



**SELWYN
ANNUAL BUDGET
2011/12**

SELWYN DISTRICT COUNCIL

ANNUAL BUDGET 2011/2012

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WELCOME

...to the Annual Budget 2011/2012

MAYOR'S AND CHIEF EXECUTIVE'S REPORT

It is with pleasure that we present to you the 2011-12 Annual Budget adopted by the Council on 22 June 2011.

We received 140 submissions on the Draft Budget. This is back to a typical level after the very high levels received over the past two years. A summary of the main submission topics and the Council's response is set out in the 'our response to your submissions' section of the Annual Budget.

As if the economic recession were not enough, the shattering earthquakes that hit Christchurch and surrounding areas have added to our challenges in preparing this year's budget and work programme. The added costs and reduced revenue resulting from the earthquakes mean that the Council has had to reduce expenditure in certain areas and introduce a new earthquake rate.

Earthquake costs

The earthquakes brought out the worst in the environment but the best in our people. The response of those affected and of those who helped in one way or another has been nothing short of spectacular and shows what hidden strengths lie in our communities.

The earthquakes have had a big impact on Selwyn physically, emotionally and economically. We estimate that the cost to the Selwyn District Council is in the order of \$15 million, including welfare costs plus damage to water and sewer systems, roads, buildings and cemetery headstones. Much of this is covered by insurance and government subsidy, but an estimated \$2 million cannot be claimed back in this way and falls to the ratepayers.

The Council has introduced a one-off charge of \$135 per rating unit to fund these costs. The rate is payable on the same basis as the uniform annual general charge.

The earthquake has also had an impact on the Council's revenue from its investment in Orion. Over many years the dividend we receive from Orion (via our holding company Selwyn Investments Holdings Limited) has helped reduce the level of the general rate in Selwyn. However, the cost of repairing the damage to the electricity lines network that occurred on 22 February, combined with the reduced revenue due to shut down in the central city, means Orion's dividend will be lower in the current and future years. Selwyn Investments Holdings Limited's forecast is that its dividend for 2012 will be \$1.6 million lower than previously anticipated. In response the Council has reviewed its general rate expenditure programme and has cancelled or deferred a number of projects. More details of the projects are provided in the 'our response to your submissions' section of the Annual Budget. Whilst it is always difficult to make cuts, the alternative of increasing the general rate further was even less palatable.

Project costs

Big budget projects included in the Annual Budget are as follows:

- The Eastern Selwyn Sewage Scheme will expand the sewage treatment facility in Burnham School Road so that it can take sewage from the eastern Selwyn towns of Springston, Lincoln and Prebbleton. At present, the sewage from these towns is piped to Christchurch, but the city has no capacity for future Selwyn residents. Additionally, as the latest earthquake showed, when the city system fails the sewage from these towns has to be diverted into local rivers.

The Eastern Selwyn Sewage Scheme will overcome all this by increasing the towns' sewer capacity enabling them to keep growing as communities without polluting local waterways. The total cost of this stage of the long-term project will be around \$52 million, with around \$28 million to be spent in 2011/12. Although this is more expensive than previously forecast, the recent earthquakes have confirmed the importance of increased sewerage capacity in eastern Selwyn to help us cope with any increase in residents wanting to resettle in Selwyn. The Council intends for this project to be fully funded by developers' contributions (that is, levies on newly-built homes and businesses). But if population growth is lower than expected, the repayment of these costs may be difficult to achieve. If this happens some additional costs may need to be met by households already connected to the scheme.

- Construction of the Selwyn District Aquatic Centre will start in 2011/12 and be completed in the 2012/13 financial year.
- The \$3,500,000 upgrade to Lincoln/Rolleston Road and Selwyn Road to Shands Road will create an improved arterial link between Rolleston and Southern Christchurch to cater for existing users and future increases in traffic. The New Zealand Transport Agency will contribute \$2 million to the scheme and \$1.5 million will be met by ratepayers.
- Construction of the new Lincoln Library and Service Centre will improve library services in the Springs ward at a cost of \$3,725,000.
- Installation of sewer pipes in West Melton will cost \$678,000 to provide a replacement sewage system for the on-site systems damaged in the September earthquake.
- The Darfield water supply upgrade will cost \$450,000.
- The upgrade and extension of the Kirwee pavilion will cost \$295,000.
- The upgrade and extension of the Springston pavilion will cost \$500,000.
- The development of a District Wide Strategy to guide the growth of the district will cost \$100,000. The importance of this work is underlined by the increase in Christchurch residents wanting to move here.

These projects will be funded from a variety of sources. Please consult the document for this information.

General rate increase

The general rate will increase by 5.1% from 1 July 2011. Although this is lower than the 8% we previously forecast it is still higher than the rate of inflation, and comes on top of other targeted rate changes including the swimming pools rate and earthquake costs charge.

Targeted rates increases

In addition, after consultation with the users, the Council is introducing some cost-driven increases in targeted rates, mainly for sewerage to fund rising costs and the replacement of worn out pipes and pumps.

Following last year's extensive consultation on the funding of swimming pools, the new pool rate will start from July 2011. This new rate will help fund both the new Selwyn Aquatic Centre and the five community pools that were previously funded from local targeted pool rates. The Council, in response to the submissions on last year's budget, will provide an annual operating grant of \$1,000 to each school that makes its pool available to their community. This will cost about \$15,000 a year and will be funded through the swimming pools rate. Grants of \$1,000 per year will also be made to the three former school pools at Courtenay, Halkett and Killinchy.

Development contributions

The Council has increased its development contributions charges by 2%, in line with price rises. This increase is in line with the Council development contributions policy.



Kelvin Coe
Mayor



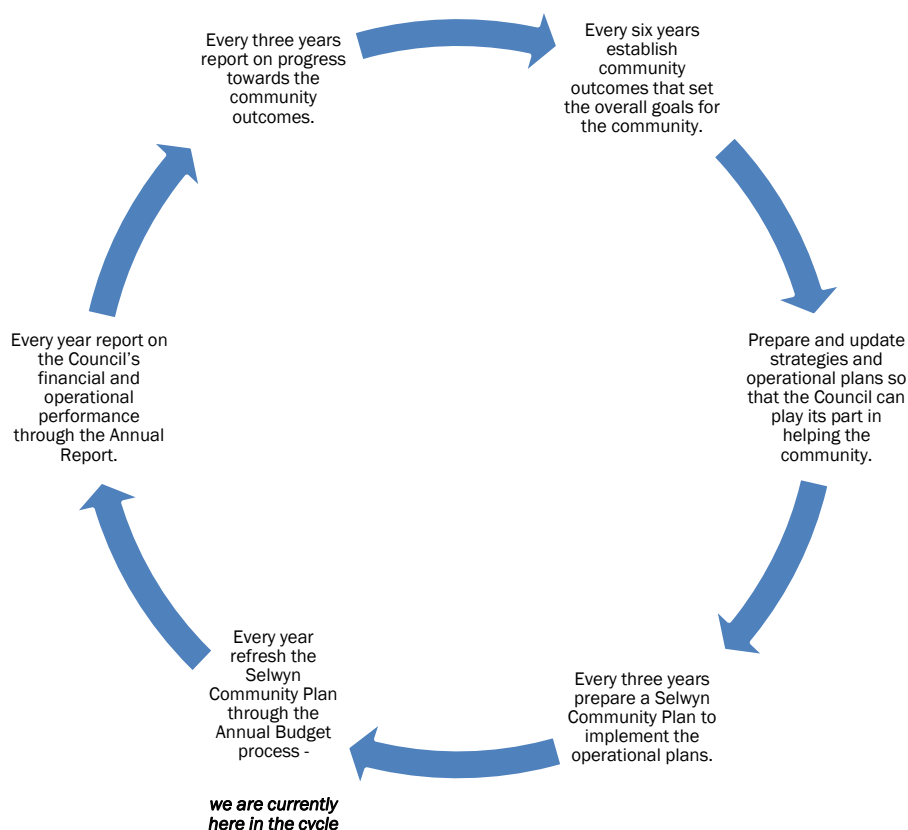
Paul Davey
Chief Executive Officer

THE ANNUAL BUDGET COVERS THE PERIOD FROM 1 JULY 2011 TO 30 JUNE 2012

A guide to the annual budget

Welcome to the 2011/2012 annual budget for the Selwyn District. The annual budget includes the Council's operational and financial plans for the coming year. The annual budget is just one stage in the Council's planning cycle and shows what the Council is doing over the coming year to implement its long term plan – the Selwyn Community Plan (SCP). The Selwyn Community Plan was published in July 2009 and sets out what the Council intends to do over the next 10 years to keep Selwyn a great place to live, work and play. 2011/12 is the third year of the 10 year plan and this document explains any significant differences between the annual budget and the 10 year plan.

The Council's planning cycle is illustrated below.



The Selwyn Community Plan was published in July 2009 and sets out what the Council intends to do over the next 10 years to keep Selwyn a great place to live, work and play.

The annual budget includes the following:

- Our response to your submissions – pages 10-12
- The district's community outcomes (our long term goals) – pages 15-20
- Information about the Council's activities, including their goals and performance measures as well as how much they cost and how the cost will be funded – pages 22-66
- Details of projects greater than \$50,000 – pages 68-71
- Prospective financial statements that show the impact of the Council's plans on its finances – pages 74-98
- Details about the rates for the year - pages 100-114
- Fees and charges – pages 115-123
- Information about our Council Controlled Organisations – pages 126-134
- Amendment to the development contribution policy – pages 142-146

The 2011/2012 annual budget provides an update of what was proposed in year 3 of the SCP and explains why things may have changed from what was expected when the SCP was adopted.

Statement of values

In fulfilling its statutory and community obligations, the Council will operate according to the following values:

Leadership

The Council will guide, inform and seek community involvement in policy decisions in accordance with the principles of community governance.

Community service

The Council will provide quality services in a prompt, helpful and friendly manner, minimising the cost through innovative management and best utilisation of resources.

Commercial

The Council's service charges will be based on the benefits of those services to the recipients after considering the equity, efficiency and transparency of those services.

Environment and biodiversity

The Council will encourage and, where appropriate, enforce measures to sustain and enhance the District's biophysical environment, including its biological diversity.

Health and safety

The Council will encourage and, where appropriate, enforce measures to sustain and enhance public health and safety.

Treaty of Waitangi (The Treaty)

The Council will take account of its responsibilities as outlined under section 4 of the Local Government Act 2002.

Staff

As a good employer, the Council will continue to attract, retain and develop skilled staff.

Statement on quality of service

The emphasis on quality and service shall be, at all times, the focus of the Council activities.

The Council will maintain and strive to improve the quality of services that are provided.

It will continue to provide services that meet the needs of its 'customers' and exceed their expectations in the process.

To achieve success, the Council will demonstrate innovation in providing solutions to meet those needs and expectations into the future while operating in a cost-effective and business-like manner.

Our mission is to achieve excellence in the management of resources and the provision of services for the people of Selwyn District

Economic development

The Council will encourage and, where appropriate, facilitate sustainable economic development.

Cultural diversity

The Council will have due regard for the diversity of cultural perspectives within the district.

Submissions page

OUR RESPONSE TO YOUR SUBMISSIONS.....

We received 140 submissions on the draft annual budget. The Council heard from submitters on 27th and 30th May and deliberated on the submissions on 7 June. The submissions covered a broad range of matters and the Council's response to the main ones is summarised below.

Funding the cost of the earthquakes

The earthquakes of 4 September 2010 and 22 February 2011 caused damage to some of the Council's assets, including community halls, houses, roads, water systems and sewerage. Although the full cost of the damage will not be known until all the repair work is complete, we estimate that it will be around \$15 million. A proportion of the cost of repairing the roads will be met by the government and much of the cost of repairing buildings will be recovered through our insurance policies or the Earthquake Commission. There will, however, be a residual cost that will need to be met by ratepayers and we estimate that this cost will be around \$2 million. The costs include:

- Insurance policy excesses
- Uninsured items, including cemetery headstones, tennis courts and earthquake strengthening of community halls
- Community welfare costs (largely subsidised by the government)
- Road repairs (largely subsidised by the government)

The Council proposed to recover the \$2 million as a one-off charge to ratepayers in the 2011-12 financial year. This would be a charge of \$135 and be charged to rating units on the same basis as the uniform annual general charge.

Following the submissions and hearings process the Council reviewed the options, including spreading the charge over two years or taking out a loan and spreading the cost over 10 or 20 years. After considering the matter, the Council decided to make the charge over one year. The Council felt that, on balance, the preference of ratepayers was to get this charge out of the way in one year.

The Council also confirmed that the cost of the earthquake will be funded equally by all ratepayers rather than expecting local communities to fund costs in their areas

General rate

The general rate funds a range of council services including the roads, environmental services (planning, building control etc) and a variety of community services. These services bring benefits to the whole community and are therefore paid for by all ratepayers.

Two years ago, when we prepared the 10 year Selwyn Community Plan, the Council signalled the need for increases in the general rate of 8% per year from 2011-12 to 2015-16. These increases were to pay for improvements to the road network, an increasing range of community services and the work we need to do to plan for the needs of our growing community.

The Council recognised the pressures on household budgets and proposed a 5.1% increase from 1 July 2011 rather than the 8% we previously forecast. Since the Draft Annual Budget was prepared the impact of the February earthquake on the Council's dividend revenue has become clear. Through its holding company, Selwyn Investments Holdings Limited, the Council receives dividends from Orion. However, the cost of repairing the damage to the electricity lines network that occurred on 22 February, combined with the reduced revenue due to shut down in the central city, means Orion's dividend will be lower in the current and future years. Selwyn Investments Holdings Limited's forecast is that its dividend for 2012 will be \$1.6 million lower than previously anticipated. The Council was faced with the difficult decision of either reducing expenditure or increasing the general rate above the 5.1% already proposed. The Council decided to review its expenditure programmes to reduce expenditure. As a result of the review a number of changes were made to the annual budget. These changes are set out below.

Budget item		(Reduction)/ increase \$
Lower SIHL Dividend		1,600,000
Township projects		
District	Streetlights discretionary funded from minor safety budget	(11,000)
District	Irrigation systems	(16,000)
District	Footpath maintenance	(45,000)
Darfield	Buttle land purchase	(195,000)
Darfield	Horndon St kerb and channel - 3 projects	(104,000)
Doyleston	King Street footpath	(25,000)
Doyleston	King Street seal widening	(20,000)
Hororata	Entranceways	(43,000)
Kirwee	Courtenay Road/SH 73 quadrant kerbing	(35,000)
Lake Coleridge	Cemetery point platform	(20,000)
Leeston	Leeston Creek beautification	(55,000)
Leeston	Marshall Block walkway stage	(33,000)
Lincoln	Ryelands Esplanade Lighting	(80,000)
Lincoln	South Belt footpath	(10,000)
Lincoln	William St kerb and channel funded from roading budget	(10,000)
Lincoln	Park n ride investigation	(5,000)
Lincoln	Edward Street - traffic calming	(15,000)
Prebbleton	Ceres cottage relocation funded from cell tower fund	(20,000)
Prebbleton	Blake Road bus bay	(45,000)
Prebbleton	Trices/Hamptons realignment	(48,000)
Southbridge	Southbridge thresholds	(60,000)
Tai Tapu	SH75 (school frontage) undergrounding	(70,000)
Waddington	Old West Coast Road	(10,000)
Waddington	High Street Waddington Gorge intersection	(20,000)
Support services projects		
	Vehicle purchases	(122,000)
	Computer purchases	(76,000)
	Office equipment purchases	(15,000)
	Utility rates charged to targeted rate accounts	(116,000)
Community services projects		
	Youth programmes	(20,000)
	Event support	(5,000)
	Research, community projects	(16,000)
	Project Initiatives	(5,000)
	Township Information signs	(3,000)
	Residents booklet	(33,000)
	Rural fire shed	(75,000)
Environmental services projects		
	Iwi Liaison	(10,000)
	Coastal policy	(10,000)
	Rolleston Outline Development Plans	(10,000)
	Earthquake prone buildings	(20,000)
Other budget changes		(69,000)
Total reduction		(1,600,000)

Targeted rates

A number of submitters asked the Council to review the level of targeted rates in certain areas. Following the review the Council decided to make the following adjustments to targeted rates.

Targeted rate	2011/12	2011/12	Comment
	Draft budget	Final budget	
	\$	\$	
Library rate	153.00	143.00	Rolleston library deferred
Armack Drive Water	700.00	540.00	Renewal funding deferred
Darfield water	400.00	350.00	Renewal funding deferred
Edendale water	400.00	327.00	Renewal funding deferred
Leeston water	280.00	245.00	Renewal funding deferred
Doyleston community centre	35.00	14.00	Use of special funds for capital projects
Springston Community Centre	20.00	14.00	Operating account in surplus
Rakaia Huts swimming pools	87.00	31.00	Moved to zone 3 due to distance

Funding school pools

Over the past two years we have received lots of feedback from residents on the Council's aquatic strategy. One of the themes from the feedback is how much local people value school pools, both as somewhere children can learn to swim and as a place where families can go to have fun during the summer months.

We have been exploring how the Council can support the operation of school pools in recognition of the community benefit that they bring. There are 15 school pools and three former school pools in the district which are open to their communities. The Council proposed to provide support to these school pools in the form of an annual operating grant of \$1,000.

After considering the submissions the Council decided to support the payment of annual operating grants of \$1,000 to the eighteen pools.

Ellesmere water race minimum charge

The Council proposed a minimum charge for the maintenance of the Ellesmere water race. The proposed rate is \$103.85 and will apply to all properties of less than 12 hectares in place of the existing charge of \$13.29 per hectare. Following the submissions process the Council confirmed this new minimum charge.

Development contributions policy

The Council proposed to increase the development contribution charges by 2% to reflect the increase in prices. After considering submissions the Council decided to implement the proposed increase.



Community outcomes

Since 1 July 2004, local authorities have been required to work with their communities to develop community outcomes. Community outcomes are the overall goals for the district to which we are all working.

The Council facilitated the setting of the community outcomes for the district in 2006 as part of the preparation of the Selwyn Community Plan 2006/16.

In preparing the community outcomes listed below, the Council has relied on the following:

- A conversation with the Malvern Rural Community (May 1998 – Malvern Community Needs Group).
- Social Needs and Community Resources in Eastern Selwyn (November 1999).
- Economic Development Strategy (August 2000).
- The Community Values Survey (November 2001 – Future Path Canterbury).
- The Community Profile and Trends Analysis (May 2002 – Future Path Canterbury).
- Selwyn Central Community Needs Analysis (May 2003 – Selwyn Central Community Board).
- Canterbury Vision – weaving together people, places and opportunities (February 2004 – Future Path Canterbury).
- Future Selwyn Forum (November 2003).
- Selwyn Youth forums held in Darfield, Leeston and Lincoln (March 2004).
- Selwyn District Plan.
- Water and Waste Water Activity Management Plans (April 2006).
- Roading Asset Management Plan (April 2006).
- Waste Management Plan.
- Township surveys in Tai Tapu, Arthur's Pass and Lake Coleridge.
- Consultation survey undertaken in the Canterbury Times during May 2006.

Notes:

1. Publications listed above that do not have an organisation identified were commissioned by the Council.
2. In preparing the community outcomes from the various documents – trends and key issues have been identified. It is not possible to attribute any one outcome to a specific publication.
3. The Council will carry out a series of community surveys to help it identify issues of interest to local people and use this information to shape its services and review the community outcomes.
4. Future Path Canterbury is the brand name for the group of Christchurch City, Environment Canterbury, Waimakariri District, Hurunui District, Kaikoura District, Ashburton District and Selwyn District Councils, working together to develop community outcomes from a regional perspective in an effort to avoid duplication of resources.
5. Community outcomes are those goals which the community has identified through a variety of sources. The attached outcomes are the 'key outcomes' that have been identified by the community reflecting the majority of the community's goals. For each of the key outcomes, the Council has identified key performance indicator(s) that will allow the community to measure performance in achieving the outcome.
6. It must be noted that the Council is not solely responsible for achieving community outcomes. On the following pages, the Council has identified its role in achieving community outcomes and those organisations that will assist the community in achieving community outcomes. One of the key challenges for the Council is to encourage government agencies that have a limited presence within the district to increase their contribution towards achieving those community outcomes for which they have a responsibility. For the community outcomes the Council has responsibility for, the relevant Council significant activities are listed on the attached pages. Within each significant activity statement, included in this document, the plans or actions that the Council will undertake are listed along with appropriate performance measures.
7. The Government is in the process of reviewing legislative requirements in relation to the community outcomes and this may result in a different approach in the future.
8. Community outcomes are grouped into 4 main types, environmental, social, economic and cultural.

Environment

Key community outcomes	The Council will (the Council role is in bold)	Key reporting document	Key performance indicator	Relevant Council activity	Assistance will be sought from	
A clean environment						
Air, land, water and general environment to be kept in a healthy condition	Advocate to ensure organisations responsible for protecting the environment have appropriate policies and strategies to achieve this outcome	Selwyn District Plan	Environment Canterbury do not deem it necessary to monitor air quality in the district	Environmental Services	Environment Canterbury Ministry for the Environment Department of Conservation Fish and Game QEII National Trust Ministry of Health Federated Farmers Forest & Bird Te Taumutu Runanga Te Ara Kakariki Greenway Canterbury	
			Total hectares of vulnerable indigenous vegetation which are protected under management agreements			
			Environment Canterbury considers soil quality to be at an acceptable level.			
	Provide water and sewerage systems that minimise the negative effects of their activity	Selwyn District Council 5 Waters Activity Management Plan	Compliance with DWSNZ 2008 criteria for water leaving treatment plant as reported by the Ministry of Health, for each registered water supply	5 Waters		
			Total number of sewer and sewer pump station overflows events (wet and dry weather)			
			The proportion of monitored freshwater sites considered suitable for recreation.			

