 2021 that "Our housing problems contribute to a range of issues including reinforcing

¹ Household Economic Survey 2018, NZ Statistics

inequality, child poverty and overcrowding, a growing level of homelessness, and a lack of capital available to invest in local businesses.”²

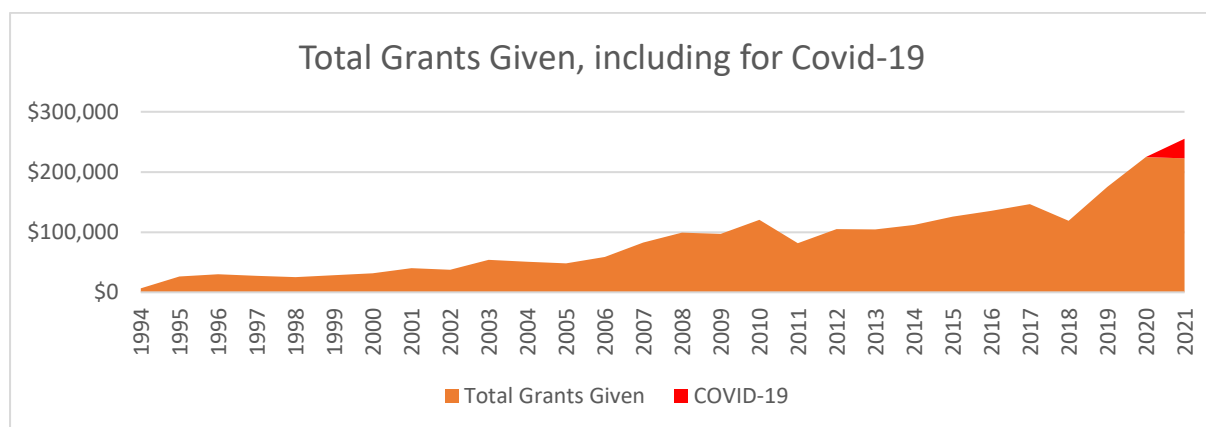
Apart from the obvious effect it has on the social contract binding our society together and the consequent moral or ethical effects, there is a strong economic argument that inequality causes poor economic growth because people from disadvantaged backgrounds under-invest in education.³

The needs of people helped by the Fifehire Foundation are growing. Those who turn to the Fifehire Foundation for support are often already clients of the Ministry of Social Development (MSD) and many have exhausted all available benefits. There is growing incidence of mental and dental health issues, rental and housing unaffordability, general poverty related to food, power, healthcare, childcare and basic household costs. We believe these issues have little prospect of abating without changes in social policy.

The persistent disadvantage⁴ for some people in our community is growing and becoming more complex. More people are having more complex problems due to the poverty into which they suddenly find themselves.

Growth in local need

The Fifehire Foundation operates alongside agencies to provide funds for people in need. In the past 28 years we have continued to grow. Local poverty has grown and the need for local sources of help has grown. Our historic growth is shown in the following chart:

