

## **GUIDE TO BUYING A HUT AT UPPER SELWYN HUTS**

### **General**

Hut owners at the Springston South Reserve (also known as the Upper Selwyn Huts) own their hut but not the land on which the hut is located. Springston South Reserve is reserve land owned by the Crown. The Selwyn District Council administers the reserve and allows hut owners by way of licence to occupy the reserve with a 'hut'. The Council charges a licence fee and proposes to charge a wastewater connection contribution payment and require the payment of a bond.

**The Council is concerned that climate change and associated risk (such as an increased risk of flooding):**

- **means that there is an elevated level of risk associated with occupying a hut; and**
- **may affect the viability of the Upper Selwyn Huts as a community in the medium to long term.**

**Buyers of huts should be aware of these risks.**

**As discussed in more detail below:**

- **The Council resolved in 2019 that hut licences and subsequent renewals are short term and ultimately for a finite period. The Council is currently consulting with hut owners about the medium to long term future of the Upper Selwyn Huts community.**
- **A proposed new deed of licence to occupy (for the licence period beyond 1 July 2025) is currently in development. Accordingly, prospective hut purchasers/transferees of a deed of licence to occupy are strongly advised to contact the Council for more information about the terms and conditions of the current and proposed deed of licence to occupy.**

### **Change of Ownership**

Please note that the following process is undertaken when either buying or selling a hut:

- **Application for Consent to Transfer a Licence – As part of the process for the sale of the hut, the person selling the hut is required to complete and sign the transfer form, pay the transfer fee of \$50.00 and return the form to Council.**
- **Declaration to Accompany the Transfer – This is to be completed and signed by the person buying the hut, and returned to Council.**
- **Deed of Licence – Are to be signed by the person buying the hut, witnessed, and returned to Council.**

All rates and hut licence fees are to be paid up to date at the time of settlement by the person selling the hut. This matter is usually completed by the solicitor/lawyers attending to the sale and purchase.

Once all the necessary documentation has been received by Council the new hut owner will be given a copy of the duly signed and executed Deed for their records.

### **Licence terms and renewal**

Council issued information in April 2020 to each hut licence holder with regard to proposed changes to the deed of licence and the licence fees and other charges it requires hut owners to pay. Any potential purchaser of any of a hut should be made aware of the proposed changes and the current situation in relation to the tenure of the hut licence. Depending on when the transfer is to occur will depend on whether the existing licence will apply or the proposed new licence.

### **Bond**

As part of the Council's Annual Plan 2020/2021 consultation, the issue of a 'bond' to cover the cost of removing dwellings in the future was considered. There were a number of submissions from hut owners on this proposal and Council agreed at that time to defer the implementation of the bond, thus reducing the proposed increase in annual hut licence fees. The issue of a 'bond' is to be considered as part of the review process of the terms and conditions of the deed of licence.

### **Licence Fee and Rates**

The Council, as administering body for the Springston South Reserve, charges an annual licence fee for the period 1 July to 30 June. In addition, the Council charges rates in accordance with its annual plan. Such rates vary from hut to hut.

### **Wastewater Upgrade**

The Council is connecting the Ellesmere Wastewater Treatment Plant to the Pines Wastewater Treatment Plant in Rolleston, via a pipeline along Leeston Road. Further work is required on this project, but once this project goes ahead it will allow a connection of the Upper Selwyn Huts settlement wastewater system to the new pipeline.

Further information and relevant documents can be found on the Council's website at:

<https://www.selwyn.govt.nz/services/water/wastewater/upper-selwyn-huts-wastewater>

### **Hut Building Work/Upgrades**

Under the deed of licence must not carry out alterations, additions or erect a fence or any other structure on the licensed land without the Council's consent in both the Council's capacity as licensor and responsible building authority.

Hut owners' attention is drawn to the fact that licence tenure at the Springston South Reserve may be limited and, therefore, significant upgrades may be uneconomic.

Hut owners are encouraged to take steps to ensure that their huts and any other structure on the licensed land can be relocated/removed from the huts reserve area.

Any new building at the huts should involve consultation with Environment Canterbury as the property lies within an ECAN defined Flood Zone. Council building and property staff have formed a view that although the huts are not significantly sized structures, any

rebuild will still need to be considered in terms of the ECAN recommendations as the structure will need to be consented and inspected by Council. This allows us to fulfil our obligations in terms of the Building Act 2004.

Should you have any further general queries please contact the Council's Property Department on (03) 3472-800 or email [ContactUs@selwyn.govt.nz](mailto:ContactUs@selwyn.govt.nz) should you have any other queries.

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