Key community outcomes	The Council will (the Council role is in bold)	Key reporting document	Key performance indicator	Relevant Council activity	Assistance will be sought from
A rural district					
A living environment where the rural theme of Selwyn is maintained	Provide a district plan which recognises and protects the core values that maintain a working rural environment	Selwyn District Plan	The percentage of the community that are satisfied with the quality of rural environment, and satisfaction with the protection given to it by the District Plan, as identified in the Residents' Survey	Environmental Services	Environment Canterbury Ministry for the Environment Department of Conservation Rural Stakeholders
			The percentage of growth occurring inside Metropolitan Urban Limits or on zoned urban land		

Social

Key community outcomes	The Council will (the Council role is in bold)	Key reporting document	Key performance indicator	Relevant Council activity	Assistance will be sought from
A healthy community					
Selwyn people have access to appropriate health, social and community services	Advocate to ensure appropriate health and social services are accessible to Selwyn residents	Selwyn District Council Community Development Strategy	Increase in the number of health and social service providers present in the district	Community Services	Canterbury District Health Board; Partnership Health Canterbury (PHO); St Johns; Local community health and social service providers; Selwyn Central and Malvern Community Boards
		Canterbury District Health Board Rural Health Strategy	Numbers and percentage of people enrolled in Public Health Organisations		
			GPs per head of population		
	Facilitate or provide opportunities for Selwyn residents to enjoy healthy, active lifestyles	Selwyn Physical Activity Strategy	Improved access to GP services		SPARC; Sport Canterbury; Christchurch YMCA; health sector; schools; local recreation & sport clubs
		Selwyn Walking and Cycling Strategy	Increase in the number of people participating in regular physical activity		

Key community outcomes	The Council will (the Council role is in bold)	Key reporting document	Key performance indicator	Relevant Council activity	Assistance will be sought from	
A safe place in which to live, work and play						
We are safe at home and in the community	Encourage neighbourhood support and other community support groups	Selwyn District Council Community Development Strategy	Increase in the number of neighbourhood support and other community support groups	Community Services	NZ Police; Neighbourhood Watch; Neighbourhood Support Canterbury; Safer Canterbury	
	Work with ACC and the Ministry of Health to reduce injuries in Selwyn (e.g. falls in elderly; farm accidents)		Increase in residents’ perception of safety at home and in the community		ACC; Ministry of Health; Presbyterian Support; Safer Canterbury; Age Concern Canterbury	
			Reduction in number of injuries in Selwyn			
We know and help our neighbours	Encourage and support volunteers’ involvement with safety initiatives	SDC Community Development Strategy			Volunteering Canterbury; Neighbourhood Support Canterbury; Safer Canterbury	
We maintain a coordinated and effective response to, and recovery from, emergency and disaster events	Provide and maintain a Civil Defence Emergency organisation and a Rural Fire Organisation	Canterbury Civil Defence Emergency Management Group Plan	Requirements of the Canterbury Civil Defence Emergency Management Plan and Civil Defence Emergency Management Act 2002 met			Canterbury Civil Defence Emergency Group; Emergency Services; Government Departments; Health and Social service agencies; Community groups and communities; Township committees; Community Boards
		Civil Defence Emergency Management Act 2002				
		Selwyn District Council Local Emergency Management Arrangements				
		Forest and Rural Fires Act 1977	Requirements of the Forest and Rural Fires Act 1977, the Forest and Rural Fires Regulations 2005 and National Standards met in terms of both legislation compliance and agreed standards			
		Selwyn District Council Fire Plan				
	Encourage and support community involvement in emergency management		Increase in number of volunteers and community groups involved in emergency management			

Key community outcomes	The Council will (the Council role is in bold)	Key reporting document	Key performance indicator	Relevant Council activity	Assistance will be sought from
Pedestrians, cyclists and motor vehicle users can safely move around Selwyn district	Maintain , operate and upgrade the transportation network and work with key stakeholders and the community to reduce fatal and injury crashes	Selwyn Road Safety Strategy Selwyn Safety Management System Selwyn Walking and Cycling Strategy	No more than 15 serious casualties annually by 2011	Transportation	Police; NZ Transport Agency; ECAN; ACC; community
Our young people have access to safe entertainment and recreation activities	Provide/facilitate safe entertainment/recreation activities for young people	Selwyn District Council Community Development Strategy	Increase in number of safe recreation and entertainment opportunities for young people in the district	Community Services	4YP (for young people) Youth Entertainment Programme (CCC); Local youth organisations; Youth workers; Sport Canterbury; YMCA
An educated community					
Our district provides a range of quality, lifelong education and training opportunities	Advocate for improvements to the educational opportunities within the district	Selwyn District Council Community Development Strategy	Increase in the number of educational opportunities in the district	Community Services	Ministry of Education; Local schools; Malvern and Selwyn Central Community Boards; Local businesses; Tertiary education providers
	Provide lifelong learning opportunities through its Libraries	Selwyn District Council Libraries Strategic Plan 2008-18	Increase in the number of lifelong learning opportunities provided by Selwyn Libraries		

Economic

Key community outcomes	The Council will (the Council role is in bold)	Key reporting document	Key performance indicator	Relevant Council activity	Assistance will be sought from
A prosperous community					
Selwyn has a strong economy which fits within and complements the environmental, social and cultural environment of the district	Implement a “business friendly” approach in its policies and practices	Selwyn District Council Economic Development Strategy	Increase in the number of new businesses established in the district	Community Services Environmental Services Asset Delivery Unit Corporate Services	Trade & Enterprise NZ; Canterbury Regional Economic Development (CREDS); Canterbury Development Corporation; Christchurch & Canterbury Marketing; Lincoln University; Izone; Education sector; Local businesses; Canterbury Regional economic development agencies; Telecommunication providers; Federated Farmers; Farming and horticulture businesses and networks, Department of Labour; Ministry of Economic Development; Economic Development Association of NZ; local promotion organisations
	Encourage new businesses to the district		Canterbury Regional Economic Development Strategy		
	Work with local businesses and the education sector to ensure training matches local business needs				
	Advocate for improvements to telecommunications (e.g. broadband and other internet access options)	NZ Tourism Strategy 2015	Better digital connections established in the district		
	Support the district ’s strong existing agricultural and other land based sectors	NZ Digital Strategy	Growth in businesses and people employed in the Selwyn district in the primary sector		
	Promote Selwyn as a tourism and lifestyle destination		Development and implementation of a district Tourism/Promotions Strategy		
An accessible district					
Effective and accessible transport system	Provide a well maintained, operated and affordable land transport system	Selwyn Land Transport Activity Management Plan	Residents’ satisfaction with urban and rural roads is greater than 75% and 70% respectively	Transportation	NZ Transport Agency
	Advocate for improvements to state highways (NZ Transport Agency) and public transport services (ECan) where community concerns are raised				Environment Canterbury

Cultural

Key community outcomes	The Council will (the Council role is in bold)	Key reporting document	Key performance indicator	Relevant Council activity	Assistance will be sought from
A community which values its culture and heritage					
Our district provides a range of arts and cultural experiences and facilities.	Provide information, recreational, cultural and learning opportunities through its network of Libraries	Selwyn District Council Community Development Strategy Selwyn District Council Libraries Strategic Plan 2008-18 Selwyn District Plan	Increase in registered library users as a percentage of total population	Community Services	Canterbury Libraries; Community Boards; schools; Community groups Selwyn Gallery; community arts; heritage historical & cultural groups; local artists; Community Boards; schools; Creative NZ Canterbury Museum Trust Board
Our heritage is preserved and shared	Provide support to local arts and cultural organisations		Increase in number of local arts and cultural organisations/activities		
	Provide support to the Canterbury Museum Trust		Selwyn history and heritage preserved and promoted by Canterbury Museum		
	Recognise and protect sites and buildings with cultural or heritage values		Number of successful applications by property owners for grants to help maintain and enhance the heritage of the district	Environmental Services	



SIGNIFICANT ACTIVITIES

...embrace new ways of working, make best use of technology, innovate and collaborate, continuously improve and deliver real customer focus

SIGNIFICANT ACTIVITIES

The following pages provide information on the seven groups of activities of the Selwyn District Council. These cover the major services undertaken by the Council for, and on behalf of, the residents of the Selwyn District.

For each group of activities, this section of the annual budget provides:

- A description of the activities;
- The goal for the activities – the Council's high level objective;
- The Community Outcomes to which the activities contribute;
- The main projects that are planned for completion in the next year;
- The service targets for the activities;
- A financial statement that shows the revenue and expenditure for the group of activities and how it will be funded.

Where there is a significant variance between the 2011/2012 budget and what was included in the Selwyn Community Plan this has been explained. 'Significant' for the purposes of this comparison has been defined as follows:

- for activities with an operating expense or capital budget of up to \$500,000 in the SCP for 2011/2012 a variance of \$50,000 or more;
- for activities with an operating expense or capital budget of \$500,000 or greater in the SCP from 2011/2012, a variance of 10% or more from the amount forecast.

TERMINOLOGY USED IN THE ACTIVITY FINANCIAL STATEMENTS

Introduction

The financial information for each activity includes an *operating statement* and a *capital and reserves funding statement*. (In some cases there is no capital expenditure and therefore no *capital and reserves funding statement*.)

The aim of the *operating statement* is to show the income and expenses associated with providing the group of activities, the resulting surplus or deficit and how this surplus or deficit affects the Council's general rate requirement and reserve balances. The surplus or deficit is made up of a number of different components, including capital revenues that are used to pay for capital expenditure as well as a mix of surpluses and deficits on individual operating accounts (operating accounts are similar to trading accounts and allow surpluses and deficits for specific activities or schemes to be carried forward from one year to the next). The capital revenues are transferred to relevant reserve accounts (these may be special funds or general funds depending on the activity and the nature of the capital revenue) and the specific operating surpluses or deficits relating to operating accounts are transferred to the relevant operating balances. This leaves the amount of the deficit that needs to be funded by the Council's general rate or in some cases the surplus that is available to reduce the general rate requirement. However, in many cases the Council has resolved not to fund the depreciation of its assets (preferring to fund capital expenditure as it is required) and in these cases the amount of the depreciation expense is removed from the general rate requirement and is shown as an unfunded balancing item in the activity financial statements. Where the Council has also resolved to utilise its cash reserves to meet its funding requirements this is shown as a transfer from general funds. Once these adjustments are made, the balance remaining is the amount to be funded by (or available to reduce) the general rate.

The aim of the *capital and reserves funding statement* is to show the capital expenditure that the Council is planning to incur and how it plans to fund this expenditure. Funding sources include:

- borrowing;
- general rates;
- transfers from special or general funds. These funds may represent;
 - capital revenues that have been set aside from the operating statement to fund capital expenditure and transferred to special or general funds;
 - the use of other general or special funds (for example where depreciation is funded by rates the cash generated can be used to pay for capital expenditure).

The capital and reserves funding statement also shows the nature of the capital expenditure in terms of whether it is for renewals, to improve the quality of services or meet the demands of population growth.

A more detailed explanation of the terms used in the activity financial statements is set out below.

General funds

General funds represent an accumulation of surplus funds from prior years which belong to the Selwyn District community. Each year transfers to and from general funds occur. In the annual budget these transfers are the result of:

- An accumulation of surpluses and deficits from the Council's activities.
- Internal loans to individual communities to fund capital expenditure. For example, where a community decides to construct a new water scheme, ratepayers are given the opportunity to pay their share of the cost via their rates as a loan. This essentially means that the Council has lent the money from its general fund to the ratepayer for the term of the loan. The ratepayer will repay the principal and interest to the general fund via their rates for the term of the loan. The net effect on the general fund is nil.
- The funding of capital projects which benefit the entire district.
- The planned use of cash reserves to reduce the general rate requirement for any one year.

General rate reserve

There are two areas in the annual budget making surpluses which are used to reduce the general rate requirement for that year. These areas are Internal Support Services and the Izone Southern Business Hub.

The Internal Support Services surplus is the result of dividends, interest and commercial income (mainly rentals) being recognised in this activity. The Izone Southern Business Hub surplus is the result of gains on property sales. The Council has resolved that \$500,000 of this gain is to be treated as an internal dividend for general use in the budget.

These contributions to general rates are reflected in the two activity statements as a transfer to the general rate reserve and reduce the overall general rate requirement for ratepayers.

Special funds/reserves

The Council has a number of special funds or reserve funds which belong to individual communities be they for water, sewerage or reserve developments. These special funds are only available in the community to which they belong and are generally only available to be used on upgrades or improvements to existing facilities within the community. As the Council upgrades or improves systems, transfers are made from the special funds to fund that work as opposed to having to increase the rates.

Special fund increases generally result from development contributions received by the water supply, sewerage scheme or reserve. As noted above, special fund decreases are usually to fund capital projects for the supply, scheme or reserve.

Operating accounts

Operating accounts are maintained for all activities that are funded by targeted rates, including water, sewerage, recreation reserves, community centres, libraries, swimming pools, water races, land drainage and community boards. These accounts belong to the individual communities.

Prior years' surpluses may be used to fund operating or capital expenditure. Where an operating deficit occurs this will generally be funded by the affected community through increasing the targeted rate.

Balanced budget

In preparing the Annual Budget the Council is required to balance its budget. This means that its annual costs are funded by its annual incomes.

The Council's budget achieves this objective and it does so by setting targeted rates (e.g. water, sewerage and refuse) and general rates (which predominantly fund its roading, democracy and regulatory costs) at levels that, once combined with its other sources of income, meet the Council's expenditure.

Funding of depreciation

Depreciation reflects the wear and tear on assets from normal use – effectively an estimate of the value of the asset that has been consumed in a year. All the Council's assets (e.g. water supplies, sewerage systems, roading and buildings) are depreciated each year and the relevant expense is included in its costs. An argument exists that the Council should include within the calculation of its rates, in particular the targeted rates it levies, the cost of depreciation. As the majority of the Council's water and sewerage assets were constructed during the period 1970 – 2000, they are relatively 'new' and will not need replacing for another 20-30 years. Including depreciation as a cost in the targeted rates levied will increase the Council's cash balances rather than leaving the cash with our ratepayers. The Council's practice is to fund the average annual cost of renewals for water and sewerage schemes over the next twenty years. This means the rate calculations include an allowance for replacement but do not include the full cost depreciation.

COMMUNITY SERVICES

Activity description

This area includes a wide range of activities that help make Selwyn a great place in which to live, work and play. It includes the following:

- community development;
- reserves and domains;
- library services;
- property and office buildings;
- rural fire protection;
- civil defence;
- playgrounds;
- halls and community centres;
- swimming pools;
- public toilets;
- pensioner housing and rental units;
- rental housing;
- cemeteries;
- forestry;
- business development and promotion;
- tourist promotion.

Activity goal

Our goal is to:

- build strong, safe communities;
- support local economic prosperity;
- enhance the natural environment and landscape;
- enable residents to live healthy and active lives.

The Council's contribution to community outcomes

The community services activities contribute to the achievement of the following community outcomes:

- a clean environment;
- a rural district;
- a healthy community;
- a safe place in which to live, work and play;
- an educated community;
- a prosperous community;
- a community which values its culture and heritage.

Major projects for the 2011/2012 financial year

- The Selwyn Aquatic Centre to provide modern swimming facilities for the whole district \$7,311,000. The project will be completed in the 2012/13 financial year.
- Construction of the Lincoln Library and Service Centre to improve library services in the Springs ward \$3,725,000.
- Establishment of new gravel pits and restoration of existing pits \$313,000.
- Upgrade and extension of the Kirwee pavilion \$295,000.
- Upgrade and extension of the Springston pavilion \$500,000.
- Rolleston reserve development plan and park purchase \$254,000.

Service delivery targets

Objective	Performance measure	How will we know if we have met the target?
Residents have open spaces for physical recreation activities and social contact to benefit physical and mental wellbeing.	Percentage of residents who have used or visited a public park or reserve in the past 12 months.	Percentage 70% or better.
	Hectares, per 1000 population, are above the average for similar sized district authorities (minimum 3ha/1000).	Number of hectares per 1000 head of population is greater than 5ha.
Township reserves and streetscapes enhance the landscape character of the district and unique identity of township environments and provide places for recreational activities and social contact to benefit physical and mental well-being.	The performance rating (out of 100) for parks and reserves in the residents' survey.	Performance rating is 80/100 or better.
	Percentage of townships where all residents are serviced by a reserve within 400m.	Percentage is 90% or better.
Community centres and halls provide local venues for social, cultural, recreational and educational uses.	The performance rating (out of 100) for community centres/halls in the residents' survey.	Performance rating 65/100 or better.
	Numbers of buildings in better than average condition on cyclical condition inspections.	Percentage is greater than 80%.
Public swimming pools contribute to Selwyn district being an attractive place to live and provide places for recreational activities and social contact to benefit physical and mental wellbeing.	Number of local, sub-district and district pools.	Number of pools equals 8.
	Number of swims per capita of district population per year.	Number is greater than 1.8. Note: This target was set in June 2009 and assumed that the Selwyn Aquatic Centre would open during the 2011/12 year. The Centre is now expected to open in 2012/13 and this target is unlikely to be achieved.

Objective	Performance measure	How will we know if we have met the target?
Provision of public toilets helps to promote a healthy living environment for district residents and has economic benefits in supporting local businesses, visitor destinations and tourism.	The performance rating (out of 100) for public toilets in the residents' survey.	Performance rating is better than 60/100.
A network of cemeteries is provided to meet the district's burial and remembrance needs.	The performance rating (out of 100) for cemeteries in the residents' survey.	Performance rating is 72/100 or better.
Provide community development services and advice to Selwyn residents.	Residents' sense of community	Performance rating is 83/100 or better.
	Percentage of Selwyn residents engaging in regular physical activity.	Performance rating of 50/100 or better.
	Number of new businesses established in the district.	2% increase from 2010/11.
	Number of people employed within the district (from the 2011 census)	47% of working population. Note: the government has deferred the 2011 census and this means that these measures may not be available for inclusion in the annual report.
Provide library and cultural services.	Registered library users as a percentage of total population.	49% of population.
	Issues per patron per annum.	18.5 issues.

Community services financial summary

Operating statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Activity revenue				
Targeted rates	4,189	4,843	(654)	1
Development contributions	2,048	2,048	-	
Other revenue	2,889	1,994	895	2
Total activity revenue	<u>9,126</u>	<u>8,885</u>	<u>241</u>	
Operating expenditure				
Business development/district promotion	727	607	120	3
Cemeteries	595	362	233	4
Civil defence	231	237	(6)	
Community centres and facilities	2,385	1,727	658	5
Community development and grants	999	1,121	(122)	
Elderly housing	33	29	4	
Forestry	84	78	6	
Library services	1,584	2,212	(628)	6
Medical centres	25	36	(11)	
Property and buildings	987	778	209	7
Public toilets	425	455	(30)	
Recreation reserves	3,152	1,692	1,460	8
Rural fire protection	475	370	105	9
Swimming pools	616	2,158	(1,542)	10
Total operating expenditure	<u>12,318</u>	<u>11,862</u>	<u>456</u>	
Surplus/(deficit)	<u>(3,192)</u>	<u>(2,977)</u>	<u>(215)</u>	
Operating surplus transferred to:				
Operating account	(943)	(635)	(308)	
Special funds	(2,110)	(2,141)	31	
General funds	(1,163)	(238)	(925)	11
Operating deficit balanced by:				
General rates	4,012	4,061	(49)	
Not funding depreciation	1,626	1,930	(304)	
Operating account	1,474	-	1,474	
Transfers from general funds	296	-	296	
Total	<u>3,192</u>	<u>2,977</u>	<u>215</u>	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Operating statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Targeted rates revenue – the reduction is due to the lower level of rates required for the Selwyn Aquatic Centre compared with that forecast at the time the SCP was prepared. Also, the Council's decision to hold the library rate at \$143 has reduced rates revenue.
2. Other revenue – the increase is due to a grant of \$1.1 million from Canterbury Community Trust that will be used to build houses in the district that will be rented to older people at affordable rents. This grant was previously anticipated in 2010-11 but is now expected in 2011-12. This increase is offset by a reduction in income because the SCP assumed that the Selwyn Aquatic Centre would be operational during the 2011-12 financial year rather than in the 2012-13 year as we now expect. This reduction is offset by increased revenue from hire and lease charges for other facilities.
3. Business development/district promotion expenditure – the increase is due to the youth transitions and NZ Trade and Enterprise projects. The youth transitions helps young people with the change from school to work and the NZ Trade and Enterprise partnership project provides management training for businesses. Both projects are funded by government grants. The budget also includes projects totalling \$49,000 that have been carried forward from 2010-11 for completion in 2011-12.
4. Cemeteries expenditure – the increase is due to the \$230,000 estimated repair costs for headstones damaged by the earthquakes.
5. Community centres expenditure – the increase is due to the additional costs of operating the new Lincoln Events Centre plus the associated interest cost. The net cost of the events centre is funded by a targeted rate on Lincoln ratepayers. The budget also includes maintenance projects totalling \$146,000 that have been carried forward from 2010-11 for completion in 2011-12.
6. Library services expenditure – the reduction is due to revised budgets for staffing and use of the library buildings, plus the ending of the arrangement to provide Paparua residents with membership of Christchurch City Council libraries.
7. Property and buildings expenditure – the increase is due to the cost of the Leeston Medical Centre and the additional number of houses owned by the council. The increased expenditure is matched by increases in revenue.
8. Recreation reserves expenditure – the increase is due to additional costs associated with gravel reserves (restoration, consents and maintenance), plus extra depreciation arising from the reserve developments completed over the past two years and the interest cost arising from the purchase of the Rolleston recreation precinct (this is funded by development contributions). Gravel reserves are a self-funding activity with no support from ratepayers. The budget also includes maintenance projects totalling \$521,000 that have been carried forward from 2010-11 for completion in 2011-12.
9. Rural fire expenditure – the increase is due to additional costs associated with vehicles and equipment.
10. Swimming pools expenditure – the reduction is because the SCP assumed that the Selwyn Aquatic Centre would be open during the 2011-12 financial year. We now expect it to open in 2012-13.
11. Funding sources – Community services are funded by a mix of general rates, targeted rates, user charges and grants. The changes compared with the SCP reflect the impact of the income and expenditure adjustments summarised above. The change in relation to surplus transferred to operating accounts reflects the surplus that will be generated on the swimming pools account due to the introduction of the new swimming pool rate. This surplus will be carried forward to minimise future rate increases. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

Capital and reserves funding statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Capital expenditure				
Business development/district promotion	-	-	-	
Cemeteries	46	40	6	
Civil defence	13	-	13	
Community centres and facilities	1,905	81	1,824	1
Community development	-	-	-	
Community grants	-	-	-	
Elderly housing	-	-	-	
Library services	3,891	2,615	1,276	2
Medical centres	720	-	720	3
Property and buildings	2,214	566	1,648	4
Public toilets	518	-	518	5
Recreation reserves	2,779	1,621	1,158	6
Rural fire protection	189	123	66	7
Swimming pools	7,641	63	7,578	8
Total capital expenditure	19,916	5,109	14,807	
External loan repayments	-	-	-	
Total funding required	19,916	5,109	14,807	
Funded by:				
General rates	39	23	16	
External loans raised	5,000	-	5,000	9
Transfers from operating accounts	1,552	409	1,143	
Transfers from special funds	6,104	1,522	4,582	
Transfers from general funds	7,221	3,155	4,066	
Total funding sources	19,916	5,109	14,807	
Capital expenditure by type				
Renewals and replacements	961	448	513	
New works due to improved service levels	1,215	205	1,010	
New works from increased demand	17,740	4,456	13,284	
	19,916	5,109	14,807	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Capital and reserves funding statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Community centres and facilities capital expenditure – the increase is due to \$372,000 for the seismic strengthening work for Lakeside and Greenpark community centres. The budget also includes projects totalling \$1,360,000 that have been carried forward from 2010-11 for completion in 2011-12. These projects include the Lincoln Community Care rooms and landscaping for the Lincoln Event Centre.
2. Library services capital expenditure – the capital budget in 2011-12 is for the new Lincoln Library. The budget in the SCP was for the new/improved Rolleston library. This project has been deferred.
3. Medical centres capital expenditure - the increase is due to the Darfield medical centre project being carried forward from 2010-11 for completion in 2011-12.
4. Property and buildings capital expenditure - the increase is due to projects totalling \$1,665,000 that have been carried forward from 2010-11 for completion in 2011-12. The projects include affordable housing that will be funded by a grant from Canterbury Community Trust and the Springston Depot sub-division.
5. Public toilets capital expenditure - the increase is due to projects totalling \$1,665,000 that have been carried forward from 2010-11 for completion in 2011-12. The projects include the Springfield and Chamberlains Fords toilet upgrades.
6. Recreation reserves capital expenditure – the increase is due to the upgrades of the Kirwee and Springston pavilions, earthquake related work at Rhodes Park Domain plus projects totalling \$1,441,000 that have been carried forward from 2010-11 for completion in 2011-12. These projects include planned gravel pit developments. The increase is offset by a reduction because the SCP allowed for a reserve land purchase in Rolleston. In the event, land to meet Rolleston's needs over the next 20 years was purchased in 2010-11.
7. Rural fire capital expenditure - the increase allows for additional vehicle and equipment replacements.
8. Swimming pools capital expenditure - the Selwyn Aquatic Centre was initially programmed for construction in the 2010-11 year. Construction is now programmed to start in 2011-12 and is due for completion in 2012-13.
9. Funding sources - Community services capital expenditure is funded by a mix of general rates, targeted rates user charges, loans and grants. The changes compared with the SCP reflect the impact of the capital expenditure adjustments summarised above. The change in relation to loan funding is because the SCP assumed that the Selwyn Aquatic Centre would be constructed in 2010-11, whereas it will now be constructed in 2011-12. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

DEMOCRACY

Activity description

This activity covers the costs associated with the Council's democratic process. This includes Councillors' and Community Board members' remuneration and the cost of providing them with professional advice and support, as well as the cost of organising elections every three years. It also covers certain grants made by the Council and a levy imposed by the Canterbury Museum.

The Council operates in an open way. It has established arrangements that allow local people to participate in the decision making process and encourages the community to get involved.

The major documents that guide the direction of the Council and the district are the District Plan, Selwyn Community Plan and the Annual Budget.

Activity goal

To provide effective and efficient representation for ratepayers, in a fair and equitable manner.

The Council's contribution to community outcomes

For many of the community outcomes, the Council has an advocacy role with government departments and other organisations. The Council will ensure that it takes every practical opportunity to undertake this role to achieve the community outcomes whether it is through formal meetings, submissions or informal gatherings at elected member or staff level, to the appropriate organisations.

