



Media Release
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Council keeps top credit rating

Selwyn District Council has retained its top credit rating, with international ratings agency Fitch confirming the Council's financial outlook is stable.

The AA+ rating, confirmed by Fitch yesterday, is the same as both the New Zealand sovereign rating and the Local Government Funding Agency for local currency.

It is equal to the highest credit rating given to any council in New Zealand.

The rating is a measure of the Council's ability to meet its financial commitments and means that the Council is at very low risk of defaulting on its loans.

The rating reflected the Council's sound financial position and prudent financial forecasts, including prudent levels of borrowing and spending.

The ratings assessment was made during the period of the Level 4 lockdown and considered the potential impacts of the COVID-19 global pandemic on New Zealand and on Selwyn.

The agency found that Selwyn's diverse economy, which has limited reliance on international tourism, left it well-placed to withstand the impacts of the pandemic.

Council Chief Executive David Ward says the rating was a boost to the district following the pandemic.

“Although we have all been through a tough time and there may be more challenges ahead, it's really positive to hear from an agency with a global outlook that we are in good shape as a district for the longer term future.

“The rating is also a positive reflection of the hard work put in by staff to ensure we're handling our finances and borrowing in a prudent way for Selwyn.”

Mayor Sam Broughton says retaining the AA+ rating was a good sign for the Council and the district as a whole.

“To keep our AA+ rating with a strong backing from the ratings agency on our financial outlook is great news for Selwyn. It's a positive reflection of the sound financial decisions that our Council continues to make.”

ENDS

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