



Annual Report

2023/24



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From the Mayor and Chief Executive

Kia ora Waikirikiri Selwyn

We are pleased and proud to include in this Annual Report, the successes and challenges Waikirikiri Selwyn experienced in the year ending 30 June 2024.

The district continues to experience unprecedented growth across many parts of our community. The Selwyn District Council has been working hard to accommodate and plan for the needs of our growing population.

One major focus in the past year was completing the 2024-2034 Long-Term Plan, which included extensive consultation with over 1500 submissions from our community about their needs, and how much our residents are willing to pay for those wishes. Thanks to all who participated.

We have confirmed significant investments in our future, including the upgrade of wastewater facilities like the new Ellesmere pipeline, the development of community spaces like the Rolleston Town Centre, the Darfield Pool, Whata Rau in Leeston, and other projects like the Lincoln Town Centre upgrade. We also continue a strategic approach to planning for future generations through the Waikirikiri Ki Tua Future Selwyn project.

Balancing affordability, meeting current needs, and allowing for future opportunities will remain the biggest challenge facing the Selwyn District Council in the coming years. Based on your feedback, we have determined that over 80% of our capital programme will be spent on essential water and transport infrastructure.

We acknowledge the additional financial stress rate increases add to our ratepayers when living costs are already high, and we aim to reduce the predicted rate increases as soon as possible. Inflation for the Council on our infrastructure will be over 30% in 3 years. The rates system to pay for it all is not sustainable, and we continue to talk with the government to see a change in how local government is funded beyond rates.

In the past year, our staff worked hard to deliver services for Selwyn, picking up your rubbish, fixing 4,786 potholes, resealing 81km of road, maintaining 645 reserves and parks, providing swimming lessons to 13,826 learners, answering 62,116 phone calls from the public and registering 17,042 dogs.

Our future looks bright, even as overall economic growth in the year until June slowed down slightly. Our building and resource consents signal that we continue to see investment and movement to Selwyn from around Aotearoa, New Zealand.

Our consumer spending increased by a whopping 13% in the previous year, while local businesses grew by 4.4%, creating 6.6% more local jobs.

Selwyn has always been a great place to live, and the Selwyn District Council is here to support our residents and businesses and create not just a fast-growing but enjoyable, liveable, and affordable place to call home.

Sam Broughton
Mayor

Sharon Mason
Chief Executive



About the Annual Report

Selwyn District Council is a territorial local authority that exists to provide a wide range of services for and on behalf of the residents of the Selwyn District. It serves a fast-growing population of about 80,000 people across 6,381 square kilometres. This includes plains and high country, as well as many farms and small towns.

The Council's Long-Term Plan sets out the outcomes it wants to achieve for Selwyn over the next 10 years and the projects and activities over the medium to long-term that will help it to achieve these.

The purpose of the Annual Report is to compare the actual activities and performance of the Council against those set out in the 2021-2031 Long-Term Plan. The Annual Report also supports the Council's accountability to the community for the decisions made during the year.

The financial statements and performance information presented in this document are reporting against the third year of the Selwyn District Council's Long-Term Plan 2021-2031, which was adopted on 23 June 2021.

Māori involvement in decision-making

The Selwyn District Council is committed to upholding the principles enshrined in the Local Government Act 2002, particularly those that acknowledge and foster the special relationship between the Council and Māori. This commitment is reflected in the Council's strategic objectives, which are aligned with the recognition of Māori culture, traditions, and the preservation of their ancestral lands and taoka.

Our district is located within the takiwā territory of Ngāi Te Ruahikihiki, Ngāi Tūāhuriri and Ngāi Tahu. The hapū subtribes are represented by Te Taumutu Rūnanga and Te Ngāi Tūāhuriri Rūnanga, two of the 18 Ngāi Tahu regional papatipu rūnanga, established under the Te Rūnanga o Ngāi Tahu Act 1996.