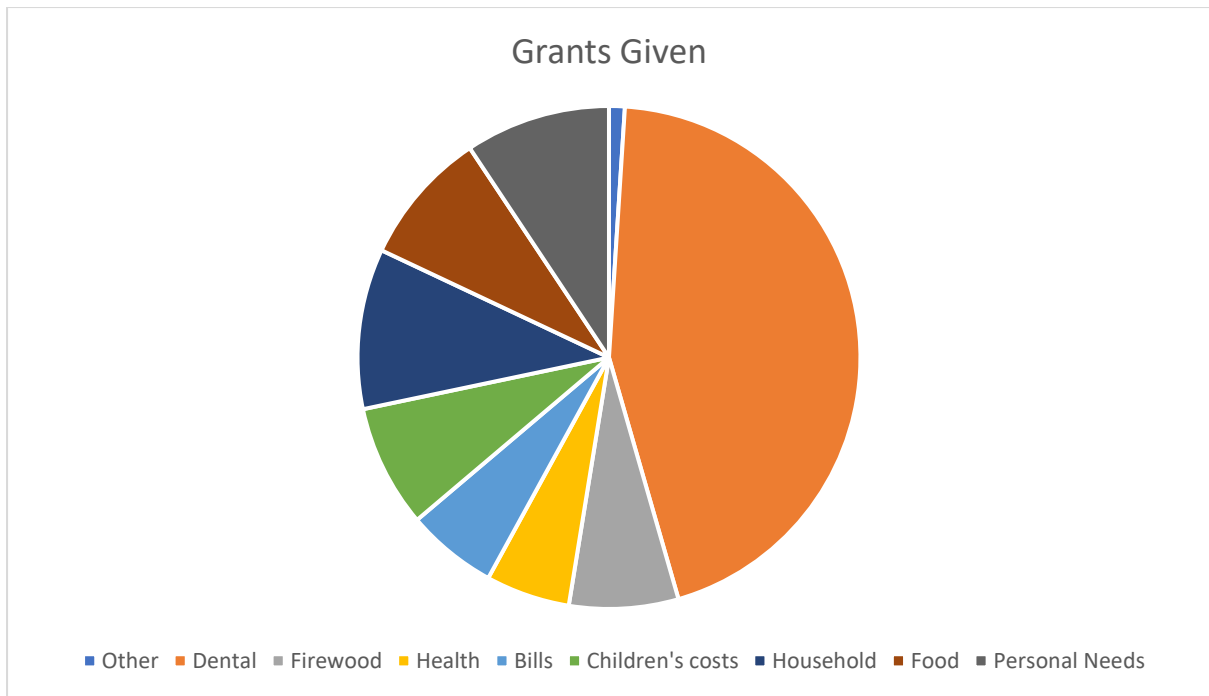


In the 2020-2021 we provided \$222,000 of funding and goods to nearly 270 applicants. In addition we set up an immediate response to the COVID-19 pandemic in April 2020 that has distributed a further \$33,000. Combined, that \$255,000 was the most funding we have given to applicants in our history.

² Te Tau Ihu Intergenerational Strategy (Regional Economic Briefing) January 2021

³ Focus on Inequality and Growth, OECD December 2014

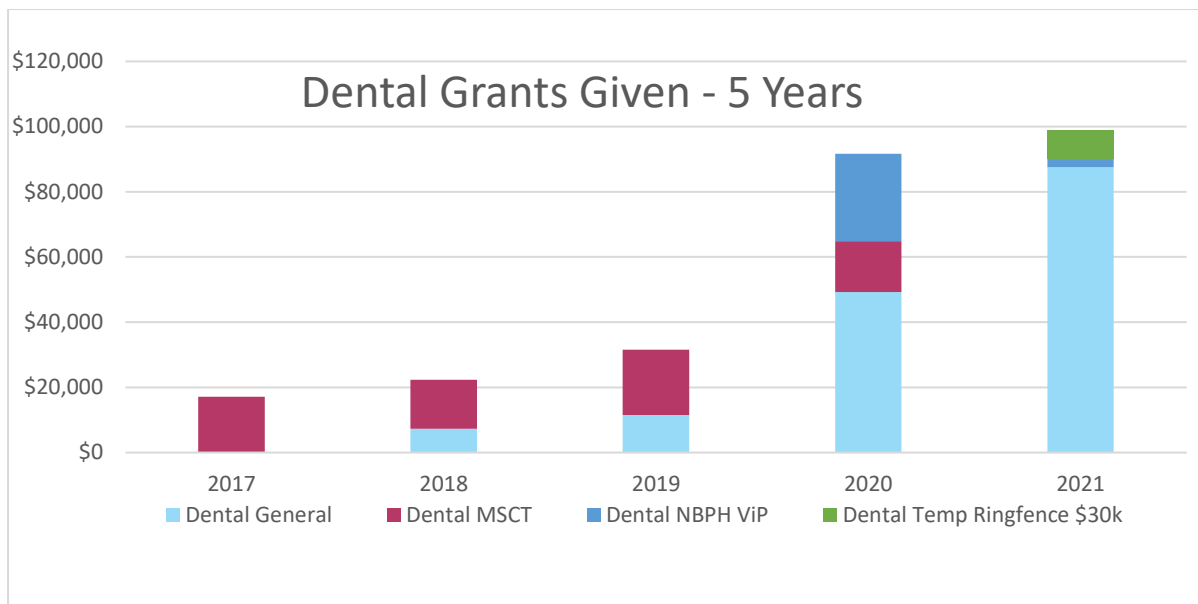
⁴ <https://www.productivity.govt.nz/inquiries/a-fair-chance-for-all/>



Dental health, our biggest and fastest growing programme

In recent years the amount of assistance we have been asked to provide to applicants with expensive dental needs has grown quickly. In 2020-21 we provided nearly \$100,000 for applicants for urgent dental health solutions. However, the trend is worrisome as the need is fast outpacing the availability of funds.

Prior to 2017 we struggled to fund the increasing number of large dental applications and consequently we were able to extend our partnership with the Manuka Street Charitable Trust. MSCT owns 50% of the Manuka Street Hospital with Southern Cross. They have provided facilities and staff for elective surgeries for some years and they agreed to add funding for dental procedures at local dental surgeries. In 2019 the Nelson Bays Primary Health Organisation also provided \$30,000 funding from their vulnerable populations project. We also aligned with local dental surgeries and continued to use funds from our general (non-dental) fundraising to support legitimate dental applications.



Fifeshire Foundation has always had applications for assistance towards dental health. Where general applications can be in the hundreds of dollars, dental applications tend to be in the thousands of dollars. Many are urgent care situations. The local need for assistance to vulnerable people with poor dental health is growing and impacting social agencies and charities like the Fifeshire Foundation.

