



Council

Meeting of 03 December 2025

Business Unit: Community

Date Created: 21 October 2025

Manawatu Community Trust Annual Report - 2024 - 2025 9.20am

Purpose Te Aronga o te Pūrongo

To present for consideration the Manawātū Community Trust's Annual Report for the financial year 01 July 2024 – 30 June 2025.

Recommendations Ngā Tūtohunga

That the Council receive the Manawātū Community Trust's Annual Report 01 July 2024 – 30 June 2025.

Report prepared by:

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Community Operations Adviser

Approved for submission by:

Lyn Daly

General Manager - Community

1 Background Ngā Kōrero o Muri

- 1.1 The Manawatū Community Trust (MCT) was established in July 2008. The Trust operates as a Council Controlled Organisation (CCO) – an organisation in which the Council owns at least 50 percent of the voting rights or has the right to appoint at least 50 percent of the directors or trustees.
- 1.2 The Manawatū Community Trust provides Council with six-monthly and 12-monthly updates on activities. This reporting requirement is consistent with the legislative requirements for CCO's as outlined in S66 and S67 of the Local Government Act 2002.

2 Strategic Fit Te Tautika ki te Rautaki

- 2.1 The Manawatū Community Trust (MCT) has the purpose of the promotion of housing for the elderly and disabled residents of the Manawatū district and the promotion of wellbeing services for residents of the Manawatū district. This contributes to 'A place to belong and grow' and 'Value for money and excellence in local government'.

3 Discussion and Options Considered Ngā Matapakinga me ngā Kōwhiringa i Wānangahia

- 3.1 The Trust maintained an operating surplus of \$163,634 for the year whilst completing improvements to the units which now meet the Healthy Homes requirements; increasing routine maintenance; and completing planned upgrades to maintain the three-star accommodation levels of service.
- 3.2 Notable achievements include:
 - increased occupancy rates;
 - the implementation of a new software system to improve communication, tenant wellbeing outcomes and enhanced reporting capabilities;
 - the construction of four new homes commenced in Prince Street as part of a planned sixteen new homes to meet the needs of older adults and people living with disabilities in our community. Planning for the remaining twelve new homes in the Corrick Court development continues with an expected start to construction in early 2026. The construction of these new homes has been made possible by way of financial assistance from Central Energy Trust and the Manawatū District Council through impact investment and loans.
- 3.3 Tyson Schmidt completed his tenure as a Trustee in June 2025 after a credible nine years on the Board of MCT, four of these as Chair. Tyson was available for succession support to the new chair, Liam Greer, for the final year of his tenure. Following a robust recruitment process for a replacement Trustee, Ian McKelvie was appointed to the board, bringing a wealth of both local and central government experience and stakeholder networking to the Trust.
- 3.4 The Trust has supplied their Annual Report to 30 June 2025 and will be present at the Council meeting to speak to the report and the Trust's activity over the period.

4 Health, Safety, and Wellbeing

4.1 As part of due diligence and Council's prioritisation for our CCOs to comply with Health and Safety legislation, MCT has provided the following:

4.2 "The Health and Wellbeing of the Manawatū community is a core purpose of Manawatū Community Trust (MCT). MCT is committed to taking all reasonably practicable steps to ensure the health, safety, and wellbeing of all those who work for and alongside MCT, including those who receive services from the Trust. MCT operates a system of continuous quality improvement utilising registers to record risk, hazards, and complaints to ensure the services, facilities and houses are safe and constantly being monitored and improved. Risk and compliance are monitored via the MCT Board and their commitment to health, wellbeing and safety extends beyond legislative requirements by:

- Providing strategic leadership on matters that advance the health and wellbeing of the Trust's tenants and the residents of the Manawatū district.
- Promoting services that advance the improvement of the lifestyle, health, and welfare of residents in the Manawatū district and help create a sense of community for the benefit of the residents of the Manawatū district."

5 Risk Assessment Te Arotake Tūrarū

5.1 The annual report demonstrates that MCT is well governed and financially stable, with a clean audit opinion. Risks identified are:

Risk Area	Summary of Risk	Recommended Mitigations
Financial Sustainability	Tight operating margins and rising costs (maintenance, insurance, interest rates) may constrain future surpluses. Commercial lease realises approximately a third of income.	<ul style="list-style-type: none">• Complete long-term financial modelling.• Engage early with MDC if financial sustainability concerns arise.• Maintain relationship with commercial lessee
Liquidity & Cash Flow Management	Limited cash reserves relative to scale and commitments may stress liquidity.	<ul style="list-style-type: none">• Maintain minimum liquidity thresholds.• Rephase capital projects if necessary.
Asset Condition & Capital Programme Delivery	Ageing housing stock and major capital projects may expose MCT to cost escalation and timing risks.	<ul style="list-style-type: none">• Prioritise Asset Management Plans.• Use fixed-price contracts where feasible.
Tenant Wellbeing & Safety	Delays in urgent maintenance or compliance work pose safety risks.	<ul style="list-style-type: none">• Maintain rapid-response maintenance processes.• Maintain strong partnerships with social service agencies.
Governance Continuity & Capacity	Recent trustee transitions may create continuity gaps and increase governance workload.	<ul style="list-style-type: none">• Maintain structured trustee succession planning and induction processes.• Maintain governance skills matrix.

Risk Area	Summary of Risk	Recommended Mitigations
		<ul style="list-style-type: none"> • Provide ongoing training.
Reliance on MDC Funding & Loans	Exposure to MDC loan facilities; changes in MDC priorities could impact operations.	<ul style="list-style-type: none"> • Maintain regular joint planning with MDC. • Consider funding sources as the need arises. • MDC ensure clear expectations in SOE.

6 Engagement Te Whakapānga

Significance of Decision

- 6.1 The Council's Significance and Engagement Policy is not triggered by matters discussed in this report. No stakeholder engagement is required.

Māori and Cultural Engagement

- 6.2 There are no known cultural considerations associated with the matters addressed in this report. No specific engagement with Māori or other ethnicity groups is necessary.

Community Engagement

- 6.3 There are no consultation requirements as a result of this report.

7 Operational Implications Ngā Pānga Whakahaere

- 7.1 There are no operational implications with this report.

8 Financial Implications Ngā Pānga Ahumoni

- 8.1 There are no financial implications resulting from this report.
- 8.2 MDC has assisted through the advancement of reduced interest loans (via LGFA). Manawātū District Council Loan balances and details are listed on pages 22 and 23 of the annual report.

9 Statutory Requirements Ngā Here ā-Ture

- 9.1 Under the Local Government Act 2002, section 67 titled "Annual Report" the Act requires that: Within 3 months after the end of each financial year, the board of a council-controlled organisation must —

- Complete a report on the organisation's operations during that year; and
- Deliver the report to its shareholders and, in the case of an organisation that is indirectly controlled by 1 or more local authorities (for example, a subsidiary of a holding company owned by a local authority), to each local authority that indirectly controls the organisation; and
- Make the report available to the public.

10 Next Steps Te Kokenga

- 10.1 The Council has the authority to consider the Manawatū Community Trust Annual Report 01 July 2024 – 30 June 2025.

11 Attachments Ngā Āpitihanga

- Appendix 1 - Manawatū Community Trust Annual Report 01 July 2024 – 30 June 2025
- Appendix 2 - Manawatū Community Trust Annual Report 01 July 2024 – 30 June 2025 audit opinion