Throughout the year, the Council has remained dedicated to strengthening its relationship with mana whenua. Our approach is founded on the principle of active partnership and collaboration, recognising that our shared objectives are best achieved when we are 'in one house, working together'. This philosophy guides our work as we seek solutions, create opportunities, and uphold our responsibilities to mana whenua and iwi Māori.

We have also fostered strong relationships and have worked on a range of projects and initiatives that reflect our collective commitment to progress. The adoption of Te Rautaki Tikaka Rua Bicultural Strategy, induction of a mana whenua representative to the full Council and Committees of Council, alongside the establishment of Te Pou Mataaho Iwi Māori Capability Team are testament to the Council's commitment. These efforts are central to ensuring that our partnership continues to thrive and evolve, benefiting all communities within Waikirikiri Selwyn.

In this report, we reflect on the progress we have made over the past year and reaffirm our commitment to ongoing collaboration with iwi Māori, recognising the crucial role they play in shaping the future of our district.

The Year in Review

Financial Performance



\$194.8m

total expenditure
(against a budget of \$177.4 million)



\$96.1m

rates revenue levied
(against a budget of \$94.1 million)



\$14.9m

received in development
contributions revenue
(compared with budget of \$9.3 million)



\$2.8b

total Council net assets
(2023 \$2.7 billion)

The Selwyn District Council Group reported an after-tax surplus of \$2.25m in the 2023/24 financial year, a decrease of \$31.74m on the previous year. The Group's net assets as at 30 June 2024 are \$2.8 billion.

A notable portion of the Group surplus comprises development contributions, which are retained for future infrastructure provision and cannot be used to reduce rates: and vested assets which are a non-cash item and are also not available to reduce rates.

Summary Financial Performance (\$M)

Financial year ending 30 June 2024

	Council			Group		
	2024	2024		2024	2023	
	Actual	Budget	Variance	Actual	Actual	Variance
Rates revenue	96.1	94.1	2.0	96.1	85.3	10.8
Subsidies and grants	27.0	24.2	2.8	27.0	13.5	13.5
Fees and charges	27.2	23.9	3.3	27.2	22.1	5.1
Dividend revenue	6.5	5.0	1.4	4.5	4.0	0.4
Interest revenue	1.1	-	1.1	1.5	1.5	0.1
Other revenue	7.8	8.3	(0.5)	49.8	47.1	2.7
Development and financial contributions	14.9	9.3	5.7	14.9	20.4	(5.5)
Vested assets	18.3	34.4	(16.1)	18.3	38.6	(20.3)
Other gains/(losses)	1.1	0.4	0.7	0.4	3.1	(2.7)
Total revenue	199.9	199.5	0.3	239.7	235.5	4.1
Operating expenses	194.8	177.4	17.4	235.8	199.3	36.6
Surplus/(deficit) before taxation	5.1	22.1	(17.0)	3.8	36.3	(32.4)
Income taxation expense/(benefit)	0.1	-	0.1	1.6	2.3	(0.7)
Surplus/(deficit) after taxation	5.0	22.1	(17.1)	2.2	34.0	(31.7)

The Council’s core revenue in the year was \$199.9 million, \$0.34 million favourable to the budget of \$199.5 million.

Population growth in the district exceeded budget expectations, leading to a continued fast-paced housing development sector. This has resulted in development and financial contribution revenue being \$5.7 million above budget.

Development contributions are collected from developers, to fund the building of infrastructure assets to service the additional demand created from this housing growth. Higher population levels have also seen higher than budgeted property related revenues from rates, and fees and charges for the provision of building and resource consents and land information memorandum (LIM) reports.

Vested asset revenue was \$16.1 million lower than budget. This is due to the slow down in completed housing developments in Selwyn, which has resulted in less income from vested assets than originally budgeted. Vested assets are predominantly infrastructure, such as roads and water services, established by developers then transferred to the Council for ongoing ownership and management. This is a non-cash item and is has no impact on rates.

