



Media Release

Monday 31 March 2014

Annual Plan consultation starts soon

Selwyn District Council has today approved its draft Annual Plan for 2014/15 for public consultation, which will start on 8 April.

Over the next year the Council is planning to progress a number of projects that will improve existing services and cater to a growing population. Planned projects include beginning work on Foster Recreation Park in Rolleston which will be the largest sport and recreation park in Selwyn, extending Prebbleton Reserve, and upgrading the Rolleston water supply and Leeston stormwater systems.

The draft Annual Plan includes a proposal to establish a new roading rate of \$60 per rating unit (household). Including this roading rate, the average rate increase for next year included in the draft Annual Plan is 7.8%. If the roading rate was not included, the rate increase for the 2014/15 year would be 4.9%, which is less than the 5.6% forecast for next year in the 2012 – 2022 Long Term Plan.

“The new roading rate is proposed in the draft Plan as the level of funding available from the New Zealand Transport Agency for roading maintenance is less than we need to keep our roads in good condition,” says Selwyn Mayor Kelvin Coe.

“Selwyn is the fastest growing district in New Zealand in terms of both population and economic activity and the district’s roads are becoming busier and experiencing more wear and tear from both rural and urban activity.”

The Council surveyed residents last year to ask whether the Council should increase spending on road maintenance to keep Selwyn’s roads at their current standard. 83% of residents supported more ratepayer funding being spent on roads rather than allowing the standard of roads to decline.

The \$60 roading rate would provide an extra \$1 million which would be spent to maintain roads to their current standard.

Although the draft Annual Plan indicates that overall Selwyn is experiencing high growth, the majority of the Council’s \$15.9 forecast surplus is made up of income from development contributions. By law, this income source must be ringfenced and can only be used to fund growth related capital projects, such as infrastructure expansion or the repayment of loans financing infrastructure like the Eastern Selwyn Sewerage Scheme. It cannot be used to lower rates.

The draft Annual Plan also includes a proposal to amend its Development Contributions policy to alter how the Eastern Selwyn Sewerage Scheme is funded. The scheme was

previously to be wholly funded from Development Contributions (paid by land developers), but after reviewing this arrangement the Council now proposes that a small proportion of the cost of scheme (6.4%) should be met from existing wastewater connections in Rolleston, Lincoln, Prebbleton, West Melton and Springston.

The proposal reflects the Council's view that properties who were already connected to the wastewater network receive some benefit from the new sewerage scheme being in place as the running costs associated with the new scheme are lower than for previous systems. Although existing ratepayers will fund a portion of the overall cost of the scheme, wastewater rates for these properties will not increase as most of this \$5.5 million share will be funded from the sale of land owned for wastewater activities which is no longer required.

The majority of the cost associated with funding the Eastern Selwyn Sewerage Scheme (93.6%) will be met by developers through development contributions on newly developed sections.

Copies of the draft Annual Plan and summary will be available from 8 April online at www.selwyn.govt.nz and from Council libraries and service centres.

Ends

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