



Media Release
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Good management sees top financial rating retained

Selwyn District Council has retained its top credit rating, with international ratings agency Fitch confirming the Council's financial outlook remains stable despite the impacts of the pandemic.

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 good management, the agency says.

While the majority of the six rating criteria Fitch uses for its assessment remained unchanged, it raised the Council's assessment in two criteria to its highest rating.

The agency assessed that the Council's strong revenue autonomy, effective budget balance rules and flexibility in its capital expenditure to manage its total expenditure commitments meant its revenue and expenditure adjustability were both stronger.

Council Chief Executive David Ward says retaining the top rating was a strong endorsement of the Council's financial management.

"It's good to have an independent assessment that backs up the hard work put in by Council staff to make sure we're handling our finances in the best way for the long-term future of Selwyn."

Mayor Sam Broughton says retaining the AA+ rating is also a reflection on the positive outlook for the district and the way the Council is responding to growth.

"We've seen over the past year that more people than ever are moving to Selwyn for the great lifestyle and opportunities we have to offer. Our strong economy has also kept us in a good position and this and keeping this rating is a good sign that although there may be tough times ahead, we're in a great situation here in Selwyn as a growing and exciting district."

ENDS

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