The Council's discretionary grants

The Council administers a number of discretionary grants. Information on each of the grants can be obtained from any of the Council's service centres.

• Discretionary fund – Wards	\$46,000
• Discretionary fund – Councillors	\$13,000
• Mayoral fund	\$2,000
• Community special events	\$16,695
• Local history groups	\$5,565

The Council also budgeted for grants to the following organisations:

• Life Education Trust	\$4,452
• Community Law Canterbury	\$3,339
• Enviroschools Canterbury	\$7,500
• Banks Peninsula Trotting	\$2,783
• Summit Road Society (Inc)	\$2,164
• Summit Road Protection Authority	\$2,271
• Waihora Ellesmere Trust	\$22,260
• Other minor grants	\$11,178
• Local Government NZ Annual Subscription	\$38,955
• Lincoln Envirotown Trust	<u>\$33,390</u>

• Total grant funding	<u><u>\$211,552</u></u>
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• In addition to the above grants, the Council also makes a grant to the Canterbury Museum Trust as per the Canterbury Museum Trust Board Act	\$288,140
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Service delivery targets

Objective	Performance measure	How will we know if we have met the target?
Take decisions in an open and accountable manner.	All meetings of elected members are held in compliance with the Local Government (Official Information and Meetings) Act 1987.	Conduct less than 5% (by item) of the Council business in a public excluded meeting.
Prepare key accountability documents in accordance with good practices that allow for easy input from ratepayers and meet statutory requirements.	The annual report, annual budget and Selwyn Community Plan meet good practice standards.	The annual report, annual budget and Selwyn Community Plan are prepared within statutory timeframes and, where relevant, with an unqualified opinion.

Democracy financial summary

Operating statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Activity revenue				
Targeted rates	468	581	(113)	1
Other revenue	-	-	-	
Total activity revenue	<u>468</u>	<u>581</u>	<u>(113)</u>	
Operating expenditure				
Mayoral	265	265	-	
Council	2,255	2,387	(132)	2
Community boards	181	184	(3)	
Grants and subscriptions	507	637	(130)	3
Total operating expenditure	<u>3,208</u>	<u>3,473</u>	<u>(265)</u>	
Surplus/(deficit)	<u>(2,740)</u>	<u>(2,892)</u>	<u>152</u>	
Operating surplus transferred to:				
General funds	(10)	-	(10)	
Operating deficit balanced by:				
General rates	2,739	2,892	(153)	
Transfers from special funds	11	-	11	
Not funding depreciation	-	-	-	
Transfers from general funds	-	-	-	
Total	<u>2,740</u>	<u>2,892</u>	<u>(152)</u>	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Operating statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Targeted rate revenue – the decrease is because the SCP assumed an increase in the Canterbury Museum rate to fund building improvements. This increase is now expected in 2012-13.
2. The Council's expenditure – the decrease in budgeted expenditure is due to a reallocation of staffing costs to other departments which has no net impact on total expenditure.
3. Grants and subscriptions expenditure – the decrease is due to the delay in the increased grant payment to Canterbury Museum to fund building improvements as described in note 1.

ENVIRONMENTAL SERVICES

Activity description

The environmental services group of activities contributes to the well-being of the residents of the district by working to protect the community from a variety of risks and to enhance the quality of the built and natural environment in which we live. It includes the following activities:

Building control

This activity receives and processes applications for building consents, undertakes the inspection of building works and issues the necessary certificates for building related work.

District plan administration

This activity receives and processes resource consent applications, provides planning input into Project Information and Land Information Memoranda (PIMs and LIMs) and responds to requests for clarification or interpretation of district plan provisions.

Environmental health

This activity issues a range of licences including those relating to the manufacture and sale of food, the sale of liquor, hairdressers, amusement devices, mobile shops, hawkers and offensive trades. Complaints are also responded to and infectious and notifiable diseases investigated.

Monitoring

This activity monitors the conditions placed on resource consents for compliance and responds to activities which are being conducted without the appropriate consent.

Strategy and policy

The Council undertakes strategic land use and policy functions to maximise the benefits of growth for its communities and to address its negative impacts.

Animal control

This activity area registers and keeps a record of all dogs (over 3 months of age) in the district, is responsible for administering and enforcing the Dog Control Act 1996 and the Council's Dog Control Bylaw and handles all stock related complaints.

Activity goal

To provide effective advice and services in an efficient manner to enable the Council to discharge its resource management, environmental health, building, animal control and general law enforcement

The Council's contribution to community outcomes

The environmental services activities contribute to the achievement of the following community outcomes:

- a clean environment;
- a rural district;
- a safe place in which to live, work and play;
- a prosperous community.

Major projects for the 2011/12 financial year

- The development of a District Wide Strategy to guide the growth of the district \$100,000.
- Plan change 7 to the District Plan to provide for the co-ordinated growth of Lincoln and Rolleston through the implementation of the urban development strategy \$65,000.

Service delivery targets

Objective	Performance measure	How will we know if we have met the target?
BUILDING CONTROL		
That all buildings within the Selwyn district are constructed in accordance with legislative and community expectations by making timely and quality decisions on issues related to building consents and ensuing project construction.	Proportion of building consents issued within statutory timeframes.	100%
	Proportion of code compliance certificates issued within statutory timeframes.	100%
To interact with customers in a manner resulting in a high level of customer satisfaction.	Proportion of building consent applicants satisfied or very satisfied.	90% or better
PLAN ADMINISTRATION		
That activities within the Selwyn district are undertaken in line with community expectations as expressed through the district plan, making timely and quality decisions on resource consents.	Proportion of resource consents issued within statutory requirements.	90% or better
	Proportion of Environmental Court appeals settled or found in the Council's favour.	70% or better
To interact with resource consent applicants in a manner resulting in a high level of customer satisfaction.	Proportion of resource consent applications very satisfied or satisfied.	85% or better
ENVIRONMENTAL HEALTH		
All registered premises are operated in a manner that minimises any adverse effects on public health.	Proportion of registered premises or premises with a food control plan inspected/audited annually.	100%
	Premises are classified according to risk.	100%

Objective	Performance measure	How will we know if we have met the target?
SALE OF LIQUOR		
All licence applications are processed efficiently in accordance with legislative requirements.	Proportion of special licences issued within ten working days.	100%
	Proportion of all other licences issued within 20 working days.	100%
MONITORING		
Ensuring activities within the Selwyn district are undertaken in line with community expectations as expressed through the district plan and the resource consents that have been granted.	Proportion of resource consents monitored within stipulated timeframe.	100%
POLICY AND STRATEGY		
Planning and providing for the sustainable management, development and protection of natural and physical resources of the district as required by Section 5 of the Resource Management Act 1991. To develop, amend and review the Selwyn District Plan to reflect the strategic direction and meet statutory requirements.	A programme of plan changes to enhance the district plan is prepared and approved by the Council each year.	A Council report with programme of plan changes is placed on the Council agenda twice a year.
	Proportion of private plan changes processed within statutory timeframes.	100%
Engaging with local communities, developers and other interested parties to develop a strategic direction.	Adoption of the strategies.	
	Residents' survey level of satisfaction is increased.	Residents' satisfaction is 52/100 or better

Objective	Performance measure	How will we know if we have met the target?
ANIMAL CONTROL		
Registration of all known dogs.	Registration of all known dogs by year end, 30 June 2012.	100%
All complaints in regard to dog control are investigated in a timely manner.	Percentage of urgent callouts attended to within four hours.	100%
	Percentage of non-urgent callouts attended to within 72 hours.	100%

Environmental services financial summary

Operating statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Activity revenue				
User charges - animal control	324	295	29	
User charges - building	3,024	2,979	45	
User charges - environmental health	106	117	(11)	
User charges - resource management	448	552	(104)	1
User charges - RMA monitoring	38	47	(9)	
User charges - resource policy	192	78	114	2
Total activity revenue	<u>4,132</u>	<u>4,068</u>	<u>64</u>	
Operating expenditure				
Animal control	375	371	4	
Building	4,022	4,549	(527)	3
Environmental health	178	193	(15)	
Resource management	1,169	1,100	69	
RMA monitoring	162	169	(7)	
Resource policy	2,040	1,992	48	
Total operating expenditure	<u>7,946</u>	<u>8,374</u>	<u>(428)</u>	
Surplus/(deficit)	<u>(3,814)</u>	<u>(4,306)</u>	<u>492</u>	
Operating surplus transferred to:				
General funds	(10)	-	(10)	
Operating deficit balanced by:				
General rates	3,667	4,252	(585)	4
Not funding depreciation	-	-	-	
Transfers from general funds	157	-	157	
Total	<u>3,814</u>	<u>4,252</u>	<u>(438)</u>	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Operating statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Resource management revenue – the reduction in revenue reflects lower budgeted income from PIMs and sealing fees due to a reduction in the forecast level of activity in these areas.
2. Resource policy revenue – the increase in revenue is due to an expected increase in grants and income from designation requests.
3. Building operating expenditure – the decrease is because expenditure on consultants' fees is expected to be lower than previously forecast as the Council has sufficient staff to process the majority of building consent applications without the need for extra resources. Some project based budgeted expenditure on customer service training and the earthquake structure review has also been reduced.
4. Funding sources – Environmental services are funded by a mix of general rates, user charges and grants. The reduction in the level of general rate funding required reflects the expenditure reduction summarised above. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

TRANSPORTATION AND TOWNSHIPS

Activity description

The Council provides a 2400km roading network that covers the length and breadth of the district. This local network, when combined with the State Highway network, provides a diverse range of roading linkages that enable Selwyn residents and visitors to work and play in the district.

Transport, in whatever form, plays an integral part in our lives and is the principal thread that binds our communities together. It also provides access to wider experiences and opportunities in the region and beyond. This benefits our social and cultural development, commerce and tourism.

While it may be thought that the Council's transport activities just involve roads, there are a significant number of supporting assets that all contribute to making a combined urban and rural transport system work. These include bridges, traffic signs and markings, across the whole district; and footpaths, street lighting, cycleways, bus shelters, and kerb and channel, to name a few, found mainly in townships. As the saying goes 'the parts make the whole'.

Activity goal

To maintain, operate, and if necessary improve, the road network and other transport activities to achieve a range of facilities that provides for the safe and efficient movement of people and goods to a standard that is both acceptable and sustainable.

The Council's contribution to community outcomes

The transportation and township activities contribute to the achievement of the following community outcomes:

- a clean environment;
- a safe place in which to live, work and play;
- an effective and accessible transport system;
- a prosperous community.
-

Major projects for the 2011/12 financial year

- Upgrade to Lincoln/Rolleston Road and Selwyn Road to Shands Road to create an improved arterial link between Rolleston and Southern Christchurch \$3,500,000.
- The next stage of the Lowes Road, Rolleston upgrade \$200,000.
- Extension of Broadlands Drive, Rolleston to provide access to the recreation precinct \$180,000.

Service delivery targets

Objective	Performance measure	How will we know if we have met the target?
Provide a well maintained, operated and affordable land transport system.	The number of public service requests received per year. Targets increase by less than the expected growth in new ratepayers who may lodge a service request.	Road maintenance, works and operations less than 1,580. Road safety less than 150. Walking, cycling and public transport less than 120. Street lighting less than 125.
	The performance rating (out of 100) in the residents' survey.	Urban roads 75 or better. Rural roads 70 or better. Footpaths 70 or better. Cycleways 70 or better.
	Road roughness (NAASRA counts/km which is an industry standard) is measured by the biennial road roughness survey which calculates an average count over the respective sealed and unsealed networks. (A NAASRA count over 110 for a sealed road is starting to be considered as rough and may generate complaints. An appropriate limit for unsealed roads is very subjective, but, in comparison, counts over 150 could be considered a concern.)	Sealed: less than 60 counts/km Unsealed: less than 100 counts/km
	The length in kilometres of annual pavement resealing achieved.	75 kilometres.

Objective	Performance measure	How will we know if we have met the target?
Cater for any significant projected traffic increases in a sustainable manner.	The length in kilometres of the upgrade of major road routes as identified by CRETS and other upgrade schedules.	Greater than 5 kilometres.
	The percentage of individual large capital projects generally completed in the year that they were programmed to occur.	Better than 90% of projects completed.
	The number of off-road cycleway projects implemented as identified by the Walking and Cycling Strategy Action Plan.	1 project implemented.
	Adoption and implementation of the Greater Christchurch Travel Demand Management Strategy.	Strategy being implemented.
Pedestrians, cyclists and motor vehicle users can safely move around the Selwyn district.	Number of serious casualties annually. Multiple casualty crashes can rapidly exceed the limits sought.	Not greater than 15.
	The performance rating (out of 100) in the residents' survey.	Promotion of road safety is 75/100 or better. Making district roads safer roads is 75/100 or greater.
	Utilisation of NZ Transport Agency Funding for minor (safety) improvements.	Utilisation is greater than 95%.
Contribute to an integrated and responsive local and regional transportation system.	Allocate the appropriate staff and resources to represent the interests of the Council and the community in greater Christchurch and regional transportation planning, funding and implementation initiatives.	Greater than 90% attendance at relevant meetings and forums.

Transportation and townships financial summary

Operating statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Activity revenue				
NZTA subsidy	6,081	7,185	(1,104)	1
Developer contributions	1,006	426	580	2
Vested assets	3,671	3,671	-	
Other income	229	221	8	
Total activity revenue	<u>10,987</u>	<u>11,503</u>	<u>(516)</u>	
Operating expenditure				
Subsidised roading	4,266	6,058	(1,792)	3
Non-subsidised roading	10,495	10,328	167	
Townships	1,385	1,403	(18)	
Total operating expenditure	<u>16,146</u>	<u>17,789</u>	<u>(1,643)</u>	
Surplus/(deficit)	<u>(5,159)</u>	<u>(6,286)</u>	<u>1,127</u>	
Operating surplus transferred to:				
Special funds	(1,006)	(426)	(580)	
General funds	(8,103)	(8,177)	74	
Operating deficit balanced by:				
General rates	4,834	5,774	(940)	4
Not funding depreciation	9,434	9,115	319	
Total	<u>5,159</u>	<u>6,286</u>	<u>(1,127)</u>	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Operating statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. New Zealand Transport Agency Subsidy (NZTA) – the reduction in revenue is due to NZTA approving less expenditure than was requested by the Council. This reduction affects road maintenance and renewals.
2. Developer contributions revenue – the increase is due to the anticipated revenue from the development contribution charges for the Lowes Road Structure Plan area that were introduced since the Selwyn Community Plan was prepared.
3. Subsidised roading operating expenditure – the decrease in expenditure is due to the lower than forecast funding from NZTA.
4. Funding sources – the transport and townships operating expenditure is funded from a mix of NZTA and general rates. The reduced level of general rate funding is due to the reduced level of subsidised roading expenditure explained above. The increase in the transfer to special funds is due to the increase in revenue from developer contributions. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

Capital and reserves funding statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Capital expenditure				
Subsidised roading	8,504	8,707	(203)	
Non-subsidised roading	6,954	6,023	931	1
Townships	1,565	467	1,098	2
Total capital expenditure	<u>17,023</u>	<u>15,197</u>	<u>1,826</u>	
External loan repayments	-	-	-	
Total funding required	<u>17,023</u>	<u>15,197</u>	<u>1,826</u>	
Funded by:				
General rates	1,227	1,875	(648)	
External loans raised	4,158	4,158	-	
Transfers from special funds	3,163	838	2,325	3
Transfers from general funds	8,475	8,326	149	
Total funding sources	<u>17,023</u>	<u>15,197</u>	<u>1,826</u>	
Capital expenditure by type				
Renewals and replacements	5,223	5,744	(521)	
New works due to improved service levels	-	-	-	
New works from increased demand	11,800	9,453	2,347	
	<u>17,023</u>	<u>15,197</u>	<u>1,826</u>	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Capital and reserves funding statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Non-subsidised roading capital expenditure - the increase is due to projects totalling \$1,855,000 that have been carried forward from 2010-11 for completion in 2011-12. This includes the capital expenditure required to implement the first stage of the Lowes Road structure plan. This increase is offset by reduction of \$596,000 approved by the Council in response to reduced dividend revenue available in 2011-12.
2. Townships capital expenditure - the increase is due to projects totalling \$1,028,000 that have been carried forward from 2010-11 for completion in 2011-12. This includes a number of reserve development projects.
3. Funding sources – transportation and townships capital expenditure is funded by a mix of NZTA subsidy, general rates, loans and development contributions. The changes compared with the SCP reflect the impact of the capital expenditure adjustments summarised above. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

WASTE MANAGEMENT

Activity description

The Council provides a variety of services related to the management of waste in the more populous parts of the district, covering around 12,000 households. Essentially, waste is collected, sorted, recycled and processed and what remains is disposed of as residual waste.

The main aim, now spelled out in the Waste Minimisation Act 2008, is to reduce the amount of residual waste that has to be disposed of. In Selwyn's case, this is to the Kate Valley Landfill in North Canterbury. The Act also requires local authorities to reduce waste at source, but this is more difficult as it relates to the way products are manufactured, marketed and sold; all areas over which the Council has limited influence.

Activity goal

To promote effective and efficient waste management within the district, whilst having regard to the environmental costs and benefits to the district and ensuring that the management of waste does not cause a nuisance or be injurious to health.

The Council's contribution to community outcomes

The waste management activities contribute to the achievement of the following community outcome:

- a clean environment.

Service delivery targets

Objective	Performance measure	How will we know if we have met the target?
The Council provides a quality service for the community where charges cover costs.	The performance rating (out of 100) for solid waste in the residents' survey.	Rubbish collection scores 85/100. Recycling scores 85/100. Organic waste collection scores 75/100.
The Council protects the environment from illegal dumping.	The proportion of households using RRP.	25% of households use the RRP.
The solid waste service is effective and efficient.	Number of written complaints received per annum related to solid waste service.	Less than 20 complaints per annum.
The health of the environment and community are protected.	Percentage compliance with contract specifications.	Compliance of 90% is achieved.
The Council's service is sustainable.	Numbers of customers changing to private providers.	Less than 5%.
Waste minimisation is achieved by reducing the amount of residual waste.	The annual reduction in the amount of residual waste per head of population.	Reduction of 10%.

Waste management financial summary

Operating statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Activity revenue				
Targeted rates	3,336	3,178	158	
Other revenue	1,001	1,174	(173)	1
Total activity revenue	<u>4,337</u>	<u>4,352</u>	<u>(15)</u>	
Operating expenditure				
Refuse collection	1,780	1,708	72	
Refuse disposal	2,975	2,617	358	2
Total operating expenditure	<u>4,755</u>	<u>4,325</u>	<u>430</u>	
Surplus/(deficit)	<u>(418)</u>	<u>27</u>	<u>(445)</u>	
Operating surplus transferred to:				
Operating account	-	-	-	
General funds	(100)	(100)	-	
Operating deficit balanced by:				
General rates	-	-	-	
Not funding depreciation	-	-	-	
Operating account	518	73	445	3
General funds	-	-	-	
Total	<u>418</u>	<u>(27)</u>	<u>445</u>	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Operating statement variations to the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Other revenue – the decrease is due to a lower than expected volumes of waste at the Resource Recovery Park and lower rubbish bags sales as residents switch to wheelie bins.
2. Refuse disposal expenditure – the increase is due to projects totalling \$498,000 that have been carried forward from 2010-11 for completion in 2011-12. These projects include the closure costs of old refuse pits.
3. Funding sources – waste management operating expenditure is funded from a mix of targeted rates and user charges. The increase in funding from the operating account reflects the projects that have been carried forward from 2010-11 for completion in 2011-12. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

Capital and reserves funding statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Capital expenditure				
Refuse collection	-	-	-	
Refuse disposal	144	6	138	1
Total capital expenditure	144	6	138	
External loan repayments	-	-	-	
Total funding required	144	6	138	
Funded by:				
General rates	-	-	-	
External loans raised	-	-	-	
Transfers from special funds	-	-	-	
Transfers from general funds	144	6	138	1
Total funding sources	144	6	138	
Capital expenditure by type				
Renewals and replacements	144	6	138	
New works due to improved service levels	-	-	-	
New works from increased demand	-	-	-	
	144	6	138	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Capital and reserves funding statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Refuse disposal capital expenditure – the increase is due to projects totalling \$138,000 that have been carried forward from 2010-11 for completion in 2011-12.
2. Funding sources –waste management capital expenditure is funded from a mix of targeted rates and user charges. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

5 WATERS SERVICES

Activity description

The '5 Waters' services encompass:

5 Waters Service	Purpose
Community water supplies	Public health
Community wastewater schemes	Public health
Water races – rural/urban	Stockwater, amenity and habitat
Stormwater – urban	Urban flood relief
Land drainage – rural/urban	Making land farmable, habitable.

The availability of water and the safe disposal of waste water are fundamental to the health and welfare of the Selwyn community. The 5 waters services provide safe clean water for households, remove sewage and flood water in a way that protects the health of the population and natural environment, provides water for livestock and drains certain land so that it is usable. These services are provided through 82 separately rated water based schemes within the district. The 5 Waters assets are valued at \$179 million, with water valued at \$49 million and sewerage at \$58 million.

Drinking water is provided by the Council to over 70% of the population of the district, around 26,600 people. By comparison, wastewater services are provided to approximately 16,000 people. The largest consented treatment and disposal area is the 'Pines'. This plant currently serves Rolleston and part of West Melton and is to be expanded to serve Lincoln, Prebbleton and Springston.

Activity goal

Our goal is to:

- provide the community with water services to a standard that protects its health and property;
- provide water services in a cost effective manner;
- address problems with services in a timely manner and prioritise them according to risk and need;
- provide service capacity to accommodate growing communities, where this growth is sustainable.

The Council's contribution to community outcomes

The wastewater activities contribute to the achievement of the following community outcomes:

- a clean environment;
- a rural district;
- a healthy community;
- a safe place in which to live, work and play;
- a prosperous community;
- a community which values its culture and heritage.

Major projects for the 2011/12 financial year

- Eastern Selwyn Sewage Scheme to increase the waste water disposal capacity and allow continued population growth in the eastern part of the district \$28,712,000
- The Lincoln integrated stormwater management plan \$3,390,000
- West Melton waste water reticulation to allow the existing township to connect to the sewer scheme \$678,000
- Darfield water reticulation upgrade \$450,000
- The Leeston North stormwater management plan \$100,000

Service delivery targets

Objective	What will the Council do to achieve the target?	How will we know if we have met the target?
The community is provided with waste water services to a standard that protects their health and property.	The total number of sewer and sewer pump station overflow events (wet and dry weather).	No more than 3 overflow events in the year.
Service capacity is provided to accommodate growing communities, where this growth is sustainable.	The proportion of residential properties serviced by a waste water system within the district expressed as a percentage of total residential properties.	55% of residences are serviced by Council waste water systems.
	The proportion of residential properties serviced with water within the district expressed as percentage of total residential properties.	75% of residential properties are serviced with water.
	Urban areas serviced by a stormwater system expressed as a percentage of total urban area.	60% of urban areas are serviced by a stormwater system.
The community is provided with water services to a standard that protects their health and property.	Compliance with national standards for bacterial (E.coli) criteria for water leaving treatment plants as reported by the Ministry of Health, for each registered drinking water supply.	90% compliance with national standards.
	Compliance with national standards for bacterial (E.coli) criteria for water in the distribution systems as reported by the Ministry of Health, for each registered drinking water supply.	90% compliance with national standards.
	The proportion of a fire district within 135m of one fire hydrant and 270m of two fire hydrants.	85% of the urban fire district area is within stated parameters.

Objective	What will the Council do to achieve the target?	How will we know if we have met the target?
	The proportion of urban properties affected by unplanned water supply interruptions of more than 24 hours.	No more than 35% of properties.
	The proportion of rural properties affected by unplanned water supply interruptions of more than 24 hours.	No more than 35% of properties.
	Number of days on which water restrictions are applied and enforced (excludes voluntary compliance).	No more than 25.
	Average volume of water consumed per residential property per day in the 'total urban water serviced area'.	900 litres.
Water services are provided in a cost effective manner.	Urban water supply total operating cost per serviced property.	\$310 per annum.
Problems with water services are addressed in a timely manner and prioritised according to risk and need.	The average duration for which a serviced property in the 'total water race services area' is without supply due to unplanned interruption hours.	10 hours.

