



AGENDA FOR THE

ORDINARY MEETING OF

SELWYN DISTRICT COUNCIL

TO BE HELD IN THE

COUNCIL CHAMBERS

SELWYN DISTRICT COUNCIL

ROLLESTON

WEDNESDAY 13 APRIL 2022

COMMENCING AT 1 PM

Council 13 April 2022

Attendees: Mayor (S T Broughton), Councillors, M A Alexander, J B Bland, S N O H Epiha, J A Gallagher, D Hasson, M P Lemon, M B Lyall, S G McInnes, G S F Miller, R H Mugford & N C Reid

13 April 2022 01:00 PM - 05:00 PM

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Public portions of this meeting are audio-recorded and livestreamed via the Council's website and YouTube channel.

REPORT

TO: Chief Executive

FOR: Council meeting – 13 April 2022

FROM: Group Manager Communication and Customers
Group Manager Organisational Performance

DATE: 7 April 2022

SUBJECT: **ANNUAL PLAN 2022/23 CONSULTATION DOCUMENT**

RECOMMENDATION

'That the Council:

- a) Adopts the Draft Annual Plan 2022/2023 as the supporting information for the Annual Plan consultation document;*
- b) Adopts the Annual Plan 2022/23 Consultation Document for public consultation.'*

1. PURPOSE

The purpose of this report is to present for the Council's consideration and adoption the Draft Annual Plan 2022/23, and the Consultation Document for the Selwyn District Council Annual Plan 2022/23.

The Consultation Document is the basis for consultation with the community on the Council's proposed activities for the 2022/23 financial year, and sets out the financial impacts of those proposals and the impacts on rating for the district's ratepayers and residents. This Consultation Document focuses on identifying changes to what was proposed for 2022/23 in the Long-Term Plan 2021-2031 (LTP). The content of the Consultation Document relies on the information in the Draft Annual Plan 2022/23.

2. SIGNIFICANCE ASSESSMENT/COMPLIANCE STATEMENT

The Annual Plan 2022/23 Consultation Document has been assessed against the Significance and Engagement Policy and is considered to be of high significance, as it affects all ratepayers and residents in the district. Formal consultation will be carried out in accordance with sections 82 and 95 of the Local Government Act 2002.

3. HISTORY/BACKGROUND

Every three years local councils must prepare a LTP which sets out the activities the council proposes to undertake over the coming 10 years, the community outcomes those activities aim to achieve and how activities will be funded. Additionally, Council's are required annually to prepare an Annual Plan. In year one of the LTP period the

LTP represents the Council's Annual Plan, In subsequent years a standalone Annual Plan is prepared. Where the Annual Plan contains any significant and material change from the corresponding year of the LTP the Council is required to consult with its communities.

The Local Government Act 2002 (the Act) requires Councils to prepare a Consultation Document for the Annual Plan, which must be prepared and adopted in accordance with sections 95 and 95A of the Act.

The Act (s.95A(1)) describes the purpose of the Consultation Document as providing:

“a basis for effective public participation in decision-making processes relating to the activities to be undertaken by the local authority in the coming year, and the effects of those activities on costs and funding, as proposed for inclusion in the annual plan, by—

- (a) identifying significant or material differences between the proposed annual plan and the content of the long-term plan for the financial year to which the annual plan relates; and
- (b) explaining the matters in paragraph (a) in a way that can be readily understood by interested or affected people; and
- (c) informing discussions between the local authority and its communities about the matters in paragraph (a).”

The Consultation Document is also required to explain any variations in the financial statements; describe any new spending proposals including associated costs and how they will be funded; and outline any proposals to delay or defer significant projects.

Development of the consultation document and supporting draft Annual Plan follows discussion by councillors at Annual Plan workshops, including identification of issues for consultation within the document.

4. PROPOSAL

The Annual Plan 2022/23 represents the second year of the Council's Long-Term Plan 2021-2031 (LTP), which was adopted last year after extensive community consultation. The broad approach and work programme outlined in the LTP have not altered significantly and there are no substantive changes of direction or levels of service. There are some projects which are new, have been rescope or deliver timing changed from the LTP, and some changes to the financial and rating requirements arising from changed economic conditions since 2021. The Council is therefore proposing to consult on the Draft Annual Plan 2022/23.

A text copy of Selwyn District Council's Annual Plan 2022/23 Consultation Document is attached to this report (attachment 1). It includes:

a) Four proposals for formal consultation:

- 1. Funding proposal for the Hororātā Community Hub
- 2. Closure of the Upper Ellesmere Water Race
- 3. Changes to rating for water races across the district
- 4. Investing in biodiversity - proposed \$20 Ecological Enhancement rate and harmonisation of Land Drainage rates.

- b) Information on other projects to be undertaken during the 2022/23 year as part of continuing provision of service.
- c) Information on changes to the Council's operating expenditure, capital projects, income and rating requirements.
- d) Information on rating changes in the 2022/23 year, including examples of rating impacts for property owners.

Overall the average total rate rise across the district in the 2022/23 year is 6%, which is 1.1% higher than the level proposed in the Long-Term Plan 2021-2031, but complies with the 6% limit set by the Council in its financial strategy.

Increases for individual ratepayers will vary. In the 2022/23 year the projected rates movements for individual properties vary across different locations.

5. OPTIONS

- a. Adopt the Consultation Document for consultation. (Recommended option)

This option provides the opportunity to keep the community informed about the Council's activities in the coming year, changes from the LTP, and rating impacts for property owners, and to seek feedback on items presented for consultation. Adoption of this document for consultation is recommended.

- b. Adopt the Consultation Document for consultation, with amendments.

The Council could choose to adopt the Consultation Document with amendments to the substantive proposals. This option is not recommended as it would trigger a requirement for additional work by staff to recalculate the impact of any changes on work programmes, budgets and community outcomes. The resulting delays would likely result in the Council failing to meet its statutory deadlines under the Act.

- c. Decline to adopt the Consultation Document for consultation

The Council could decline to adopt the Consultation Document and resolve not to undertake consultation on the Annual Plan 2022/23 if it considers there are insufficient significant or material changes from the LTP to trigger the requirement for consultation. This option is not recommended as it would limit the community's opportunity to provide feedback and submit on the Council's plans for the 2022/23 year.

6. VIEWS OF THOSE AFFECTED / CONSULTATION

(a) Views of those affected

As provided in the Act, the Consultation Document will provide the basis for the Council to seek the views of Selwyn residents and stakeholders over its proposed

programme for the 2022/23 year. A consultation and engagement programme with Selwyn residents is proposed, as outlined below.

(b) Consultation

Key dates

Submissions open	19 April 2022
Submissions close	19 May 2022
Public hearings	30-31 May 2022
Council deliberations	6-7 June 2022
Council adopts Annual Plan	22 June 2022

Consultation and engagement

Following is a summary of the communications and engagement activities that the Council will undertake for the public consultation on the draft Annual Plan 2022-23. The consultation will take place between 19 April and 19 May 2022.

Target audiences:

- All Selwyn residents
- Residents affected by the four major projects
- Ratepayers and property owners
- Key stakeholders
- Councillors/elected members
- Council staff

Outcomes:

- Raise awareness of the consultation being under way
- Provide clear, readily understandable information on the Council's proposed work programme, activities and rating impacts for 2022/23
- Encourage submissions on the draft Annual Plan

Consultation Document

The Consultation Document will be produced in a fully designed A4 publication and digital format and will be available from 3 April from outlets including Council offices, libraries, service centres, and other community locations. The document will also be available online at the Council's online engagement site, along with supporting documentation. Hard copies can be provided to elected members, and on request to members of the public.

Submission form

The submission form will be published in the Consultation Document. It will also be separately available in hard copy at Council offices, libraries/service centres, and other community facility locations. An online submission form will be accessible via the Council website and consultation page. Members of the public will also be able to provide submissions independently of the form, online by attachment or by email or hard copy.

Online/digital channels (Council website and engagement platform)

Online and digital channels will provide the main channel for Selwyn residents to engage with the consultation. The primary site for online information and engagement will be the Council's Your Say Selwyn consultation platform (Engagement HQ). This will provide summaries of key issues, project information, information about rates, access to the Consultation Document and supporting documentation, details on the consultation process and timeline, access to the online submission form.

Social media

Social media channels will be used to promote the consultation process, with targeted content, including links to online information, content highlighting key issues, and opportunities to provide feedback and comment, potentially including a 'Facebook live' or similar session. Note: informal comments received via social media will be summarised and presented to the Hearings alongside formal feedback.

Community events/clinics

During the consultation period, drop-in sessions/clinics will be scheduled (one per ward), to be attended by elected members; other events will be scheduled at local township weekend markets or events, sports venues and other locations where available. Details of community engagement opportunities will be available online and promoted through other media. Community events will include (where available)

Council Call/news media

Information in Council Call will include news stories on the consultation process, notices and reminders about key dates, and community engagement. Information will be also provided to news outlets throughout the district by way of media releases, copies of documents and responses to requests. Advertising will be used to encourage awareness and participation.

Rates insert

A promotional DLE flyer will be included in the scheduled rates instalment mailout, in late April. This will inform ratepayers about the consultation, and direct them to online information on the proposals and how they can participate. An electronic version of the flyer will be sent to those who receive their rates notices by email.

Public hearings

Public hearings on submissions to the Consultation Document will be heard by the Council on 30-31 May 2022, as required.

7. FUNDING IMPLICATIONS

One of the main purposes of the Consultation Document is to set out the financial implications, particularly for rates, of the Council's proposals. The document includes details of funding and the impact on rates of the proposals being consulted on. The document also summarises the forecast overall rates movements for the district's ratepayers.



Stephen Hill
GROUP MANAGER
COMMUNICATION AND CUSTOMERS



Kelvin Mason
GROUP MANAGER
ORGANISATIONAL PERFORMANCE

FINANCIAL HIGHLIGHTS

for the financial year ending 30 June 2023

BACKGROUND

According to the Local Government Act 2002, the Annual Plan process is secondary to the Ten-Year Plan (LTP) process and there is no requirement to consult unless there are significant variations from the budget for the same year in the LTP. Selwyn District Council has decided to consult this year through the 2022-2023 Annual Plan consultation document due to the changing environment in which we're working. Since the LTP was prepared and adopted the district has continued to experience rapid population growth. The economic conditions have generally been positive for the district, but in recent time the impact of the COVID-19 pandemic has seen pressures on supply chains, a tight labour market and raising costs. The year 2022-2023 represents Year 2 of the LTP and there have been some changes to budgets which are necessary, but which were unforeseeable in when the LTP was prepared.

BUDGET APPROACH

Selwyn District Council has taken the following approach to the budget process for 2022-2023:

Capital expenditure (capex)

The proposed capex programme for the financial year ending 30 June 2023 is based on the Council's LTP and has been adjusted to reflect revised timings for some programmes and revisions to programme costs that reflect current economic conditions. The capex programme amounts to \$91.4M, this is \$22.3M more than what had been included in year-2 of the LTP. The increase predominantly due to programmes being brought forward from later years in the LTP and general inflationary price pressures.

Summary of differences between the Annual Plan and year-2 of the LTP include:

- > The current economic environment is having a significant impact on the cost of delivering capital projects. In the year to March 2021 the Producer Price Index for construction outputs was 8.6%. With material price movements above this for certain materials. Consequently, there have been general cost increases to projects.
- > As population growth has continued at a rapid pace, the Council is bringing forward the capacity upgrade of the Pines Wastewater Treatment Plant from later years in the LTP.
- > Community Facilities capital expenditure is higher than the LTP due to changes in the timing of completion of some major capital projects including Rolleston Town Square Development and Rolleston Reserve Redevelopment.
- > Transportation capital expenditure is higher than the LTP due to changes in the timing of completion of some major projects, including the Goulds Road and East Maddison Road Roundabout.

Individual Significant Capital Projects (defined as projects with a budget over \$500k)

Project Name	Proposed Budget 2022/23
Prebbleton Reserve Development	5,334,238
Rolleston Town Square	3,739,000
Rolleston Reserve Re-development	3,181,700
Strategic Land Purchase	515,500
Community Services & Facilities Projects <\$500k	5,271,359
Total Community Services & Facilities Projects	18,039,797
District-wide Potable Water Supplies	7,410,000
District-wide Water Supply Renewals - Linear	4,000,000
Prebbleton Growth	2,000,000
Rolleston Growth	1,577,682
District-wide Chlorine	1,000,000
District-wide Renewals – P&E	924,080
West Melton Growth	828,000
Melvorn Growth	846,984
Water Supplies Projects <500k	1,663,894
Total Water Supply Projects	20,250,640
Pines 120	9,000,000
District-wide Wastewater	3,006,000
ESSS Conveyance & Pumping	2,500,000
Darfield to Pines Truck Sewer	2,000,000
Wastewater Renewals – P&E	1,458,689
Wastewater Renewals – Linear	1,220,627
Darfield Conveyance & Pumping	1,000,000
Ellesmere Truck Sewer	600,000
Ellesmere Conveyance & Pumping	524,207
Wastewater Projects <500k	341,200
Total Wastewater Projects	21,650,723
District-wide Stormwater	972,900
Leeston Flood Diversion	500,000
Stormwater, Land Drainage & Water Races <500K	818,211
Total Stormwater, Land Drainage & Water Races	2,291,111
Local Road Improvements	5,865,000
Sealed Road Resurfacing	4,370,000
Unsealed Road Metalling	1,222,000
Discretionary Roading Renewal Fund	1,032,000
Goulds/East Maddisons Rd Roundabout	3,000,000
Pavement Rehabilitation	972,000
Selwyn Road Safety Programme	891,000
Transport Projects <\$500k	3,082,760
Total Transport Projects	20,434,760
Commercial Investment Fund	7,710,000
Other Projects <\$500k	989,699
Total Selwyn District Council Projects	91,366,730

Council Revenue

The Council's core revenue in the year is projected to be \$171.5 million. This is \$3.9 million higher than the LTP of \$167.5 million. The continued population growth and higher underlying costs are the main factors behind the positive revenues. The main variances compared with budget were:

- > Higher than anticipated population growth in the district along with higher costs have resulted in rates revenue being projected at \$2.5 million above LTP.
- > Linked to the housing growth in the district is the collection of fees and charges for the provision of building and resource consents, and land information memorandum (LIM) reports. The revenue generated from fees and charges is expected to be \$1.2 million higher than LTP.

Rating base information

The projected numbers of rating units within the district are as follows:

Year	Rating units
2022/23	32,807

Operating expenditure (opex)

The LTP budget for year two has been used as the base for the budget for the financial year ending 30 June 2023.

The impact of the Covid-19 pandemic and other international factors have resulted in significant cost pressure for both operating and capital budgets. The increasing price of fuel and the significant supply chain issues are impacting budgets. This includes labour costs, materials, energy, etc. These cost pressures have been reflected in the Council's budget where appropriate. Revenue budgets have also been reviewed and updated where appropriate

Operating costs are up by \$9.4M compared to year-2 of the LTP and is driven by the following core factors:

- > The district continues to grow at a fast rate. This growth creates costs to maintain new infrastructure that has vested to the Council from developers and to respond to higher community demands for Council services.
- > After adopting the LTP the Council renewed and award a 10-year contract to maintain and operate water services and infrastructure. The annual cost of this contract is more than what was provided for in the LTP.

- > The impact of supply chain constraints and cost pressures that are being experienced across all areas of the Council.
- > Increased fuel prices that are impacting the cost of solid waste collection.
- > Increases in staff costs to ensure we can maintain levels of service to a rapidly growing community, to develop and deliver a digital strategy to better engage the community and build Council efficiencies and resilience and respond to external drivers such as the reform of Three Waters, the Resource Management Act 1991, and the Review into the Future for Local Government.

BUDGET COMPARISON

The 2021-2031 LTP was written and approved last year and included a proposed budget for 2022-2023 (Year two of the LTP). The table below highlights the main changes between what was proposed for 2022-2023 in the LTP and the proposed Annual Plan budget for financial year ending 30 June 2023:

	LTP23 \$M	AP23 \$M	Change \$M
Capex	69.1	91.4	22.3
Opex	139.5	148.9	9.4
Total Revenue	167.5	171.5	4.0
Debt Increase	30.3	50.6	20.3
Rates Increase	4.9%	6.0%	1.1%

The following provides an overview of the Councils core debt ratios.

Debt Ratios	LTP23	AP23	Limit
Net Debt	135.9M	162.3M	
Total Revenue	123.4M	127.4M	
Net Debt to Total Revenue	110%	127%	160%
Net Interest	3.9M	4.2M	
Total Revenue	123.4M	127.4M	
Net Interest to Total Revenue	3.2%	3.3%	8%
Net Interest	3.9M	4.2M	
Rates Revenue	80.4M	82.9M	
Net Interest to Rates Revenue	4.9%	5.1%	15%

Financial prudence benchmarks and indicators

What is the purpose of this statement?

The purpose of this statement is to disclose the Council's financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its LTP in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark	Limit	Plan	Met
<i>Rates Affordability</i>			
Rates increases affordability	6%	6%	Yes
<i>Borrowing Limits</i>			
Net borrowing as percentage of revenue	160%	127%	Yes
Net interest as percentage of revenue	8%	3.33%	Yes
Net interest as percentage of rates revenue	15%	5.12%	Yes
Balanced budget benchmark	100	86	No
Essential services benchmark	>100	217	Yes
Debt servicing benchmark	15%	3.81%	Yes

Prospective financial statements

Introduction

The financial statements in this section outline the Council's prospective financial information for the year from 1 July 2022 to 30 June 2023.

Statement of responsibility and authorisation for issue

The Council is responsible for the preparation of the prospective financial statements, including the appropriateness of the underlying assumptions and other disclosures. The prospective financial statements for the period ending 30 June 2023 were authorised for issue by the Council on TBA.

Purpose of preparation

The purpose of the prospective financial information is to inform the community about the Council's financial plans and may not be appropriate for other purposes.

Cautionary note

The prospective financial statements are based on assumptions and actual results are likely to vary from the information presented and the variations may be material.

The prospective statement of financial position is based on an updated projection of the opening statement of financial position as at 1 July 2022 and is not based on the annual plan 2021. There is therefore a difference between the closing equity and cash balances shown for the 2021/22 annual plan and the opening equity and cash balances in the 2022/23 annual plan. The differences arise because the Annual Plan opening balances reflect the Council's actual results for 2021 and updated information in relation to the 2022 forecasts.

Significant assumptions

The Council has made assumptions in preparing the prospective financial statements and these are set out after the accounting policies.