The Council’s core operating expenditure for the year was \$194.8 million, \$17.4 million unfavourable to the budget of \$177.4 million.

Depreciation and amortisation expenditure was \$5.4 million above budget due to an increase in assets, asset value and resources required to service a growing district.

Personnel costs were \$4.0 million above budget, due to the growth of the district requiring an increase in staff to facilitate this growth. This has resulted in an increase in the personnel expenses when compared with budget.

Other expenditure was \$10.0 million above budget, mainly due to:

Increased maintenance expenses required to service our growing district.

Other expenses above budget include increased consulting and professional fees, building levies, insurance and software licencing.

For more information on financial performance, see the Financial Reporting section starting at page 112.



Service Performance

525,782

visits to Selwyn Aquatic Centre

4,786

repaired potholes

11,810 km

of grading on unsealed roads

491,874

visits to Council libraries

2,038

building consents processed

676

resource consent applications processed

17,042

dogs registered

204

community groups, sports groups and individuals supported by community grants

Our Services

This year, the Council has continued to provide services that help make Waikirikir Selwyn a great place to live. Some of the things we've completed in the past year include:

- Resurfaced 81km of roads
- Constructed 6,800m of shared path
- Maintained 748 hectares of recreation reserves
- Maintained 645 reserves and playgrounds
- Taught 13,826 participants how to swim
- Hosted 18,605 people at Council Community Events
- Handled 62,116 phone calls from the public
- Received 46,146 emails from the public
- Ordered 5,057 new bins, repaired 1,974 and swapped 532 bins
- Delivered 10,974 driver's license transactions
- Completed \$2.7m Youth Zone in Rolleston Town Centre
- Completed \$2.4m redevelopment of Darfield Pool
- Built new public toilets in Darfield, Lake Lyndon and on Rail Trail
- Planted 9,000 native plants at Tārerekautuku Yarrs Lagoon
- Completed \$1.6m upgrade of water treatment facilities
- Started construction of Ellesmere to Pines pipeline
- Completed lighting upgrades at Southbridge Park, Leeston Park and Darfield Domain
- Completed first stage of walking trail at Rhodes Park
- Increased bookings for community halls by 12.3%
- Increased fitness programme participation by 19.3%
- Hosted 13 regional and national sports events.

Progress on our Key Projects

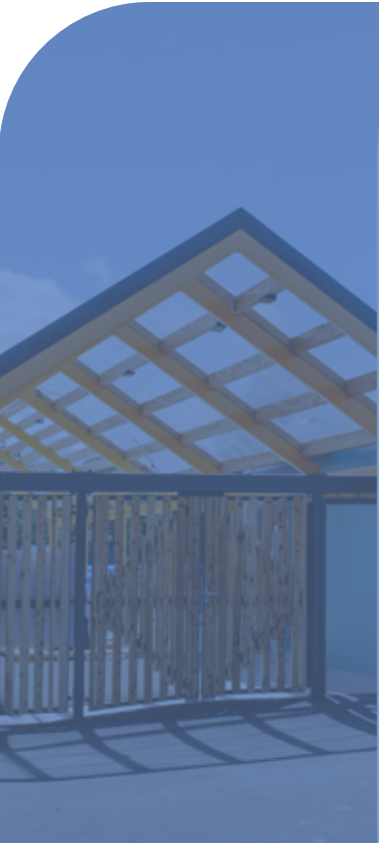
In our Long-Term Plan 2021–2031, we consulted with the community on several significant new projects. Here’s how some of these have progressed during the year to 30 June 2024.



Rolleston Town Centre and Reserve

Having completed the \$2.7 million Youth Zone within the Rolleston town centre development earlier in 2023, the Council completed and opened the \$1.8 million Reserve Greenspace upgrade either side of the Youth Zone. The area includes an amphitheatre space for events, picnic tables, shade umbrellas, seating, an electric BBQ, connecting pathways, lighting and planting.