Waste water financial summary

Operating statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Activity revenue				
Targeted rates	3,148	3,402	(254)	1
User charges	68	70	(2)	
Lump sum contributions	-	-	-	
Development contributions	3,665	3,768	(103)	
Vested assets	5,497	5,497	-	
Other revenue	216	185	31	
Total activity revenue	<u>12,594</u>	<u>12,922</u>	<u>(328)</u>	
Operating expenditure				
Sewerage	7,326	7,005	321	
Land drainage	427	286	141	2
Stormwater	966	1,855	(889)	3
Total operating expenditure	<u>8,719</u>	<u>9,146</u>	<u>(427)</u>	
Surplus/(deficit)	<u>3,875</u>	<u>3,776</u>	<u>99</u>	
Operating surplus transferred (to)/from:				
Operating account	-	(105)	105	
Special funds	(1,421)	(898)	(523)	
General funds	(5,780)	(5,780)	-	
Operating deficit balanced by:				
General rates	100	-	100	
Not funding depreciation	1,869	3,007	(1,138)	4
Operating accounts	1,357	-	1,357	
General funds	-	-	-	
Total	<u>(3,875)</u>	<u>(3,776)</u>	<u>(99)</u>	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Operating statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Targeted rates revenue – the decrease is because the SCP assumed a new targeted rate for stormwater that has not yet been implemented.
2. Land drainage expenditure – the increase is because the budget includes projects for the preparation of catchment management plans and the implementation of a quality monitoring programme.
3. Stormwater expenditure – the decrease is because the delay in the capital expenditure on the Lincoln Integrated Stormwater Management Plan has reduced the interest costs associated with the scheme.

4. Funding sources – waste water operating expenditure is funded by targeted rates with annual deficits and surpluses transferred to scheme operating accounts. The increase in the deficit charged to operating accounts is due to the combined impact of the delay in implementing the new stormwater rate and increased expenditure on sewerage. The reduced depreciation reflects the delay in capital expenditure on both the Eastern Selwyn Sewage Scheme and Lincoln Integrated Stormwater Management Plan. The increased transfer to special funds is due to the reduced interest charge that is charged to special funds. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

Capital and reserves funding statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Capital expenditure				
Sewerage	33,543	5,480	28,063	1
Land drainage	122	37	85	
Stormwater	15,787	6,295	9,492	2
Total capital expenditure	49,452	11,812	37,640	
External loan repayments	-	-	-	
Total funding required	49,452	11,812	37,640	
Funded by:				
External loans raised	30,000	2,000	28,000	3
Transfers from operating accounts	396	396	-	
Transfers from/(to) special funds	13,559	3,919	9,640	
Transfers from general funds	5,497	5,497	-	
Total funding sources	49,452	11,812	37,640	
Capital expenditure by type				
Renewals and replacements	608	166	442	
New works due to improved service levels	803	904	(101)	
New works from increased demand	48,041	10,742	37,299	
	49,452	11,812	37,640	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Capital and reserves funding statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Sewerage capital expenditure - stage 1 of the Eastern Selwyn Sewage Scheme was previously programmed to be largely completed in 2010-11 but due to the time required to obtain the resource consent most of the construction is now due for completion in 2011-12. The cost of stage 1 of the scheme is now higher than initially forecast; \$52 million compared with \$23 million in the Selwyn Community Plan. However the total cost of the scheme over the next 30 years is still approximately \$84 million, as indicated in the plan. \$28,711,000 is budgeted for 2011-12. The scheme is funded from development contributions.
2. Stormwater capital expenditure - the increase is due to projects totalling \$9,398,000 that have been carried forward from 2010-11 for completion in 2011-12. These are the Lincoln and Leeston stormwater management projects.
3. Funding sources - capital expenditure on waste water schemes is funded through targeted rates, developer contributions and external loans. The increase in the use of external loans is due to the delay and increased cost of the Eastern Selwyn Sewer Scheme. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

Water financial summary

Operating statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Activity revenue				
Targeted rates	4,310	4,698	(388)	1
User charges	584	596	(12)	
Lump sum contributions	-	418	(418)	2
Development contributions	712	712	-	
Vested assets	1,491	1,491	-	
Other revenue	178	148	30	
Total activity revenue	<u>7,275</u>	<u>8,063</u>	<u>(788)</u>	
Operating expenditure				
Urban water supplies	4,805	5,752	(947)	3
Rural water supplies	619	612	7	
Water races	1,950	1,716	234	
Total operating expenditure	<u>7,374</u>	<u>8,080</u>	<u>(706)</u>	
Surplus/(deficit)	<u>(99)</u>	<u>(17)</u>	<u>(82)</u>	
Operating surplus transferred (to)/from:				
Operating account	-	(405)	405	
Special funds	(712)	(605)	(107)	4
General funds	(1,555)	(1,555)	-	
Operating deficit balanced by:				
General rates	15	-	15	
Not funding depreciation	2,346	2,582	(236)	
Operating account	5	-	5	
Total	<u>99</u>	<u>17</u>	<u>82</u>	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Operating statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Targeted rates revenue – the decrease is due to lower rate increases as the delay in drinking water standards means some capital and operating projects have been cancelled.
2. Lump sum contributions - the Selwyn Community Plan assumed that lump sums would be collected to fund some improvements to comply with drinking water standards. The deferral of the requirement to meet the drinking water standards means the capital works have been deferred and lump sum contributions are therefore not required in the 2011-12 year.
3. Urban water operating expenditure – the decrease is due to the deferral of the requirement to comply with drinking water standards. Some operating projects have been cancelled and interest has been reduced as borrowing will not be needed to fund the capital works that would have been required to achieve the standards.

4. Funding sources - water operating expenditure is funded by targeted rates with annual deficits and surpluses transferred to scheme operating accounts. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

Capital and reserves funding statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Capital expenditure				
Urban water supplies	5,158	5,015	143	1
Rural water supplies	674	735	(61)	1
Water races	1,300	-	1,300	2
Total capital expenditure	<u>7,132</u>	<u>5,750</u>	<u>1,382</u>	
External loan repayments	-	-	-	
Total funding required	<u>7,132</u>	<u>5,750</u>	<u>1,382</u>	
Funded by:				
External loans raised	-	3,000	(3,000)	3
Transfers from operating accounts	860	974	(114)	
Transfers from special funds	4,781	285	4,496	
Transfers from general funds	1,491	1,491	-	
Total funding sources	<u>7,132</u>	<u>5,750</u>	<u>1,382</u>	
Capital expenditure by type				
Renewals and replacements	1,216	270	946	
New works due to improved service levels	3,554	3,866	(312)	
New works from increased demand	2,362	1,614	748	
	<u>7,132</u>	<u>5,750</u>	<u>1,382</u>	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Capital and reserves funding statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Urban and rural water capital expenditure – planned expenditure has decreased due to the deferral of the implementation of new drinking water standards. This means that the capital works required to achieve compliance are not required in 2011/12. These decreases are offset by projects that have been carried forward from 2010-11 for completion in 2011-12.
2. Water races capital expenditure – the increase is due to capital projects totalling \$1,144,000 that have been carried forward from 2010-11 for completion in 2011-12.
3. Funding sources – capital expenditure on urban and rural water schemes is funded by targeted rates, developer contributions and external borrowing. The reduction in funding from borrowing reflects the cancellation of some capital projects due to the deferral of mandatory compliance with drinking water standards. An explanation of the funding section of the financial statements is provided in the introduction to the significant activities section of the annual budget.

IZONE SOUTHERN BUSINESS HUB AND PROPERTY SALES

Activity description

Izone Southern Business Hub is a 200 hectare business park being developed by the Council at Rolleston.

The development, which commenced in 2001, initially comprised of 130 hectares but since that time a further 70 hectares has been purchased to accommodate growth and demand for industrial land within Selwyn.

Activity goal

Izone is designed to provide employment within the Selwyn district. A secondary goal is to provide a financial return to the Council.

The Council's contribution to community outcomes

The Izone Southern Business Hub contributes to the community outcome 'a prosperous economy' by encouraging potential employers to locate their operations within the district.

Service delivery targets

Objective	Performance measure	How will we know if we have met the target?
To provide employment opportunities by selling 10 hectares of land on an annual basis.	Quantity of land sold, measured in hectares, per annum.	10 hectares of land sold
	Dividends distributed to the Council of \$500,000 per annum.	\$500,000 in dividends received for the year Note: the target level of dividends included in the annual budget is lower than the \$1,500,000 included for 2011/12 in the Selwyn Community Plan. This is because the actual level of sales achieved over the past two years is lower than forecast at the time the Selwyn Community Plan was prepared.

Izone financial summary

Operating statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Activity revenue				
Property gain on sales	7,230	7,230	-	
Total activity revenue	7,230	7,230	-	
Operating expenditure				
Izone southern business hub development	2,917	2,796	121	
Depreciation (infrastructure assets)	-	-	-	
Total operating expenditure	2,917	2,796	121	
Surplus/(deficit)	4,313	4,434	(121)	
Operating surplus transferred to:				
General rate reserve	(500)	(1,500)	1,000	
Special funds	(3,813)	(2,934)	(879)	
Operating deficit balanced by:				
Not funding depreciation	-	-	-	
General funds	-	-	-	
Special funds	-	-	-	
Total	(4,313)	(4,434)	121	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Operating statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

There are no significant variances between the 2011/2012 Annual Budget and the SCP that require explanation.

Capital and reserves funding statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Capital expenditure				
Izone southern business hub development	-	-	-	
Total capital expenditure	-	-	-	
External loan repayments	-	-	-	
Total funding required	-	-	-	
Funded by:				
External loans raised	-	-	-	
Transfers from general funds	-	-	-	
Transfers from special funds	-	-	-	
Total funding sources	-	-	-	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Capital and reserves funding statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

There are no variances between the 2011/2012 Annual Budget and the SCP that require explanation.

INTERNAL COUNCIL SERVICES

Support services

Internal support and administration functions exist to assist the Council's significant activities in the delivery of outputs and services. The cost of support services (overheads) is allocated to each of the Council's significant activities on a cost basis.

Support services financial summary

Operating statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Activity revenue				
Corporate income				
- earthquake costs targeted rate	2,009	-	2,009	1
- SIHL dividend	2,700	4,364	(1,664)	2
- Transwaste Ltd dividend	141	126	15	
- interest	294	315	(21)	
- commercial property leases	2,368	2,057	311	3
Sundry revenue	1,041	1,010	31	
Total activity revenue	<u>8,553</u>	<u>7,872</u>	<u>(1,328)</u>	
Operating expenditure				
Chief executive's department	997	790	207	4
Policy and communications unit	268	287	(19)	
Administration	663	720	(57)	
Corporate	1,160	1,536	(376)	5
Finance	1,303	934	369	6
Information systems	1,808	1,916	(108)	
Vehicles/infrastructure rates & insurance	62	242	(180)	7
Asset management	3,121	2,917	204	
Total operating expenditure	<u>9,382</u>	<u>9,342</u>	<u>40</u>	
less allocations to activity statements	(8,023)	(8,101)	78	
Surplus/(deficit)	<u>7,194</u>	<u>6,631</u>	<u>563</u>	
plus/(less) internal interest	938	514	424	8
Surplus/(deficit)	<u><u>8,132</u></u>	<u><u>7,145</u></u>	<u><u>987</u></u>	
Operating surplus transferred to:				
General rate reserve	(6,147)	(6,642)	495	
General funds	(3,078)	(1,003)	(2,075)	
Operating deficit balanced by:				
General funds	880	500	380	
Not funding depreciation	213	-	213	
Total	<u><u>(8,132)</u></u>	<u><u>(7,145)</u></u>	<u><u>(1,200)</u></u>	

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Operating statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Earthquake targeted rate – the increase is due to the one-off rate introduced to recover the costs arising from the 4 September 2010 and 22 February 2011 earthquakes. The targeted rate will fund the costs that are not covered by insurance policies, government subsidy and the Earthquake Commission.
2. SIHL dividend revenue – the decrease is due to the impact of the February earthquake on the forecast dividend from SIHL's investment in Orion.
3. Commercial property lease revenue – the increase is due to a higher value of property leased to PGG Wrightson and a new lease to Stevens Seeds. Both these Council owned properties are located in Izone.
4. Chief executive's department expenditure – the increase is due to a reallocation of administrative costs from the information systems budget.
5. Corporate expenditure – the reduction is due to less interest expense on borrowing for investment properties because the Council used greater proportion internal funds rather than external loans to fund the developments. The impact of this is an offsetting reduction in internal interest revenue.
6. Finance expenditure – the increase in budgeted expenditure is because this budget was previously adjusted downward in anticipation of budget savings across general rate funded budgets. These savings have now been achieved in the environmental services and transportation budgets and the adjustment to the finance budget has been eliminated.
7. Vehicles/infrastructure rates & insurance expenditure – the decrease is due to a reallocation of utilities rates to the water, wastewater and land drainage activities.
8. Internal interest – the increase is due to the use of an expected capital receipt from Selwyn Investment Holdings Limited to make internal loans to fund capital expenditure. By using the receipt to fund capital expenditure the Council will reduce its borrowing needs and interest expense, but will forego external interest that would otherwise be received. The interest forgone is recovered by the general rate account by charging internal interest to the activities that use the funds for capital expenditure.

Capital and reserves funding statement

For the year ending 30 June 2012

	2012 Budget \$000	2012 SCP* \$000	Variance increase/ (decrease)	Note
Capital expenditure				
Vehicles	122	245	(123)	1
Information services	155	249	(94)	2
Administration	10	28	(18)	
Total capital expenditure	<u>287</u>	<u>522</u>	<u>(235)</u>	
External loan repayments	-	-	-	
Total funding required	<u>287</u>	<u>522</u>	<u>(235)</u>	
Funded by:				
Transfers from general funds	287	522	(235)	
Total funding sources	<u>287</u>	<u>522</u>	<u>(235)</u>	
Capital expenditure by type				
Renewals and replacements	287	522	(235)	
New works due to improved service levels	-	-	-	
New works from increased demand	-	-	-	
	<u>287</u>	<u>522</u>	<u>(235)</u>	

Capital and reserves funding statement variations from the Selwyn Community Plan (LTCCP) 2009-2019

Explanations for significant variances between the 2011/2012 Annual Budget and the SCP are as follows:

1. Vehicles capital expenditure – the decrease is due to the Council approving a reduction in the vehicle replacement budget to reflect the reduced dividend revenue available in 2011-12.
2. Information services capital expenditure – the decrease is due to the Council approving a reduction in the information services equipment replacement budget to reflect the reduced dividend revenue available in 2011-12.

PROJECTS

...our resources are clearly prioritised to provide excellent services and value for money.



PROJECTS GREATER THAN \$50,000

The following is a list of all the projects that the Council plans to carry out during 2011/12 with a value of more than \$50,000. The projects are sorted in activity order and are coded to indicate where the funding for the project is coming from.

In many cases the projects are based on staff assessments of the work that needs to be carried out in the 2011/12 financial year based on activity management plans. The need for individual projects will be assessed before the work goes ahead and it is possible that the work will not be required or completed in the 2011/12 financial year.

The following codes have been used:

GF	=	General rates/general funds
E	=	External income
TF	=	Targeted which could be from targeted rates/accumulated reserves/lump sums/loans paid by ratepayers/subdividers' contributions
UG	=	Undergrounding reserve
RCF	=	Reserve committee funds which could be from targeted rates/charges/accumulated reserves
CCF	=	Community committee funds which could be from targeted rates/charges/accumulated reserves
DC	=	Development contributions
EQ	=	Earthquake levy
*	=	Figure includes budget approved in the prior year and carried forward to 2011/12 for completion

Activity	Project	Funding Source	Budget 2011/12
Property			
District	Strategic Land Purchases	TF	542,500
District	Springston Depot Subdivision	E	425,000 *
District	Social Housing	E	1,100,000 *
Glentunnel	Renewal of Effluent Disposal	GF/E	100,000 *
Community development			
District	Youth Programs	GF	59,000
District	Selwyn Promotion Publications	GF	79,059 *
Community centres			
Lincoln	Lincoln Community Care & Meeting Rooms	TF/GF/E	625,000 *
Lincoln	Lincoln Community Centre Grounds	TF/GF/E	565,227 *
Greenpark	Seismic Strengthening	EQ	206,500 *
Lakeside	Seismic Strengthening	EQ	165,000 *
Tai Tapu	Building Restoration	TF	52,860 *
Medical centres			
Darfield	Darfield Medical Centre	TF	720,000 *
Libraries			
Lincoln	Lincoln Library and Service Centre	TF/GF/E	3,724,782
Swimming pools			
District	Selwyn Aquatic Centre	CCF/TF/E	7,311,304
Southbridge	Fibreglassing of Pool	TF	72,000

Activity	Project	Funding Source	Budget 2011/12
Public toilets			
Castle Hill	Upgrade Effluent Disposal System	GF	60,000 *
Chamberlains Ford	Renew Facility	GF	102,250 *
Coes Ford	Renew Toilet Building	GF	60,500 *
Springfield	Public Toilet Upgrade	GF	235,000 *
Council reserves			
District	Reserve Management Plans Stage2	GF	102,964 *
District	Youth Park - Leeston	GF	59,000 *
District	Youth Park - Lincoln	GF	99,671 *
District	Youth Park - Prebbleton	GF	99,672 *
Kirwee	Pavilion Upgrade and Extension	TF/RCF/DC	295,000
Lincoln	Lincoln Reserve Management Plan Projects	DC	54,125 *
Lincoln	Lincoln - Bowling Club Synthetic Surface	DC	50,000 *
Osbornes	Car Park - Upgrade	DC	51,250 *
Rhodes Park	Recreational Facility Rebuild	EQ	140,000 *
Rolleston	Brookside Park Training Lights	DC	82,000 *
Rolleston	Rolleston Reserve Playground Development	DC	81,916 *
Rolleston	New Recreation Park Purchase	DC	200,000
Rolleston	Rolleston Reserve Management Plan Projects	DC	96,950 *
Rolleston	Changing Facility Completion	DC	85,000 *
Springston	Resurface Tennis Courts	TF/RCF	61,500 *
Springston	Upgrade & Extend Pavilion	DC	500,000 *
West Melton	Domain Extension	TF/RCF	96,410 *
Gravel Reserves	Cemetery Pit Development	TF/E	65,100
Gravel Reserves	Gravel Pit Restoration	TF/E	117,800
Gravel Reserves	Clean Fill Resource Consent	TF/E	80,000
Gravel Reserves	Land Purchase for New Site	TF/E	250,000 *
Gravel Reserves	New Pit Establishment Area 1	TF/E	92,160 *
Gravel Reserves	Weighbridge Facility	TF/E	126,480 *
Rural fire protection			
District	Replacement Vehicles & Equipment	GF	189,040
Townships			
Glentunnel	Glentunnel Undergrounding	UG	120,000 *
Leeston	New Play Equipment	DC	94,563 *
Lincoln	New Passive Reserves Development	DC	162,650 *
Prebbleton	New Passives Reserves Development	DC	106,550 *
Prebbleton	Community Park Development	DC	158,100 *
Rolleston	New Passive Reserves Development	DC	267,750 *
Rolleston	Byron Brookside intersection	GF	60,000 *
Rolleston	Brookside footpath (Rolleston-Stonebrook)	GF	65,000
Rolleston	Lowes Rd Upgrade	GF	200,000
Rolleston	Goulds/Lowes Reserve Development	DC	150,000 *
Rolleston	Broadlands Drive extension	GF	180,000
Southbridge	Purchase Butchers Shop Site	GF	65,000 *

Activity	Project	Funding Source	Budget 2011/12
Resource policy			
District	District Wide Strategy	GF	100,000
District	UDS Governance	GF	80,250
District	Plan Change 1 Appeals	GF	100,000 *
District	Legal Fees Projects	GF	80,000 *
District	Plan Change 7 - Lincoln & Rolleston	GF	65,000
Water races			
District	Culvert Condition Assessment	TF	61,652 *
Ellesmere	Lower Rakaia Headworks	TF	140,000 *
Ellesmere	Haldon Intake Headworks	TF	140,000 *
Ellesmere	SCADA	TF	60,840 *
Malvern	Kowai Tunnel Repairs	TF	89,600 *
Malvern	Fish Screen-Waimak Intake	TF	104,431 *
Malvern	Fish Screen-Upper Kowai Intake	TF	107,952 *
Malvern	Fish Screen-Lower Kowai Intake	TF	106,552 *
Malvern	SCADA at 4 intakes	TF	86,362 *
Malvern	Glentunnel Intake Upgrade	TF	104,037 *
Malvern	Equipment	TF	58,915 *
Urban water			
District	Water Supplies Annual Treatment	TF	67,510
District	All Water Age Testing	TF	93,475
District	Network Monitoring and Proactive Maintenance	TF	58,299 *
District	Implement Water Conservation Framework and Initiatives	TF	51,930
District	Continue Network Assets Condition Assessment	TF	51,930
District	Monitored Alarms on Water Facility	TF	51,930
District	Implement PHRMP recommendation	TF	182,139 *
District	Independant Common PHRMP Projects	TF	80,341 *
Armack Drive	Equipment	TF	75,239 *
Castle Hill	Equipment	TF	53,213 *
Darfield	Darfield Water Reticulation Upgrade	TF	1,550,000 *
Dunsandel	New UV Unit	TF	50,000
Kirwee	Water Main - New Well	TF	50,000 *
Lincoln	New Well and Headworks	TF	90,000 *
Prebbleton	Equipment	TF	79,479 *
Rolleston	Water Supply Extension	TF	480,855 *
Rolleston	Rolleston Water Source Improvements	TF	300,867 *
Rolleston	Equipment	TF	50,150 *
Rural water			
Malvern Hills	Equipment	TF	170,652 *
Selwyn Rural	Harper Hills Additional Reservoir	TF	292,693 *
Selwyn Rural	Equipment	TF	54,047 *
Refuse disposal			
District	Waste Minimisation	TF	117,000 *
District	Monitoring Closed Refuse Pits	TF	60,240 *
District	Hawkins Pit Closure	TF	165,000 *
District	Killinchy Pit Closure	TF	98,000 *
District	Schools Recycling Programme	TF	63,720
District	Waste Management Plan	TF	50,000 *
District	Resource Recovery Centres	TF	138,000 *

Activity	Project	Funding Source	Budget 2011/12
Stormwater			
District	Catchment Management Plans	GF	58,800
Leeston	Leeston North Stormwater Management Plan	GF	1,256,958 *
Lincoln	Lincoln ISMP capital works	GF	11,624,832 *
Waste water			
District	Property inspections	TF	67,225 *
District	Eastern Selwyn Sewerage Scheme	TF	28,711,200
Castle Hill	Easement Survey	TF	50,000
Castle Hill	Equipment	TF	78,423 *
Ellesmere	Irrigation Equipment	TF	100,000 *
Leeston	Equipment	TF	202,625 *
Lincoln	Equipment	TF	169,454 *
Lincoln	Sewer Main	TF	60,235 *
Lincoln	Lincoln Sewer Upgrade Township	TF	642,510 *
Lincoln	Decomission Murray Place, Marion Place and Barker Street	TF	71,308 *
Rolleston	Equipment	TF	51,082
West Melton	West Melton Existing Township Sewerage Reticulation	TF	677,974
Roading - subsidised			
District	Selwyn/Shands Road Upgrade	GF/E	1,450,000
District	Lincoln/Rolleston Road Upgrade	GF/E	2,050,000
District	Traffic Services Renewals	GF/E	89,000
Roading - non subsidised			
District	Developer Financial Contributions	GF	334,000 *
District	Entranceways	GF	111,000
District	Lowes Rd Development Living 1B	GF	1,772,022 *



FINANCIAL FORECASTS

...to deliver resources focussed on the Community's priorities within the current financial context will be challenging.

PROSPECTIVE FINANCIAL STATEMENTS

Introduction

The financial statements in this section outline the Council's prospective financial information for the year from 1 July 2011 to 30 June 2012.

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 year ending 30 June 2012 were authorised for issue by the Council on 22 June 2011.

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.