Prospective statement of comprehensive revenue and expense

a forecast for the year ending 30 June 2023

	2022/23	2022/23	2021/22
	Annual plan	LTP	Annual plan
	\$'000	\$'000	\$'000
Revenue			
Rates	83,243	80,733	74,846
Development contributions	10,791	10,791	9,828
Subsidies and grants	10,988	10,988	22,671
Other revenue	66,428	64,976	67,728
Total revenue	171,450	167,488	175,073
Expenditure			
Employee benefit expenses	32,929	30,145	29,172
Depreciation and amortisation (Note 1)	38,523	38,687	35,454
Finance costs	4,849	4,503	2,815
Other expenses	72,621	66,151	66,555
Total operating expenditure	148,922	139,486	133,996
Surplus / (deficit)	22,528	28,002	41,077
Other comprehensive revenue and expense			
Gain on property revaluations	51,443	51,443	51,251
Financial assets at fair value through other comprehensive revenue and expense	6,413	6,413	-
Total other comprehensive revenue and expense	57,856	57,856	51,251
Total comprehensive revenue and expense	80,384	85,858	92,328

Prospective statement of changes in net assets and equity

a forecast for the year ending 30 June 2023

	2022/23	2022/23	2021/22
	Annual plan	LTP	Annual plan
	\$'000	\$'000	\$'000
Balance at 1 July	2,045,645	1,957,167	1,864,839
Comprehensive revenue and expense			
Net surplus / (deficit) for the year	22,528	28,002	41,077
Other comprehensive revenue and expense	57,856	57,856	51,251
Total comprehensive revenue and expense for the year	80,384	85,858	92,328
Balance at 30 June	2,126,029	2,043,025	1,957,167

Prospective statement of financial position

a forecast for the year ending 30 June 2023

	2022/23	2022/23	2021/22
	Annual plan	LTP	Annual plan
	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	8,936	19,288	22,898
Receivables from exchange transactions	15,451	15,451	15,000
Inventory	20	20	20
Other financial assets	20,000	40,000	40,000
Property held for sale	5,107	5,107	2,585
Total current assets	49,514	79,866	80,503
Non current assets			
Receivables from exchange transactions	125	125	125
Other financial assets	2,154	520	520
Investments in council controlled organisations	140,010	140,010	133,597
Investment property	51,808	51,808	42,935
Forestry	393	213	213
Intangible assets	195	346	346
Property, plant and equipment - operational	458,295	454,918	447,647
Property, plant and equipment - infrastructural	1,650,419	1,542,498	1,447,354
Total non - current assets	2,303,399	2,190,438	2,072,737
TOTAL ASSETS	2,352,913	2,270,304	2,153,240
Current liabilities			
Payables under exchange transactions	30,903	30,903	30,000
Borrowings	662	594	662
Total current liabilities	31,565	31,497	30,662
Non current liabilities			
Provisions	1,043	1,043	1,043
Other financial liabilities	1,550	113	113
Borrowings	192,726	194,627	164,256
Total non - current liabilities	195,319	195,783	165,412
Equity			
General reserves	1,180,306	1,186,474	1,150,040
Special funds (Note 2)	45,571	31,348	39,780
Fair value through other comprehensive revenue and expense	92,936	92,811	86,398
Asset revaluation reserve	807,216	732,392	680,949
Total equity	2,126,029	2,043,025	1,957,167
TOTAL LIABILITIES AND EQUITY	2,352,913	2,270,304	2,153,240

Prospective statement of cash flows

a forecast for the year ending 30 June 2023

	2022/23	2022/23	2021/22
	Annual plan	LTP	Annual plan
	\$'000	\$'000	\$'000
Operating activities			
<i>Cash was provided from:</i>			
Receipts from customers	128,094	122,145	125,645
Agency receipts	4,581	4,470	4,179
Interest received	601	601	620
Dividends received	5,262	5,262	5,109
	138,538	132,478	135,553
<i>Cash was distributed to:</i>			
Suppliers/employees	102,617	90,975	91,598
Agency payments	4,581	4,418	4,129
Interest paid	4,849	4,503	2,815
	112,047	99,896	98,542
Net cash from operating activities	26,491	32,582	37,011
Investment activities			
<i>Cash was provided from:</i>			
Sale of property, plant & equipment	2,585	2,585	6,382
Sale of property intended for sale	-	-	-
Proceeds from investments	-	-	-
	2,585	2,585	6,382
<i>Cash was applied to:</i>			
Purchase of property, plant and equipment	91,369	69,079	138,979
Purchase of development property	-	-	-
Purchase of intangible assets	-	-	-
Purchase of investments	-	-	8,000
	91,369	69,079	146,979
Net cash from investing activities	(88,784)	(66,494)	(140,597)
Financing activities			
<i>Cash was provided from:</i>			
Loans raised	50,593	31,173	105,597
	50,593	31,173	105,597
<i>Cash was applied to:</i>			
Settlement of loans	-	870	879
	-	870	879
Net cash from financing activities	50,593	30,303	104,718
Net increase / decrease in cash	(11,700)	(3,610)	1,132
Plus opening cash 1 July	20,636	22,898	21,766
Closing cash 30 June	8,936	19,288	22,898

Reconciliation of surplus to statement of cash flows

	2022/23	2022/23	2021/22
	Annual plan	LTP	Annual plan
	\$'000	\$'000	\$'000
Surplus after taxation	22,528	28,002	41,077
<i>Add / (deduct) non - cash items:</i>			
Vested asset revenue	(33,261)	(33,261)	(38,417)
Revaluation of investment property	(1,298)	(1,298)	(854)
Depreciation and amortisation	38,523	38,687	35,454
	3,964	4,128	(3,817)
<i>Movement in working capital items:</i>			
Receivables from exchange transactions	-	(451)	-
Inventory & work in progress	-	-	-
	-	(451)	-
<i>Items classified as investing activities:</i>			
Gain on sale of property	-	-	249
	-	-	249
Net cash flow from operating activities	26,491	32,582	37,011

Note 1: Depreciation and amortisation expense for assets used directly in providing the group of activities

	2022/23	2022/23	2021/22
	Annual plan	LTP	Annual plan
	\$'000	\$'000	\$'000
Community services	51	51	44
Community facilities	7,249	7,413	6,666
Democracy	8	8	8
Commercial property	28	28	28
Environmental services	126	126	132
Support services	921	921	780
Solid waste	295	295	266
Transportation	16,375	16,375	16,008
Water races and land drainage	780	780	596
Stormwater	1,277	1,277	1,049
Wastewater	6,069	6,069	5,155
Water supply	5,344	5,344	4,722
	38,523	38,687	35,454

Note 2: Statement of movements in reserve funds

Please note that this note will be included in the final Annual Plan document.

A – General Reserve: the purpose of a general reserve fund is to provide funding for new capital items arising from increased levels of service growth.

B – Renewal Reserves: the purpose of a renewal reserve is to provide funding for the renewal of existing capital items.

C – Specific Reserves: the purpose of these reserves is to provide funding for the maintenance of special assets or to generate funds for future specific assets.

D – Special Reserve: the purpose of these reserves is for specific purposes as indicated by the reserve name.

E – Internal borrowing reserve: The purpose of these reserves is to separate out internal borrowings.

Statement of accounting policies

Statement of reporting entity

Selwyn District Council (the Council) is a territorial local authority governed by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The prospective financial statements reflect the operations of the Council and do not include the consolidated results of its Council Controlled Organisations. The Council has not presented group prospective financial statements because the Council believes that the parent's financial statements are more relevant to users.

The main purpose of prospective financial statements in the annual plan is to provide users with information about the core services that the Council intends to provide to ratepayers, the expected cost of those services, and, as a consequence, how much the Council requires by way of rates to fund the intended levels of service. The only impact of the group on the level of rates funding is the impact of dividends from CORDE Limited (CORDE) and Orion New Zealand Limited (ONZL) which are allowed for in the prospective financial statements.

All Selwyn District Council subsidiaries and Central Plains Water Trust are incorporated and domiciled in New Zealand.

The primary objective of the Council and group is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly the Council has designated itself and the group as public benefit entities for financial reporting purposes.

The prospective financial statements of the Council are for the period 1 July 2022 to 30 June 2023. The financial statements were authorised for issue by Council on **TBA**.

Basis of preparation

Statement of compliance

The prospective financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 1 of Schedule 10, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These prospective financial statements have been prepared in accordance with NZ GAAP. They comply with Tier 1 PBE IPSAS, and other applicable financial reporting standards, as appropriate for public benefit entities, including FRS 42 – Prospective Financial Statements.

Measurement base

The prospective financial statements have been prepared on an historical cost basis, except where modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets and financial instruments (including derivative instruments).

Presentation currency and rounding

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the prospective financial statements.

Revenue

Revenue is measured at fair value.

The specific accounting policies for significant revenue items are explained below:

Rates revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Rates collected on behalf of Environment Canterbury Regional Council (Ecan) are not recognised in the financial statements, as the Council is acting as an agent for Ecan.

Development and financial contributions

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

New Zealand Transport Agency roading subsidies

The Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Building and resource consent revenue

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

Entrance fees

Entrance fees are fees charged to users of the Council's local facilities, such as pools. Revenue from entrance fees is recognised upon entry to such facilities.

Landfill fees

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed by users.

Provision of commercially based services

Revenue derived through the provision of services to third parties in a commercial manner is recognised in proportion to the stage of completion at balance date.

Sales of goods

Revenue from the sale of goods is recognised when a product is sold to the customer.

Vested or donated physical assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects that it will need to return or pass the asset to another party.

Donated and bequeathed financial assets

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met (e.g. as the funds are spent for the nominated purpose).

Interest and dividends

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

Income tax

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

Leases

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item and the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Receivables

Receivables are recorded at their face value, less any provision for impairment.

Derivative financial instruments

The Council uses derivative financial instruments to hedge interest rate risks arising from financial activities. The Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value at each balance date.

The associated gains or losses of derivatives are recognised in the surplus or deficit.

The full fair value of derivatives are classified as non-current if the remaining maturity of the item is more than twelve months and as current if the remaining maturity of the item is less than twelve months.

Other financial assets

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council and group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council and group has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of measurement:

- fair value through surplus or deficit;
- loans and receivables;
- held-to-maturity investments; and
- fair value through other comprehensive revenue and expense.

The classification of a financial asset depends on the purpose for which the instrument was acquired.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into a hedge accounting relationship for which hedge accounting is applied.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on re-measurement recognised in the surplus or deficit.

Currently, the Council values embedded derivatives and interest rate swaps in this category.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant expense. The loans are subsequently measured at amortised cost using the effective interest method.

Currently, the Council has community loans, term deposits and trade and other receivables in this category.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Currently, the Council holds bond investments in this category.

Fair value through other comprehensive revenue and expense

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date. The Council and group includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- Shareholdings that it holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit.

On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Currently, the Council holds share investments in this category.

Impairment of financial assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and receivables, and held-to-maturity investments

Impairment is established when there is evidence that the Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, government bonds, and community loans, are recognised directly against the instrument's carrying amount.

Financial assets at fair value through other comprehensive revenue and expense

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

Inventories and work in progress

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

When land held for development and future resale is transferred from investment property / property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant and equipment.

Work in progress is stated at cost and consists of direct materials, direct labour and plant costs with a proportion of overhead costs. Contract payments (i.e. work invoiced prior to completion) have been deducted. For major contracts the percentage completion method is used.

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The Council owned land on Byron Street adjacent to State Highway 1 as held for sale following the approval by the Council on 14 September 2011 and subsequent meetings to sell this land.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Property, plant and equipment

Property, plant and equipment of the Council consist of:

- Operational Assets - these include land, farm land, buildings, heritage assets, library books and plant and machinery.
- Infrastructural Assets – infrastructural assets are fixed utility systems and roading networks owned by the Council. Each asset class includes all items that are required for the network to function.

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

Farm land, land under roads, other land and work in progress are not depreciated.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Depreciation

Council

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Asset class	Useful life	Annual depreciation rate
Buildings	10 – 180 years	0.6% - 10%
Heritage	85 years	4%
Heavy plant and machinery	10 years	10%
Other plant and machinery	5 years	20%
Motor vehicles	5 years	20%
Furniture and fittings	10 years	10%
Library books	7 years	14.3%
Computer equipment	4 years	25%

Roads

Formation / sub-grade	Not depreciated	
Sub-base (sealed roads only)	Not depreciated	
Base course	10 – 119 years	0.84% - 10%
Surface (sealed roads)	1 – 30 years	3.33% - 100%
Surface (unsealed roads)	10 years	10%
Kerb & channelling	50 – 80 years	1.25% - 2%
Footpaths base and surface	10 – 80 years	1.25% – 2%
Culverts	20 – 100 years	1% - 2%
Traffic signs	10 years	10%
Street lights	20 years	5%
Street light poles	40 years	2.5%
Bridges	50 – 150 years	0.7% - 2%
Railings	20 – 40 years	2.5% to 5%

Water races

Water races (structure)	10 – 140 years	0.7% - 10%
Water races (race)	10 – 140 years	0.7% - 10%

Land drainage and Stormwater

Land drainage (structure)	5 – 110 years	0.9% - 20%
Land drainage (drain)	5 – 110 years	0.95% - 20%

Water supplies

Wells	3 – 110 years	0.9% - 33.33%
Pump Stations	5 – 125 years	0.8% - 20%
Reservoirs	39 – 50 years	2% - 2.5%
Valves Service Connections	5 – 101 years	1% - 20%
Pipes & Fire Hydrants	3 – 103 years	1% - 33.33%

Sewerage systems

Manholes	11 – 100 years	1% - 9%
Pipes	4 – 100 years	1% - 25%
Pump stations	20 – 60 years	1.6% - 5%
Sewerage treatment stations	5 – 150 years	0.5% - 20%
Service connection	10 – 100 years	1% - 10%

The residual value and useful life of an asset is reviewed and adjusted if applicable, at each financial year end.

Revaluation

Those asset classes that are revalued are valued either on a yearly or three yearly valuation cycle on the basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

If there is a material difference then the relevant classes are revalued.

Farm land

Farm land is revalued on a three yearly valuation cycle at fair value, as determined from market-based evidence by an independent valuer. The last valuation of the Council's farm land was performed by S E J Newberry B Com (VPM) SPINZ (ANZIV) Registered Valuer of Ford Baker Limited and the valuation is effective as at 30 June 2019.

Other land and buildings

Other land and buildings are valued at fair value as determined from market-based evidence by an independent valuer. The most recent valuation of such property held by the Council S E J Newberry B Com (VPM) SPINZ (ANZIV) Registered Valuer of Ford Baker Limited and the valuation is effective as at 30 June 2019.

Infrastructural asset classes: roads, water reticulation, sewerage reticulation and stormwater systems

These assets are valued at fair value determined on a depreciated replacement cost basis by an independent valuer. At balance date Selwyn District Council assesses the carrying values of its infrastructural assets to ensure that they do not differ materially from the assets' fair values. If there is a material difference then the off-cycle asset classes are revalued. The roading network was last valued as at 30 June 2020 by Robert Berghuis (BE (Elec), MPINZ) who is a senior valuer with Beca Valuation Limited. Water, sewerage, stormwater, land drainage and water race assets were last valued as at 1 July 2020 by John Vessey NZ Dip Eng, Dip Civil Eng Applied, CertETN a valuer at WSP.

Land under roads

Land under roads is valued based on fair value of adjacent land determined by the Council's finance staff effective 30 June 2005. Land under roads is not subsequently revalued. Subsequent additions are valued at cost.

Accounting for revaluations

The Council accounts for revaluations of property, plant and equipment on a class by class basis.

The results of revaluing are credited or debited to other comprehensive revenue and expense and accumulated in an asset revaluation reserve for that class of asset for the Council. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed and recognised in the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

Intangible assets**Goodwill**

The recoverable amount as at 30 June 2022, has been determined based on a value in use calculation using estimated cash flow projections. The projection are based on 0.5% growth rate for the first five years then nil growth rate beyond that. The post-tax discount rate applied to cash flow projections is 2.2%.

Software acquisition

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Mining Licences

Acquired mining licenses and permits are capitalised on the basis of the costs incurred to acquire and bring to use, the specific licence and permit.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates for software and mining licences have been estimated as follows:

Asset class	Useful life	Annual amortisation rate
Selwyn District Council	4 years	25%
Wanganui mining	24.04 years	4.16%
Brand Name	10 years	10%
Customer Relationships	3 years	33%
Customer Contracts	As profit realised	

Forestry assets

Forestry assets are independently revalued at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate. The Selwyn District Council forest was independently revalued as at 30 June 2021 by Terry O'Neill, Qualified Forester.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the surplus or deficit. The costs to maintain the forestry assets are recognised in the surplus or deficit.

Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost including transaction costs.

After initial recognition, the Council measures all investment property at fair value as determined annually by an independent valuer. The most recent valuations were performed by S E J Newberry B Com (VPM) SPINZ (ANZIV) Registered Valuer of Ford Baker Limited and the valuations are effective as at 30 June 2021.

The fair value of investment property has been determined by reference to the capitalisation of rental revenue, discounted cash flows and comparable sales methods. These valuations use assumptions including future rental revenue, anticipated costs and appropriate discount rates.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Impairment of non-financial assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

Value in use for non – cash generating units

Non – cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non – cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash – generating assets

Cash generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss of that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill), the reversal of impairment loss is recognised in the surplus or deficit.

Goods and services tax (GST)

All items in the financial statements are stated exclusive of GST except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the Inland Revenue Department, including the GST relating to the investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Payables

Short-term creditors and other payables are recorded at their face value.

Borrowings

Borrowings are initially measured at fair value net of transaction costs and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

Employee entitlements

Short-term employee entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences.

A liability and an expense are recognised for bonuses where the Council has a contractual obligation or where there is a past practice that has created a constructive obligation.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Defined benefit schemes

The Council belong to a Defined Benefit Plan Contribution Scheme ('the Scheme') which is managed by the Board of Trustees of the National Provident Fund. The Scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the Scheme, the extent to which the surplus/deficit will affect contributions by individual employers, as there is no prescribed basis for allocation. The Scheme is therefore accounted for as a defined contribution scheme.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

Landfill aftercare provision

A provision for future landfill site restoration and aftercare costs is recognised when the activities giving rise to the need for site restoration and aftercare have commenced. The provision is stated at the present value of the future cash outflows expected to be incurred which increases each period due to the passage of time. Any increase in the provision due to the change in present value is recognised in the surplus or deficit as a time value adjustment.

Future landfill site restoration and aftercare costs provided for are initially capitalised in the statement of financial position. Any change in the provision for future landfill site restoration and aftercare costs arising from a change in estimate of those costs is also recognised in non-current assets in the statement of financial position.

Future landfill site restoration and aftercare costs capitalised in the statement of financial position are depreciated at rates that match the pattern of benefits expected to be derived from the landfill including power generation using landfill gas.

Restricted and council created reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council's decision. Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

Cost allocation

The Council has derived the cost of service for each significant activity of the Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner, with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

Significant Forecasting Assumptions

In preparing the Annual Plan it is necessary for Council to make a number of assumptions about the future. The following table identifies those forecasting assumptions which are significant in that if actual events differ from the assumptions, it will result in material variances to this Plan.

