



Council

Meeting of 04 March 2026

Business Unit: Community
Date Created: 06 January 2026

Manawatu Community Trust Six Monthly Report 2025/2026 and Draft Statement of Intent 2026/2027

Purpose Te Aronga o te Pūrongo

To present for consideration the Manawatu Community Trust's Six-Month Reporting for the 2025/2026 financial year, and the draft Statement of Intent 2026/2027 for feedback in accordance with Section 66 of the Local Government Act 2002.

Recommendations Ngā Tūtohinga

That the Council:

1. Receives the Manawatū Community Trust's Six-Month Report for the 2025/2026 financial year (Appendices 1 and 2), and
2. Agree to the Manawatū Community Trust draft Statement of Intent 2026/2027 (Appendix 3), subject to feedback, if any, being incorporated into the final Statement of Intent.

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Approved for submission by:
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Acting 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 MCT provides Council with Six-Monthly and Annual reports 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.
- 1.3 Although Council has full confidence in MCT and the operation of the Trust, a Statement of Expectations (SOE) was introduced for the 2025–2026 year to align with Council's approach to its other Council-Controlled Organisations and to provide clear direction on Council's expectations.
- 1.4 Under the provisions of the Local Government Act 2002, the Trustees must present a draft Statement of Intent (SOI) to Council each year, responding to the expectations in the SOE. Council then has the opportunity to comment and provide feedback on the draft SOI. The Trust must consider Council's comments and deliver the final document to Council before 30 June each year.
- 1.5 The content of the Statement of Intent must include in respect of the financial year to which it relates and each of the immediately following two financial years:
 - (a) The objectives of the group; and
 - (b) A statement of the board's approach to the governance of the group; and
 - (c) The nature and scope of the activities to be undertaken by the group; and
 - (d) The non-financial performance targets and other measures by which the performance of the group may be judged in relation to its objectives; and
 - (e) Any additional information that is required to be included in the statement of intent.

2 Strategic Fit Te Tautika ki te Rautaki

- 2.1 The Manawatu Community Trust provides housing for senior and disabled residents of the Manawatū district and promotes wellbeing services for the residents of the Manawatū district. This aligns with Council's first strategic priority as laid out in the Long-Term Plan of *A place to belong and grow*.
- 2.2 The Manawatu Community Trust provides commercial property, leased by Feilding Health Centre which aligns with Council's fifth strategic priority as laid out in the Long-Term Plan of *A prosperous, resilient economy*.

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

3.1 MCT's Six-Month Reporting shows:

- (a) Financial performance (ref: Appendix 1) shows a year-to-date result of ~\$111,000 difference between the budgeted Surplus/Deficit and the actual spend. This is largely due to a timing difference in the receipt of the grant funding of \$100,000 from Central Energy Trust not being received in this period. It is anticipated that the funding will be received in the second half of the financial year on completion of the project that it relates to.
- (b) Statement of Intent performance targets for the six months to date have been either achieved or are in progress and on track (ref: Appendix 2).

3.2 The Manawatū Community Trust's 2026 – 2027 draft Statement of Intent is consistent with its constitution, complies with statutory requirements, and responds to the Statement of Expectations.

3.3 Members of the Trust and the General Manager will be present at the 4 March 2026 Council meeting to speak to the report.

3.4 Council is able to receive the draft Manawatu Community Trust Statement of Intent document (ref: Appendix 3) and provide feedback to be incorporated into the final Statement of Intent document. The final Statement of Intent will be considered at a Council meeting in June 2026.

4 Risk Assessment Te Arotake Tūraru

4.1 Based on the six-month performance and financial position outlined in the Management Report (ref: Appendix 1), the Trust appears financially stable with a strong asset base and positive surplus position.

4.2 The primary risks relate to long-term debt servicing, asset maintenance obligations, and income sustainability. These risks are considered manageable with continued monitoring and are consistent with Council's current Risk Appetite settings.

5 Engagement Te Whakapānga

Significance of Decision

5.1 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

5.2 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

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

6 Operational Implications Ngā Pānga Whakahaere

- 6.1 Under Section 66 (5) of the Local Government Act 2002 the Council is required to publish the MCT six-monthly report on the Council website for no less than seven years.

7 Financial Implications Ngā Pānga Ahumoni

- 7.1 There are no direct financial implications arising from the recommendations in this report. The Trust's financial performance is outlined in Appendix 1.

8 Statutory Requirements Ngā Here ā-Ture

- 8.1 The Local Government Act 2002, section 66 requires that "During each financial year, the board of a council-controlled organisation must report on the organisation's operations to its shareholders."
- 8.2 Under the provisions of the Local Government Act 2002, Part 5 (Council – Controlled Organisations and Council Organisations), section 64 (Statement of Intent), Manawatū Community Trust has a statutory obligation to provide Council with a Statement of Intent for the coming financial year that is consistent with its constitution.
- 8.3 Schedule 8 Part 1 Section 1 of the Local Government Act 2002 requires that a CCO delivers a draft statement of intent to its shareholders on or before 1 March.
- 8.4 The CCO board must consider any comments on the draft statement of intent that are made by the shareholders, on or before 1 May.
- 8.5 The CCO board must deliver the completed statement of intent to the shareholders before the commencement of the financial year to which it relates.
- 8.6 The content of every statement of intent of a CCO must comply with Part 2 of Schedule 8 of the Local Government Act 2002, covering the financial year to which it relates and each of the immediately following 2 financial years.

9 Next Steps Te Kokenga

- 9.1 The Manawatū Community Trust six-monthly reporting to 31 December 2025 is ready for consideration by the Council.
- 9.2 The Manawatū Community Trust's 2026 - 2027 draft Statement of Intent is consistent with its constitution and complies with statutory requirements and is presented to Council for consideration.

10 Attachments Ngā ĀpitiHanga

- Appendix 1 – MCT – Updated December 2025 Management Report
- Appendix 2 – MCT2025-2026 SOI – December 2025 Update
- Appendix 3 – MCT – 2026-2027 SOI - Draft