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 income

	2012 Budget \$000	2012 SCP* \$000
Revenue		
General rates	9,986	10,790
Targeted rates	17,460	16,702
Interest	294	315
Dividends	2,841	4,490
New Zealand Transport Agency subsidy	6,081	7,185
Developer/Lump sum contributions	7,431	7,372
Vested assets	10,659	10,659
Gain on sale of property held for sale	7,230	7,230
Other income	12,706	11,521
Total revenue	74,688	76,264
Operating expenditure		
Democracy	3,208	3,473
Community services	12,318	11,861
Environmental services	7,946	8,374
Transportation and townships	16,146	17,789
Waste management	4,755	4,325
Sewerage, land drainage and stormwater	8,719	9,146
Water supplies and water races	7,374	8,080
Izone southern business hub	2,917	2,795
Miscellaneous	1,359	1,241
Total operating expenditure	64,742	67,084
Surplus/(deficit) after tax	9,946	9,180
Other comprehensive income		
Gains on infrastructure assets revaluation	-	-
Financial assets at fair value through equity	2,626	2,626
Gains on land and buildings revaluation	-	-
Total other comprehensive income	2,626	2,626
Total comprehensive income for the year	12,572	11,806
Total operating expenditure includes:		
- Depreciation Expense	17,063	17,926
- Employee benefits	11,205	11,002
- Interest	5,489	6,607
- Other operating expenses	30,985	33,076
Total operating expenditure	64,742	68,611

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Prospective statement of changes in equity

	2012 Budget \$000	2012 SCP* \$000
Accumulated funds at start of year	589,512	604,419
Net surplus for the year	<u>9,946</u>	<u>9,180</u>
Accumulated funds at end of the year	<u>599,458</u>	<u>613,599</u>
Asset revaluation reserves at start of year	335,934	348,685
Revaluation surplus	<u>2,626</u>	<u>2,626</u>
Revaluation reserves at end of the year	<u>338,560</u>	<u>351,311</u>
Equity at the end of the year	<u><u>938,018</u></u>	<u><u>964,910</u></u>

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Prospective statement of financial position

	2012 Budget \$000	2012 SCP* \$000
Current assets		
Cash and cash equivalents	2,101	6,349
Other financial assets	9,819	10,048
Property held for sale	4,634	2,814
Total current assets	16,554	19,211
Non current assets		
Other financial assets	101,829	118,423
Investment property	21,862	20,790
Forestry assets	358	118
Development property	4,586	7,280
Intangible assets	171	326
Property, plant and equipment - operational	164,758	171,373
Property, plant and equipment - infrastructure	735,825	737,369
Total non current assets	1,029,389	1,055,679
Total assets	1,045,943	1,074,890
Current liabilities	9,378	10,508
Non current liabilities		
Provisions	658	505
Borrowings	97,889	98,967
Total non current liabilities	98,547	99,472
Equity		
General reserves	565,378	575,126
Special funds	34,080	38,473
Revaluation reserves	338,560	351,311
Total equity	938,018	964,910
Total liabilities and equity	1,045,943	1,074,890

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Prospective statement of cash flows

	2012 Budget \$000	2012 SCP* \$000
Operating activities		
<i>Cash to be provided from:</i>		
Receipts from customers/rates	53,078	52,984
Interest received	294	315
Dividends received	2,841	4,490
	<u>56,213</u>	<u>57,789</u>
<i>Cash to be applied to:</i>		
Payments to suppliers/employees	42,190	42,551
Interest paid	5,489	6,607
	<u>47,679</u>	<u>49,158</u>
Operating activities net cash flows	8,534	8,631
Investing activities		
<i>Cash to be provided from:</i>		
Sale of property held for sale	9,071	9,071
Receipts from investments	20,000	-
Sale of property, plant and equipment	975	975
	<u>30,046</u>	<u>10,046</u>
<i>Cash to be applied to:</i>		
Asset purchases	83,295	27,737
Purchase of investments	-	-
	<u>83,295</u>	<u>27,737</u>
Investing activities net cash flows	(53,249)	(17,691)
Financing activities		
<i>Cash to be provided from:</i>		
Borrowing	39,158	9,158
	<u>39,158</u>	<u>9,158</u>
<i>Cash to be applied to:</i>		
Repayment of borrowings	-	-
	<u>-</u>	<u>-</u>
Financing activities net cash flows	39,158	9,158
Net increase/(decrease) in cash	(5,557)	98
Plus opening cash 1 July	7,658	6,251
Closing cash 30 June	<u>2,101</u>	<u>6,349</u>

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

Reconciliation of surplus to statement of cash flows

	2012 Budget \$000	2012 SCP* \$000
Surplus after taxation	9,946	9,180
<i>Add/(deduct) non-cash items</i>		
Vested asset revenue	(10,659)	(10,659)
Revaluation of investment property	(586)	(586)
Depreciation	17,063	17,926
	5,818	6,681
<i>Movement in working capital items</i>		
Accounts receivable	-	-
Accounts payable and accruals	-	-
	-	-
<i>Items classified as investing activities</i>		
Gain on sale of property	7,230	7,230
	7,230	7,230
Net cash flow from operating activities	8,534	8,631

* SCP refers to the Selwyn Community Plan (LTCCP) 2009-2019

STATEMENT OF ACCOUNTING POLICIES

Statement of reporting entity

Selwyn District Council is a territorial local authority governed by the Local Government 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 budget 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 Selwyn Investment Holdings Limited which are allowed for in the prospective financial statements.

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The prospective financial statements of the Council are for the period 1 July 2011 to 30 June 2012.

Basis of preparation

The prospective financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 93 and 111, and Part 1 of Schedule 10, which includes the requirement to comply with New Zealand General Accepted Accounting Practice (NZ GAAP).

These prospective financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities, including FRS42 – Prospective Financial Statements.

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements.

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

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of the Council is New Zealand dollars. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus or deficit.

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 the fair value of consideration received.

Rates revenue

Rates are set annually by a resolution from the Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Other revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on a usage basis.

The Council receives government grants from New Zealand Transport Agency, which subsidises part of the Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Grant revenue other than New Zealand Transport Agency is recognised when terms and conditions pertaining to that grant have been fulfilled.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in the Council are recognised as revenue when control over the asset is obtained.

Development contribution revenue is recognised when received.

Revenue from sale of goods is recognised when the Council has transferred to the buyer the significant risks and rewards of ownership of the goods.

Revenue from a contract to provide services is recognised by reference to stage of completion of the contract at year end balance date.

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

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.

Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by 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 financial statements and the corresponding tax bases used in the computation of taxable surplus.

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 surpluses 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 and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting surplus nor taxable surplus.

Deferred tax is recognised on taxable temporary differences arising on investments and subsidiaries, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited to the statement of financial performance, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

Cash and cash equivalents

Cash and cash equivalents includes cash in 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.

Debtors and other receivables

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that they will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Financial assets

The Council classifies financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and financial assets at fair value through equity. The classification depends on the purpose for which the investments were acquired. Management determine the classification of investments at initial recognition and re-evaluate this designation at every reporting date.

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

Purchases and sales of investments are recognised on trade-date, the date on which the Council 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 has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

1. Financial assets at fair value through profit or loss.

This category has two sub-categories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance date.

After initial recognition, they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus or deficit.

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

2. Loans and receivables.

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

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

Currently, the Council has community loans, Central Plains Water Limited loan, short term deposits and trade and other receivables in this category.

3. Held to maturity investments.

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. 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.

4. Financial assets at fair value through equity.

Financial assets at fair value through equity are those that are designated as fair value through equity or are not classified in any of the other categories above.

This category encompasses:

- investments that the Council intends to hold long-term but which may be realised before maturity; and
- shareholdings that the Council holds for strategic purposes, the Council's investment in its subsidiary and other equity investments that are not associates are included in this category.

After initial recognition, these investments are measured at their fair value with valuations performed by an independent valuer with sufficient regularity to ensure no investments are included at a valuation that is materially different from fair value. The valuation changes are recognised and held in a revaluation reserve.

The investment in Selwyn Investment Holdings Ltd (SIHL) is valued based on an independent valuation as at 30 June 2009 completed by Ernst & Young Transaction Advisory Services Limited, Wellington dated 24 August 2009.

Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the surplus or deficit. In the event of impairment, any cumulative losses previously recognised in equity will be removed from equity and recognised in the surplus or deficit even though the asset has not been derecognised.

Impairment of financial assets

At each balance date, the Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

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.

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 and other land 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

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:

Category	Period	%
Buildings	20 - 180 years	(0.6% - 5%)
Heritage	20 - 180 years	(0.6% - 5%)
Heavy plant & machinery	10 years	(10%)
Other plant & machinery	5 years	(20%)
Motor vehicles	4 years	(25%)
Furniture & 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	13 – 99 years	(1.0% - 7.7%)
Surface – sealed roads	1 – 18 years	(5.6% - 100%)
Surface – unsealed roads	40 years	(2.5%)
Kerb & channelling	50 years	(2%)
Footpaths base & surface	40 years	(2.5%)
Culverts	50 – 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%)
Water races and land drainage		
Water races – structure	30 – 122 years	(0.8% - 3.3%)
Water races – race	Not depreciated	
Land drainage – structure	9 – 100 years	(1% - 11%)
Land drainage – drain	Not depreciated	
Water supplies		
Wells	40 years	(2.5%)
Pump stations	10 - 100 years	(1% - 10%)
Reservoirs	50 – 75 years	(1.3% - 2%)
Valves service connections	20 – 50 years	(2% - 5%)
Pipes & fire hydrants	33 – 75 years	(1.3% - 3%)
Sewerage systems		
Manholes	75 years	(1.3%)
Pipes	50 – 75 years	(1.3% - 2%)
Pump stations	10 – 100 years	(1% - 10%)
Sewerage treatment stations	10 – 75 years	(1.3% - 10%)
Service connection	75 years	(1.3%)

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 three yearly or 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 annually at fair value as determined from market-based evidence by an independent valuer. The valuation of the Council's farm land was performed by EM Saunders FNZIV, FPINZ Registered Valuer of Ford Baker Limited and the valuation is effective as at 30 June 2010.

Other land and buildings

Other land and buildings are valued on a three yearly basis at fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by R O Chapman B Com (VPM) SPINZ (ANZIV) AREINZ MIPMV Registered Valuer and S E J Newberry B Com (VPM) SPINZ (ANZIV) Registered Valuer of Ford Baker Limited and the valuation is effective as at 1 July 2010.

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, the 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 valued as at 30 June 2008 by Mike Trapper (BE (Elec), MPINZ) who is a senior valuer with Beca Valuation Ltd. Water, sewerage, stormwater, land drainage and water race assets were valued as at 30 June 2008 by John Vessey (BE (Civil), Bryce N Alexander

Senior Animal Control Officer

(Econs) Transitional Certificate (Econs), MIPENZ a partner of Opus International Consultants Limited.

Land under roads

Land under roads, is valued based on the fair value of adjacent land determined by the Council's finance staff effective 30 June 2005. Land under roads is not revalued.

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 an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed 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 credited to the revaluation reserve for that class of asset.

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, not 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.

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. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net 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 under construction is measured at value when fair value can be determined reliably. Where the fair value of investment property under construction cannot be determined reliably, the property is measured at costs until the earlier of the date construction is completed and the date at which fair value becomes reliably determinable.

The Council measures 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 Marius Ogg ANZIV, SPINZ Registered Valuer from CB Richard Ellis Limited and the valuations are effective as at 30 June 2010.

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

Development property

Development properties are properties that are being developed for sale. Development properties are measured at the lower of cost and net realisable value. They are transferred to non-current assets held for sale once they are ready and being marketed for sale.

Forestry assets

Forestry assets are independently revalued annually 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 Council forest was independently revalued as at 30 June 2010 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 included in the surplus or deficit.

Intangible assets

Goodwill

Goodwill is initially measured at its cost, being the excess of the cost of the acquisition over the Council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill on acquisition of subsidiaries is included in intangible assets by applying the purchase method.

Goodwill arising in business combinations is not amortised. Instead, goodwill is tested for impairment annually. After initial recognition, the Council measures goodwill at cost less any accumulated impairment losses. An impairment loss recognised for goodwill will not be reversed in any subsequent period.

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.

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 is estimated at 4 years (25%).

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.

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 an 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 IRD, 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.

Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost.

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 benefits

Short-term benefits

Employee benefits that the Council expects to be settled within 12 months of balance date are measured at nominal values 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, retiring and long service leave entitlements expected to be settled within 12 months, bonus accruals and sick leave.

The Council recognises a liability for sick leave 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 that the Council anticipates it will be used by staff to cover those future absences.

The Council recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long-term benefits

Long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave 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 entitlements information; and
- the present value of the estimated future cash flows. A discount rate and an inflation factor were used in this calculation.

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 belongs to the 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

The Council recognises a provision for future expenditure of uncertain or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure 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.

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 the Council decision. The Council may alter them without references to any third party of the Courts. Transfers to and from these reserves are at the discretion of the Council.

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, the Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

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.

Budget figures

The budget figures are those approved by the Council at the beginning of the year in the Annual Budget. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council for the preparation of the financial statements.

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.

Critical assumptions

In preparing these prospective financial statements the Council has made assumptions concerning the future. These assumptions may differ from the subsequent actual results. The key assumptions that have been used in the preparation of the prospective financial statements are set out below:

KEY ASSUMPTIONS USED IN PREPARING THE PROSPECTIVE FINANCIAL STATEMENTS

Assumption	Source of information	Risk	Level of uncertainty	Potential impact
Population change				
The Council commissioned Business and Economic Research Limited (BERL) to prepare population projections for the district for the period to 2041. The projections are based on authoritative population and economic data as well as assumptions in relation to land zoning the provision of infrastructure in the district. The growth model projects that the population of the district (excluding Burnham Military Camp) will grow from 37,426 in 2008 to 46,700 by 2019 and 66,800 by 2041.	Population growth model – BERL	The model is based on a number of assumptions including economic growth and levels of migration and therefore subject to some uncertainty. There is a risk that the level of population growth will be higher or lower than the projections and that the timing of population growth will differ from that in the model.	Moderate	The Council has based its plans for the management and expansion of its infrastructure on the population projections. Should growth occur at different rates, it can respond by accelerating, delaying or revising planned capital works. The level of revenue from development contributions will vary from that forecast if actual growth differs from the projections, but any variation will tend to mirror the need for capital expenditure, thereby mitigating the risk to the Council of any shortfall.
<p>The population projections have been used as the basis for forecasting:</p> <ul style="list-style-type: none"> the growth in the rating base and therefore rate revenue; the increase in the cost of service provision; the increase in revenue from fees and charges; the cost and timing of capital expenditure to meet increasing demand; the level of revenue from development contributions. 				If growth occurs at a different rate from the projections, the forecasts for the cost of service provision will differ from the actual. Any impact on the Council's financial performance will be mitigated because the change in forecast revenue from rates and fees and charges will tend to mirror the change in the cost of service provision.
Inflation				
The level of prices is assumed to increase over the year of the annual budget. The level of increase assumed is set out in the table below. The assumed increases include general prices, pay costs and construction costs.	SOLGM/BERL forecasts	There is a risk that price level changes will be greater or lower than those assumed and that costs and revenues will be higher or lower than forecast.	Moderate	Should the level of price level change differ from those assumed, expenditure, capital costs and revenues may differ from those forecast.

Assumption	Source of information	Risk	Level of uncertainty	Potential impact
Fuel costs				
It is assumed there will be no major change in fuel costs over and above those incorporated into the inflation assumption.	BERL	There is a risk that fuel prices will be greater than those assumed.	Moderate	Increased fuel costs would have a particular impact on the cost of road maintenance, renewal and improvement. This may affect the Council's ability to carry out planned work without additional funding. It may also increase demand for alternative modes of transport.
Borrowing costs				
Interest on term debt is assumed to be 7.0%.	The Council in conjunction with its financial advisors.	There is a risk that interest rates will differ from those assumed and that borrowing costs will be higher than those assumed.	Moderate	If borrowing costs are lower or higher than those assumed, the Council's operating costs may be lower or higher than forecast.
Timing and level of capital expenditure				
The annual budget assumes that all capital projects will be completed during the financial year at the cost forecast.	The Council	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.	High	If projects do not occur as planned, capital expenditure may differ from that forecast and delay may also change the cost of individual projects.
Funding of capital expenditure				
<p>The Council funds capital expenditure from a number of sources:</p> <ul style="list-style-type: none"> • development contributions; • lump sum contributions; • government subsidy; • rates; • reserves; • external borrowing. <p>Assumptions have been made on how each capital project included in the annual budget 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 in Volume 2 of the Selwyn Community Plan.</p>	The Council	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.	Moderate	The Council will assess the availability of funds as part of the project planning process and if funds are not available, it may revise the capital programme that is set out in the annual budget.

Assumption	Source of information	Risk	Level of uncertainty	Potential impact
Return on investments				
It is assumed that the Council's investments will generate a return of 5.0%.	The Council in conjunction with its financial advisors.	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.	Moderate	If investments returns are lower or higher than those assumed, the Council's revenue may be lower or higher than forecast.
Dividends				
It is assumed that dividends from Selwyn Investment Holdings Limited (SIHL) will be \$2.7m.	SIHL	There is a risk that dividends will be higher or lower than forecast depending on the performance of SIHL's subsidiaries.	Moderate	If dividends are lower or higher than assumed the Council's revenue may be lower or higher than forecast.
NZTA revenue				
It is assumed that NZTA subsidy rates and conditions will continue at current levels. Additional Crown funding for regionally significant projects is dependent on obtaining sufficient local funding. It is assumed that such local funding will be secured.	NZTA	A change in the level of subsidy will increase or reduce the level of resources available to fund the maintenance and improvement of the roading network.	Medium	If subsidy levels are lower than those assumed, the Council may need to increase its rates. Higher subsidy levels may mean rates are lower than they would otherwise have been. If local funding is not available to support regionally significant projects, improvement work may not go ahead as planned.
Izone Southern Business Hub surplus				
It is assumed that the Izone Southern Business Hub will generate surpluses of \$0.5m to reduce the amount of general rates that the Council needs to raise.	Izone	There is a risk that the surplus generated by Izone will be higher or lower than that forecast.	High	If surpluses are higher than forecast, additional funds will be available to the Council to increase expenditure or reduce rates. If surpluses are lower than forecast, the Council may need to increase its rates or reduce expenditure in future years.

Assumption	Source of information	Risk	Level of uncertainty	Potential impact
Asset values				
The Council revalues its infrastructure, land and building assets so that carrying values are maintained at fair value. It is assumed that revaluations will take place every three years and that the value of the assets will increase in line with construction cost forecasts. Infrastructure assets are due to be revalued as at 30 June 2011.	BERL	There is a risk that price level changes will be greater or lower than those assumed and that revaluation movements will be higher or lower than forecast.	Moderate	If price levels increase by more than forecast, the value of the Council's assets will increase. If price levels increase by less than that forecast, the value of the Council's assets will increase by a lower amount.
Investment in SIHL				
The Council revalues its investment in SIHL so that the carrying value is maintained at fair value. It is assumed that the value of the investment will increase in line with general price levels. It is also assumed that any capital payments or special dividends made by SIHL will be reinvested with no net impact on the value of the Council's financial assets.	The Council / SIHL	There is a risk that the value of the investment may increase or decrease.	Moderate	A change in the value of the investment in SIHL will change the Council's equity but will not have a direct impact on revenue or expenditure.
Forestry assets value				
The Council revalues its forestry assets so that the carrying value is maintained at fair value. It is assumed that the value of the investment will be maintained at its current value.	The Council	There is a risk that the value of the forestry asset may increase or decrease.	Moderate	A change in the value of the forestry asset will change the Council's financial performance in the year it occurs.
Asset lives and depreciation				
It is assumed asset lives will be as set out in the statement of accounting policies.	NAMS	There is a risk that assets will wear out more quickly than forecast and require replacement earlier than planned.	Moderate	If assets require replacement more quickly than forecast, 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.

Assumption	Source of information	Risk	Level of uncertainty	Potential impact
Resource consents				
It is assumed that the condition of Resource Consents held by the Council will not be changed significantly and that the Council will obtain the necessary Resource Consents for planned projects.	The Council	There is a risk that the consent conditions will change or that consent will not be obtained for the Council projects.	Moderate	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.
Unidentified liabilities				
It assumed that the Council does not have any unidentified liabilities.	The Council	There is a risk of an unexpected liability coming to light, for example, a claim against the Council.	Low	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.
No major adverse events				
It assumed that there will be no major adverse events during the period covered by the Annual Budget, for example, earthquake, pandemic or flood.	The Council	There is a risk that a major adverse event will occur and result in damage to assets and additional costs to the Council.	Low	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, Risk Management and Insurance Policies.
Climate change				
It is assumed that climate change is happening but that there will be no significant impact on the Council's activities within the period covered by the Annual Budget. The Council will take into account the predicted impacts of climate change as it plans, builds and renews its infrastructure.	Ministry for the Environment	There is a risk that climate change will happen more quickly than expected and require changes to the Council's activities.	Low	If climate change happens more quickly, the Council may need to carry out work on its infrastructure assets.
Emissions Trading Scheme				
The Emissions Trading Scheme became law in September 2008 and it is assumed that the scheme will increase the price of energy.	SOLGM/ Ministry for the Environment	There is a risk that the cost implications of the scheme will be higher or lower than that assumed and that costs will be higher or lower than forecast.	Moderate	Should the impact of the scheme differ from that assumed, the level of expenditure may differ from that forecast.

Assumption	Source of information	Risk	Level of uncertainty	Potential impact
Central Plains Water Irrigation Scheme				
The annual budget does not take into account the possible impact of the Central Plains Water Irrigation Scheme. The scheme is progressing through the resource consent process.	The Council	If the scheme goes ahead, it will have a significant impact on the Selwyn district.	Moderate	If the scheme goes ahead, the Council will need to consider the impact on its plans and forecasts. As the scheme is a long term project, the Council anticipates that it will reflect any impact in its 2012-22 Long Term Council Community Plan.
Legislation				
The Selwyn Community 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 Selwyn Community Plan.	The Council	There is a risk that legislative change will bring about changes to the responsibilities of the Council.	Moderate	If legislative responsibilities change, it may increase or reduce the Council's expenditure and income.
Greater Christchurch Urban Development Strategy (UDS)				
In April 2007, the Waimakariri and Selwyn District Councils, Christchurch City Council, Environment Canterbury and NZ Transport Agency adopted as policy, the UDS. This followed consultation on a draft strategy as a Statement of Proposal under the Local Government Act.	UDS partners	There is a risk that development growth patterns will vary from that contained in the UDS and the Regional Policy Statement (RPS).	Moderate	If development patterns do not take place as planned for under the UDS, the Council will need to review and revise its capital works programmes.
The adopted strategy and action plan contained a preferred long-term urban development pattern for the greater Christchurch area and signalled the intent to reflect that pattern in a change to the RPS. A proposed change to the RPS has been notified as have related variations to it that establish long-term limits to growth in the main urban parts of Christchurch City, Selwyn and Waimakariri districts. RPS Change No.				

Assumption	Source of information	Risk	Level of uncertainty	Potential impact
<p>1 also contains policies that direct the staging and sequencing of urban expansion for 'greenfield' residential growth and new business areas through Outline Development Plans and for accommodating residential intensification in the respective territorial authority areas.</p> <p>The preferred long-term settlement pattern in the adopted UDS has been taken into account in the four local authorities' Community Plans through the assumptions about population growth and its distribution. This is reflected as relevant to each authority; in:</p> <ul style="list-style-type: none"> the amount and location of new urban development to be provided for during the 2009-19 period; and the corresponding network and community infrastructure and reserve development that is included in the Selwyn Community Plan capital expenditure programmes; and the integrated provision for land use development and transport systems in the local authorities related policies and plans. 				

Inflation assumptions used in the preparation of the prospective financial statements

	Road	Property	Water	Energy	Staff	Other
	%	%	%	%	%	%
2011/12	2.9	2.9	3.0	2.5	2.6	2.8

RATING INFORMATION AND FEES AND CHARGES

...we are an organisation using good quality
information to deliver better outcomes.