Activity	Assumption area	Source of information	Stated assumption	Level of uncertainty	Risk	Potential impact/consequence if assumption wrong
Asset Management Area: Financial						
All	Asset lives and depreciation	NAMS	The assumed asset lives are set out in the statement of accounting policies.	Moderate	There is a risk that assets will wear out more quickly than forecast and require replacement earlier than planned.	If assets require replacement more quickly than forecast, renewal or capital expenditure projects may need to be brought forward. The Council will consider the funding implications of any early replacements as they occur. Early replacement will result in a write off of the book value of the asset, increasing expenditure in the year it occurs.
All	Borrowing costs	The Council in conjunction with its financial advisors	Interest on term debt is assumed to be 2.5% p.a. consistent with the Long Term Plan.	Moderate	There is a risk that interest rates will differ from those assumed and that borrowing costs will be higher than those assumed.	If borrowing costs are greater than those assumed, the Council may need to increase development contribution charges, rates or reduce expenditure. Conversely, lower borrowing costs may mean rates are lower than they would otherwise have been.
All	Dividends from CCOs	CORDE Ltd, Orion NZ Ltd, the Council	It is assumed that dividends from Orion NZ Ltd, and CORDE Limited will be as per the respective companies 2022 Draft Statement of Intent.	Moderate	There is a risk that dividends will be higher or lower than forecast depending on the performance of these companies.	If dividends are lower than those assumed, the Council may need to increase its rates or reduce expenditure. Conversely, higher investment returns may mean rates are lower than they would otherwise have been.

Activity	Assumption area	Source of information	Stated assumption	Level of uncertainty	Risk	Potential impact/consequence if assumption wrong
All	Funding of capital expenditure	The Council	The Council funds capital expenditure from a number of sources: <ul style="list-style-type: none"> • development contributions; • lump sum contributions; • government subsidy; • rates; • dividends; • interest from investments • reserves; • external borrowing 	Moderate	There is a risk that sufficient funds will not be available to pay for the planned capital projects. For example, because growth does not provide sufficient funding from development contributions or the community considers that required rate rises are not affordable.	The Council will assess the availability of funds as part of the annual budget process and if funds are not available, it may revise the capital programme that is set out in the Long Term Plan.
All	Funding of capital expenditure	The Council	Assumptions have been made on how each capital project included in the Long Term Plan will be funded. The Council's policy in relation to the funding of capital expenditure is set out in the Revenue and Financing Policy that is included in the Long Term Plan.	Moderate	There is a risk that sufficient funds will not be available to pay for the planned capital projects. For example, because growth does not provide sufficient funding from development contributions or the community considers that required rate rises are not affordable. There is also a risk that depreciation funds will be utilised affecting funding for renewals.	The Council will assess the availability of funds as part of the annual budget process and if funds are not available, it may revise the capital programme that is set out in the Long Term Plan.
All	Funding of capital expenditure	Development Contributions	Development Contributions will remain available to fund network infrastructure commensurate with growth forecasts.	Moderate	There is a risk that policy implementation and methodology restrictions will affect the ability to collect Development Contributions or the method by which contributions are calculated.	If Development Contributions are less than assumed, the Council may need to increase its rates to cover any shortfall or delay upgrade works.

Activity	Assumption area	Source of information	Stated assumption	Level of uncertainty	Risk	Potential impact/consequence if assumption wrong
All	Insurance		<p>That an appropriate level of insurance will be secured by Council for its property and 5 waters infrastructure assets.</p> <p>That the premiums to be paid are affordable.</p> <p>That Central Government will provide a sufficient share for post event works as per the National Civil Defence Emergency Management Plan</p> <p>Underground assets will be partly self-insured and that sufficient emergency funding will be available from Waka Kotahi NZTA (NZTA) for damage to roading assets caused by extraordinary events.</p> <p>That increases in Insurance Premiums will be similar to CPI.</p>	Moderate	<p>There is a risk that insurance will be difficult to secure and that NZTA will not provide adequate emergency funding to reinstate damaged services.</p> <p>There is a risk that insurance premiums will rise more rapidly than expected.</p>	<p>Council's assets may not be able to be insured in a similar manner to the current approach and different options may need to be considered. This includes increasing reserve funds and higher excess sums.</p> <p>Premiums will exceed budget allocation and savings will be required in insurance policies or funds will need to be reallocated from other areas of expenditure.</p>
All	Investment in Orion NZ Ltd and CORDE Ltd	CORDE Ltd, Orion NZ Ltd, the Council	The Council revalues its investment in Orion NZ Ltd, and CORDE Ltd so that the carrying value is maintained at fair value. It is assumed that the value of the investment will be maintained at its relative dollar value, with the investment increasing in line with general price levels.	Moderate	There is a risk that the value of the investment may increase or decrease.	A change in the value of the investment in Orion NZ Ltd, and CODRE Ltd will change the Council's equity but will not have a direct impact on revenue or expenditure.
All	Investments	The Council	Earnings from cash balances will be treated as Revenue	Low	There is a risk that the Council will revise this policy and allocate these funds differently.	Should the Council allocate or retain these funds differently, there will inadequate funds for roading improvements, or the income available to support the general rate requirement will reduce and the Council may need to increase rates or reduce expenditure.

Activity	Assumption area	Source of information	Stated assumption	Level of uncertainty	Risk	Potential impact/consequence if assumption wrong
Transportation	NZTA revenue	The Council	<p>It is assumed that the level of financial assistance received from NZTA for eligible roading and transport activities will remain at 51%.</p> <p>Works associated with nationally and regionally significant state highway projects will be fully funded by NZTA funding (e.g. Southern Motorway further extensions).</p> <p>Funding Assistance for large Capital transport works would be achieved on a case by case basis through a Business Case approach with NZTA. Some capital projects could attract a Targeted Enhanced Financial Assistance Rate (TEFAR) on a case basis by the NZTA.</p> <p>NLTP Funding is provided by the NZTA in 3 year periods and that the following 7 years will be funded in a similar manner</p>	Moderate	<p>There is a risk that sufficient funds will not be available to pay for the planned capital projects. For example, because growth does not provide sufficient funding from development contributions or the community considers that required rate rises are not affordable.</p> <p>The full range of funding expected initially in a NLTP may be reduced during its period if NZTA face significant national cost increases requiring a reprioritisation of NZTA funding which may result in capital projects being deferred for funding.</p>	The Council will assess the availability of NZTA funds as part of the annual budget process and if funds are not available, it may revise its roading and transport programme that is set out in the Long Term Plan.
All	Resource consents	The Council	Resource consents will continue to be able to be processed in statutory timeframes.	Low	There is a risk that the consent are delayed or that the consent will not be obtained for the Council projects.	If consent conditions change, expenditure may increase to comply with the conditions and this may have an impact on rate levels. If consents cannot be obtained for planned projects, the project may be delayed or may not go ahead.
All	Return on investments	The Council in conjunction with its financial advisors	It is assumed that the Council's cash investments will generate an average return of 1.5% p.a. consistent with the Long Term Plan.	Moderate	There is a risk that returns on investments will be higher or lower than forecast because actual investment balances and interest rates may vary from those used in the forecast.	If investments returns are lower than those assumed, the Council may need to increase its rates or reduce expenditure. Conversely, higher investment returns mean rates may be lower than they would otherwise have been.

Activity	Assumption area	Source of information	Stated assumption	Level of uncertainty	Risk	Potential impact/consequence if assumption wrong
All	Selwyn 2031 (District Wide Strategy)	The Council	No significant changes in the management of infrastructure assets, reserves and community facilities are expected in the short term. Actions required in the 2021-24 period can be accommodated within current forecasts.	Low	There is a risk that the visions and initiatives identified through the District wide strategy process cannot be accommodated through current planning, funding and delivery mechanisms.	Changes in service (demand, performance, condition, resourcing) may be required as a result of decisions resulting from the Strategy. Changes to Activity Planning including funding may be required.
All	Timing and level of capital expenditure	The Council	The Long Term Plan assumes that the timing and cost of capital projects and associated operating costs are as determined through the Council's activity management planning process.	High	There is a risk that capital projects may not occur as planned. This may have an impact on the costs of the project. There is also the risk that actual project costs will vary from those forecasts. Transport projects seeking subsidy will need to be developed through a Business Case approach to NZTA which may change originally anticipated outcomes	<p>If projects do not occur as planned, capital expenditure in any year may differ from that forecast and delay may also change the cost of individual projects. The Council will consider the impact of any change as part of the annual budget process and consider the funding implications of any cost changes.</p> <p>The financial impact of changes to timing of capital expenditure would be impacted by inflation, cost of borrowing and in the case of facilities, savings in operating costs for the period the capital expenditure is delayed.</p>
All	Unidentified liabilities	The Council	It assumed that the Council does not have any unidentified liabilities.	Low	There is a risk of an unexpected liability coming to light, for example, a claim against the Council.	If an unidentified liability arises it may increase the Council's expenditure. This risk is mitigated by the Council's Risk Management and Insurance Policies.

Activity	Assumption area	Source of information	Stated assumption	Level of uncertainty	Risk	Potential impact/consequence if assumption wrong
All	No major adverse events	The Council	It assumed that there will be no major financial impact from an adverse event, should one occur, for example, earthquake, pandemic or flood. While events may occur at any time, Council's planning will focus on operational resilience and Emergency Management.	High	There is a risk that a major adverse event will occur and result in damage to assets and additional costs to the Council.	Any major adverse event will have a significant impact on the Council and the community. The Council seeks to mitigate this risk through its Civil Defence function, Risk Management, Business Continuity Planning, financial resilience and Insurance Policies to maintain delivery of critical services.
All	Pandemic	The Council	It is assumed that there will be no major financial impact from COVID-19 on the Council.	Moderate	There is a risk that a further outbreak of COVID-19 in New Zealand will occur and result in significant financial and operational impact to the Council.	Any further outbreak of COVID-19 in New Zealand will have a significant impact on the Council and the community. The Council seeks to mitigate this risk through its Civil Defence function, Risk Management, Business Continuity Planning and financial resilience to maintain delivery of critical services.
All	Amalgamation	The Council	It is assumed that the Council will not be amalgamated in whole or part with other local authorities.	Low	There is a risk that the Council could be amalgamated with other local authorities.	Assets & liabilities of Council would be transferred to another body and the financial forecasts and capital programme outlined in this document would be the responsibility of the new body.
All	Water Reform	The Council	It is assumed that the Council's water activity will not be amalgamated into another body during the period covered by the Annual Plan.	High	There is a risk that there will be significant reform of the three Waters Service Delivery area, which would have an impact on the Council's asset base and revenue streams.	Assets & liabilities of the Council's three waters activity would be transferred to another body and financial forecasts and capital programme outlined in this document would be the responsibility of the new body.

Activity	Assumption area	Source of information	Stated assumption	Level of uncertainty	Risk	Potential impact/consequence if assumption wrong
Asset Management Area: Levels of Service						
All	Community Expectations	The Council	The expectations of the Selwyn Community for the provision of services provided by Council will remain similar.	Moderate	There is a risk that there is a change in expectation for services and that the targeted level of service becomes inappropriate.	If there is an increase or reduction in the expectation of service/level of service provision, the cost and delivery model may need to be revised.
All	Community Outcomes	The Council	The Community Outcomes which link to Levels of Service will not change, apart from minor clarification. Funding to deliver the LoS will therefore occur in accordance with the communities stated priorities.	Low	Planning and service delivery is poorly aligned with community expectations	Increase in customer dissatisfaction. Reporting targets and LOS will require revision.
All	Legislation	The Council	The Annual Plan assumes that existing Legislation will remain in place and that the structure and responsibilities of the Council will remain the same over the period covered by the Plan.	Low	There is a risk that legislative change will bring about changes to the responsibilities of the Council.	If legislative responsibilities change, it may increase or reduce the Council's expenditure and income and associated rate levels. e.g. <ul style="list-style-type: none"> • Significant changes to funding levels and the AcMP forecasts • Significant changes to contracts, staff arrangements and funding arrangements • Significant changes to external subsidy funding sources.

Activity	Assumption area	Source of information	Stated assumption	Level of uncertainty	Risk	Potential impact/consequence if assumption wrong
Asset Management Area: Sustainability						
All	Climate Change	Ministry for the Environment The Council	<p>It is assumed that climate change is happening and that this will impact on SDC's roles and responsibilities, both from an emissions mitigation and climate change adaptation perspective.</p> <p>Adapting to the challenges and opportunities of climate change is a significant issue for Council and it will take into account the predicted impacts of climate change as it plans, builds and renews its infrastructure.</p> <p>In 2020 the Council took a further step to put climate change at the heart of our work, adopting our first formal climate change policy. This brings together several areas of work into a consolidated blueprint for action on climate change, and commits the Council to make climate change mitigation and adaptation central to its planning and decision-making.</p> <p>We are collaborating with our regional partners in the Canterbury Climate Change Working Group (CCWG) and the Mayoral Forum Climate Change Steering Group. This group has been laying the foundations for a regional climate change risk assessment. A high-level risk screening broadly identifies risks and opportunities arising from climate change for the region. This is being followed up with an in-depth risk assessment (due later this year).</p> <p>High level risks identified in Canterbury region and relevant to Selwyn includes hazards such as flooding, fire, sea level rise, drought, and storms.</p> <p>The current assessments of climate change impact on SDC's infrastructure and activities shows that there will be a low to minor impact within the period covered by the Long Term Plan. This is an iterative exercise and Council has been pursuing it.</p>	Moderate	<p>Climate change data is rapidly evolving and hence the impact assessment is an iterative exercise.</p> <p>Council has been carrying out periodic climate change impact assessment decisions to keep the understanding of climate change data current and actively pursuing studies of its impact to SDC's infrastructure and its people. (" Impact of Climate Cycles and Trends on Selwyn District Water Assets" -Aqualinc , 2016 and 2020)</p> <p>If climate change happens more quickly or impacts services differently, the Council may need to carry out work on its infrastructure assets or could result in early capital spend.</p> <p>Decisions made now without considerations may have intergeneration effects on land use decisions, environmental policy and infrastructure decisions e.g. relying on unsuitable assets and resources in highly</p>	<p>If climate change happens more quickly or impacts services differently, the Council may need to carry out work on its infrastructure assets or could result in early capital spend.</p> <p>Decisions made now without considerations may have intergeneration effects on land use decisions, environmental policy and infrastructure decisions e.g. relying on unsuitable assets and resources in highly vulnerable parts of the district.</p>

			<p>The expansion/renewal of infrastructure at Selwyn Huts I considers both climate change projections and community views in decision-making. This will be informed by studies including "Impact of Climate Cycles and Trends on Selwyn District Water Assets" (Aqualinc , 2016 and 2020)</p> <p>To achieve a coherent response to the impact of climate change on its infrastructure, Council has integrated the Climate change adaptation and mitigation planning process to the District's long term planning process.</p> <p>The LTP work has taken into consideration the impacts from priority risks to Selwyn like flooding, drought, fire, storms etc. and identified projects for some of the priority risks, evaluating options for other know impacts and resourcing requirements for potential adaptation actions to the impacts of Climate Change.</p> <p>As part of leadership role in addressing climate change locally, we have recently undertaken an assessment of our carbon emissions for the 2018/19 year. This assessment, which will be published this year, forms a baseline and a starting point against which future carbon emissions will be compared.</p> <p>Establishing a baseline is the first crucial step towards meeting our obligations under the Climate Change Response (Zero Carbon) Amendment Act 2019, targeting net zero greenhouse gas emissions by 2050.</p> <p>We will continue to monitor our emissions, and will set reduction targets to be incorporated into future Long-Term Plans, and identify opportunities to reduce emissions in our own operations and those of our contractors</p>		vulnerable parts of the district.	
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Activity	Assumption area	Source of information	Stated assumption	Level of uncertainty	Risk	Potential impact/consequence if assumption wrong
All	Emissions Trading Scheme	The Council	It is assumed that any costs or actions required in regard to the Emissions Trading Scheme are adequately incorporated into the relevant AcMPs, Sustainability Strategies and the Long Term Plan. Funding received from the waste levy is assumed to remain at similar levels (\$10/T and \$0.65/T MoE)	Low	There is a risk that costs or actions have not adequately addressed.	Any increase or decrease in costs or actions will need to be resourced differently to the approach planned.
All	Maori role in decision-making and iwi expectations	The Council Mahaanui Iwi Management Plan	Council will foster relationship with Maori and iwi as community members and as detailed through legislation and other agreements.	Low	There is a risk that objectives differ and there are insufficient consultation and communication mechanisms in place.	Initiates, consents and projects are delayed or poorly implemented

Funding Impact Statement

The funding impact statement shows the revenue and financing mechanisms the Council uses to fund its operating and capital expenditure.

	2022/23	2022/23	2021/22
	Annual plan	LTP	LTP
	\$'000	\$'000	\$'000
Sources of operating funding			
General rates	30,421	28,894	26,552
Targeted rates (including metered water supply)	52,822	51,508	47,997
Subsidies and grants for operating purposes	3,210	3,210	3,218
Fees and charges	25,671	24,496	22,401
Interest and dividends from investments	5,862	5,862	5,729
Other operating funding	387	390	374
Total operating funding (A)	118,373	114,360	106,271
Application of operating funding			
Payments to staff and suppliers	105,091	95,837	95,282
Finance costs	4,850	4,504	2,816
Other operating funding applications	460	460	446
Total application of operating funding (B)	110,401	100,801	98,544
Surplus / (deficit) of operating funding (A-B)	7,972	13,559	7,727
Sources of capital funding			
Subsidies for capital expenditure	7,778	7,778	19,454
Development and financial contributions	10,790	10,790	9,828
Increase / (decrease) in debt	50,593	30,303	104,718
Gross sales proceeds from sale of assets	2,585	2,585	6,383
Total sources of capital funding (C)	71,746	51,456	140,383
Applications of capital funding			
Capital - growth	49,321	31,692	86,904
Capital - level of service	23,018	19,567	26,210
Capital - renewals	19,029	17,820	25,867
Increase / (decrease) in reserves	(10,150)	(8,432)	(16,716)
Increase / (decrease) of investments	(1,500)	4,368	25,845
Total applications of capital funding (D)	79,718	65,015	148,110
Surplus / (deficit) of capital funding (C-D)	(7,972)	(13,559)	(7,727)
Funding balance (A-B) + (C-D)	-	-	-

Please refer to the significant activities section of the Annual Plan for more detailed comparisons between the Annual Plan and the Long Term Plan and explanations for any significant variances.

Funding Impact Statement – Rating

The rating system is the primary mechanism used by the Council to fund the operating and capital expenditure planned for the District. The table below explains some of the terminology used in the rates system.

Rating unit	The rating unit is what attracts the liability for rates and is basically what has been known in the past as a 'rateable property'.
Separately used or inhabited part of a rating unit (SUIP)	<p>A SUIP is defined as any part of a rating unit separately used or inhabited by the ratepayer, or by any other person, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use. Separately used or inhabited parts include:</p> <ul style="list-style-type: none"> · A residential, small holding, or farmland property that contains two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate habitation i.e. has independent kitchen facilities. · A commercial premise that contains separate shops, kiosks, other retail or wholesale outlets, or offices, each of which is operated as a separate business or is capable of operation as a separate business.
Rating factor	This is the basis on which a targeted rate is calculated, such as property value, land area, number of separately occupied parts etc.
General rate	A rate that is set for the general purpose of the Council.
Uniform annual general charge (UAGC)	A rate that is set at a fixed dollar amount irrespective of the value of the property and is used for the general purposes of the Council.
Targeted rate	A rate that is set for a specified purpose.

Uniform Annual General Charge (UAGC)

The Council sets a uniform annual general charge (UAGC) as a fixed amount on each rating unit in the District, under section 15 of the Local Government (Rating) Act 2002. The UAGC is used to collect the balance of the general rate requirement not collected through the general rate.

