



Media Release  
12 June 2020

### **Selwyn rates increase cut to 1.6% average**

Selwyn District Council has signaled it expects to cut its rates increase from an average 3.5% to around 1.6% for the 2020/21 year, starting from 1 July 2020.

The Council completed deliberations on its draft Annual Plan yesterday and indicated that it had identified net savings of \$1.7 million which will be used to reduce the level of the rates increase.

The draft Annual Plan, which was developed prior to the COVID-19 pandemic, initially proposed an average rates increase of 3.5%. A revised plan was issued for consultation in April, and the Council asked for community feedback on options for reducing the rates increase.

Savings identified during the consultation process include deferring a number of new building projects, streamlining some planning work, and removing township and ward discretionary funds from the coming year's budgets.

Work on refurbishment at the Council's Rolleston offices will also be deferred, and catering at Council meetings will be stopped. There will be no increase in staffing numbers this year, other than those required for new facilities currently under construction. There will also be no funding for staff salary increases. Council chief executive David Ward had already confirmed he will take a 15% salary reduction for the coming 12 months.

Most requests for unbudgeted new funding in the coming year will not be accommodated at this stage, and several projects will be reconsidered under the Long-Term Plan process next year.

The expected 1.6% rates increase is an average across the district, and the actual increase will vary according to different property types and the services provided. The range of increases is expected to vary between 1.4% for urban residential properties (around \$1 a week) and 3.2% for some larger rural properties. The final rates impacts will not be known until the rates increase is confirmed by the Council and the rates struck in the new financial year.

The Council has also put in place a rates assistance package to help people affected by COVID-19, including an extended rates payment period and reduced penalty fees.

The budget and rates proposals will now be finalised, and will be formally considered by the Council for adoption on Wednesday 24 June.

**ENDS**

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