FUNDING IMPACT STATEMENT

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

Revenue and funding mechanisms

The revenue and funding mechanisms used by the Council to cover expenditure are:

	2012 \$000
Total revenue per statement of financial performance	<u>74,688</u>
<i>To be funded by:</i>	
General rates	
General rates	7,820
Uniform annual general charge	<u>2,166</u>
	<u>9,986</u>
Targeted rates	
Earthquake costs (one-off charge for 2011-12)	2,009
Community boards	170
Canterbury museum levy	298
Community centres	691
Land drainage	201
Libraries	1,895
Recreation reserves	479
Refuse collection and disposal	3,336
Sewerage	2,948
Stormwater	-
Swimming pools	1,120
Urban and rural water supplies	2,964
Water races and irrigation supplies	<u>1,349</u>
	<u>17,460</u>
Other revenue	
Interest	294
Dividends	2,841
New Zealand Transport Agency subsidy	6,081
Development/lump sum contributions	7,431
Vested assets	10,659
Gain on sale of property held for sale	7,230
Other income	<u>12,706</u>
	<u>47,242</u>
Total funding sources	<u>74,688</u>
Other income includes	
- Regulatory services revenue	4,132
- Other fees, charges, rent etc	<u>8,574</u>
	<u>12,706</u>

Please refer to the Significant Activities section for more detailed comparisons between the Annual Budget and the SCP and explanations of any significant variances.

THE RATES SYSTEM

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	Any portion of a rating unit used or inhabited by any person, other than the ratepayer or member of the ratepayers household, having a right to use or inhabit that portion by virtue of a tenancy, lease licence or other agreement.
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 and levied for the general purpose of the Council.
Uniform annual general charge	A rate that is a set 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 and levied for a specified purpose.

General rates

The Council sets the general rate using a uniform annual general charge of \$145.54 with the balance collected on the capital value of all 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 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, location 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:

- Earthquake costs – this rate is set to fund the residual costs arising from the 4 September 2010 and 22 February 2011 earthquakes. A uniform charge is applied based on each rating unit in the Selwyn district. This new rate is a variance from the Selwyn Community Plan 2009-19 as the costs could not have been anticipated at that time.
- Community Board – these rates are set to fund the operations of the Selwyn Central and Malvern Community Boards. A uniform annual charge is applied based on each rating unit in the Selwyn Central and Malvern Wards.
- Canterbury Museum levy funding – this rate is set to fund the levy paid under the Canterbury Museum Trust Board Act. A uniform annual charge is applied based on each rating unit in the Selwyn district.
- Community centre and recreation reserves – these rates are set for the purpose of providing and maintaining the various community centres and recreation reserves in the Selwyn district. These rates are applied based on each separately used or inhabited part of a rating unit within the following community centre and recreation reserve districts. Community centre loan rates are set for some community centres. These are payable by each occupied rating unit which elected to make their contribution to a past capital project via a loan rate rather than by lump sum contribution.

Community centres

Broadfield	Castle Hill	Darfield	Doyleston
Dunsandel-Mead	Glenroy	Glentunnel	Greendale
Greenpark	Halkett	Hororata	Killinchy
Ladbrooks	Lake Coleridge	Lakeside	Lincoln
Prebbleton	Rolleston	Sheffield	Southbridge
Springston	Tai Tapu	Tawera	West Melton

Recreation reserves

Castle Hill	Courtenay	Darfield	Dunsandel
Ellesmere	Glentunnel/Coalgate	Greendale	Halkett
Hororata	Kimberley	Kirwee	Leeston
Lincoln	Osborne Park	Prebbleton	Rhodes Park
Rolleston	Sheffield	Southbridge	Springston
Weedons	West Melton	Whitecliffs	

- Swimming pools – this rate is set for the purpose of providing and maintaining swimming pools in the district. The rate is applied differentially on each separately used or inhabited part of a rating unit based on proximity to the Council's swimming facilities. The rate is applied across the following zones based on the existing recreation reserve rating districts:

Zone	Rating areas
Zone 1	Rolleston
Zone 2	Broadfield, Courtenay, Darfield, Dunsandel, Greendale, Halkett, Killinchy, Kimberley, Kirwee, Ladbrooks, Lakeside, Leeston, Lincoln, Osborne Park, Prebbleton, Rhodes Park, Sheffield, Springston, Southbridge, Templeton, Weedons, West Melton, other properties within the zone 2 geographical area, but which are not part of an existing reserve rating area
Zone 3	Arthurs Pass, Castle Hill, Glentunnel/Coalgate, Hororata, Kowai Pass, Lake Coleridge, Rakaia Huts, Snowdon, Whitecliffs, other properties within the zone 3 geographical area, but which are not part of an existing reserve rating area

- Libraries – this rate is set for the purpose of providing the district library service. The rate is applied based on each rating unit within the Selwyn district.
- Refuse collection and disposal – these rates are set for the purpose of providing a refuse collection and disposal service. These rates are applied based on each separately used or inhabited part of a rating unit located on the refuse collection route and rating units in Arthur's Pass, Castle Hill and Lake Coleridge.
- Land drainage and river protection – these rates are set for the purpose of maintaining drainage and protecting schemes. These rates are applied based on the capital value, land value or area of all rating units in the following classified areas:

Ellesmere No.3 Subdivision	Capital Value
Ellesmere No. 4 (Osborne's Drain)	Area
Greenpark	Capital Value
Hororata River	Capital Value
L2 River	Capital Value
Leeston	Area
Leeston Township	Land Value
Taumutu	Area
Taumutu Culverts	Capital Value
Wairiri Valley	Capital Value

- Urban and rural water supplies – these rates are set for the purpose of providing and maintaining the individual water supply schemes. These rates are applied based on each separately used or inhabited part of a rating unit which has the provision or availability of the service within the following potable water supplies:

Armack Drive	Arthur's Pass	Branthwaite Drive
Burnham	Castle Hill	Darfield
Doyleston	Dunsandel	Edendale
Fisherman's Point (Taumutu)	Hororata	Johnson Road
Jowers Road	Kirwee	Lake Coleridge
Leeston	Lincoln	Malvern Hills Rural
Prebbleton	Rakaia Huts	Raven Drive
Rolleston	Selwyn Rural	Sheffield
Southbridge	Springfield	Springston
Tai Tapu	Templeton (Claremont)	Te Pirita Rural
West Melton		

Half charges are applied to each separately used or inhabited part of a rating unit within 100 metres from any part of the supply to which water can be, but is not supplied.

Water supply loan rates are set for some water supplies. These are payable by those rating units who elected to make their contribution to a past capital project via the rates system rather than by lump sum contributions.

- Sewer schemes – these rates are set for the purpose of providing and maintaining the individual sewage treatment and disposal systems. These rates are applied based on each separately used or inhabited part of a rating unit which has the provision or availability of the service within the following sewage schemes:

Arthur's Pass	Castle Hill	Doyleston
Lake Coleridge	Leeston	Lincoln
Prebbleton	Rolleston	Southbridge
Springston	Tai Tapu	Templeton (Claremont)
West Melton		

Half charges are applied to each separately or inhabited part of a rating unit to which a connection can be made, but is not supplied.

Sewerage loan rates are set for some schemes. These are payable by those rating units who elected to make their contribution to a past capital project via the rates system rather than by lump sum contributions.

From 1 July 2009 a rate has been applied on each separately used or inhabited part of a rating unit in Darfield to cover the cost of monitoring the environmental effects of discharging waste water to ground.

- Stock water – these rates are set for the purpose of providing and maintaining water race systems within the district. These rates are applied based on the area of a rating unit which has the provision or availability of the service within the former County Council districts.

Ellesmere	Malvern	Paparua
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The Malvern and Paparua urban water race rates are set for the purpose of maintaining the water races in urban areas. The rate is paid by all separately rateable properties within the following living zone areas:

Malvern Water Race	Paparua Water Race
Darfield	Claremont
Kirwee	Edendale
Sheffield/Waddington	Prebbleton
Springfield	Rolleston
	West Melton

	Rating Number	2011/2012 GST @15%	2010/2011 GST @ 15%	Estimated Revenue \$
General Rate				
(The Uniform Annual General Charge is levied on all rating units in the Selwyn District. The balance of the General Rate requirements is applied to the capital value of all rating units in the District.)				
Uniform Annual General Charge	17112	145.54	138.41	2,490,480
General Rate	11,668,795,020	0.000770639	0.000732960	8,992,429
Total General Rate (including GST)				11,482,909
Total General Rate (excluding GST)				9,985,138
Earthquake Costs Uniform Charge				
(The uniform charge is levied on all rating units in the Selwyn District)				
Earthquake uniform charge	17112	135	0.00	2,310,096
Total earthquake uniform charge (including GST)				2,310,096
Total Earthquake Uniform Charge (excluding GST)				2,008,779
Community Board Uniform Annual Charge				
(The uniform annual charge is levied on all rating units in the Selwyn Central and Malvern Wards)				
Selwyn Central Ward	5407	16.30	16.30	88,134
Malvern Ward	4058	26.58	26.58	107,862
Total Community Board Uniform Annual Charge (including GST)				195,996
Total Community Board Uniform Annual Charge (excluding GST)				170,431
Canterbury Museum levy funding Uniform Annual Charge				
(The uniform annual charge is levied on all rating units in the Selwyn District)				
Canterbury Museum levy funding	17112	20.00	17.89	342,240
Total Canterbury Museum levy funding Uniform Annual Charge (including GST)				342,240
Total Canterbury Museum levy Uniform Annual Charge (excluding GST)				297,600
Community Centre Targeted Rate				
(Targeted rate applied to separately used or inhabited part of a rating unit based on the location)				
Broadfield	269	28.00	23.00	7,532
Castle Hill	85	51.00	51.11	4,335
Darfield	1039	46.00	46.00	47,794
Doyleston	193	14.00	14.41	2,702
Dunsandel/Mead	602	31.00	30.67	18,662
Glenroy	181	36.00	35.78	6,516
Glentunnel (excluding loan rate)	371	23.00	23.00	8,533
Glentunnel loan rate	192	39.00	39.09	7,488
Greendale (excluding loan rate)	196	23.00	23.00	4,508
Greendale loan rate	72	108.63	108.63	7,821
Greenpark	167	46.00	46.00	7,682
Halkett	150	95.00	95.37	14,250
Hororata	249	30.00	23.00	7,470
Killinchy	103	42.00	42.17	4,326
Ladbrooks	248	41.00	40.89	10,168
Lake Coleridge	72	46.00	46.00	3,312
Lakeside	77	37.00	37.06	2,849
Lincoln	1196	225.00	224.89	269,100
Prebbleton	1005	23.00	23.00	23,115
Rolleston	3027	77.00	77.48	233,079
Sheffield	252	31.00	30.67	7,812
Southbridge	504	36.00	35.78	18,144
Springston	449	14.00	13.80	6,286
Tai Tapu	414	75.00	66.44	31,050
Tawera	174	60.00	56.22	10,440
West Melton	949	31.00	30.67	29,419
Total Community Centre Targeted Rate (including GST)				794,393
Total Community Centre Targeted Rate (excluding GST)				690,777

	Rating Number	2011/2012 GST @15%	2010/2011 GST @ 15%	Estimated Revenue \$
Recreation Reserve Targeted Rate				
(Targeted rate applied to separately used or inhabited part of a rating unit based on the location)				
Castle Hill	85	23.00	23.00	1,955
Courtenay	42	85.00	81.78	3,570
Darfield	993	41.00	40.89	40,713
Dunsandel	550	31.00	30.67	17,050
Ellesmere (Lakeside & Killinchy)	179	0.00	0.00	0
Glentunnel/Coalgate	243	35.00	23.00	8,505
Greendale	196	23.00	23.00	4,508
Halkett	150	17.00	17.12	2,550
Hororata	323	46.00	46.00	14,858
Kimberley	41	50.00	46.00	2,050
Kirwee	419	56.00	56.22	23,464
Kirwee-Pavilion Upgrade	411	31.59	23.00	12,983
Leeston	609	35.00	30.67	21,315
Lincoln	1198	35.00	30.67	41,930
Osborne Park	192	12.00	11.50	2,304
Prebbleton	1006	56.00	56.22	56,336
Rhodes Park	414	56.00	56.22	23,184
Rolleston	3027	56.00	56.22	169,512
Sheffield	252	41.00	40.89	10,332
Southbridge	503	23.00	23.00	11,569
Springston	449	38.00	38.33	17,062
Weedons	294	51.00	51.11	14,994
West Melton	935	51.00	51.11	47,685
Whitecliffs	128	23.00	23.00	2,944

Total Recreation Reserve Targeted Rate (including GST)

551,373

Total Recreation Reserve Targeted Rate (excluding GST)

479,455

Sewerage Targeted Rates

(Targeted rate applied to separately used or inhabited part of a rating unit based on availability of service)

which can be, but is not, connected to the sewerage scheme.

area of benefit.

Castle Hill				
Full	84	375.00	332.22	31,500
Half	99	187.50	166.11	18,563
Pan charge from 4+		93.75	83.06	
Darfield				
Sewerage investigations	984	57.50	57.50	56,580
Doyleston				
Full	92	450.00	408.89	41,400
Half	22	225.00	204.44	4,950
Loan	23	439.48	439.48	10,108
Pan charge from 4+		112.50	102.22	
Lake Coleridge				
Full	70	700.00	664.44	49,000
Half	22	350.00	332.22	7,700
Pan charge from 4+		175.00	166.11	
Leeston Sewerage Maintenance				
Full	668	460.00	460.00	307,280
Half	75	230.00	230.00	17,250
Pan charge from 4+		115.00	115.00	
Leeston Holding Capacity				
Full	668	42.45	42.45	28,354
Half	75	21.22	21.22	1,592
Loan	1123	227.64	227.64	255,638
Pan charge from 4+		10.61	10.61	

	Rating Number	2011/2012 GST @15%	2010/2011 GST @ 15%	Estimated Revenue \$
Lincoln				
Full	1151	400.00	357.78	460,400
Half	71	200.00	178.89	14,200
Pan charge from 4+		100.00	89.44	
Prebbleton				
Full	741	350.00	306.67	259,350
Half	55	175.00	153.33	9,625
Loan	73	206.14	206.14	15,048
Pan charge from 4+		87.50	76.67	
Rolleston				
Full	2707	410.00	408.89	1,109,870
Half	464	205.00	204.44	95,120
Loan (new development area)	417	80.95	80.95	33,757
Loan (existing township)	160	561.10	561.10	89,776
Pan charge from 4+		102.50	102.22	
Southbridge				
Full	284	410.00	408.89	116,440
Half	113	205.00	204.44	23,165
Loan	99	384.89	384.89	38,105
Pan charge from 4+		102.50	102.22	
Springston				
Full	218	195.00	194.22	42,510
Half	35	97.50	97.11	3,413
Loan	34	490.67	490.67	16,683
Pan charge from 4+		48.75	48.56	
Sunshine Terrace (Arthur's Pass)				
Full	9	1150.00	1073.33	10,350
Half	1	575.00	536.67	575
Pan charge from 4+		287.50	268.33	
Tai Tapu Sewerage Maintenance				
Full	166	400.00	357.78	66,400
Half	33	200.00	178.89	6,600
Pan charge from 4+		100.00	89.44	
Tai Tapu Sewerage Holding Capacity				
Full	166	199.47	199.47	33,112
Half	33	99.73	99.73	3,291
Loan	42	697.82	697.82	29,309
Pan charge from 4+		49.87	49.87	
Lincoln/Tai Tapu Road Sewer Extension				
Loan	1	654.27	654.27	654
Tai Tapu Rising Main				
Loan	4	598.22	598.22	2,393
Templeton(Claremont)				
Full	43	770.00	766.67	33,110
Half	15	385.00	383.33	5,775
Pan charge from 4+		192.50	192.50	
West Melton				
Full	53	410.00	408.89	21,730
Half	93	205.00	204.44	19,065
Pan charge from 4+		102.50	102.50	
Total Sewerage Targeted Rates (including GST)				3,389,740
Total Sewerage Targeted Rates (excluding GST)				2,947,600

	Rating Number	2011/2012 GST @15%	2010/2011 GST @ 15%	Estimated Revenue \$
Refuse Collection and Disposal Targeted Rate				
Each separately used or inhabited portion of a property serviced by refuse collection route will be levied:				
Refuse Targeted Rate	12311	24.00	23.51	295,464
Refuse Recycling Charge	12811	61.00	61.33	781,471
Each separately used or inhabited portion of a property serviced in the following locations will be levied:				
Arthur's Pass	134	77.00	76.67	10,318
Castle Hill	84	77.00	76.67	6,468
Lake Coleridge	42	77.00	76.67	3,234
Additional charges for physical collection and disposal:				
Refuse Wheelie Bin (240 Litre)	5351	383.00	383.33	2,049,433
Refuse Wheelie Bin (80 Litre)	2705	117.00	117.56	316,485
Organic (Green Waste) Wheelie Bin	1830	204.00	204.44	373,320
Bag Collection (per bag)		1.70	1.69	
Total Refuse Collection and Disposal Targeted Rate (including GST)				3,836,193
Total Refuse Collection and Disposal Targeted Rate (excluding GST)				3,335,820
Urban and Rural Water Targeted Rate				
(Targeted rate applied to separately used or inhabited part of a rating unit based availability of service)				
Full charges are made to all properties connected to the individual supplies, with half charges being made to all those properties within 100 metres from any part of the supply to which water can be, but is not supplied.				
Loan charges only apply to those properties that have not elected to pay a lump sum for physical works constructed within the area of benefit.				
Armack Drive				
Full	20	540.00	541.78	10,800
Half	-	270.00	270.89	-
Metered supply where metered (>900m ³ annually)		0.48m ³	0.36m ³	
Arthur's Pass				
Full	130	560.00	562.22	72,800
Half	11	280.00	281.11	3,080
Branthwaite Drive				
Full	24	810.00	813.00	19,440
Half	-	405.00	406.50	-
Metered supply where metered (>900m ³ annually)		0.39m ³	0.39m ³	
Burnham				
Full	24	560.00	562.22	13,440
Half	7	280.00	281.11	1,960
Castle Hill				
Full	89	410.00	408.89	36,490
Half	94	205.00	204.44	19,270
Darfield				
Full	935	350.00	306.67	327,250
Half	113	175.00	153.33	19,775
Metered supply where metered (>500m ³ annually)		0.42m ³	0.37m ³	
Darfield 'Rural A' extension				
Full	535	175.00	153.33	93,625
Darfield 'Rural B' extension				
Full	198	175.00	153.33	34,650

	Rating Number	2011/2012 GST @15%	2010/2011 GST @ 15%	Estimated Revenue \$
Doyleston				
Full	71	330.00	296.44	23,430
Half	49	165.00	148.22	8,085
Metered supply where metered (>800m ³ annually)		0.15m ³	0.14m ³	
Doyleston Holding Capacity				
Full	71	31.92	31.92	2,267
Half	49	31.92	15.96	1,564
Loan	56	379.19	379.19	21,235
Dunsandel				
Full	170	500.00	460.00	85,000
Half	9	250.00	230.00	2,250
Metered supply where metered (>600m ³ annually)		0.27m ³	0.25m ³	
Edendale				
Full	64	327.00	327.11	20,928
Half	5	163.50	163.56	818
Irrigation connection	4	327.00	327.11	1,308
Metered supply		0.48m ³	0.48m ³	
Metered irrigation		0.59m ³	0.59m ³	
Hororata				
Full	159	125.00	122.67	19,875
Half	15	62.50	61.33	938
Hororata - capital improvement				
One charge per water unit	168	40.89	40.89	6,869
Johnson Road				
Full	58	410.00	408.89	23,780
Half	3	205.00	204.44	615
Metered supply where metered		0.41m ³	0.41m ³	
Jowers Road				
Full	18	725.00	690.00	13,050
Half	-	362.50	345.00	-
Kirwee				
Full	342	360.00	357.78	123,120
Half	48	180.00	178.89	8,640
Metered supply where metered (>800m ³ annually)		0.35m ³	0.35m ³	
Kirwee (Courtenay extension)				
Full	4	360.00	357.78	1,440
Kirwee (Courtenay/Bealey Extn)				
Full	19	360.00	357.78	6,840
Lake Coleridge				
Full	55	325.00	327.11	17,875
Half	19	162.50	163.56	3,088
Water supply quality upgrade	64	286.22	286.22	18,318
Leeston				
Full	597	245.00	245.33	146,265
Half	62	122.50	122.67	7,595
Metered supply where metered (>800m ³ annually)		0.28m ³	0.24m ³	

	Rating Number	2011/2012 GST @15%	2010/2011 GST @ 15%	Estimated Revenue \$
Lincoln				
Full	1124	155.00	132.89	174,220
Half	61	77.50	66.44	4,728
Metered supply where metered (>400m ³ annually)		0.42m ³	0.36m ³	
Malvern Hills				
Full	1524	305.00	306.67	464,820
Half	23	152.50	153.33	3,508
Malvern Hills - Waireka extension				
Full	3	305.00	306.67	915
Half	0	152.50	153.33	-
Prebbleton				
Full	841	180.00	178.89	151,380
Half	57	90.00	89.44	5,130
Loan-Kingcraft Drive	1	344.77	344.77	345
Metered supply where metered (>400m ³ annually)		0.18m ³	0.18m ³	
Rakaia Huts				
Full	113	305.00	306.67	34,465
Half	2	152.50	153.33	305
Raven Drive				
Full	13	900.00	817.78	11,700
Half	-	450.00	408.89	-
Metered supply where metered		0.98m ³	0.89m ³	
Rolleston				
Full	2902	165.00	163.56	478,830
Half	309	82.50	81.78	25,493
Loan	376.00	40.48	40.48	15,219
Metered supply where metered		0.33m ³	0.33m ³	
Selwyn (Rural)				
Full	2052	125.00	122.67	256,500
Half	-	62.50	61.33	-
Selwyn (No 2 extension)				
Full	120	125.00	122.67	15,000
Half	3	62.50	61.33	188
Loan (rate varies for each ratepayer)				
Selwyn (Rural) - capital improvement				
One charge per water unit	2213	40.89	40.89	90,487
Sheffield				
Full	201	410.00	408.89	82,410
Half	4	205.00	204.44	820
Metered supply where metered (>700m ³ annually)		0.25m ³	0.25m ³	
Southbridge				
Full	340	305.00	306.67	103,700
Half	23	152.50	153.33	3,508
Metered supply where metered (>700m ³ annually)		0.18m ³	0.18m ³	
Springfield				
Full	148	510.00	511.11	75,480
Half	11	255.00	255.56	2,805
Metered supply where metered (>700m ³ annually)		0.97m ³	0.97m ³	

	Rating Number	2011/2012 GST @15%	2010/2011 GST @ 15%	Estimated Revenue \$
Springfield/Kowai Bush extension				
Full	23	510.00	511.11	11,730
Half	-	255.00	255.56	-
Springfield/Annat extension				
Full	19	510.00	511.11	9,690
Half	-	255.00	255.56	-
Springston				
Full	177	220.00	199.33	38,940
Half	17	110.00	99.67	1,870
Tai Tapu				
Full	165	330.00	332.22	54,450
Half	27	165.00	166.11	4,455
Metered supply where metered (>600m ³ annually)		0.57m ³	0.57m ³	
Tai Tapu - Otahuna Valley				
Full	45	330.00	332.22	14,850
Loan - connection	6	439.59	439.59	2,638
Loan - registration	4	345.70	345.70	1,383
Templeton(Claremont)				
Full	45	460.00	460.00	20,700
Half	13	230.00	230.00	2,990
West Melton				
Full	59	350.00	332.22	20,650
Half	1	175.00	166.11	175
Metered supply where metered(>1200m ³ annually)		0.48m ³	0.46m ³	
Te Pirita				
One charge per rating unit	10	400.00	368.00	4,000
Metered supply where metered		0.73m ³	0.66m ³	
Urban and Rural Water Targeted Rate (including GST)				3,408,245
Urban and Rural Water Targeted Rate (excluding GST)				2,963,692
Water Race Targeted Rates				
(Targeted rate applied based on the area of a rating unit which has the availability of the service)				
Ellesmere				
Per hectare or part thereof	37609.2382	13.29	13.29	499,785
Minimum charge	140	103.85	0.00	14,539
Malvern				
Per hectare or part thereof	41524.3283	14.31	14.31	594,259
Minimum charge	316	112.44	112.44	35,532
Urban water race charge	1634	10.22	10.22	16,703
Paparua				
Per hectare or part thereof	18559.9887	5.93	5.93	110,040
Unit charge	1318	149.76	149.76	197,378
Domestic	49	191.87	191.87	9,402
Urban water race charge	4021	10.22	10.22	41,104
Rural Public Good	1593	20.44	20.44	32,568
Irrigation charge (consent holders - /litre/sec)		271.09	271.09	
Total Stock Water Targeted Rates (including GST)				1,551,310
Total Stock Water Targeted Rates (excluding GST)				1,348,965