General rates

The Council sets a general rate under section 13 of the Local Government (Rating) Act 2002 as a uniform rate in the dollar on the capital value of each rating units in the District. There are no differentials applied to the general rate.

Targeted rates

The Council sets targeted rates under section 16 of the Local Government (Rating) Act 2002. Targeted rates may be set for all rateable land in the District or a category or categories of rateable land. Schedule 2 of the Local Government (Rating) Act 2002 lists options which may be used to define categories of rateable land, for example the availability of the service, or where the land is situated. Etc. Schedule 3 of the Local Government (Rating) Act 2002 list rating factors which may be used as a basis for calculating rates, for example, the value or area of the rating unit, etc.

The purpose of each targeted rate, the category of rateable land to which the rate is applied and the basis for calculation (or rating factor) is described below:

- **Community Board** – this rate is set to fund the operations of the Malvern Community Board. A targeted rate is assessed as a fixed amount on each rating unit in the Malvern Ward.
- **Canterbury Museum Levy Funding** – this rate is set to fund the levy paid under the Canterbury Museum Trust Board Act 1993. A targeted rate is assessed on a uniform basis as a fixed amount on each rating unit in the District.
- **Community Centres** – this rate is set for the purpose of providing and maintaining the various community centres in the District. A targeted rate is assessed on each SUIP in the District. Community centre loan rates are set for some community centres. Loan rates are payable on each SUIP in the Glentunnel and Greendale rating areas where there has been no election to pay a lump sum contribution to fund past capital works.
- **Recreation Reserves** – this rate is set for the purpose of providing and maintaining the various recreation reserves and facilities throughout the District. This rate is assessed on each SUIP in the District.

Sewerage – the rate is set for the purpose of providing and maintaining sewerage treatment and disposal systems. The targeted rate is assessed on each SUIP which has availability of service and additionally per urinals/pans in excess of four within the rating unit

A full charge is made on each SUIP which is connected to the scheme, and a half charge is made on each rating unit which can be, but is not, connected to the sewerage scheme.

The Selwyn Huts sewerage scheme is not included in the Council's district-wide targeted rate. This area's sewerage costs are included in Selwyn Huts residents' annual licence fee.

Sewerage loan rates are set for some schemes. The targeted rate is assessed on area or on a uniform basis on each rating unit based on where the land is situated where there has been no election to pay a lump sum contribution for physical works constructed.

A sewerage investigation targeted rate is assessed on each SUIP in Darfield to cover the cost of monitoring the environmental effects of discharging wastewater to ground and the development of a design to resolve potential risks.

Refuse Collection and Disposal – these rates are set for the purpose of providing a refuse collection, disposal and recycling service. The rates are assessed on all SUIPs serviced by a refuse collection route and on each SUIP located in each of Arthur's Pass, Castle Hill and Lake Coleridge. Targeted rates are additionally assessed per SUIP serviced by the 240 litre recycling, 80 litre refuse and organic wheelie bin systems.

Water Supply – these rates are set for the purpose of providing and maintaining water supply schemes. A targeted rate is assessed on each SUIP which is or rating units which may be, connected to Council provided water supply and additionally for quantity of water provided in accordance with section 19 of the Local Government (Rating Act) 2002.

The Selwyn Huts water supply is not included in the Council's district-wide water targeted rate. This area's water costs are included in Selwyn Huts residents' annual licence fee.

Water loan rates are set for some schemes. The targeted rate is assessed per rating unit in the rating area where there has been no election to pay a lump sum for physical works constructed.

Water Race (Service and Amenity) – these rates are set for the purpose of providing and maintaining water race systems within the District.

The water race (service) targeted rates are assessed per rating unit and per hectare or part thereof which have available water race service.

The water race (amenity) targeted rate is assessed on each rating unit which does not have available water race service.

Land Drainage and River Works – these rates are set for the purpose of maintaining drainage and protecting schemes within the District.

The land drainage (service) targeted rates are assessed per rating unit and per hectare or part thereof which have available land drainage service.

The land drainage (biodiversity) targeted rate is assessed on each rating unit which does not have available land drainage service.

- **Swimming Pools** – this rate is set for the purpose of providing and maintaining swimming pools in the District. The rate is set differentially based on location and assessed per SUIP within the following Zones:

Zone	Rating areas
Zone 1	Incorporating Rolleston
Zone 2	Incorporating Broadfield, Courtenay, Darfield, Dunsandel, Greendale, Halkett, Killinchy, Kimberley, Kirwee, Ladbrooks, Lakeside, Leeston, Lincoln, Osborne Park, Prebbleton, Rhodes Park, Sheffield, Springston, Southbridge, Templeton, Weedons, and West Melton.
Zone 3	Incorporating Arthur's Pass, Castle Hill, Glentunnel/Coalgate, Hororata, Kowai Pass, Lake Coleridge, Rakaia Huts, Snowdon, and Whitecliffs.

- **Library** – this rate is set for the purpose of providing the District library service. The targeted rate is assessed on a uniform basis as a fixed amount on each rating unit in the District.
- **Stormwater** – this rate is set for the purpose of providing and maintaining stormwater systems. This targeted rate is assessed on each SUIP, within areas serviced by stormwater systems in the following rating areas:

Arthur's Pass	Castle Hill	Darfield	Doyleston
Dunsandel	Glentunnel	Hororata	Kirwee
Lake Coleridge	Leeston	Lincoln	Prebbleton
Rakaia Huts	Rolleston	Southbridge	Springfield
Springston	Tai Tapu	Templeton (Claremont)	West Melton
Whitecliffs			

Rate charges

All dollar amounts below are GST inclusive unless otherwise stated.

The Annual Plan includes a number of rate increases in both the general rate and targeted rates. The forecast average annual rates increase per ratepayer is around 6.0% p.a. The increase in total rates revenue over the period is higher, but this is due to the expected increase in the District's population.

Roughly 49% of the Council's work is paid for by rates – 18% from general rates, which all land and property owners pay, and 31% from targeted rates which are charged for particular services. The remainder of the work is funded from other sources including government grants, community funds, user-pay charges and council investment income. Property development contributions also provide funds for new reserves, roads, and water and sewerage assets.

General rates pay for roads, townships, reserves, community development and environmental services. General rates have two parts: a fixed amount (the Uniform Annual General Charge); and a variable amount which is based on the capital value.

Targeted rates pay for specified services such as water, sewerage, refuse collection, land drainage, recreational and cultural facilities.

The examples further below show how the planned changes will affect properties in different areas. The examples show the planned rate charges for the plan as well as giving actual rates for the preceding year.

In the examples further below the variables are used to demonstrate the potential impacts on rateable properties in different districts:

- Wheelie bin charges vary dependent on whether the property chooses an organic bin, an 80 litre and/or a 240 litre bin.
- Water metered charges are not included and are additional to the rates identified.

	Rating	2022/23	Estimated
	numbers	(\$)	revenue (\$)
General Rates			
<i>The Uniform Annual General Charge is assessed as a fixed amount on each rating unit in the District.</i>			
<i>The General Rate is assessed as a uniform rate in the dollar on the capital value of each rating unit in the District, and accordingly is not assessed differentially.</i>			
Uniform Annual General Charge (UAGC)	29,779	294.00	8,755,026
General Rate	34,482,173,200	0.00074957	25,846,803
General Rates (including GST)			34,601,829
General Rates (excluding GST)			30,088,547
Community Board Targeted Rate			
<i>Targeted rate assessed as a fixed amount on each rating unit in the Malvern Ward.</i>			
Malvern Ward	4,755	44.00	209,220
Total Community Board Targeted Rate (including GST)			209,220
Total Community Board Targeted Rate (excluding GST)			181,930
Canterbury Museum Levy Funding Targeted Rate			
<i>Targeted rate assessed on a uniform basis as a fixed amount on each rating unit in the District.</i>			
Canterbury Museum Levy Funding Targeted Rate	29,779	35.00	1,042,265
Canterbury Museum Levy Funding Targeted Rate (including GST)			1,042,265
Canterbury Museum Levy Funding Targeted Rate (excluding GST)			906,317
Community Centre Targeted Rate			
<i>Targeted rate assessed on each SUIP in the District.</i>			
Community Centre Targeted Rate	25,690	175.00	4,495,750
Community Centre Targeted Rate (including GST)			4,495,750
Community Centre Targeted Rate (excluding GST)			3,909,348
Community Centre Loan Targeted Rates			
<i>Targeted rates assessed on each rating unit within the applicable rating area where there has been no election to pay a lump sum for physical works constructed.</i>			
Glentunnel	167	38.10	6,363
Greendale	64	146.47	9,374
Community Centre Loan Targeted Rates (including GST)			15,737
Community Centre Loan Targeted Rates (excluding GST)			13,684
Recreation Reserve Targeted Rate			
<i>Targeted rate assessed on each SUIP in the District.</i>			
Recreation Reserve Targeted Rate	25,690	139.00	3,570,910
Recreation Reserve Targeted Rate (including GST)			3,570,910
Recreation Reserve Targeted Rate (excluding GST)			3,105,139
Sewerage Targeted Rates			
<i>Targeted rates assessed on each SUIP (other than a SUIP in the Upper Selwyn Huts settlement) which is connected to a Council provided sewerage scheme and a half charge on each rating unit (other than a rating unit in the Upper Selwyn Huts settlement) which has availability of service but is not connected, and additionally per urinals/pans in excess of four within a serviced SUIP as follows.</i>			
Sewerage Targeted Rate (assessed on each SUIP connected)	16,344	586.00	9,577,584
Sewerage Targeted Rate (assessed on each rating unit which can be, but is not connected)	2,500	293.00	732,500
Sewerage Targeted Rate Pan Charge (assessed on each SUIP per pan in excess of 4)		146.50	
Sewerage Targeted Rates (including GST)			10,310,084
Sewerage Targeted Rates (excluding GST)			8,965,290
Sewerage Investigation Targeted Rate			
<i>Targeted rate assessed on each SUIP in Darfield.</i>			
Darfield Sewerage Investigation Targeted Rate (assessed on each SUIP in Darfield)	1,205	79.00	95,195
Sewerage Investigation Targeted Rate (including GST)			95,195
Sewerage Investigation Targeted Rate (excluding GST)			82,778

	Rating	2022/23	Estimated
	numbers	(\$)	revenue (\$)
Sewerage Loan Targeted Rates			
<i>Targeted rates assessed in relation to the following specific categories where there has been no election to pay a lump sum for physical works constructed.</i>			
Rolleston(per hectare for rating units at Jones Road, Rolleston - VRN 2354167113)	0.4046	4,108.83	1,662
Rolleston (per hectare for rating units at Jones Road, Rolleston - VRN 2354167300 & 2354167302)	0.7217	4,092.72	2,954
Rolleston (per hectare for rating units at Jones Road, Rolleston - VRN 2354167312, 2354167305 & 2354167304)	1.5546	4,153.86	6,458
Southbridge (on each rating unit within the rating area)	70	376.58	26,361
Tai Tapu (on each rating unit within the rating area)	30	681.89	20,457
Sewerage Loan Targeted Rates (including GST)			57,891
Sewerage Loan Targeted Rates (excluding GST)			50,340
Refuse Collection and Disposal Targeted Rates			
<i>Targeted rates assessed on each SUIP serviced by a refuse and recycling collection route, except Arthur's Pass, Castle Hill and Lake Coleridge.</i>			
Refuse Targeted Rate	26,500	28.00	742,000
Recycling Targeted Rate	27,500	88.00	2,420,000
<i>Targeted rates assessed based on the extent of service provision.</i>			
Refuse Wheelie Bin (240 Litre) (assessed per refuse bin provided)	9,000	427.00	3,843,000
Refuse Wheelie Bin (80 Litre) (assessed per refuse bin provided)	15,500	143.00	2,216,500
Organic (Green Waste) Wheelie Bin (assessed per organics bin provided)	14,670	190.00	2,787,300
<i>Targeted rate assessed on each SUIP in the following locations.</i>			
Arthur's Pass - refuse and recycling service	108	231.00	24,948
Castle Hill - refuse and recycling service	160	231.00	36,960
Lake Coleridge - refuse and recycling service	50	150.00	7,500
Refuse Collection and Disposal Targeted Rates (including GST)			12,078,208
Refuse Collection and Disposal Targeted Rates (excluding GST)			10,502,790
Water Supply Targeted Rates			
<i>Targeted rates assessed on each SUIP (other than a SUIP in the Upper Selwyn Huts settlement) connected to a Council provided metered water supply and each rating unit (other than a rating unit in the Upper Selwyn Huts settlement) within 100 metres from any part of a Council provided metered water supply from which water can be, but is not supplied as set out below. In addition, a charge per cubic metre of metered water supplied will apply.</i>			
Water Targeted Rate (metered supply on each SUIP connected)	18,967	288.00	5,462,496
Water Targeted Rate (on each unconnected rating unit within 100 metres of available Council provided metered supply)	3,068	288.00	883,584
Metered supply (per m3 of water)	5,215,791	0.72 per m3	3,755,369
<i>Targeted rates assessed on each rating unit connected to Council provided restricted water supply or which have a restricted water supply available. In addition, a charge per water unit available to a rating unit will apply.</i>			
Restricted water targeted rate (on each rating unit connected or with water supply available but no water being drawn)	1,707	288.00	491,616
Restricted water targeted rate (on each water unit [^] supplied)	5,782	207.00	1,196,874
[^] A water unit is supply of up to 1 m3 of water over a 24 hour period, regardless of whether this supply is taken.			
Water Targeted Rates (including GST)			11,789,939
Water Targeted Rates (excluding GST)			10,252,121
Water Loan Targeted Rates			
<i>Targeted rates assessed on each rating unit connected to the following water supply schemes where there has been no election to pay a lump sum for physical works constructed.</i>			
Doyleston	31	406.31	12,596
Prebbleton (Kingcraft Drive)	1	409.11	409
Water Loan Targeted Rates (including GST)			13,005
Water Loan Targeted Rates (excluding GST)			11,308
Water Race (Service and Amenity) Targeted Rates			
<i>The water race (service) targeted rate is a targeted rate on the basis of water race service availability, to be calculated as a fixed amount on each rating unit and additionally on the area of the rating unit. The water race (amenity) targeted rate is a targeted rate set in relation to where the water race is not available, to be calculated as a fixed amount on each rating unit.</i>			
Per hectare or part thereof (assessed on each rating unit where water race service is available)	81,931	19.50	1,597,655
Annual charge (assessed on each rating unit with available water race service)	2,264	380.00	860,320
Amenity (assessed on each rating unit in the District where water race service is not available)	27,800	45.00	1,251,000
Water Race (Service and Amenity) Targeted Rates (including GST)			3,708,975
Water Race (Service and Amenity) Targeted Rates (excluding GST)			3,225,195

	Rating	2022/23	Estimated
	numbers	(\$)	revenue (\$)
Land Drainage and River Works Targeted Rates			
<i>The land drainage (service) targeted rate is a targeted rate on the basis of land drainage service availability, to be calculated as a fixed amount on each rating unit and additionally on the area of the rating unit. The land drainage targeted rate is a targeted rate set in relation to where the land drainage is not available, to be calculated as a fixed amount on each rating unit.</i>			
Annual charge for properties <2.333 h.a. (assessed on each rating unit with available land drainage service)	4,385	70.00	306,950
Per hectare for properties <2.333 h.a. (assessed on each rating unit where land drainage service is available)	341	30.00	10,230
Per hectare or part thereof first 4 h.a. (assessed on each rating unit where land drainage service is available)	800	120.00	96,000
Per hectare or part thereof above 4 h.a. (assessed on each rating unit where land drainage service is available)	19,454	7.00	136,176
Biodiversity rate (assessed on each rating unit in the District where land drainage service is not available)	24,430	20.00	488,600
Land Drainage and River Works Targeted Rate (including GST)			1,037,956
Land Drainage and River Works Targeted Rate (excluding GST)			902,570
Swimming Pools Targeted Rate			
<i>Targeted rate assessed on each SUIP based on the where the land is situated.</i>			
Zone 1	8,751	168.00	1,470,168
Zone 2	14,424	118.00	1,702,032
Zone 3	1,543	42.00	64,792
District Swimming Pool Targeted Rate (including GST)			3,236,992
District Swimming Pool Targeted Rate (excluding GST)			2,814,776
Library Targeted Rate			
<i>Targeted rate assessed on a uniform basis as a fixed amount on each rating unit in the District.</i>			
Library Targeted Rate	28,580	239.00	6,830,620
Library Targeted Rate (including GST)			6,830,620
Library Targeted Rate (excluding GST)			5,939,670
Stormwater Targeted Rate			
<i>Targeted rate assessed on each SUIP based on where the land is situated.</i>			
Stormwater Targeted Rate	19,521	122.00	2,381,562
Stormwater Targeted Rate (including GST)			2,381,562

Rate examples

Example: Urban Residential Property With Sewerage			
	Actual	LTP	Annual Plan
	2021/2022	2022/2023	2022/2023
Capital valuation	550,000	550,000	790,000
General Rates	510	540	592
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	267	280	288
Metered water supply	165	198	198
Sewerage Rate	564	586	586
Swimming Pool Rate	168	168	168
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Stormwater Rate	113	122	122
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Refuse Charges			
Collection Rate	27	28	28
Recycling Charge	82	84	88
Organic Wheelie Bin	190	190	190
80 Litre Wheelie Bin	140	144	143
	3,115	3,262	3,350
Annual % change	4.6%	4.7%	7.5%
Annual \$ change	\$ 138	\$ 147	\$ 235

Example: Urban Residential Property With Sewerage			
	Actual	LTP	Annual Plan
	2021/2022	2022/2023	2022/2023
Capital valuation	750,000	750,000	975,000
General Rates	695	737	731
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	267	280	288
Metered water supply	165	198	198
Sewerage Rate	564	586	586
Swimming Pool Rate	168	168	168
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Stormwater Rate	113	122	122
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Refuse Charges			
Collection Rate	27	28	28
Recycling Charge	82	84	88
Organic Wheelie Bin	190	190	190
80 Litre Wheelie Bin	140	144	143
	3,300	3,459	3,489
Annual % change	4.7%	4.8%	5.7%
Annual \$ change	\$ 148	\$ 159	\$ 189

Example: Urban Residential Property With Sewerage			
	Actual	LTP	Annual Plan
	2021/2022	2022/2023	2022/2023
Capital valuation	900,000	900,000	1,170,000
General Rates	834	884	877
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	267	280	288
Metered water supply	165	198	198
Sewerage Rate	564	586	586
Swimming Pool Rate	168	168	168
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Stormwater Rate	113	122	122
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Refuse Charges			
Collection Rate	27	28	28
Recycling Charge	82	84	88
Organic Wheelie Bin	190	190	190
80 Litre Wheelie Bin	140	144	143
	3,439	3,606	3,635
Annual % change	4.7%	4.9%	5.7%
Annual \$ change	\$ 156	\$ 167	\$ 196