Sadly, last year the funding for dental from MSCT and NBPHO was paused or ended. Already struggling to meet demand, the Board felt that the best way to meet all of the requests for support under our mission and Trust mandate was to provide funding to qualified dental applications within a maximum monthly budget of \$5,000. Over the next 12 months we will assess this situation and seek external advice on a sustainable way forward for the organisation.

COVID-19

During 2020-21 we have also been affected by the COVID-19 pandemic and it has influenced how we now respond to applications to solve short-term crisis. In March 2020 we responded quickly by creating a COVID-19 Applications process and a dedicated team of trustees. This was a successful strategy and from April 2020 onwards we distributed \$33,000 in emergency funding on top of our usual distribution of funds.

During this time we have noticed less acute needs but more chronic poverty, especially in families where one income earner has lost their job or family income has suddenly reduced.

Our region is seeing houses prices rising annually at a rate of 17% in Nelson and 21% in Tasman ⁵, partly as a result of COVID-19. The rental market is now becoming unaffordable for lower income individuals and families. Owning their own home has become an impossible dream for many.

We have noted the Child Poverty Action Group (CPAG) comments about central government not delivering its promise⁶ to implement recommendations from the Welfare Expert Advisory Group (WEAG). In November 2020 CPAG reviewed the response from central government to the Welfare Action Advisory Group created by the government in 2018 ⁷ and stated “No plan, no budget: Two years on from WEAG, Government continues to drag its feet” ⁸. The Government’s lack of action to eliminate poverty throws an unreasonable burden on community-based organisations such as the Fifeshire Foundation.

Our Strategy Review

Currently our capacity comes from our hard-working trustees, one full-time operational contractor and a community of willing friends. We continue to raise funds for the grants we provide from wonderfully generous individuals, families, companies, local agencies, service clubs, and regular fundraising campaigns. The pressures of providing for greater community needs through donations and sponsorship while having limited human resources in the organisation prompted us to embark on a thorough strategic review in 2021. The trustees committed to four full-day strategic planning meetings this year, in addition to their regular work, the meetings were facilitated by a strategist. As a result of this work we are in the process of making significant changes to how the Foundation’s work is conducted, while strengthening our commitment to the core values and goals of the Foundation. Until the COVID pandemic we met monthly to attend to governance matters and make decisions about grant applications. COVID prompted us to meet more regularly for faster decisions and quicker responses to applicants.

While reviewing our strategy we considered how best to support the growth of the Fifeshire Foundation to match growth of local inequality and poverty given our limited organisational capacity and the need to be constantly raising funds.

We have decided it is time to invest in the Foundation’s future operational capacity. We are currently hiring a permanent employee to lead Fifeshire Foundation from 2022. The Kaiwhakahaere/Executive Officer (KEO) will oversee all applications, fundraising, and other operational activities and report to the Board.

We created Board Committees for grant applications, finance, and human resources. Other teams organise or oversee campaigns like the annual golf tournament and our Big Give annual Christmas activity.

Our trust deed was written over 28 years ago with much foresight. The primary objective is to relieve hardship and crisis in the region so that **No person in our region is to be in financial hardship or crisis**. We reaffirm these goals in our strategic plan. Our objectives are clear:

⁵ REINZ Residential Statistics Report for July 2021

⁶ NZ Labour Party Manifesto 2020

⁷ Welfare Action Advisory Group 2019

⁸ <https://www.cpag.org.nz/no-plan-no-budget-two-years-on-from-weag/>

- To alleviate crisis and hardship through the collection and distribution of funds
- To advocate for the elimination of social inequality
- To increase our partnership with regional agencies, organisations and local authorities
- To be a high-performance organisation with structures and systems well suited to our purpose

Funding: We face a funding challenge in two areas

Local data shows poverty has got worse in our region since the FifeShire Foundation was started. What can we do?

We have restructured in order to sustain our response. We ask our sponsor community to follow us on our journey and help us. We need your continued support. We will keep you informed as we evolve our programme for raising funds and to provide support to the ongoing needs we meet.

We need to grow the funding we can distribute towards disadvantaged people in our community facing a crisis or hardship. Remembering, our role is to alleviate hardship in partnership with local social agencies.

We recognise we have a role and responsibility to advocate for elimination of social inequality. Our role is to participate and even be a local leader in moving back to a more equitable community.

To take on more responsibilities to alleviate hardship and advocate for better social conditions we need to invest in our own capacity. Therefore, we need to grow our own capacity to operate.

Our current strategy is focused on the growing social needs in our community and The FifeShire Foundation's capacity to respond.

We seek increased funding for two reasons:

1. to support the needs of those in crisis or hardship in our community;
2. to improve our operational capacity so we are fit to carry on the purposes of the Foundation in a more complex and demanding social and economic environment.

Don Everitt

Chairperson, FifeShire Foundation September 2021