	Rating Number	2011/2012 GST @15%	2010/2011 GST @ 15%	Estimated Revenue \$
Land Drainage and River Works Targeted Rate				
(Targeted rate based on capital value, land value or area and location of rating unit)				
Greenpark	Capital Value			
Class B	13484900	0.000468	0.000468	6,311
Class C	11334000	0.000355	0.000355	4,027
Class D	916000	0.000354	0.000354	324
Class E	14260000	0.000147	0.000147	2,097
Class F	16367100	0.000093	0.000093	1,528
L2 River	Capital Value			
Class A	75065510	0.000283	0.000283	21,271
Class B	93310040	0.000203	0.000203	18,929
Class C	80450000	0.000130	0.000130	10,448
Class D	17014350	0.000086	0.000086	1,461
Class E	15291300	0.000067	0.000067	1,018
Class F	366722800	0.000044	0.000044	16,138
No 3 Subdivision (Ellesmere)	Capital Value			
Class A	13224000	0.000554	0.000554	7,327
Class B	13049000	0.000482	0.000482	6,296
Class C	6376000	0.000198	0.000198	1,264
Class D	9997000	0.000342	0.000342	3,423
Class E	887000	0.000111	0.000111	99
Class F	815000	0.000143	0.000143	117
No 4 Subdivision (Osborne)	Hectares			
Class A	1198.3467	8.6877	8.6877	10,411
Class B	256.2382	5.5060	5.5060	1,411
Class C	311.0188	0.7918	0.7918	246
Hororata River	Capital Value			
	9617810	0.000397	0.000397	3,815
Leeston Township Drainage	Land Value			
	73593700	0.000183	0.000183	13,451
Leeston Drainage	Hectares			
Class A	1057.2281	9.804751	9.804751	10,366
Class B	1421.0686	7.732455	7.732455	10,988
Class C	6481.7957	6.461942	6.461942	41,885
Class D	1087.6794	3.745054	3.745054	4,073
Minimum per rating unit	248	\$40.74	\$40.74	10,102
Taumutu Drainage	Hectares			
Class A	214.0087	22.053072	22.053072	4,720
Class B	210.0323	22.508654	22.508654	4,728
Taumutu Culverts	Capital Value			
Class A	8974200	0.001050	0.001050	9,423
Class B	8744100	0.000292	0.000292	2,553
Class C	956700	0.000151	0.000151	144
Class D	420000	0.000094	0.000094	40
Wairiri Valley	Hectares			
Class A	152.0000	1.839182	1.839182	280
Class B	79.0000	1.215933	1.215933	96
Class C	33.0000	1.085702	1.085702	36
Class D	17.0000	1.028560	1.028560	17
Class E	155.0000	0.956800	0.956800	148
Total Land Drainage and River Works Targeted Rate (including GST)				231,010
Total Land Drainage and River Works Targeted Rate (excluding GST)				200,878

	Rating Number	2011/2012 GST @15%	2010/2011 GST @ 15%	Estimated Revenue \$
Swimming Pool Targeted Rate				
(Targeted rate applied to separately used or inhabited part of a rating unit based on the location)				
Darfield Swimming Pool	1018	0.00	51.11	0
Leeston Swimming Pool	606	0.00	0.00	0
Prebbleton Swimming Pool	1005	0.00	20.44	0
Sheffield Swimming Pool	252	0.00	61.33	0
Southbridge Swimming Pool	504	0.00	71.56	0
Total Swimming Pool Targeted Rate (including GST)				0
Total Swimming Pool Targeted Rate (excluding GST)				0
Swimming Pools Targeted Rate				
(Targeted rate applied to separately used or inhabited part of a rating unit based on the location)				
Zone 1	3085	124.00	0.00	382,540
Zone 2	9865	87.00	0.00	858,255
Zone 3	1525	31.00	0.00	47,275
Total District Swimming Pool Targeted Rate (including GST)				1,288,070
Total district Swimming Pool Targeted Rate (excluding GST)				1,120,061
Library Targeted Rate				
(Targeted rate applied to all rating units within the district)				
Ellesmere	4488	143.00	143.11	641,784
Malvern	3800	143.00	143.11	543,400
Paparua	3829	143.00	143.11	547,547
Rolleston	3125	143.00	143.11	446,875
Total Library Targeted Rate (including GST)				2,179,606
Total Library Targeted Rate (excluding GST)				1,895,310
Total Rates per Funding Impact Statement (excluding GST)				27,444,506

SCHEDULE OF CHARGEABLE COSTS FOR ENVIRONMENTAL SERVICES

The charges listed below are required to be adopted by special order or special consultative procedure. The annual budget is such a procedure. Accordingly the Council will on an annual basis review its charges and include them in the budget for public consultation.

NB:

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 at the rate of 15% (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.

Planning	
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- s223 RMA;	\$260 minimum fee at s224 stage (for s223 and s224)
Completion certificates – s224 RMA;	
Subdivision compliance certificate – s.226 RMA;	\$410
Preparation of consent notices;	\$130
Removal of bonds or caveats;	\$130
Encumbrance administration	\$130
Preparing or signing certificates, authorities and other documents requiring a resolution of the Council, (and not listed elsewhere) including:	\$260 per item
Approval of easements and rights of way	
S321 Notices – Local Government Act;	
Revocation of easement;	
Cancellation building line restriction	
Land Information Memorandum	\$205
Overseas Investment Commission Certificate	\$255
General planning advice (Charged at the Council's discretion)	
Officer's time	Time and cost
Site inspection	Time and cost
Consultant's advice	At cost
Legal advice	At cost
Fixed fee ¹ resource consents and processes:	\$560
Non-complying siting of a building;	
Non-complying recession plane;	
Buildings or structures or signs for design, materials, colour and landscaping at Rocklands, Grasmere or Terrace Downs, provided they comply with the relevant development plan.	
Pre-lodgement meetings	\$100 per hour after first hour
Fast track ⁷ (internal setback applications),	\$360 fixed fee
Site coverage – in townships with restricted discretionary status	
Buildings or structures or signs for design, materials, colour and landscaping at Rocklands, Grasmere or Terrace Downs, provided they comply with the relevant Development Plan	\$1,000 deposit and time and cost
Relocated buildings.	\$765
Other non-notified resource consents ²	
• Land use	\$1,000 deposit and time and cost
• Subdivision	\$1,000 deposit and time and cost

<p>Notified resource consents</p> <ul style="list-style-type: none"> Land use Subdivision 	<p>\$2,000 deposit and time and cost \$2,000 deposit and time and cost</p> <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>
Limited notified resource consents – affected parties identified and not all approvals obtained	<p>\$2,000 deposit upfront and time and cost; OR Staged deposits and time and cost: \$1,000 at lodgement plus \$1,000 if proceed to hearing</p>
Certificate of compliance – s139 RMA	\$560
Existing use extension of time – s10(2) RMA	\$1,000 deposit and time and cost
Certificate of existing use – s139A RMA	\$1,000 deposit and time and cost
<p>Change, review or cancellation of consent conditions - s127 or 128 RMA</p> <ul style="list-style-type: none"> Affected party approval or no affected parties Notified 	<p>\$560 \$2,000 deposit (time and cost) Notified as for resource consent</p>
<p>Extension of time/cancellation of consent s125 or 126 RMA</p> <ul style="list-style-type: none"> Affected party approval or no affected parties Notified 	<p>\$305 \$2,000 deposit (time and cost) as for notified resource consent</p>
Designations	
<ul style="list-style-type: none"> Outline plan approval ³ 	\$205
<ul style="list-style-type: none"> Outline plan approval ⁴ 	\$1,000 deposit (time and cost)
<ul style="list-style-type: none"> Outline Plan Waiver Fee, or alternatively this may be waived at the time of building consent and charged against the building consent at time and cost. 	\$100
<ul style="list-style-type: none"> Notice of requirement s168 or 168A RMA 	\$2,000 deposit (time and cost)
<ul style="list-style-type: none"> Alteration – s181 RMA 	\$2,000 deposit (time and cost)
<ul style="list-style-type: none"> Minor change - s181(3) RMA 	\$255 deposit (time and cost)
<ul style="list-style-type: none"> Removal or partial removal – s182 RMA 	\$255 deposit (time and cost)
<ul style="list-style-type: none"> Extension of time s184 and 184A RMA 	\$255 deposit (time and cost)
Heritage Orders	
<ul style="list-style-type: none"> Notice of requirement – s189, 190 and 191 RMA Withdrawal of requirement – s189(5) RMA 	<p>\$2,000 deposit (time and cost) \$255</p>
Plan change request	\$10,000 deposit (time and cost)
Monitoring	
Basic (desktop)	\$50
Standard (1 inspection)	\$100
Specialised (>1 inspection)	\$205
Time and cost basis	\$145 per hour
<p>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 a resource consent will be charged additional monitoring fees on a time and cost basis.</p>	

Landscape plan approval – general ⁵	\$30
Landscape plan approval – specific ⁶	\$75
Engineering plan approval	\$20/lot
Access/vehicle crossing inspections	\$50/lot
Setting up of a bond, including For payment of financial contributions; Conditions on resource consents	At cost
Hearing	2 Councillors
Hearing Commissioner's charges	\$180/hr per panel
Plus officers charged at rates set under 'officer's time' where hearings advisors required.	
• 3 Councillors	\$260/hr per panel
• 2 Councillors and External Commissioner acting as chairperson	\$160/hr per panel plus up to \$180/hr for the Commissioner
(This fee applies when the Council has made the decision to appoint an External Commissioner.)	
• External Commissioner	Max \$180/hr
(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's time: (per hour)	
Planning manager / team leader	\$155
Other planners	\$145
Administration staff	\$75
Engineering - road, water and waste water, waste, reserves and property acquisitions	\$90
Consultants	At cost
Legal advice	At cost
Certificates of compliance (Sale of Liquor)	\$115
CD of plans and maps incl. postage	\$15
Hard copy of District Plan	At actual cost

Building	
PIM only	\$200
Solid fuel heater application – freestanding	\$350
Solid fuel heater application – inbuilt	\$500
If the fee is exceeded by more than 30%, the excess time and cost will be charged	
Minor works application	\$550
Work with an estimated value of up to \$5,000	
To cover the likes of sewer connections, solar panel installations, demolition, carports, sheds, some farm buildings, some additions and alterations of a minor nature. Fee is based on historical data. Allows for one inspection, no further information requests during processing and no PIM. If the fee is exceeded by more than 30%, the excess time and cost will be charged.	
Small works application with an estimated value between \$5,000 and \$15,000	\$680
To cover the likes of farm buildings, additions and alterations, garages, decks, swimming pools etc. Fee is based on historical data and two inspections, no further information requests during processing and no PIM. If the fee is exceeded by more than 30%, the excess time and cost will be charged.	
BC for deposit for work with an estimated value over \$15,000	\$1,000
Building administration staff	\$60 per hour
Planner	\$145 per hour
Building officials	\$138 per hour
Travelling time	\$138 per hour
Mileage	\$0.71 per km
Re-inspection	At actual cost
Producer statement assessment	\$15
Code compliance certificate fee	Charged on an actual time and cost basis
Marquee and general exemptions	\$150 minimum charge and any balance charged at time and cost
Engineering fee	\$20
Other e.g. Consultants Peer review Fire reports Acoustic reports Certificate of Title order	} On-charged at cost
Compliance schedules / statement of fitness issue (including amendments and administration and on-site auditing)	
S73 Building Act – Entry on Certificate of Title for land subject to flooding etc.	} Charged at actual cost – relating to building consents
S77 Building Act – Building on two or more allotments – relates to requirement to hold titles together	
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 the Council's responsibility is charged at actual cost i.e. notices to fix, dangerous and unsanitary buildings,	
Certificate of public use	\$500 deposit and billed at hourly rate of staff
Certificate of acceptance	\$1,000 flat fee for receiving a certificate of acceptance application (and on top of the \$1,000, processing of the certificate of acceptance is invoiced in the same way as for a building consent application, i.e. levies, inspections, administration, etc)

Swimming pools (including exemptions) Exemptions from fencing requirements considered on a case by case basis and charged at time and cost.	\$115 fixed fee
Infringement notices:	Maximum fee set by regulation depending on degree of offence.

Liquor licensing

The following fees are established by Regulation 29 of the Sale of Liquor Regulations 1990 and are reported for information only.

On licence	\$793.24
Renewal on licence	\$793.24
Off licence	\$793.24
Renewal off licence	\$793.24
Club licence	\$793.24
Renewal club licence	\$776.00
Temporary authority	\$134.93 (for each licence i.e. On/Off Licence)
BYO	\$134.93
Special licence	\$64.40
Manager's certificate	\$134.93
Renewal manager's certificate	\$134.93

New regulatory health (fees and charges to 30 June 2012)

Registered premises (excluding offensive trades)	
This covers the cost of one inspection, with additional inspections being at cost	
• Function centre	\$300
• High risk	\$300
• Medium to high risk	\$260
• Low/minor risk	\$175
• Change of ownership inspection	\$260
• Revisits due to poor performance	\$90 per hour
• Late payment fee on food premises	10% if paid after 1 July (annually)
Registration	
• Food control plan audit/verification	\$260
• Food control plan validation	\$85 per hour
• Food control plan visits and sign off/approval	\$85 per hour
• Mobile food traders	\$120
• Show and events 12 month certificate	\$85
• Public health – high risk	\$150
Other registered premises / licences:	
• Funeral Directors	\$150
• Hairdressers	\$155
• Camping grounds	\$155
• Offensive trades	\$150
• Hourly rate	\$85
Amusement devices (set by statute)	
• First device	\$11.20
• Subsequent devices	\$2.30
Additional inspections	
• Inspection fee	\$85 per hour
• Mileage	\$0.71 per km

Application fee based upon:	
• Administration	\$25
• Assessment / inspection	\$85 (per hour)
• Travelling time	\$85 (per hour)
• Mileage	\$0.71 (per km)
Hazardous substances:	
Monitoring and enforcement required pursuant to section 97 of the Hazardous Substances and New Organisms Act 1996.	
Inspections	\$90 (per hour)
Mileage	\$0.71 (per km)

Dog registration fees				
Dog registration fees for 2011/12				
The following dog registration fees apply for the 2011/12 year (all fees GST inclusive)	1st Dog	\$35		
	2nd and subsequent dogs	\$25		
Fee for payment after 31 st July 2011	\$50 for the first dog and \$35 for every subsequent dog.			
Dogs are to be registered at 3 months of age				
Fees for part of the registration year are as follows:	Month that dog turns 3 months of age	Only 1 dog owned	For each other dog owned	
(All dogs aged 3 months and over must be registered with the exception of certified disability dogs)	July	\$35.00	\$25.00	
	August	\$31.90	\$23.10	
	September	\$29.00	\$21.00	
	October	\$26.10	\$18.90	
	November	\$23.20	\$16.80	
	December	\$20.30	\$14.70	
	January	\$17.40	\$12.60	
	February	\$14.50	\$10.50	
	March	\$11.60	\$8.40	
	April	\$8.70	\$6.30	
	May	\$5.80	\$4.20	
	June	\$2.90	\$2.10	
	Fees will be waived for Certified Disability Dogs			
Tag, collar, seizure and micro chipping fees (inclusive of GST)	Replacement Dog Tag	\$5		
	Dog Collar (Small)	\$6		
	Dog Collar (Medium)	\$7		
	Dog Collar (Large)	\$8		
	Seizure Fee	\$46		
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	\$20 per dog		
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 the Council’s Service Centres at prescribed time – applicable to dogs micro chipped by Council staff only). Note that farm working dogs are legally not required to be micro chipped.	Free of Charge			
Impounding fees (all fees GST inclusive)	\$46 for the first impoundment \$69 for the second impoundment \$138 for the third impoundment			
Additional charges:				
Administration fee	\$11.50 per impounding			
Sustenance fee	\$33.50 per day or part thereof			
Officer’s time and mileage	\$50.00 flat fee			
Destruction fee (where applicable)	Actual cost			
Licenses underdog control bylaw				
Licence application fee	\$100			
Annual licence monitoring fee	\$25			

Stock impounding	
The fees associated with the impounding of stock are:	
Per animal:	Sheep \$5.50 Cattle \$56.50 Horse \$56.50 Goat \$56.50 Mule/Donkey \$56.50 Pig \$56.50 Other animals up to \$56.50
Feeding (day or part day):	sheep or goat (\$0.50 per head) other stock (\$2.50 per head)
Other costs:	
Driving and cartage costs	Actual costs
Advertising costs	\$90 per insertion
Time	\$37 per hour
Mileage	\$0.71 per km
A 50% discount is applied to numbers in excess of 100 sheep which are impounded at any one time from an individual or 10 head of any other stock.	

1. These fixed fees only apply when there are no affected parties or written approval has been obtained from all affected parties.

If the actual cost of processing the resource consent application is more than \$50 greater or less than the fixed fee amount, the Council will refund the additional fees paid or invoice for the outstanding amount.
2. Where a subdivision and land use consent are applied for together for the same activity on the same site, one set of deposit fees is required.
3. Grade 1 outline plan = approval plans for accessory buildings or structures or relocating buildings within the site, provided the bulk and location of the building complies with the District Plan rules for a permitted activity.
4. Grade 2 – all other outline plans
5. 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.
6. Landscape plan – specific = landscape plans where specific species or designs may or may not be used in accordance with the provisions in the District Plan.
7. The fast track fee will apply to applications for non-compliances for internal setbacks rules only and will require an application completed to the satisfaction of the Team Leader for Resource consents including all neighbours' consents that the Council deems be required.

PINES RESOURCE RECOVERY PARK CHARGES

	Current 2010/11	Proposed new price 2011/12
Residual waste (rubbish)	\$192.18 per tonne	\$198.00 per tonne
Garden and food organic waste	\$119.09 per tonne	\$119.09 per tonne
Garden prunings	\$106.31 per tonne	\$106.31 per tonne
Cleanfill	\$51.11 per tonne (restricted quantities)	\$51.11 per tonne (restricted quantities)
Tyres	Surcharge	
Car tyres	\$3.07 each	\$3.00
4WD	\$5.11 each	\$5.00
Light truck	\$8.18	\$8.00
Heavy truck	\$15.33	\$15.00
Tractor	\$51.11 each	\$51.00

Recyclables – no charge for approved recyclable materials provided that they are sorted and placed in the correct containers.

WHEELIE BIN RE-ISSUE CHARGES

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

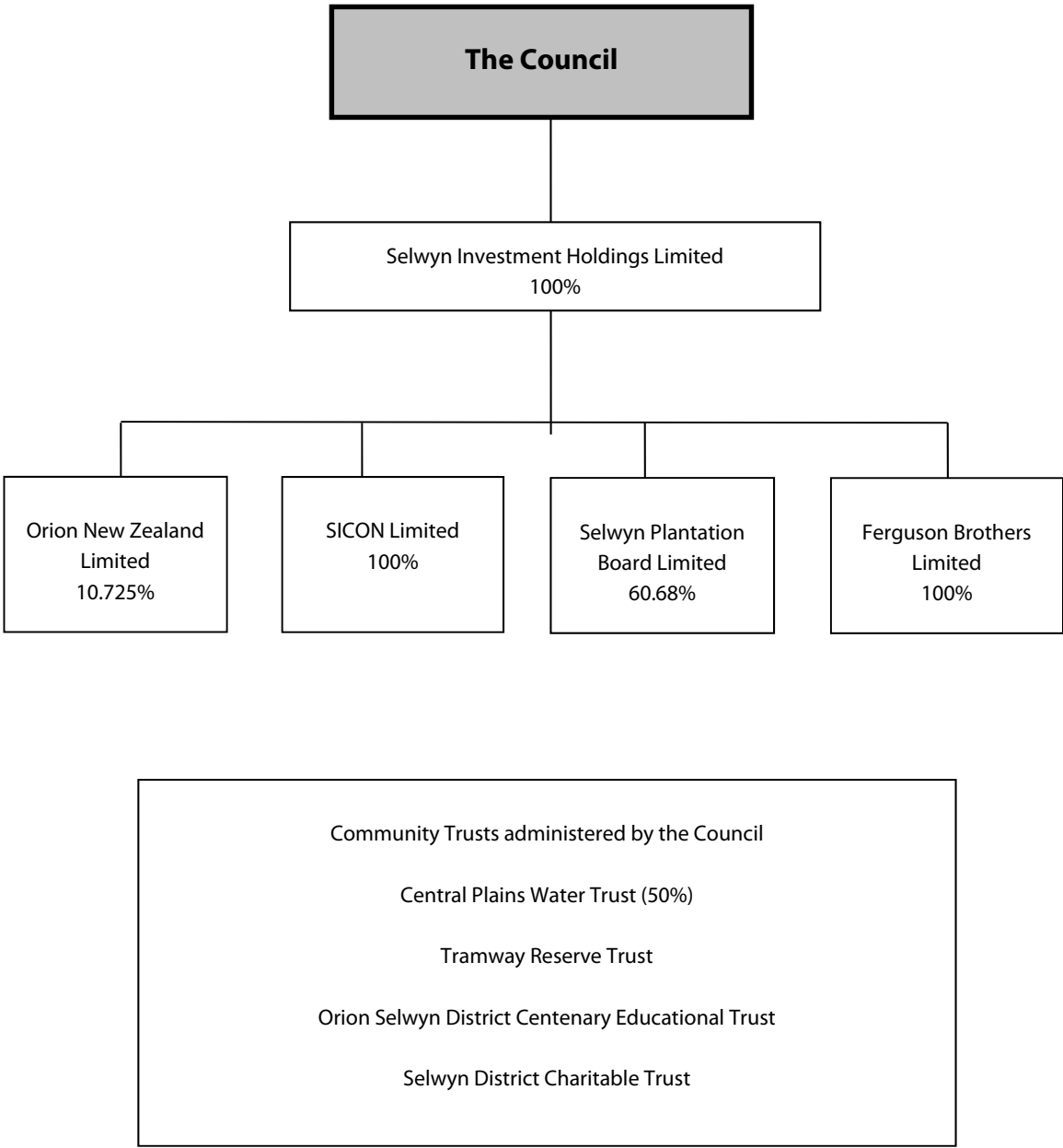
Households changing from an 80 litre to a 240 litre rubbish wheelie bin within two years of receiving their 80 litre wheelie bin will be charged \$65 (including GST) for bin delivery.

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 organic wheelie bin within two years of having returned an organic bin will be charged \$65 (including GST) for bin delivery.

COUNCIL CONTROLLED ORGANISATIONS



COUNCIL CONTROLLED ORGANISATIONS



SELWYN INVESTMENT HOLDINGS LTD

Relationship to the Council

The Council retains control over the activities of Selwyn Investment Holdings Ltd (the Company) through the Company's annual Statement of Intent, the Company's Constitution and the ability to appoint directors.

Nature and scope of the company

This enterprise is a company established to combine the Council's trading investments under one umbrella and thereby facilitate effective management of the Council's investments and cash flows. This arrangement is aimed to separate the trading investments from the ordinary operations of the Council and ensure that the Council's relationship with its investment companies is handled in a commercial manner. The security provided by this ownership enables the Council a facility to efficiently borrow in commercial markets.

The Company's revenue is in the form of dividends from Orion New Zealand Limited, SICON Limited, Selwyn Plantation Board Ltd and Ferguson Brothers Limited. Net income is distributed to the Council via a fixed dividend distribution policy.

Objective

To enable the efficient management of the Council's trading investments.

Key performance targets

The performance targets of the company are not yet available. This is because of the time taken to finalise dividend revenue for 2011/12 due to the impact of the February earthquake on Orion Group Limited.

- | | |
|---------------------------------|---|
| • debt/total assets | % |
| • return on total assets | % |
| • return on shareholder's funds | % |

SICON LIMITED

Relationship to the Council

The Council exercises influence on the Board through approval of its annual Statement of Intent.