Example: Urban Residential Property Without Sewerage			
	Actual	LTP	Annual Plan
	2021/2022	2022/2023	2022/2023
Capital valuation	550,000	550,000	790,000
General Rates	510	540	592
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	267	280	288
Metered water supply	165	198	198
Swimming Pool Rate	118	118	118
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Stormwater Rate	113	122	122
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Refuse Charges			
Collection Rate	27	28	28
Recycling Charge	82	84	88
Organic Wheelie Bin	190	190	190
80 Litre Wheelie Bin	140	144	143
	2,501	2,626	2,714
Annual % change	5.0%	5.0%	8.5%
Annual \$ change	\$ 118	\$ 125	\$ 213

Example: Urban Residential Property Without Sewerage

	Actual	LTP	Annual Plan
	2021/2022	2022/2023	2022/2023
Capital valuation	750,000	750,000	975,000
General Rates	695	737	731
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	267	280	288
Metered water supply	165	198	198
Swimming Pool Rate	118	118	118
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Stormwater Rate	113	122	122
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Refuse Charges			
Collection Rate	27	28	28
Recycling Charge	82	84	88
Organic Wheelie Bin	190	190	190
80 Litre Wheelie Bin	140	144	143
	2,686	2,823	2,853

Annual % change	5.0%	5.1%	6.2%
Annual \$ change	\$ 128	\$ 137	\$ 167

Example: Urban Residential Property Without Sewerage

	Actual	LTP	Annual Plan
	2021/2022	2022/2023	2022/2023
Capital valuation	900,000	900,000	1,170,000
General Rates	834	884	877
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	267	280	288
Metered water supply	165	198	198
Swimming Pool Rate	118	118	118
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Stormwater Rate	113	122	122
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Refuse Charges			
Collection Rate	27	28	28
Recycling Charge	82	84	88
Organic Wheelie Bin	190	190	190
80 Litre Wheelie Bin	140	144	143
	2,825	2,970	2,999

Annual % change	5.1%	5.1%	6.2%
Annual \$ change	\$ 136	\$ 145	\$ 174

Example: A lifestyle property near Rolleston

	Actual	LTP	Annual Plan
	2021/2022	2022/2023	2022/2023
Capital valuation	650,000	650,000	840,000
General Rates	603	639	630
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Swimming Pool Rate	168	168	168
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Refuse Charges			
Collection Rate	27	28	28
Recycling Charge	82	84	88
	1,769	1,841	1,861

Annual % change	4.6%	4.1%	5.2%
Annual \$ change	\$ 79	\$ 72	\$ 92

Example: A rural property in Darfield

	Actual	LTP	Annual Plan
	2021/2022	2022/2023	2022/2023
Capital valuation	10,400,000	10,400,000	11,300,000
General Rates	9,640	10,219	8,470
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	939	987	1,013
Swimming Pool Rate	118	118	118
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Water Race Rate	2,840	3,059	2,840
Water Race Annual Charge	345	364	380
Community Board Rate	44	44	44
Land Drainage Biodiversity Rate	-	-	20
Refuse Charges			
Collection Rate	27	28	28
Recycling Charge	82	84	88
80 Litre Wheelie Bin	140	144	143
	15,019	15,923	14,026

Annual % change	5.5%	6.0%	(6.6%)
Annual \$ change	\$ 780	\$ 903	\$ (993)

Example: A rural property in Lincoln

	Actual	LTP	Annual Plan
	2021/2022	2022/2023	2022/2023
Capital valuation	3,595,000	3,595,000	4,255,000
General Rates	3,332	3,532	3,189
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Swimming Pool Rate	118	118	118
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Refuse Charges			
Collection Rate	27	28	28
Recycling Charge	82	84	88
Organic Wheelie Bin	190	190	190
80 Litre Wheelie Bin	140	144	143
	4,778	5,018	4,703

Annual % change	4.8%	5.0%	(1.6%)
Annual \$ change	\$ 218	\$ 240	\$ (75)

Example: A rural property in Malver Ward (Coalgate)

	Actual	LTP	Annual Plan
	2021/2022	2022/2023	2022/2023
Capital valuation	3,900,000	3,900,000	4,470,000
General Rates	3,615	3,832	3,351
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water supply rate	2,379	2,502	2,565
Swimming Pool Rate	42	42	42
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Community Board Rate	44	44	44
Land Drainage Biodiversity Rate	-	-	20
Water Race Amenity Rate	45	46	45
	6,969	7,342	6,949
Annual % change	5.5%	5.4%	(0.3%)
Annual \$ change	\$ 364	\$ 373	\$ (20)

Example: A commercial property in Rolleston

	Actual 2021/2022	LTP 2022/2023	Annual Plan 2022/2023
Capital valuation	3,600,000	3,600,000	4,590,000
General Rates	3,337	3,537	3,441
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	267	280	288
Metered water supply	165	198	198
Sewerage Rate	564	586	586
Stormwater Rate	113	122	122
Water Race Public Good Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Refuse Charges			
Collection Rate	27	28	28
80 Litre Wheelie Bin	140	144	88
Recycling Charge	82	84	143
	5,044	5,348	5,288
Annual % change	6.7%	6.0%	4.8%
Annual \$ change	\$ 317	\$ 304	\$ 244

Example: A residential property in Arthurs Pass

	Actual 2021/2022	LTP 2022/2023	Annual Plan 2022/2023
Capital valuation	290,000	290,000	510,000
General Rates	269	285	382
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	267	280	288
Metered water supply	165	198	198
Swimming Pool Rate	42	42	42
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Stormwater Rate	113	122	122
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Community Board Rate	44	44	44
Refuse Charge	222	228	231
	2,011	2,121	2,254
Annual % change	12.4%	5.5%	12.1%
Annual \$ change	\$ 223	\$ 110	\$ 243

Example: A residential property in Castle Hill

	Actual 2021/2022	LTP 2022/2023	Annual Plan 2022/2023
Capital valuation	590,000	590,000	810,000
General Rates	547	580	607
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	267	280	288
Metered water supply	165	198	198
Sewerage Rate	564	586	586
Swimming Pool Rate	42	42	42
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Stormwater Rate	113	122	122
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Community Board Rate	44	44	44
Refuse Charge	222	228	231
	2,853	3,002	3,065
Annual % change	10.0%	5.2%	7.4%
Annual \$ change	\$ 261	\$ 149	\$ 212

Example: A residential property in Lake Coleridge

	Actual 2021/2022	LTP 2022/2023	Annual Plan 2022/2023
Capital valuation	270,000	270,000	365,000
General Rates	250	265	274
UAGC	271	288	294
Canterbury Museum Levy	33	35	35
Water Supply Rate	267	280	288
Metered water supply	165	198	198
Sewerage Rate	564	586	586
Swimming Pool Rate	42	42	42
Library Rate	232	239	239
Community Centre DWR	175	175	175
Recreation Reserves DWR	133	139	139
Stormwater Rate	113	122	122
Water Race Amenity Rate	45	46	45
Land Drainage Biodiversity Rate	-	-	20
Community Board Rate	44	44	44
Refuse Charge	140	144	150
	2,474	2,603	2,651
Annual % change	7.0%	5.2%	7.1%
Annual \$ change	\$ 162	\$ 129	\$ 177

Schedule of chargeable costs for Environmental and Regulatory Services

The planning charges listed below are required to be adopted by special order or special consultative procedure. The Long Term Plan (LTP) is such a procedure. Accordingly, the Council reviewed its charges and included them in the draft LTP for public consultation.

1. All fees are fixed fees, unless stated as deposits and charged at time and cost (T/C).
2. All fees are inclusive of GST (unless otherwise stated).
3. The Resource Management Act 1991 is referred to as the RMA.
4. The District Plan is referred to as the DP.
5. Selwyn District Council reserves the right under s36AAB (2) of the Resource Management Act to not perform the action to which the charge relates until the charge has been paid to it in full. If a hearing is cancelled or postponed due to the non-payment of a charge, the applicant will be charged for any costs that may arise from that cancellation or postponement.

Resource Consents	
Preparing or signing Certificates, Authorities and other documents which do not require a resolution of Council (and not listed elsewhere) including:	
· Signing/sealing survey plans – Section 223/224 RMA	\$260 minimum fee at Section 224 stage (for Section 223 and Section 224)
· Subdivision Compliance Certificate – Section 226 RMA	\$500 deposit (T/C)
· Preparation of documents requiring Council certification including but not limited to preparation, variation and cancellation of consent notices, covenants, encumbrances, A&Is, bonds, caveats, revocation of easements, s.239 & s.241 certificates.	\$130
Land Information Memorandum	\$250
Overseas Investment Commission Certificate	\$255
General planning advice	Charged at Council's discretion.
Officer's time / site inspection	Time and cost.
Consultant's advice / legal advice	At cost.
Pre-lodgement meetings	First hour free - T/C thereafter.
Resource consent for a non-compliant fence	\$500 deposit (T/C)
Vehicle crossing application and inspection fee	\$160 fixed fee
Resource consent for a non-compliant vehicle crossing	\$500 deposit (T/C)
Deemed permitted boundary activities	\$400 fixed fee
Deemed permitted activity – marginal or temporary non-compliance	\$1,000 deposit (T/C)
Other non-notified resource consents ²	
· Land Use	\$1,000 deposit (T/C)
· Subdivision (refer below).	
Other:	
· Variation and cancellation of consent notices	\$500 deposit (T/C)
· S.348 considerations	

Notified Resource Consents – Affected Parties Identified and Not All Approvals Obtained ⁴ or public notification	\$5,000 deposit (T/C) upfront;
· Land use	or
	Staged deposits:
· Subdivision (refer below)	\$1,000 at lodgement plus \$4,000 if proceed to hearing
<p>Note: If the cost of a hearing is likely to exceed \$10,000 as calculated by the Selwyn District Council in accordance with the information contained in the application, the number of submitters involved, and the likely length of the hearing, then the applicant shall pay 50% of the estimated hearing cost prior to the commencement of the hearing (in addition to the above deposits). A hearing shall not be held unless the 50% charge is paid.</p>	
<p>Residential subdivision <i>(includes rural residential zones living 3 and subdivision in business zones)</i> Please note that these fees apply to non-notified and notified applications.</p>	
1-10 lots	\$2,000 deposit incorporating: · \$500 fixed fee for engineering · \$1,500 minimum fee for planning
11-20 lots	\$3,000 deposit incorporating: · \$1,000 fixed fee for engineering · \$2,000 minimum fee for planning
21 plus lots	\$5,000 deposit incorporating: · \$2,000 fixed fee for engineering · \$3,000 minimum fee for planning
· If the time spent by the planner exceeds the minimum fee, the additional fee will be on-charged to the applicant. · The above fees include all work undertaken up to and including issue of subdivision consent. · Post issue of subdivision consent engineering plan approval and inspections are then charged out on a time and cost basis at \$120 per hour. Section 223 and S224 costs are additional to the above.	
<p>Rural Subdivisions Please note that these fees apply to non-notified and notified applications.</p>	
1-5 lots	\$2,000 deposit incorporating: · \$500 fixed fee for engineering · \$1,500 minimum fee for planning
6 plus lots	\$3,000 deposit incorporating: · \$1,000 fixed fee for engineering · \$2,000 minimum fee for planning
· If the time spent by the planner exceeds the minimum fee, the additional fee will be on-charged to the applicant. · The above fees include all work undertaken up to and including issue of subdivision consent. · Post issue of subdivision consent engineering plan approval and inspections are then charged out on a time and cost basis at \$120 per hour. · Section 223 and S224 costs are additional to the above.	
Boundary adjustment	\$1,000 deposit (T/C)
Certificate of Compliance – Section 139 RMA	\$1,000 deposit (T/C)
Existing use Extension of Time – Section 10(2) RMA ²	\$1,000 deposit (T/C)
Certificate of Existing Use – Section 139A RMA ²	\$1,000 deposit (T/C)
Change, Review or Cancellation of Consent Conditions – Section 127 or 128 RMA	
· Non-notified	\$1,000 deposit (T/C)

· Notified	\$5,000 deposit (T/C) upfront; or Staged deposits: \$1,000 at lodgement plus \$4,000 if proceed to hearing
Extension of Time/Cancellation of Consent Section 125 or 126 RMA	
· No hearing required · Hearing required	\$1,000 deposit (T/C) \$5,000 deposit (T/C) upfront; or Staged deposits: \$1,000 at lodgement plus \$4,000 if proceed to hearing
Designations	
Outline Plan Approval ³	\$500 fixed fee
Outline Plan Approval ^{3&4}	\$1,000 deposit (T/C)
Outline Plan Waiver ⁵	\$230 fixed fee
Or alternatively this may be waived at the time of building consent and charged against the building consent at time and cost.	
Notice of Requirement or Alteration – Section 168,168A or 181 RMA ⁴	\$2,000 deposit (T/C)
Minor change – Section 181(3) RMA ⁶	\$750 deposit (T/C)
Removal or partial removal – Section 182 RMA	\$320 deposit (T/C)
Extension of Time – Section 184 & 184A RMA	\$320 deposit (T/C)
Heritage orders	
Notice of Requirement – Section 189, 190 & 191 RMA ⁶	\$2,000 deposit (T/C)
Withdrawal of Requirement – Section 189(5) RMA ⁶	\$320 deposit (T/C)
Plan change request	
Plan Change Request	\$10,000 deposit (T/C)
Monitoring	
Basic (desktop)	\$85
Standard (1 inspection)	\$165 (any extra inspections will be at a T/C basis)
Specialised (>2 inspection)	\$330 (any extra inspections will be at a T/C basis)
Time and Cost basis	\$165 per hour
These monitoring fees are included in the price of fixed fee consents and are invoiced separately for “time and cost” consents. Any resource consent that requires additional monitoring due to non-compliance with the conditions of the resource consent will be charged additional monitoring fees on a time and cost basis.	
When specific documentation is required annually/periodically through resource consent conditions, any peer review of that documentation will be charged to the consent holder at cost.	
Landscape plan approval – general ⁷	At cost
Landscape plan approval – specific ⁸	At cost

General Planning costs	
Setting up of a Bond including: · For payment of financial contributions · Conditions on resource consents	At cost
Hearing	2 Councillors
Hearing Commissioner's charges	At cost
Plus officers charged at rates set under 'Officer's Time' where hearings advisors required.	
· 3 Councillors	\$100 per hour per panel
· 2 Councillors and External Commissioner acting as Chairperson	\$80 per hour per panel member plus Commissioner at cost
(This fee applies when Council has made the decision to appoint an External Commissioner).	
· External Commissioner	At cost
(This fee applies when Council has made the decision to appoint an External Commissioner).	
· External Commissioner at the applicant's request.	At cost
For any significant hearing lasting more than three days, the Council will recover the full cost of Hearing Commissioners charges regardless of whether the Council made the decision to appoint an External Commissioner.	
Officer time (per hour):	
· Planning Manager/Team Leader/Senior Planner	\$180
· Other Planners	\$160
· Administration Staff	\$100
· Engineering – Road, Water and Wastewater, Reserves and Property acquisitions:	\$160
· Consultants including external peer reviews / assessments commissioned by Council i.e. traffic, engineering, urban design, landscape, noise, contaminated land etc. and external consultant processing costs	At cost
· Legal Advice	At cost
· Certificates of Compliance (Sale and Supply of Alcohol Act 2012)	\$115
· Hard copy of District Plan	At actual cost

1. If the processing of your Section 223 & Section 224 exceeds \$260 you will be charged at time and cost. Please discuss at time of application.
2. If the actual cost of processing the resource consent is more than \$50 greater or less than the deposit amount, the Council will refund the additional fees paid, or invoice the outstanding amount.
3. Grade 1 outline plan = approval plans for accessory buildings or structures or relocation buildings within the site, provided that the bulk and location of the building complies with the District Plan rules for a permitted activity.
4. Grade 2 outline plan = all other outline plans.
5. Outline Plan waiver fee - waivers are for small inconsequential building works such as internal alterations to buildings etc.
6. If the processing of your Designation exceeds \$750, you will be charged at time and cost.
7. Landscape Plan – general = landscape plans where landscaping is required as a condition of consent, but no specific species or design requirements are specified in the District Plan.
8. Landscape Plan – specific = landscape plans where specific species or designs may or may not be used in accordance with the provisions of the District Plan.

Building	
Project Information Memorandum (PIM) only	\$250
Building consent application for minor works – freestanding solid fuel heater / sewer connection	\$405
If the fee is exceeded by more than 30% the excess time and cost will be charged.	
Building Consent Application	\$1,500 Deposit Charged on an actual time cost basis
<i>* Note that although the fees schedule includes a deposit for building consent applications, at this time Selwyn District Council will at their discretion continue with no deposits on building consent applications, with payment in full at issue of the consent.</i>	
Code Compliance Certificate	Charged on an actual time and cost basis
Certificate of Public Use	\$500 fee for receiving the application. Charged on an actual time and cost basis.
Compliance Schedules & Compliance Schedule Statement (including amendments and administration and on-site BWOFF auditing)	Charged on an actual time and cost basis
Levies	
- Building Research Levy (set by The Building Research Levy Act 1969)	\$1.00 per \$1,000 value (or part thereof) of building work valued at \$20,000 or more)
- Building Levy (set by The Building Act 2004)	\$1.75 per \$1,000 value (or part thereof) of building work valued at \$20,444 or more)
- Quality Assurance	\$0.45 per \$1,000 value (or part thereof) of building work) – capped at a maximum of \$7,500
Territorial Authority Discretionary Exemptions (e.g.; marquees, etc.)	\$300 minimum charge, with charges based on actual time and cost
Annual Building Warrant of Fitness (BWOFF) renewal fee	\$125.00
Residential Swimming Pools Inspections - fencing of swimming pools inspections are mandatory and must be conducted every 3 years	\$175 fixed fee (based on 1 hour minimum to conduct inspection and update records).
Certificate of Acceptance	\$1,750 flat fee for receiving the application and issuing a PIM. Processing and inspection charges payable will be calculated in accordance with Section 97 of the Building Act 2004.
Notice to Fix Fee is based on historical data and allows for 2 investigation inspections – 1 to verify the non-compliance and 1 to verify compliance to enable the notice to be lifted, plus associated administration	\$525
Infringement Notices	Maximum fee set by regulation depending on degree of offence. - refer to Schedule 1 of the Building (Infringement Offences, Fees and Forms) Regulations 2007
Section 73 Building Act – Entry on Certificate of Title for land subject to flooding etc. Section 77 Building Act – Building on two or more allotments relates to requirement to hold titles together Section 83 Building Act – Removal of entry Relates to removing a Section 77 entry from titles where the requirement no longer applies	On-charged at cost
Research to provide information relating to building records e.g. Photocopying, postage etc.	Time and cost
All chargeable work under the Building Act for carrying out Council's responsibility is charged at actual cost i.e. extensions of time, specified intended life, dangerous and insanitary buildings.	Time and cost

Issuing Notices under the Building Act for carrying out Council's responsibilities to ensure the safety of the built environment	Recovery of reasonable time and cost				
- i.e; dangerous and insanitary buildings, earthquake prone buildings, etc	Note: these functions generally relate to public good and maintaining the safety of buildings for the community e.g; monitoring of earthquake prone signage is for the benefit of the community, whereas assessment of an engineering report would be to the benefit of the building owner and therefore would be charged at an hourly rate				
Issuing Certificate under the Sale and Supply of –Alcohol Act 2012 (\$100f)	\$85				
Hourly Charges					
· Building Administration Staff	\$110 (per hour)				
· Planner	\$165 (per hour)				
· Building Control Officers	\$175 (per hour) – Residential \$200 (per hour) - Commercial				
· Re-inspection	\$175 (per hour) – Residential \$200 (per hour) – Commercial				
· Infrastructure Fee	\$50				
Other (for example): · Consultants · Peer Review · Fire Reports · Acoustic Reports	On-charged at cost				
Alcohol Licensing					
The following fees are established by Regulations 4 – 13 of the Sale and Supply of Alcohol Act 2012 and are reported for information only.					
	Application fee range by risk weighting for each premise				
	Very low	Low	Medium	High	Very high
On licence / renewal	\$368.00	\$609.50	\$816.50	\$1,023.50	\$1,207.50
Annual fee^	\$161.00	\$391.00	\$632.50	\$1,035.00	\$1,437.50
Off licence / renewal	\$368.00	\$609.50	\$816.50	\$1,023.50	\$1,207.50
Annual fee^	\$161.00	\$391.00	\$632.50	\$1,035.00	\$1,437.50
Club licence / renewal	\$368.00	\$609.50	\$816.50	\$1,023.50	\$1,207.50
Annual fee^	\$161.00	\$391.00	\$632.50	\$1,035.00	\$1,437.50
Temporary authority	\$296.70				
Temporary licence	\$296.70				
Manager / renewals	\$316.25				
Special licence – small event	\$63.25				
Special licence – medium event	\$207.50				
Special licence – large event	\$575.00				

[^]Late payments of annual fees will incur a 20% penalty.

Regulatory Health	
<i>Fees and charges based on:</i>	
Hourly rate: \$165(incl GST)	
Mileage: As per IRD Rate.	
Food Control Plans (FCP) and National Programmes (NP1, NP2 & NP3 – Food Act 2014)	
Note: The registration fee is a separate charge to the verification (audit), monitoring and compliance fee.	
Food Control Plans	
New Registration (includes annual monitoring and compliance fee of \$75)	
FCP – single site	\$325
FCP registration involving over 1 hour	At cost @ \$165 per hr plus \$75 monitoring and compliance
New business set up assistance option over 1 hour or pre-opening visit	At cost @ \$165 per hr plus pro-rata travel cost
FCP mentoring option	At cost @ \$165 per hr plus pro-rata travel cost
(Maximum charge for mentoring is 2 hours)	
Registration Renewals (Includes annual monitoring and compliance fee of \$75)	
FCP single site 12 month renewal	\$325
FCP Multisite 12 month renewal	\$350
Verification Monitoring and Compliance	
FCP single site audit (including close-out up to 15 mins – no revisit) NB: FCP verification - total time covering 3 hours \$620.00 (includes travel costs) plus \$165.00 per hour for any time over 3 hours.	\$620 (incl travel cost)
Close out and Corrective Actions will be charged at \$165.00 per hour (per rata)	\$165 per hour plus pro rata plus travel costs (capped at \$80)
National Programmes	
New Registration (includes annual monitoring and compliance fee of \$75)	
NP1, NP2 and NP3 (incl monitoring and compliance)	\$325
Registration Renewal	
24 month renewal (includes monitoring and compliance fee of \$75)	\$325
Verification (should SDC become a Recognised Agency)	
NP1 - one-off check	\$325 (incl travel cost)
NP2 – 3 yearly audit	At cost @ \$165 per hr plus pro-rata travel cost
NP3 – 2 yearly audit	At cost @ \$165 per hr plus pro-rata travel cost
Complaints – FCPs and NPs	
Complaint involving issue of "Improvement Notice" by Food Safety Officer	At cost @ \$165 per hr plus pro-rata travel cost
Exemptions	
Application for exemption	\$165
Assessment of application over 1 hour	At cost @ \$165 per hr plus pro-rata travel cost

Late Payment Fee	
Payments not received after 20 days from invoice	10%
Revisits due to Poor Performance	\$165 per hour (plus pro-rata travel @ cost)
Investigations (if justified)	\$165 per hour (plus pro-rata travel)
Late Payment Fee	10% if paid after 1 July (Annually)
Shows and Events	
Shows and Events (New and 12 month licence)	\$450
Other Registered Premises/Licences	
Changes of Ownership Transfer	\$75
Changes of Ownership Inspection (if warranted)	\$165 per hour (plus pro-rata travel at cost)
Funeral Directors	\$310 (includes travel)
Hairdressers	\$235
Camping Grounds	\$310 (Includes travel)
Offensive Trades	\$235 (Beyond 1.5 hour @ \$165 per hour)
Revisits due to Poor Performance	\$165 per hour plus pro-rata travel at cost
Investigations (if justified)	\$165 per hour plus pro-rata travel at cost
Amusement Devices (set by statute): (Note: The fees are subject to change by Worksafe NZ)	
First Device	\$11.50 (Set by legislation – could increase 2023)
Subsequent Devices (each thereafter)	\$2.30 (Set by legislation –could increase 2023)
Public Health	
High Risk (e.g. Methamphetamine contaminated site/premises)	\$165 per hour plus pro-rata travel at cost Note: Clean-up is charged as per actual cost.
Hazardous Substances - HSNO	
Monitoring and enforcement required (pursuant to section 97 of the Hazardous Substances and New Organisms Act 1996)	\$165 per hour (plus pro-rata travel at cost)
Bylaw Permits	
Permit for Public Place Trader (per year)	\$210
Outdoor Dining Facilities	\$210
Other Commercial Activities (e.g:busking, free standing signs, fitness boot camps)	\$210
The Council reserves the right to charge an occupancy fee for the use of public land for commercial purposes. This charge will be as determined by the Property and Commercial Manager based on the size, duration, location and nature of the activity.	
Events	
No fees are payable for event authorisations, although the Council at its discretion may charge for venue hire or rental	

fees and may require a bond to cover the potential costs of property damage caused by the event.

Dog Registration Fees

The following dog registration fees apply for the 2022/23 year (all fees GST inclusive).	Registration fee per dog	\$35
	Administration fee	\$10
Fee for payment after 31st July 2022	Registration fee per dog	\$45
	Administration fee	\$15

Fees for part of the registration year are as follows:

(All dogs aged 3 months and over must be registered with the exception of certified disability dogs).

Month that dog turns 3 months of age	Only 1 dog owned	For each other dog owned
July	\$45.00	\$35.00
August	\$41.25	\$32.00
September	\$37.50	\$29.10
October	\$33.75	\$26.20
November	\$30.00	\$23.30
December	\$26.25	\$20.40
January	\$22.50	\$17.50
February	\$18.75	\$14.60
March	\$15.00	\$11.60
April	\$11.25	\$8.70
May	\$7.50	\$5.80
June	\$3.75	\$2.90

(Fees will be waived for Certified Disability Dogs).

Dogs 14 years and older which have been consecutively registered and compliant with all registration and bylaw requirements over the last 10 years will receive a registration fee rebate of \$30.00.

Tag, Collar, Seizure and Micro chipping Fees (inclusive of GST)

Replacement Dog Tag	\$5	
Dog Collar (Small)	\$9	
Dog Collar (Medium)	\$10	
Dog Collar (Large)	\$11	
Seizure Fee	\$50	
Micro chipping of dogs where dog is not classified as dangerous or menacing and is not being registered for the first time after 1 July 2007. Dogs to be presented at Council Service Centres at prescribed time.	Free of Charge	

Micro chipping of Dogs where dog is being registered for the first time having attained the age of 3 months. (Dogs to be presented at Council Service Centres at prescribed time – applicable to dogs micro chipped by Council staff only). Note that farm working dogs are not legally required to be micro chipped.	Free of Charge	
Impounding Fees	\$70 for first impoundment \$96 for the second impoundment \$162 for the third impoundment	
Additional Charges	\$30 per day thereafter administration/sustenance fee.	
Licence Under Dog Control By-law		
Licence Application Fee	\$100	
Stock Impounding		
The fees associated with the impounding of stock are:		
	Per Animal	
	Sheep	\$10
	Cattle	\$56
	Horse	\$56
	Goat	\$56
	Mule/Donkey	\$56
	Pig	\$56
	Other animals	Up to \$56
Feeding (day or part day):		
	Per Animal	
	Sheep or Goat	\$5 per head
	Other stock	\$15 per head
Driving and cartage costs	Actual costs	
Advertising costs	\$90	
Time	\$37 per hour	
Mileage	\$0.72 (per km)	

Pines Resource Recovery Park charges

	2022/23
Minimum waste or organic tipping fee	\$6.00
Residual waste (rubbish)	\$292.00 per tonne
Garden and food waste (organic)	\$107.00 per tonne
Plasterboard (new, clean off-cuts)	\$130.00 per tonne
Clean fill	\$52.00 per tonne
TVs and monitors	\$12.00 per flat screen or CRT TV / monitor
All other E-Waste (computers, printers, phones, cameras, stereos, cables)	No charge (household volumes only)
Tyres (charges are double if tyre is on rim)	\$5.00 per car / motorbike tyre
	\$7.00 per 4WD tyre
	\$9.00 per light truck or forklift tyre
	\$19.00 per heavy truck tyre
	\$75.00 per tractor tyre
Child car seats	\$15.00 per seat
Recyclable polystyrene >1m ³ included within general waste	\$250.00 per load (over and above general waste disposal fee)
Non-recyclable polystyrene and expanded foams >1m ³	\$7,000.00 per tonne (min charge 20kg)
Hazardous waste (cleaning agents, garden chemicals, fluoro tubes, batteries, used oil, paints, LPG cylinders)	No charge (household volumes only)
Minimum waste or organic tipping fee	\$6.00

Recyclables – no charges apply for the approved recyclable materials listed below, provided that they are clean, separated and placed in the correct containers.

We accept household volumes of the materials below for recycling::

- White ware and scrap metal
- Glass bottles and jars (lids in rubbish)
- Plastic bottles and containers 1, 2 and 5 (lids in rubbish)
- Steel tins and aluminium cans
- Polystyrene
- Cardboard (flattened)
- Paper, newspaper and magazines
- Clothing
- Batteries
- E-waste (excluding screens)

Wheelie bin re-issue charges

There are no wheelie bin delivery charges for new houses, new owners, or for households changing from a 240 litre rubbish wheelie bin to an 80 litre wheelie bin.

Households changing from an 80 litre to a 240 litre rubbish wheelie bin within two years of receiving their 80 litre wheelie bin will be charged \$85.00 (including GST) for bin issue.

To discourage repeated seasonal issue and return of organic wheelie bins, no rates refund is given for organic bins returned during the financial year. In addition, households requesting and receiving a 240 litre wheelie bin within two years of having returned a bin will be charged \$85.00 (including GST) for bin delivery.

Households may have their bins removed due to repeated contamination, following no fewer than three warnings pursuant to the Waste Management and Minimisation Bylaw 2019. Households that wish to have their bins re-issued are required to sign a conditions of use form and pay a re-issue fee of \$85.00 (including GST) to have their bin returned, at the discretion of the Solid Waste Manager.

Any costs associated with the intentional damage or negligence resulting in damage of bins will be charged to the household.

Refuse bag charge

Pre-paid official Selwyn District Council rubbish bags are available as an alternative to Council issued wheelie bins. These can be purchased from any Council service centre or library and some supermarkets. The recommended retail price is \$14.00 (including GST) per pack of 5 bags (\$2.80 per bag including GST).

Trade Waste Bylaw 2016

There is a Trade Waste Uniform Annual Charge of \$160 per year (including GST) for Permitted Discharges to cover the administration costs relating to the Trade Waste consenting process.

Burial fees & charges

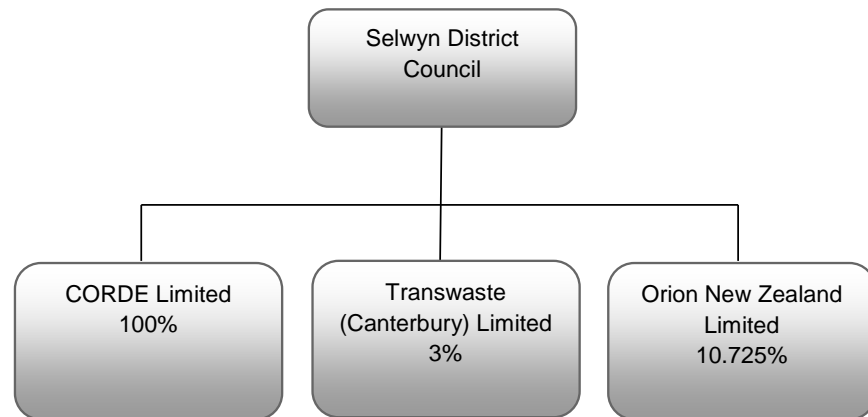
	2022/23
Plot purchase	
Single plot (single or double depth)	\$1,370.00
Side by side plots	\$2,739.00
Ash or child plot	\$546.00
Additional fees	
Out of District fee	\$546.00
Interments with less than eight working hours' notice	\$319.00
Breaking of concrete	\$160.00
Lowering device	\$112.00
Memorial permit	
New headstone	\$81.00
Additions / alterations	\$36.00
Interment fees	
Stillbirth	\$nil
Up to one year	\$409.00
One year to nine years	\$683.00
Ten years and over	
Single depth	\$1,231.00
Double depth	\$1,412.00
Ashes	\$209.00
Disinterment	
Over 12 months	\$1,162.50
Within 12 months	\$1,659.00
Ashes	\$290.10
Reinterment	
Over 12 months	\$1,277.00
Within 12 months	\$1,825.00
Ashes	\$319.00

Schedule of Development Contributions from 1 July 2022

	Development Contribution per HUE (plus GST)
Water	
Prebbleton	\$4,402
Rolleston	\$2,212
Southbridge	\$2,798
Lincoln	\$2,650
Darfield	\$7,667
Kirwee	\$5,758
Leeston	\$5,072
West Melton	\$4,479
Sewerage	
Tai Tapu	Assessed on application.
Eastern Selwyn Sewerage Scheme	\$5,223
Stormwater	
Lincoln	\$6,151
Roading	
Eastern Selwyn Development Area	\$1,308
Rest of District	\$619
Lincoln ODP4	\$10,960
Lowes Road ODP Area: North High	\$24,519
Lowes Road ODP Area: North Medium	\$17,205
Lowes Road ODP Area: North Low	\$5,573
Lowes Road ODP Area: Fairhurst High	\$23,740
Lowes Road ODP Area: Fairhurst Low	\$8,992
Lowes Road ODP Area: Jozecom High	\$22,061
Lowes Road ODP Area: Jozecom Low	\$10,911
Broadlands Drive – Section 2 Title Plan S0494531	\$396,933
Reserves	
Ellesmere Ward	\$7,478
Selwyn Central	\$10,388
Malvern	\$3,789
Springs	\$11,125

See the Development Contributions Policy on the Council's website for full details of development contributions payable.
www.selwyn.govt.nz

Council Controlled Organisations



Community Trusts Administered by the Council:

- Central Plains Water Trust
- Tramway Reserve Trust
- Selwyn District Charitable Trust

CORDE Limited

Relationship to the Council

The Council exercises influence on the Board through appointment of Company Directors and through approval of its annual Statement of Intent.

Nature and scope of the companies

CORDE Limited are suppliers of asset management, maintenance and construction services. Consistent with its objective, the Companies will pursue activities designed to ensure the efficient and prudent utilisation of its capital assets and human resources.

Objective

To operate as a successful, profitable, growth focused contracting business and follow these key principles which are central to its business strategy:

- Commitment to quality
- Commitment to its shareholders
- Commitment to Selwyn district
- Commitment to its people
- Commitment to health and safety
- Commitment to the environment
- Commitment to future growth.

Key performance targets

Key performance targets will be included in the adopted Annual Plan.

Selwyn District Charitable Trust

Relationship to the Council

The Selwyn District Charitable Trust is a Council Controlled Organisation (CCO) of the Council.

Nature and scope of activities

The Trust receives funds in the form of charitable donations and makes them available for the charitable activities of the Council.

Key performance targets

The Trust's performance targets for the year ending 30 June 2023 are set out below.

- *The Trust aims to distribute all the funds it receives in the year of receipt.*
- *The Trust aims to achieve investment returns in line with those achieved by the Council.*

Orion New Zealand Limited

Relationship to the Council

Selwyn District Council has a 10.725% shareholding in Orion New Zealand Limited.

The shareholders exercise influence on the Company through the negotiation of the annual Statement of Intent and through the appointment of 1 Director to the Board of Orion.

Nature and scope of the company

Orion's activities are to:

- Construct and maintain a reliable and secure electricity distribution network in the Christchurch and Central Canterbury region.
- Provide efficient processes that support competition amongst electricity retailers and generators.
- Seek investment / acquisition opportunities in the infrastructure and energy sectors.
- Manage, grow and if appropriate, realise other subsidiary and associate company interests.

Objective

To operate as a successful business and provide shareholders with appropriate returns on their investments and pursue strategies that aim to ensure Orion's long-term success as a business.

Key performance targets

Key performance targets will be included in the adopted Annual Plan.

Central Plains Water Trust

Relationship to the Council

Central Plains Water Trust is a Council Controlled Organisation (CCO), jointly controlled by the Selwyn District Council (50%) and the Christchurch City Council (50%). The Council exercises significant influence over the activities of the Trust through its ability to appoint the trustees.

Nature and scope of activities

Central Plains Water Trust is a trust for the benefit of present and future generations of Christchurch City and Selwyn District residents.

The Trust holds all necessary resource consents obtained by Central Plains Water Limited.

Objectives

The Council recognises a major regional economic benefit in managing the water resource in the Central Canterbury Plains, including significant employment creation. The Council also wishes to be involved to ensure its own infrastructure will not be adversely affected by any proposed scheme.

Key performance targets

Key performance targets will be included in the adopted Annual Plan.

Council information

Mayor and Councillors contact details

Mayor		Deputy Mayor	
Sam Broughton	(C) 027 223 8345 sam.broughton@selwyn.govt.nz	Malcolm Lyall	(C) 027 433 9964 malcolm.lyall@selwyn.govt.nz
Selwyn Central Ward		Springs Ward	
Mark Alexander	(C) 027 526 6388 mark.alexander@selwyn.govt.nz	Debra Hasson	(C) 027 435 5055 debra.hasson@selwyn.govt.nz
Jeff Bland	(C) 027 399 9206 jeff.bland@selwyn.govt.nz	Grant Miller	(C) 027 381 7032 grant.miller@selwyn.govt.nz
Nicole Reid	(C) 027 548 6157 nicole.reid@selwyn.govt.nz		
Sophie McInnes	(C) 021 552 877 Sophie.mcinnnes@selwyn.govt.nz		
Malvern Ward		Ellesmere Ward	
Jenny Gallagher	(C) 027 552 7403 jenny.gallagher@selwyn.govt.nz	Shane Epiha	(C) 027 661 8026 shane.epiha@selwyn.govt.nz
Bob Mugford	(C) 021 216 5722 bob.mugford@selwyn.govt.nz	Murray Lemon	(C) 027 541 3305 murray.lemon@selwyn.govt.nz

Community Board Members contact details

Malvern Community Board			
John Morten (Chairperson)	(C) 027 200 2578 john.morten@selwyn.govt.nz	Judith Pascoe	(C) 021 152 2900 judith.pascoe@selwyn.govt.nz
Bill Woods	(C) 027 608 2030 bill.woods@selwyn.govt.nz	Ken May	(C) 021 453 459 ken.may@selwyn.govt.nz
Karen Meares	(C) 021 147 1824 karen.meares@selwyn.govt.nz		

Where to go for more information

The annual plan is also available at www.selwyn.govt.nz or you can get a copy at any Selwyn District library or service centre (see list below).