Nature and scope of the company

SICON Limited is a supplier of asset management, maintenance and construction services. Consistent with its objective, the company will pursue activities designed to ensure the efficient and prudent utilisation of its capital assets and human resources.

Objective

To operate as a successful, 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

The performance targets of the company for 2011/12 are set out below.

1. Financial:
 - return after tax to opening shareholder's funds 1.9%
 - return before interest and tax on total assets 1.2%
2. Quality services – to maintain ISO 9001:2000 Quality Standard Certification.
3. Health and safety:
 - to maintain ACC WSMP certification to tertiary level;
 - to maintain NZS 4801 Safety Management Systems Certification.
4. Environmental – to maintain NZS 14001 Environmental Standard Certification.

SELWYN PLANTATION BOARD LTD

Relationship to the Council

The Council exercises influence on the Board through approval of its annual Statement of Intent.

Nature and scope of the company

The core business of the Selwyn Plantation Board Ltd is to manage the Company's forests, farms and land on a commercial basis using the most environmentally and commercially sustainable methods. The Company is in the process of a staged realisation of its assets.

Objective

The Company's mission is to liquidate the Company through a well-managed and staged realisation consistent with the objective of maximising value to shareholders. It aims to protect and enhance the Company's competitive position throughout the realisation process and be responsive to its customer's needs.

Key performance targets

The performance targets of the company for 2011/12 are set out below.

•	ratio of equity to total assets	95%
•	return before interest and tax on total assets	1.0%
•	return after tax to equity	1.0%

FERGUSON BROTHERS LIMITED

Relationship to the Council

The Council exercises influence on the Board through approval of its annual Statement of Intent.

Nature and scope of the company

Ferguson Brothers Limited's business is the provision of quality contracting services. Consistent with its objective, the company will pursue activities designed to ensure the efficient and prudent utilisation of its capital assets and human resources.

Objective

To operate as a successful roading, earthworks and civil contracting business and follow these key principles which are central to its business strategy:

- commitment to quality;
- commitment to its shareholders;
- commitment to its people;
- commitment to health and safety;
- commitment to the environment;
- commitment to future growth.

Key performance targets

The performance targets of the company for 2011/12 are set out below.

- | | |
|---------------------------------|-------|
| • debt/total assets | 38.4% |
| • return on total assets | 2.9% |
| • return on shareholders' funds | 9.7% |

Return is defined as net surplus after interest and tax. Shareholders' funds is defined as opening Shareholders' funds at the start of the period.

ORION NEW ZEALAND LIMITED

Relationship to the Council

Selwyn Investment Holdings Limited 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.

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

The draft performance targets of the company for 2011/12 are set out below. These targets are subject to final approval.

1. Financial

Orion's financial performance targets for the parent company for the year ended 31 March 2012 are as follows:

- | | |
|---|---------|
| • Profit after tax | \$28.0m |
| • Profit after tax/average shareholders' equity | 5.2% |

2. Reliability

The company believes that, assuming there are no further major earthquakes, its customers that are occupying their homes and businesses, will on average enjoy a level of reliability of electricity supply that is close to pre-earthquake levels in the financial year to 31 March 2012 and beyond. Some individual customers may experience outages in local areas as underground cable repairs are effected – however these outages are not expected to have a materially adverse impact on performance. Orion hope that our specific target figures will be available by the end of June 2011 and will update its Statement of Intent when these are available.

3. Environmental targets

- Continue to undertake and encourage demand side management
- Continue our support for and sponsorship of Community Energy Action (CEA)
- Support the Christchurch City Council's sustainable energy strategy

4. Community and employment targets

- Zero work related lost time accidents for our employees and contractors
- Zero number of injury accidents (excluding car versus pole traffic accidents) involving members of the public
- Continue with our local public safety education and awareness programme in the safe use of electricity
- Undertake our annual formal employee survey and follow up on the results
- Achieve voluntary staff turnover of less than 5% for Orion and less than 10% for Connetics for the year
- Continue with our Orion engineering trainee programme
- Continue to develop our Connetics apprentice scheme

- Continue to support the CPIT Trades Innovation Centre
- Continue to support the Greater Christchurch Urban Development Strategy (UDS) through our network AMP

5. Earthquake recovery targets

- Repair our damaged 11kV and low voltage underground cables in the eastern suburbs
- Build and commission a new zone substation in Rawhiti Domain (fronting Keyes Road) to replace the New Brighton substation
- Build and connect a new 1.5km temporary 66kV overhead line from our existing (damaged) New Brighton substation to the new Rawhiti Domain substation
- Build and connect a new 4.5km temporary 66kV overhead line from the Bromley grid exit point to our Dallington substation
- Purchase or hire up to twenty five 100kW to 440kW mobile diesel generator sets as a contingency measure for the next three years
- Install up to 4MW of temporary diesel generators at QEII
- Lay and commission permanent 66kV underground cables from Bromley grid exit point to the Dallington and Rawhiti Domain substations. Then remove the temporary 66kV overhead lines installed after the February 2011 earthquake.
- Work with the Canterbury Earthquake Recovery Authority (CERA) and the Christchurch City Council to re-establish power and network resiliency to the central business district (CBD) according to agreed priorities and timeframes

CENTRAL PLAINS WATER TRUST

Relationship to the Council

Central Plains Water Trust is a Council Controlled Organisation (CCO), jointly controlled by Selwyn District Council (50%) and 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 will hold all necessary resource consents, when 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

- To provide assistance to Central Plains Water Limited and monitor progress of accumulating scientific studies necessary to support obtaining the necessary resource consents for the Central Plains irrigation scheme on behalf of the Trust.
- To consult, and develop scheme recreational opportunities and environmental community enhancers.

TRAMWAY RESERVE TRUST

Relationship to the Council

Tramway Reserve Trust is a Council Controlled Organisation (CCO) of the Council.

Nature and scope of activities

Tramway Reserve, at the east end of Tramway Reserve Road, will be subject to restoration and enhancement to be led by the Tramway Reserve Trust. The restoration project was agreed as mitigation for the past and on-going use of Tramway Reserve Drain for waste water management. The Trust was established as part of that agreement between Ngai Tahu and the Council as a condition of the upgraded Leeston (Ellesmere) Sewage Treatment site.

Key performance targets

The Trust will continue work towards returning the Tramway Reserve waterway to its natural state and facilitating public access.

ORION SELWYN DISTRICT CENTENARY EDUCATIONAL TRUST

Relationship to the Council

Orion Selwyn District Centenary Educational Trust is a CCO of the Council.

Nature and scope of activities

The Trust was established in November 2003 by Orion New Zealand Limited. The purpose of the Trust is to promote and support the education of students who are attending Ellesmere College, Lincoln High School and Darfield High School and any other high school established in the Selwyn district in the future, and who are intending to undertake a course of tertiary education in New Zealand.

Key performance targets

The Trust expects to receive enough investment income each year to be able to pay out scholarships to recipients from the three current high schools in the area.

SELWYN DISTRICT CHARITABLE TRUST

Relationship to the Council

Selwyn District Charitable Trust is a CCO of the Council.

Nature and scope of activities

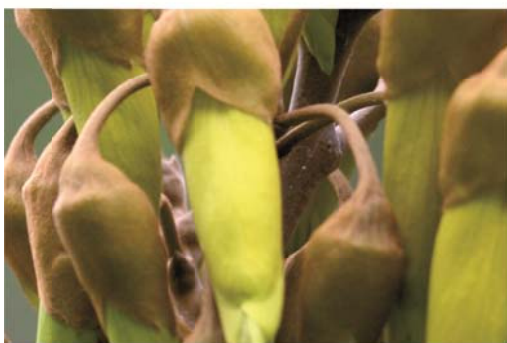
The Trust receives funds in the form of charitable donations and makes them available for the charitable activities of the Council.

Key performance targets

The Trust will aim to:

- distribute all the funds it receives in the year of receipt;
- achieve investment returns in line with those achieved by the Council.

COUNCIL INFORMATION



COUNCIL INFORMATION

Mayor and Councillors contact details

Mayor		Deputy Mayor (Selwyn Central Ward Councillor)	
Kelvin Coe	513 The Lake Road RD 3 LEESTON 7683 (H) (03) 329 1768 (F) (03) 329 1786 Council 027 267 7732 kelvin.coe@selwyn.govt.nz	Sarah Walters	143 Midhurst Road RD 1 CHRISTCHURCH 7671 (H) (03) 318 1227 Council 027 270 1215 sarah.walters@selwyn.govt.nz
Selwyn Central Ward			
Mark Alexander	478 Two Chain Road RD 7 CHRISTCHURCH 7677 (H) (03) 347 6393 (F) (03) 347 6392 Council 027 526 6388 mark.alexander@selwyn.govt.nz	Jeff Bland	Weedons Road RD 8 CHRISTCHURCH 7678 (H) (03) 347 4070 Council 027 399 9206 jeff.bland@selwyn.govt.nz
Peter Hill	1316 Tramway Road RD 2 LEESTON 7682 (H) (03) 325 4450 Council 027 364 5834 peter.hill@selwyn.govt.nz		
Malvern Ward			
Sam Broughton	39 Cross Street COALGATE 7673 (H) (03) 318 2755 Council 027 520 5207 sam.broughton@selwyn.govt.nz	John Morten	224 Waireka Road RD 1 DARFIELD 7571 (H) (03) 317 9001 (F) (03) 317 9002 Council 027 200 2578 john.morten@selwyn.govt.nz
Springs Ward			
Lindsay Philps	14 Lyttelton Street LINCOLN 7608 (H) (03) 325 7670 (B) (03) 325 2130 Council 027 295 3868 lindsay.philps@selwyn.govt.nz	Malcolm Lyall	520 Springs Road PREBBLETON 7604 (H) (03) 349 7990 Council 027 433 9964 malcolm.lyall@selwyn.govt.nz
Debra Hasson	152 Chamberlains Road RD 4 CHRISTCHURCH 7674 (H) (03) 329 5445 Council 027 435 5055 debra.hasson@selwyn.govt.nz		
Ellesmere Ward			
Pat McEvedy	80 St John Street SOUTHBRIDGE 7602 (H) (03) 324 2572 Council 027 430 3818 pat.mcevedy@selwyn.govt.nz	Nigel Barnett	176 Dunsandel/Hororata Road Dunsandel, RD 2 LEESTON 7682 (H) (03) 325 4205 Council 027 484 4888 nigel.barnett@selwyn.govt.nz

COMMUNITY BOARD MEMBERS

Malvern Community Board			
<i>Chairperson</i>		<i>Deputy Chairperson</i>	
Jenny Gallagher	43 Tramway Road RD 1 DARFIELD 7571 (H) (03) 318 1784 Council 027 497 0120 jenny.gallagher@selwyn.govt.nz	Allan Thorne	Arbourlea 2143 Bealey Road RD 2 DARFIELD 7572 (H) (03) 318 0798 (F) (03) 318 0797 allan.thorne@selwyn.govt.nz
Bill Frost	55 Station Road RD 1 COALGATE 7673 (H) (03) 318 2604 (F) (03) 318 2601 bill.frost@selwyn.govt.nz	Mary Ireland	3D Perrin Place DARFIELD 7510 (H) (03) 318 8649 (F) (03) 318 8648 mary.ireland@selwyn.govt.nz
Ray Pearson	3068 Coaltrack Road COALGATE 7673 (H) (03) 318 2821 ray.pearson@selwyn.govt.nz		

Selwyn Central Community Board			
<i>Chairperson</i>		<i>Deputy Chairperson</i>	
Liz Russell	7 Oak Tree Lane ROLLESTON 7614 (H) (03) 347 7262 Council 027 240 7964 liz.russell@selwyn.govt.nz	Alan French	23 Delaware Way ROLLESTON 7614 (H) (03) 347 2338 Council 027 664 4305 alan.french@selwyn.govt.nz
Sandy Williams	3 Verona Court ROLLESTON 7614 (H) (03) 377 2908 Council 027 663 692 sandy.williams@selwyn.govt.nz	Joyce Davey	6 Juliet Place ROLLESTON 7614 (H) (03) 347 8217 Joyce.davey@selwyn.govt.nz

WHERE TO GO FOR MORE INFORMATION

The annual budget 2011/12 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. Telephone (03) 347 2800 or (03) 318 8338	
Website	Selwyn District Council Headquarters
www.selwyn.govt.nz	2 Norman Kirk Drive PO Box 90 ROLLESTON 7643
Service Centres	
Leeston Library / Service Centre High Street Private Bag 1 LEESTON Phone (03) 324 8080	Darfield Library/Service Centre South Terrace DARFIELD 7510 Phone (03) 318 8338
Lincoln Service Centre Gerald Street LINCOLN 7608 Phone (03) 347 2875	Rolleston Library / Service Centre Rolleston Drive ROLLESTON 7614 Phone (03) 347 2880
Auditors	Bankers
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 Shandan County Government North Road No.3 Qingquan Town Shandan County Gansu Province CHINA 734100

COUNCIL CONTROLLED TRADING ORGANISATIONS

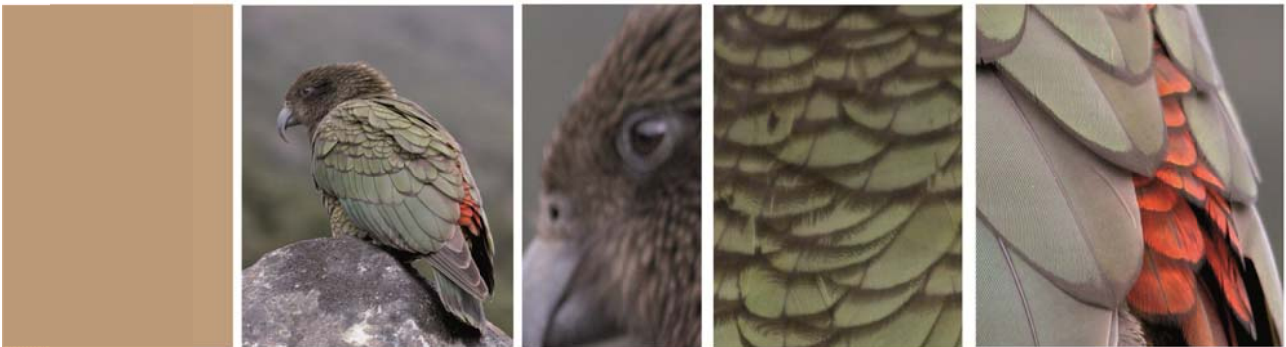
Council companies

Selwyn Investment Holdings Limited (100% owned by the Council)	Selwyn Plantation Board Ltd (60.68% owned by Selwyn Investment Holdings Limited)
P O Box 2935 CHRISTCHURCH 8140 Phone (03) 366 5601 Fax (03) 366 5608 Website www.sihl.co.nz	Horndon Street, PO Box 48 DARFIELD 7541 Phone (03) 318 8311 Fax (03) 318 8812
<i>Board</i> WJ Bell (Chairperson) J Morten SA Leck M Taggart JA Veitch	<i>Board</i> R Polson (Chairperson) A Berge S Astor J Morten
<i>Chief Executive</i> A Bartlema	<i>Chief Executive</i> A Russell
<i>Company Secretary</i> J Wilson	
Ferguson Brothers Limited (98.2% owned by Selwyn Investment Holdings Limited)	SICON Limited (100% owned by Selwyn Investment Holdings Limited)
Main South Road PO Box 332 GREYMOUTH 7840 Phone: (03) 768 4181 Fax (03) 768 4180	3 South Terrace, PO Box 40 DARFIELD 7541 Phone (03) 324 3068 or (03) 318 8320 Fax (03) 318 8578 E-mail sicon@sicon.co.nz Website www.sicon.co.nz
<i>Directors</i> T Tattersfield (Chairperson) S Leck P Bosworth GH Clemens	<i>Board</i> GH Clemens (Chairperson) KJ Beams R Lauder T Tattersfield
<i>General Manager</i> M Higgins	<i>Chief Executive</i> B Beagley

OTHER COUNCIL ORGANISATIONS

Central Plains Water Trust (50% owned by Selwyn District Council)		Izone Southern Business Hub Council committee established to develop an industrial park at Rolleston	
PO Box 90 ROLLESTON 7643 Phone (03) 347 2800 Fax (03) 347 2799		PO Box 90 ROLLESTON 7643 Phone (03) 347 2800 Fax (03) 347 2799	<i>Website</i> www.izone.org.nz
<i>Trustees</i> DJ O'Rourke (Chairperson) DJ Catherwood RW Davison DAR Haslam V Smart Council Williams		<i>Committee Members</i> JB Morten (Chairperson) KJ Coe JL Christensen WJ Bell R Schulz R McEwan	<i>Chief Executive</i> RD Hughes Developments Limited Attention: Robin Hughes Phone (03) 379 2609
		<i>The Council Manager responsible</i> DD Marshall – Manager Corporate Services Selwyn District Council	

AMENDMENT TO THE DEVELOPMENT CONTRIBUTIONS POLICY



AMENDMENT TO THE DEVELOPMENT CONTRIBUTIONS POLICY

Amendment to the development contributions policy to increase the development contribution charges by the Consumer Price Index as at 31 December 2010

The Council has amended the development contributions policy included in Selwyn Community Plan (LTCCP) 2009-19 (as amended by the annual budget 2010-11). The amendment is to increase the development contribution charges by the Consumer Price Index as at 31 December 2010.

Section 1 of the development contributions policy states that the Council adjusts all development contributions annually by the CPI as at 31 December based on the Statistics New Zealand information released in the following January. The Council applies the All Groups index.

The actual Consumer Price Index as at 31 December 2010 is 4%, but this includes the impact of the GST increase from 1 October 2010. As the development contribution charges include GST at 15%, the increase that will be applied for the Consumer Price Index excludes the GST component of the increase. This means that the charges are not impacted twice for the GST increase.

This change has resulted in a 2% increase in each of the development contribution charges published in the Selwyn Community Plan (as amended by the annual budget 2010-11) and the updated fees are set out in the table below.

DEVELOPMENT CONTRIBUTIONS

For the year ending 30 June 2012

NCA = No Capacity Available

LCA = Limited Capacity Available – development contribution will be calculated on enquiry

Development contribution and connection fee per lot (including GST)							
	Scheme	Standard water connection fee - see notes above	Water Development contribution	Total fee	Sewer connection fee - see notes above	Sewer Development contribution	Total fee
1	Armack Drive		NCA				
2	Arthur's Pass		NCA				
	Arthur's Pass (Sunshine Terrace)				Actual	\$12,950	Actual + \$12,950
3	Branthwaite Drive		NCA				
4	Burnham		NCA				
5	Castle Hill		LCA			LCA	
6	Coleridge	\$1,048	\$5,874	\$6,922	Actual	\$8,751	Actual + \$8,751
8	Darfield						
	Residential	\$1,048	\$8,310	\$9,358			
	Rural						
	Residential	\$1,048	\$8,310	\$9,358			
9	Darfield						
	Rural A Zone (3.5m ³ /day)	\$1,048	\$8,310	\$9,358			
	Rural B Zone (2.0m ³ /day)	\$1,048	\$8,310	\$9,358			
10	Doyleston	\$1,048	\$4,998	\$6,045	Actual	\$7,093	\$7,093
11	Dunsandel	\$1,048	\$8,985	\$10,033			
12	Edendale		NCA				
13	Fisherman's Point (Taumutu)		NCA				
14	Johnsons Road		NCA				

Development contribution and connection fee per lot (including GST)							
		Water			Sewer		
	Scheme	Standard water connection fee - see notes above	Development contribution	Total fee	Sewer connection fee - see notes above	Development contribution	Total fee
15	Jowers Road		NCA				
16	Kirwee Urban	\$1,048	\$5,658 – refer note above	\$6,705			
17	Kirwee Rural R	\$1,048	\$5,658 – refer note above	\$6,705			
18	Kirwee Rural A	\$1,048	\$5,658 – refer note above	\$6,705			
19	Kirwee Rural Extensions	\$1,048	\$5,658 – refer note above	\$6,705			
20	Leeston	\$1,048	\$4,887	\$5,935	Actual	\$7,227	Actual + \$7,227
21	Lincoln	\$1,048	\$1,645	\$2,693	Actual	\$10,738	Actual + \$10,738
22	Malvern Hills Existing This water supply services the townships of Glentunnel, Coalgate and Whitecliffs, including the 1999 Waireka Extension A domestic connection is two units	\$1,048	Headworks contribution \$2,573 per unit Quality improvement \$2,579 per dwelling	\$1,048 \$2,573 per unit Quality improvement \$3,626 per dwelling			
23	Prebbleton						
	• Township	\$1,048	\$4,325	\$5,373	Actual	\$10,738	Actual + \$10,738
	• Kingcraft Drive	\$1,048	\$5,825	\$6,873			
24	Rakaia Huts		NCA				
25	Raven Drive		NCA				

Development contribution and connection fee per lot (including GST)							
		Water			Sewer		
	Scheme	Standard water connection fee - see notes above	Development contribution	Total fee	Sewer connection fee - see notes above	Development contribution	Total fee
26	Rolleston						
	Residential	\$1,048	\$2,765	\$3,813	Actual	\$10,738	Actual + \$10,738
	Business Zones (Jones Road)	\$1,048	\$19,356 per ha	\$20,404 per ha	Actual	\$75,169 per ha	Actual + \$75,169 per ha
27	Selwyn RWS	\$1,048	Headworks \$1,196 per unit	Headworks \$2,224 per unit			
	Per ha		Upgrade to \$788 per unit	Upgrade to \$788 per unit			
	Per unit		Supply treatment installation \$533	Supply treatment installation \$533 + \$1,048			
	(Domestic Connection) (This water supply services the township of Hororata)	\$1,048					
28	Sheffield	\$1,048	\$8,044	\$9,092			
	Sheffield Rural	\$1,048	\$8,044	\$9,092			
29	Southbridge		LCA		Actual	\$7,109	Actual + \$7,109
30	Springston	\$1,048	\$3,182	\$4,230	Actual	\$10,738	Actual + \$10,738
31	Springston South Upper Huts		NCA			NCA	
32	Springfield		NCA				
33	Tai Tapu Township		LCA		Actual	\$11,744	Actual + \$11,744
	Rising Main SH75 (incl CCC fee)				Actual	\$8,002	Actual + \$8,002
	Lincoln – Tai Tapu Road				Actual	\$8,494	Actual + \$8,494
34	Te Pirita		On Enquiry				
35	West Melton		NCA				
	• Properties connected on West Melton to Rolleston pipeline route				Actual	\$12,146	Actual + \$12,146
	• Preston Downs subdivision				Actual	\$12,146	Actual + \$12,146
	• Existing West Melton township and all other connections from subdivision activity				Actual	\$13,342	Actual + \$13,342
	• Gainsborough subdivision				Actual	\$5,685	Actual + \$5,685
36	Whitecliffs		NCA				

Roading development contributions		
Area	Work for which contribution required	Fee (including GST)
Rolleston	Rolleston Drive/Hoskyns Road/ State Highway 1	\$119 per Lot
Lincoln	Lincoln roading projects within the Lincoln MUL	\$652 per Lot
UDS	CRETS roading improvement projects	\$718 per Lot
Outside UDS any subdivision rural or residential	CRETS roading improvement projects	\$106 per Lot
Rolleston	New school road	\$299 per Lot
Rolleston, land between Lowes Road and Goulds Road	New school road	\$1,590,096

Stormwater development contributions		
Area	Work for which contribution required	Fee (including GST)
Lincoln	Lincoln stormwater management	\$9,930 per Lot

Development area development contributions		
Area	Work for which contribution required	Fee (including GST)
Rolleston Lowes Road ODP Area		
• North High	New and upgraded roads, walkways and cycleways	\$23,988 per Lot
• North Medium	New and upgraded roads, walkways and cycleways	\$16,833 per Lot
• North Low	New and upgraded roads, walkways and cycleways	\$5,454 per Lot
• Fairhurst High	New and upgraded roads, walkways and cycleways	\$23,225 per Lot
• Fairhurst Low	New and upgraded roads, walkways and cycleways	\$8,798 per Lot
• Jozecom High	New and upgraded roads, walkways and cycleways	\$21,583 per Lot
• Jozecom Low	New and upgraded roads, walkways and cycleways	\$10,675 per Lot