Customer services	
For general enquiries, assistance and information, phone 0800 SELWYN (735 996).	
Website	Selwyn District Council Offices
www.selwyn.govt.nz	2 Norman Kirk Drive PO Box 90 ROLLESTON 7643
Service Centres	
Leeston Library / Service Centre 19 Messines Street Private Bag 1 LEESTON Phone: (03) 347 2871	Darfield Library / Service Centre 1 South Terrace DARFIELD 7510 Phone: (03) 318 8338
Lincoln Library / Service Centre Gerald Street LINCOLN 7608 Phone: (03) 347 2876	Rolleston Library Rolleston Drive ROLLESTON 7614 Phone (03) 347 2880
Auditor	Bankers
Julian Tan Audit New Zealand PO Box 2 CHRISTCHURCH 8140 On behalf of the Auditor-General	Westpac PO Box 2721 CHRISTCHURCH 8140
Solicitors	Sister districts
Buddle Findlay PO Box 322 CHRISTCHURCH 8140	Akitakata City City Offices, Yoshida 791 Yoshida Cho, Hiroshima 731 0592 JAPAN
	Town of Yubetsu Minatomachi 31, Yubetsu-Cho Monbetsu-gun, hokkaido 099 640, JAPAN The Malvern Community Board has been delegated the authority to facilitate relationships with Yubetsu-Cho.
	Shandan County Government North Road No 3 Qingquan Town Shandan County Gansu Province CHINA 734100

Council controlled trading organisations

Council companies

CORDE Limited
(100% owned by Selwyn District Council)

85 Hoskyns Road
ROLLESTON 7675

Phone: (03) 318 8320

Website: www.corde.co.nz

Board

Steve Grave (Chairperson)

Donna Bridgeman

Murray Harrington

Pat McEvedy

Other council organisations

Central Plains Water Trust
(50% owned by Selwyn District Council)

PO Box 90

ROLLESTON 7643

Phone: (03) 347 2800

Trustees

Pat McEvedy (Chairperson)

Viv Smart

Olive Webb

Elle Archer

Rob Lawrence

Les Wanhalla

ANNUAL PLAN 2022/23 CONSULTATION DOCUMENT

Draft text 2 – 8 April 2022 | CHANGES ADDED @ 08-04-2022

[Front Cover + photo]

Here's the plan ... have your say

Annual Plan 2022/23

Consultation Document

[+ Council logo]

[New page]

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[At bottom of page]

Consultation Document adopted by Selwyn District Council for consultation on 13 April 2022

[New page - 1 page with photo]

Here's the Plan

Welcome from the Mayor

For many in our community the past two years may feel like a bit of a blur and as we get stuck in to April 2022 we hope the first wave of Omicron is behind us. Through these unusual circumstances we have endured constrained living and working, along with high inflation and delayed product delivery.

We have remained focused on serving our community the best we can, and this document reflects our direction over the coming 12 months. Most of the projects in the following pages were discussed and confirmed last year but there are a few changes that we draw your attention to.

Many conversations about Selwyn focus on the growth we have experienced over the past 15 years. We are planning for that growth to continue and want to stay ahead of the needs of our changing community. We've responded well to the growth and our economy continues to outperform most other locations in New Zealand. Unfortunately, more people does not translate into lower rates. But your contribution will help fund improved services, new facilities and infrastructure upgrades that we all benefit from. And we have worked hard to limit our average rate increase this year to close to the current rate of inflation, at around 6%.

This year has also seen a revaluation of properties in Selwyn which affects each property's rates bill differently. Many rural home owners will see a reduction in rates this year, while most urban home owners see an increase. This is because urban property values generally grew faster than rural properties over the past three years. There are examples inside this document that show how the specific changes might affect a property like yours.

On top of the road resurfacing, recycling collections, sports field mowing, stormwater maintenance and drinking water improvements, that you'd expect, there are four specific projects we're seeking your feedback on. Two on water races and the other two regarding biodiversity and the Hororātā community facility.

There are a number of ways you can give us your feedback and submissions on this plan, including some face-to-face opportunities with your Councillors and our staff – check the details in this document. We look forward to hearing what you have to say.

Ngā mihi

[Signature]

Sam Broughton
Mayor

[New page - 1 page]

About the Annual Plan

Last year we prepared our Long-Term Plan 2021-2031 (LTP) in consultation with the Selwyn community – setting out our work programme and budgets for the coming decade.

This year, our Draft Annual Plan is a chance to check in with the community and look at what's changed since last year.

For the most part our plans haven't altered significantly and there are no major changes of direction. We'll be continuing with the projects we outlined last year to provide the essential services and facilities that our rapidly-growing district needs.

In previous consultations you've told us that things like safe, well-maintained roads, good quality drinking water and community facilities are important for our quality of life – so we're keeping our focus on these areas.

There are four new or changed projects that we are seeking your feedback on. We want to hear your views on these projects, as well as your feedback on the overall programme for the year.

[sidebar box]

Have your say

Anyone can make a submission or give feedback on this consultation document. For details, see the section at the back of this document, or check our online engagement site at www.selwyn.govt.nz/annualplan22.

During the consultation period, councillors and Council staff will be visiting events and locations around the district to discuss the proposals in this document. Details of community engagement events are also available at www.selwyn.govt.nz/annualplan22.

KEY DATES

- ☐ Consultation opens Tuesday 19 April
- ☐ Consultation closes 5pm, Thursday 19 May
- ☐ Public hearings Monday 30 – Tuesday 31 May
- ☐ Council deliberations Monday 6 – Tuesday 7 June

[New page - 1p. Use icons/infographics]

At a glance

4 Projects for consultation

1. Funding proposal for the Hororātā Community Hub
2. Closure of parts of the Upper Ellesmere Water Race network
3. Changes to rating for water races across the district
4. Investing in biodiversity - proposed \$20 Ecological Enhancement targeted rate and harmonisation of Land Drainage rates

6% Average rates increase across the district
(Compared to LTP forecast 4.9%)

\$91 million Total capital spend (what we'll invest in infrastructure and facilities)

\$149 million Total operating spend (day to day spend to keep our district services running)

A growing district

73,600 Selwyn's estimated population at 30 June 2021
(Up from 63,300 in 2018)

89,600 Selwyn's projected population at 30 June 2031

[New page]

Projects for consultation

The proposed projects in this section are new or variations from what we proposed in the LTP. We want to hear your feedback on these proposals.

[1] Funding proposal for the Hororātā Community Hub

In the Long-Term Plan 2021-2031 last year, the Council agreed to proceed with development of a new community centre in Hororātā, at the domain. We agreed to undertake further engagement with the local community over the development, including funding arrangements and the future of the existing hall.

What we're proposing

Following local engagement, we're now proposing that the original plan would not proceed but would be replaced by the proposal put forward by the Go Hororātā community group, for a Hororātā Community Hub, to be located at the current Hororātā Community Hall.

Ownership of the hall, the land it is located on and the adjacent endowment land would be transferred to a local community entity, which would also be responsible for upgrading and renewing the existing facility.

Cost

The Council is proposing to contribute \$1 million in cash to the Hororātā Community Hub, subject to satisfactory completion of a feasibility study including design and building costs.

This sum was already set aside in the LTP for the original community centre project. However as the scope of the project has now changed we are seeking the wider community's feedback.

Impact on rates: This would have no significant impact on rates, as the funding was already committed.

Have your say

Let us know whether you support the proposal to provide \$1 million in funding, and the transfer of the land and hall, to support the Go Hororātā community group's proposal for a Hororātā Community Hub.

[New page]

[2] Closure of parts of the Upper Ellesmere Water Race network

Water races have been part of the Selwyn landscape for more than 130 years. Today, the Council manages around 1,700 kilometres of water races across the district, primarily to provide drinking water for stock. Water races also provide a water resource for firefighting, irrigation and habitat, as well as enhancing the attractiveness of the rural and urban landscapes they pass through.

There are currently three water race schemes within the district: Ellesmere, Malvern and Paparua. The Ellesmere scheme includes the Upper Ellesmere Water Race network, which is fed through the Glenroy Community Irrigation Company Limited irrigation pond.

Following the development of the Central Plans Water (CPW) Irrigation Scheme (Stage 1), there has been demand for the Upper Ellesmere Water Race network to be closed. The reasons include:

- land owners (including those supplied by CPW and other sources) no longer require the source of stock water
- land owners do not want to pay for the cost of the service.

The former Water Race Committee and Council supported the proposal to close the race network through the 2018 and 2021 Long-Term Plans.

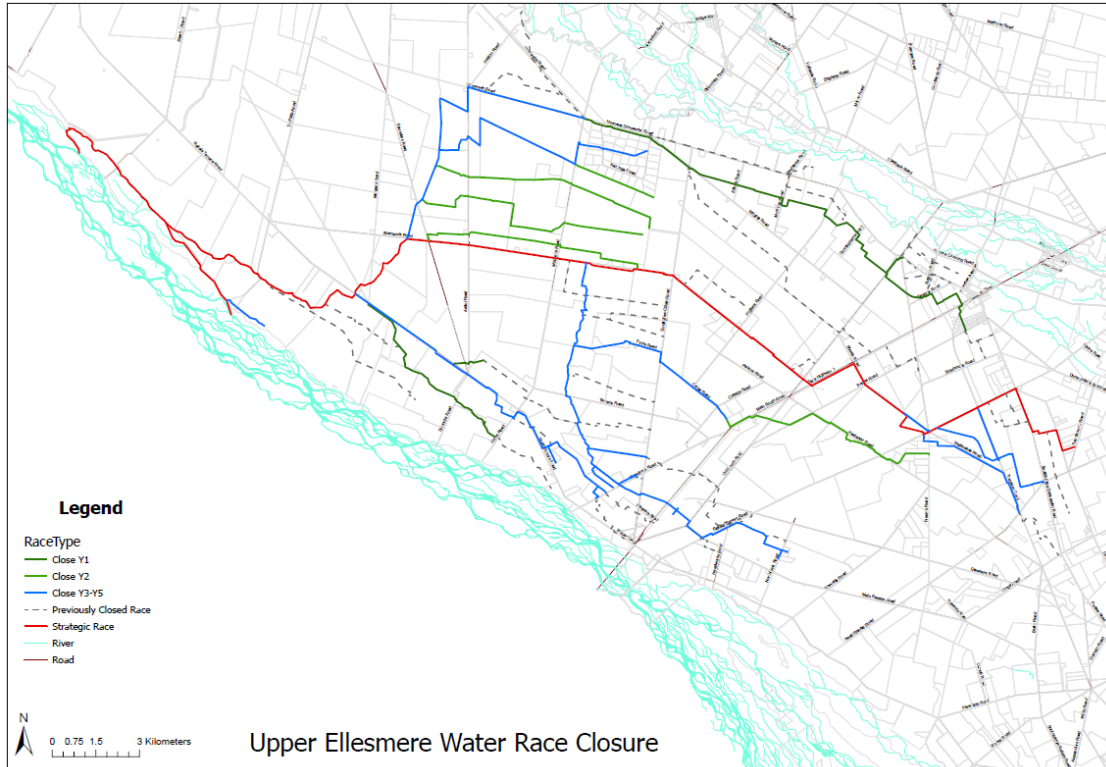
What we're proposing

It is proposed to close significant parts of the Upper Ellesmere Water Race network over a five-year period. The map below shows the constituent races to be closed and the time frame for each closure. The strategic race will remain open for the time being, to supply water to an identified mud fish site. The future closure of the strategic race will be subject to further consultation.

Cost and impact on rates

This proposal would not have a direct impact on individual rates, but would result in a reduction in rating income from this activity. This reduction in rating income is estimated to increase to around \$500,000 per year over the five years of the closure period. Maintenance costs will also reduce over this period.

For more information about Selwyn water races see www.selwyn.govt.nz/services/water/water-race



Have your say

Let us know whether you support the proposal to close parts of the Upper Ellesmere Water Race over a five-year period.

[3] Changes to rating for water races across the district

As noted earlier, the water race network provides an important resource for rural Selwyn. However, it is acknowledged that the network provides limited economic benefit for small properties, while for large properties there is a point at which the water race network physically cannot efficiently service the whole property.

What we're proposing

The Council is proposing to adjust the funding impact statement in its 2022/23 annual plan to incorporate changes to the water race targeted rating of properties less than 0.5 hectares in area and for land areas greater than 500 hectares in area. These changes would come into effect from 1 July 2022.

Cost and impact on rates

- Under this proposal, the annual charge and per hectare charge will only apply to each rating unit larger than 0.5 hectares where water race service is available.
- In addition, the per hectare charge will only apply to the first 500 hectares, where water race service is available

These proposed changes would apply to 53 properties under 0.5 hectares and 11 properties over 500 hectares; and would result in a loss of rating income for the Council of around \$82,000 per year comprising:

- \$16,000 annually for properties less than 0.5 hectares
- \$66,000 annually for properties with land area greater than 500 hectares.

Have your say

Let us know whether you support the proposal to make changes to the water race rating structure.

[New page]

[4] Land Drainage rating changes and Ecological Enhancement targeted rate

Protecting and enhancing biodiversity across Selwyn is one of the ways the Council supports the district's environmental well-being. Selwyn has a unique, historic network of land drainage schemes, serving more than 24,000 hectares. The seven schemes drain groundwater to make land arable for farming purposes, and in some cases have an important flood protection function.

The land drainage network also provides important biodiversity and ecological habitats. There is a growing focus on the environmental performance of Selwyn's land drainage network, and the District Land Drainage Committee has recommended a dedicated rate to help improve and enhance the biodiversity and ecology of these networks.

What we're proposing

The Council proposes to introduce an Ecological Enhancement targeted rate of \$20 per rating unit, for properties in the district not paying a land drainage rate. The new targeted rate will generate \$4.7 million over the next 10 years.

The funding generated by this rate will be used for a range of projects and activities that support and improve the biodiversity of the land drainage network. Projects may include, for example, the construction of wetland, waterway plantings, and ecological, cultural and water quality monitoring.

Impact on rates: The new rate of \$20 a year per rating unit, is equivalent to around 38.5 cents per week.

Alongside the new Ecological Enhancement targeted rate we're also proposing to simplify the current rating structure for land drainage. This is overly complex, with 33 different rating factors operating across the seven land drainage schemes. The proposed new rating structure provides four standardised rating factors to replace the existing 33 rating factors.

Land drainage minimum charge per rating unit	\$70
Per hectare charge (first 4 ha)	\$30
Per hectare charge (above 4 ha)	\$7
Ecological enhancement per rating unit not currently paying above charge	\$20

Maps showing the catchments of the seven land drainage schemes can be found online at www.selwyn.govt.nz/services/water/land-drainage. Changes to the extent of the L2 boundary have been made to include the full directly-connected catchment and it is proposed that the Leeston township is included within the Leeston Drainage District.

Have your say

Let us know whether you support the proposal to introduce a new Ecological Enhancement targeted rate of \$20 per rating unit (for properties not paying land drainage charge), and the proposed simplified Land Drainage rating structure.

[New page]

Progress on key LTP projects

In our Long-Term Plan 2021-2031 last year, we outlined an ambitious programme of work to support the growth of the district and provide the services and facilities our communities need to thrive. We're making good progress on these projects – here's an update on a few of them.

New wastewater system in Darfield and Kirwee

This project is well under way with construction of the main pipeline between Darfield and the Pines Wastewater Treatment Plant near Rolleston beginning in August 2021, and due for completion later this year. As at April 2022 more than 20 kilometres of pipe has been laid, around 80% of the total.

New hockey and football artificial turfs at Foster Park

Installation of full-size artificial turfs for hockey and football at Foster Park is due for completion in mid-May 2022. These turfs will provide a valuable asset for these sports district-wide and are expected to be very well used.

Pines 120K

This \$100 million project to upgrade the capacity of the Pines Wastewater Treatment Plant from 60,000 population to 120,000 has been brought forward to accommodate the district's rapid growth. Design work for Pines 120 will start in 2022, with construction timing to be aligned with growth demands. \$9 million is budgeted in this Annual Plan to continue the upgrade programme.

Rolleston town centre and reserve

Following the opening of Te Ara Ātea in December 2021, work is continuing on other parts of the new Rolleston town centre, including the Rolleston Fields development (by commercial partners), and the new youth zone now under construction in the reserve.

[New page]

Coming up in 2022/23

In the coming year we'll be continuing our investment in essential infrastructure and services to support the district's continuing growth, and to enhance people's well-being. This year we'll be committing \$91 million to capital projects – following is a summary of some of the scheduled projects.

Water supply

\$20.2 million total project spend

To meet growth demands we're continuing our work to upgrade water supply reticulation and capacity across the district, including Darfield, Kirwee, Leeston, Lincoln, Prebbleton, Rolleston, Southbridge, West Melton and our rural water supplies.

Water treatment plant upgrades are also continuing, with projects at West Melton, Acheron and Springfield.

Wastewater

\$21.6 million total project spend

Alongside the continuing work in Darfield, work will progress in the coming year on the design stage of the Ellesmere to Pines trunk sewer, pipeline upgrades and pump station construction in Leeston, and design of the new pipeline from Upper Selwyn Huts to the Ellesmere pipeline.

Planned capacity upgrades at the Pines Wastewater Treatment Plant continue to meet continual growth.

Stormwater

\$2.3 million total project spend (includes Land Drainage, Water Races)

Additional funding will be provided this year to complete the Leeston flood diversion project.

Transportation

\$20.4 million total project spend

We continue our focus in the coming year on road maintenance, making our roads safer, and building the critical transport connections across our district. Major projects scheduled in 2022/23 include progressing the Prebbleton roundabout upgrade projects on Shands Road, and bringing forward the Goulds/East Maddisons/Shillingford roundabout in Rolleston (\$3m), to align with adjoining subdivision developments.

We will invest a further \$475,000 on improving safety on rural intersections, along with roading and transport programmes already co-funded with Waka Kotahi NZ Transport Agency in the current National Land Transport Programme. Local road improvements will benefit from a \$5.8m investment, along with \$1.2m on metaling unsealed roads, and \$4.3m on resurfacing sealed roads.

\$2.5m will go towards road safety projects and behavior programmes. As part of this, the Council will need to manage the effects of cost escalations such as the rising prices of bitumen and fuel, which will impact on contractors delivering our roading programmes.

Solid waste

\$3.7 million total project spend

Our Reconnect project is an initiative to redevelop the Pines Resource Recovery Park and provide the community with better opportunities to minimise waste. Stages 3 and 4 of this multi-year development will proceed in the coming year.

Community services and facilities

\$18 million total project spend

Community facilities are a vital part of Selwyn communities, providing the spaces where residents can meet, recreate, exercise, play and learn. The Council continues to invest in facilities to meet the needs of a growing population.

Major projects in the coming year include the next stage of development of the 22 hectare Birchs Road Park in Prebbleton (\$5.3 million in 2022/23 of a total \$13.3 million project); and the continuation of Rolleston town square and reserve developments. Restoration of Tārekeautuku/Yarrs Lagoon near Lincoln will get under way in the coming year following a grant of nearly \$800,000 from the Ministry for the Environment.

Smaller local projects across the district include:

- Renewal of the historic Liffey Weir in Lincoln
- Southbridge Park sports lighting
- Rolleston Reserve athletics surface renewal
- Sports park lighting improvements (district-wide)
- Playground equipment and safety surface renewal (district-wide)
- New toilet facility at Te Whariki Reserve in Lincoln
- Mead Hall seismic upgrade

[New page]

Your rates 2022/23

The proposed average rates increase across the district is **6%**.

This is an average, and for individual ratepayers the actual change may be smaller or greater, depending on your location and the services provided.

This 6% average increase is slightly higher than the 4.9% average that we forecast in the LTP last year – but is in line with the current levels of inflation in New Zealand.

It is also within the 6% limit set by the Council in its financial strategy.

When we prepared our LTP, inflation was still at low levels in New Zealand. In the past 12 months the Council – just like every other business and household – has faced significant increases in costs, as shown in the latest inflation indexes:

- Consumer Price Index **5.9%** year to December 2021
- Producer Price index (eg construction costs) **8.6%** year to December 2021

Other significant cost pressures include

- increased fuel costs
- supply chain delays and cost increases
- impacts of the Russia-Ukraine conflict on fuel prices
- tight labour market.

These increased costs mean that we have to increase both operating expenditure (day to day service costs) and capital expenditure (cost of infrastructure and facilities) just to maintain our current levels of service.

The district's continuing growth also puts pressure on our operations, and we are boosting our resources in areas like building and resource consents, cybersecurity and digital technology, and infrastructure support, to meet the demands of a larger population.

Revaluation

Individual changes in rates have also been affected by the district revaluation recently completed. An increase in the capital value of your property doesn't mean your rates will increase by the same amount.

For most residential properties in Selwyn, only around a quarter of your rates bill is based on the capital value of a property, with the majority of the rates set based on a fixed amount per property.

If your capital value has increased by more than the average increase (33.7%) you can expect a slightly higher than average increase in your rates from 1 July 2022. If your property value increase was less than the average, you can expect a slightly lower than average increase in your rates.

Across most of Selwyn, many rural property owners will see a reduction in rates this year while our urban home owners have an increase. This is because urban property values generally grew faster than rural properties over the past three years.

Find out more about revaluation at www.selwyn.govt.nz/services/rates/rating-valuations

Rating examples

The tables below show examples of the proposed rates changes for a sample of typical properties in a range of locations across the district. For each example we show the current capital value, the new capital value following revaluation (applies from 1 July 2022), the current year's (2021/22) rates, the proposed rates for next year (2022/23) and the amount of the increase both as a percentage and in dollars.

Total rates						
Residential	Current capital value 2021/22 \$	New capital value 2022/23 \$	Current rates 2021/22 \$	Proposed increase 2022/23 %	Proposed new rates 2022/23 \$	Increase (decrease) 2022/23 \$
Residential with sewerage	550,000	790,000	3,115	7.5%	3,350	235
Residential without sewerage	550,000	790,000	2,501	8.5%	2,714	213
Lifestyle without water or sewerage	650,000	840,000	1,769	5.2%	1,861	92
Residential with sewerage	750,000	975,000	3,300	5.7%	3,489	189
Residential without sewerage	750,000	975,000	2,686	6.2%	2,853	167
Residential with sewerage	900,000	1,170,000	3,439	5.7%	3,635	196
Residential without sewerage	900,000	1,170,000	2,825	6.2%	2,999	174

Rural	Current capital value 2021/22 \$	New capital value 2022/23 \$	Current rates 2021/22 \$	Proposed increase 2022/23 %	Proposed new rates 2022/23 \$	Increase (decrease) 2022/23 \$
Rural with water races and with 3.5 water units	10,400,000	11,300,000	15,019	(6.6%)	14,026	(-993)
Rural without water races or water units	3,595,000	4,255,000	4,778	(1.6%)	4,703	(-75)
Rural without water races and with 11 water units	3,900,000	4,470,000	6,969	(0.3%)	6,949	(-20)

Commercial	Current capital value 2021/22 \$	New capital value 2022/23 \$	Current rates 2021/22 \$	Proposed increase 2022/23 %	Proposed new rates 2022/23 \$	Increase (decrease) 2022/23 \$
Commercial with low water consumption	3,600,000	4,590,000	5,044	4.8%	5,288	244

Townships	Current capital value 2021/22 \$	New capital value 2022/23 \$	Current rates 2021/22 \$	Proposed increase 2022/23 %	Proposed new rates 2022/23 \$	Increase (decrease) 2022/23 \$
Arthurs Pass	290,000	510,000	2,011	12.1%	2,254	243
Castle Hill	590,000	810,000	2,853	7.4%	3,065	212
Lake Coleridge	270,000	365,000	2,474	7.1%	2,651	177

[Examples – using infographics/icons]

If you own a residential home in Rolleston with a new CV of \$790,000

- your rates will increase 7.5% from \$3,115 to \$3,350
- that's an extra \$235 a year

- or about \$4.50 a week

If you own a residential home in West Melton with a new CV of \$975,000

- your rates will increase 5.7% from \$3,300 to \$3,489
- that's an extra \$189 a year
- or about \$3.60 a week

If you own a rural property in Darfield with a new CV of \$11.3m (with water races and water units)

- your rates will decrease from \$15,019 to \$14,026
- that's a decrease of \$993 a year
- or about \$19.10 a week

If you own a lifestyle property with a new CV of \$840,000

- your rates will increase 5.2% from \$1,769 to \$1,861
- that's an extra \$92 a year
- or about \$1.80 a week

[New page – based on LTP/CD p.13 / AP/CD 20-21 p.18]

About your rates

If you're a Selwyn ratepayer, you're one of nearly 30,000 property owners who contribute through their rates to fund the huge range of activities, services and facilities that the Council provides for your community.

Your rates contribution is made up of a combination of general rate and various targeted rates. Other sources of funding include fees and charges, development contributions (paid by developers to fund new infrastructure), subsidies and grants.

General rate

The general rate funds a wide range of Council services and facilities that benefit the whole district. The general rate also includes a Uniform Annual General Charge component, which is not related to property value.

The General Rate makes up about one-third of the average property's total rates. In the coming year, the General Rate component will increase by 8.5%.

Here's a rough guide to how your general rates dollar is used for the community good:

[Table or infographic]

General rates (Proposed 2022/23) %

Transportation and roading ³	37%
Parks, reserves and playgrounds ⁵	20%
Planning and resource management ¹	16%
Council	6%
Community development	4%
Community centres and halls ^{4,6}	4%
Administering the Building Act ¹	4%
Public toilets	2%
Swimming pools ^{2,6}	2%
Emergency management	1%
Cemeteries	1%
Property	1%
Health, alcohol licensing and regulation ¹	1%
Economic development	1%

Notes

1 Also part-funded by fees and charges

2 Also part-funded by targeted rates

3 Also part-funded by Waka Kotahi NZTA subsidies

4 Also part-funded by district-wide targeted rate

5 Local reserves also part-funded by targeted rate

6 Swimming pools and community centres and halls are also part-funded by fees and charges

Targeted rates

Targeted rates are used where a Council service or facility provides a benefit to a particular group of ratepayers or location. Targeted rates can be district-wide (eg Canterbury Museum) or localised

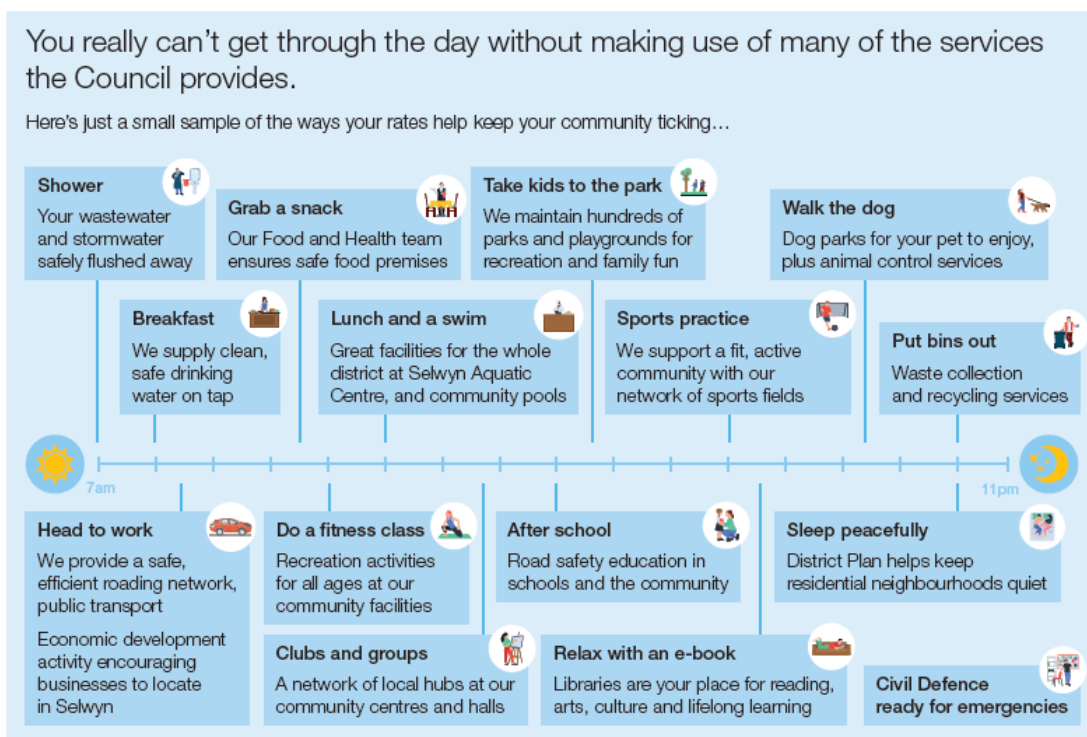
(eg Community Board). Some of the key services and facilities provided through targeted rates (where applicable) include:

Libraries network	\$239
Recreation reserves	\$139
Water supply	\$288 (plus a volume-based rate)
Stormwater network	\$122
Wastewater network	\$586
Water races	\$45 (plus additional charges where service is provided)
Canterbury Museum	\$35
Community centres	\$175
Refuse and recycling	\$116 (fixed rate including recycling bin, plus charges for bins where provided)
Swimming pools	\$42 - \$168 (based on proximity to Selwyn Aquatic Centre)

Find out more about your rates at www.selwyn.govt.nz/rates.

Where do your rates go?

[Infographic from AP/CD 2020/21 p.19]



Changes to fees and charges

Fees and charges apply to some Council services, where a user-pays approach is appropriate to cover all or part of the costs of that service. Some changes in fees and charges this year include:

- Increase in tip fee charges at the Pines Resource Recovery Park, to reflect higher than forecast fees and transport costs for disposal at the Kate Valley Landfill.

- Increase in licence fee for hut owners at Selwyn Huts, to \$1389 from 1 July 2022 as previously advised to residents.

A full schedule of fees and charges is available in the Draft Annual Plan, part of the supporting information available at www.selwyn.nz/annualplan22.

[New page]

Financial information

Since the Long-Term Plan 2021-2031 was adopted last year, Selwyn has continued to experience rapid population growth. Economic conditions have generally been positive for the district, but the impact of the COVID-19 pandemic has seen pressure on supply chains, a tight labour market and rising costs. The 2022/23 year represents Year 2 of the LTP and some changes to budgets have been required, which were unforeseeable when the LTP was prepared.

Capital expenditure

The proposed capital programme has been adjusted to reflect revised timings for some programmes and cost revisions that reflect current economic conditions. The programme amounts to \$91.4 million, an increase of \$22.3 million from the LTP forecast, comprising new projects, projects brought forward and cost escalation of deferred projects. General inflationary price pressures are also significant with substantial increases in the price of construction materials.

Operating expenditure

The COVID-19 pandemic and other global factors have resulted in significant cost pressure for both operating and capital budgets. Operating costs amount to \$148.9 million, an increase of \$9.4 million compared to the LTP forecast. Key factors contributing to this include:

- Continuing rapid population growth, leading to increased demand for Council services and infrastructure maintenance
- Increased contract costs for operating and maintaining water services infrastructure
- Supply chain constraints
- Increased fuel prices
- Increased staffing costs to ensure Council maintain levels of service and to support growth

The table below highlights the main changes between what was forecast for 2022/23 in the LTP and the proposed Annual Plan budget for financial year ending 30 June 2023:

	LTP forecast 2022/23 \$ million	Annual Plan Proposed 2022/23 \$ million	Change \$ million
Capital expenditure	69.1	91.4	22.3
Operating expenditure	139.5	148.9	9.4
Total revenue	167.5	171.5	4.0
Debt increase	30.3	50.6	20.3
Rates increase (Average %)	4.9%	6.0%	1.1%

Income, expenditure and net assets

(\$'000)	2020/21 Annual Plan	2021/22 LTP	2022/23 LTP Forecast	2022/23 Annual Plan Proposed
Revenue				
Rates	67,876	74,846	80,733	83,243
Development contributions	16,216	9,828	10,791	10,791
Subsidies and grants	17,012	22,671	10,988	10,988
Vested assets	28,647	38,417	33,261	33,261
Other revenue	28,848	29,311	31,715	33,167
Total revenue	158,599	175,073	167,488	171,450
Operating expenditure	120,824	133,996	139,486	148,922
Surplus/(deficit)	37,775	41,077	28,002	22,528
Net assets	1,799,842	1,957,167	2,043,025	2,126,029

Proposed changes to development contributions

Development contributions are paid by land developers towards the cost of providing the additional community facilities (including roads, water systems, wastewater systems and reserves) required for a growing population. The Council proposes to increase its development contribution charges, from 1 July 2022 based on the increase in the Producers Price Index Outputs for Construction as at 31 December 2021. This is in line with our adopted development contributions policy. This is an 8.6% increase on the capital cost component of the development contribution.

Detailed financial information including the Financial Impact Statement, is available in the Draft Annual Plan, part of the supporting information available at www.selwyn.nz/annualplan22.

[New page – follow style from LTP CD (p.52)]

Here's the Plan ... now have your say

We want to hear your feedback on the proposals and projects outlined in this consultation document.

Consultation is open from Tuesday 19 April to 5pm, Thursday 19 May 2022.

How to make a submission

You can provide your feedback by sending in a submission:

[icons]

- | | |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Online | Complete the online form at
www.selwyn.govt.nz/annualplan22 |
| By post | Complete the form in this document and post to:

Freepost 104-653
Annual Plan Submissions
PO Box 90, Rolleston 7643 |
| By email | Scan and email your completed submission form, or your own comments, to:
annualplan22@selwyn.govt.nz |
| In person | You can return your completed submission form, or other document, to the Council offices in Rolleston, or any Council library and service centre.

Copies of the submission form are also available at the Council offices in Rolleston, or any Council library and service centre. |

Other ways to give your feedback

- | | |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Facebook | Informal comments can be made on Annual Plan-related posts on the Council's Facebook page 'Selwyn District Council'.

<i>Comments made via Facebook will not be formally recorded but will be summarised and included with written feedback for the Council's consideration. The Council may not be able to respond to comments on Facebook.</i> |
| At events | During the consultation period councillors and staff will holding drop-in sessions and attending community events. You are welcome to ask questions and share your views with councillors and staff.

<i>Feedback given verbally at local events will not be formally recorded as submissions.</i> |

Details of drop-in sessions and community engagement events will be updated and available on www.selwyn.govt.nz/annualplan22 and on the Council's Facebook page.

Submissions must be received by 5pm, Thursday 19 May

Hearings

Anyone who makes a submission on the Draft Annual Plan 2022/23 Consultation Document can present their submission in person at a Council hearing, if they wish.

Public hearings will be held on Monday 30 and Tuesday 31 May 2022, at the Council offices in Rolleston, or online, depending on COVID-19 restrictions in place at the time.

If you would to present your submission in person, you must indicate this on the submission form

Key dates

<input type="checkbox"/> Consultation opens	Tuesday 19 April
<input type="checkbox"/> Consultation closes	5pm, Thursday 19 May
<input type="checkbox"/> Public hearings	Monday 30 – Tuesday 31 May
<input type="checkbox"/> Council deliberations	Monday 6 – Tuesday 7 June
<input type="checkbox"/> Council adopts Annual Plan	Wednesday 22 June

[New page]

[Follow style from LTP CD p.53]

Annual Plan 2022/23 Consultation Document

Submission form**Note to submitters**

You can make a submission on this form, or on the online submission on the Council's website at www.selwyn.govt.nz/annualplan22. Submissions can also be emailed to: annualplan22@selwyn.govt.nz.

This submission can be returned to: Freepost 104 653, Annual Plan Submissions, PO Box 90, Rolleston 7643

Submissions close at 5pm on Thursday 19 May 2022.

You do not have to answer every question. You can make a general submission or submit on matters not included in the consultation document by completing question 8: Other comments.

If you need extra space for your submission use additional paper (please include your name on additional sheets). You can include an attachment with your online or email submission.

All submissions will be considered by Council before making a decision.

Privacy statement: Please note that by making a submission, the content of your submission (including your personal information) may be made publicly available (including online). Please contact us at privacy@selwyn.govt.nz or on 0800 735 996 if you think certain information in your submission should not be publicly available. For more detail about our management of personal information, please see our full Privacy Policy at www.selwyn.govt.nz/privacy.

For Council use: submission number

Submitter details

All fields marked with an asterisk () are required*

Title:*	First Name:*	Last Name:*	
Address:*		Town:*	Postcode:*
Phone:*		Email:*	

Are you making this submission for an organisation? Yes No

If yes, please state the name of organisation:

Do you wish to attend a hearing to present your submission in person? Yes No

Preferred time:	Monday 30 May	Morning Afternoon Evening
	Tuesday 31 May	Morning Afternoon

Questions

1. Do you support the proposal to provide \$1m in funding, and the transfer of the land and hall, to support the new Go Hororata proposal for a Hororātā Community Hub?

Y | No | No preference

2. Any other comments on this proposal?

3. Do you support the proposal to close the Upper Ellesmere Water Race over a five-year period?

Y | No | No preference

4. Any other comments on this proposal?

5. Do you support the proposal to make changes to the water race rating structure?

Y | No | No preference

6. Any other comments on this proposal?

7. Do you support the proposal to introduce a new Ecological Enhancement rate of \$20 per rating unit, and the proposed simplified rating structure?

Y | No | No preference

8. Any other comments on this proposal?

9. Do you have any comments on any other projects included in the Consultation Document, or on other Council matters?

[New page – OUTSIDE BACK COVER]

Selwyn District Council

2 Norman Kirk Drive

PO Box 90 Rolleston 7643

www.selwyn.govt.nz/annualplan22

[+ Council logo]