Within the Reserve Greenspace, 20 Toro Atua Sculpture works by Artist Areta Wilkinson have also been installed. Work continues with our development partner, Cooper Developments, with another retail and commercial building completed in the Rolleston town centre. Four of nine planned commercial buildings have now been completed, with most tenancies full.



Darfield Pool Upgrade

The \$2.4 million redevelopment programme for Darfield Pool was completed in time for the summer swim season. The first stage, completed over winter in 2023 included changing room and structural upgrades, new facility signage, replacing the fence along the Greendale roadside and external landscaping, giving the pool a new, attractive look and feel. The second stage focused on new additions for leisure swimming, including a toddler splash pad, water play area, three-metre hydro slide, picnic tables and seating as well as upgrading heating and filtration.

The overall redevelopment programme provides a greatly improved visitor experience to the pool. Since the development, an electricity saving of 33% was achieved. With the temperature of the pools being more consistent and more activities on offer, the Darfield pool achieved an increase of 68% of income compared to the previous financial year.



Waihora Whata Rau

The building of a new combined community centre, library and service centre facility (Whata Rau) on Leeston Park was included in the 2021–31 Long-Term Plan with a budget of \$8.9 million. Work was undertaken on developing concept plans for this facility with the vision of creating a vibrant and inclusive community hub for Ellesmere. Cost estimates were developed based on the initial plans and associated works. However, it became clear that the original budget set aside for this project was insufficient to cover all project elements including land purchase and remediation.

It was therefore decided to defer this project and consult on options as part of the 2024–34 Long-Term Plan. The Council has now decided to proceed with Whata Rau, which will be a multi-purpose community centre, expected to include provision of a library service, with a budget of \$16 million over 2024 to 2027 and will revisit the design and increase community involvement in the project.

The wider Waihora Whata Rau project included the redevelopment of Leeston Park. Following the preparation of a master plan for the park in 2023, some urgent safety work to upgrade the sport lighting has commenced.

The improvement works were consulted on through the 2024–34 Long-Term Plan to enable a final programme to be confirmed. The Council decided to carry out landscape improvements, extend playing fields and upgrade facilities from 2024 to 2033 with a total budget of \$3.4 million.



Economic Progress continues

Waikariri Selwyn’s economy has shown remarkable resilience in the face of economic headwinds in the last quarter of the fiscal year, according to recent Infometrics provisional GDP estimates. Despite a modest growth of 0.2% in the year to March 2024 and the weakest since 2008, the district’s economic performance still compares favourably and aligns at a national level (0.2%). Among other medium-sized districts, only the Waikato District experienced faster growth (+1.6%).

The downturn in Waikariri Selwyn’s growth was primarily driven by a pullback in construction activity and challenges within the food and beverage manufacturing sector. However, despite these challenges, the region continues to attract new residents, with health enrolment growth soaring by 5.4% in the year to March 2024. Employment of Waikariri Selwyn residents saw a significant uptick, growing by 6.1% during the same period. Alongside a surge in consumer spending, up by 12.5% compared to the national average of 2.3%, indicates robust job market dynamics and a resilient local economy.

The housing and building market in Waikariri Selwyn is undergoing a period of adjustment following years of rapid growth. New dwelling consents have seen a decline of 39% over the year to March 2024, while house values experienced an increase of 2.7% pa in the March 2024 quarter. Despite these fluctuations, sales volumes are on the rise, indicating potential growth in house values in the near future.

Planning for Future Growth

Economic Development Strategy

The Kai Aku Rika Economic Development Strategy was developed over the past year and has been endorsed by the Council. The strategy aims to build on our success, play to our strengths and drive more purposeful growth in our economy.

The strategy will provide a coordinated effort across our economy to target the right growth and guide investment and activity to help achieve it. By aligning and mobilising resources, we can achieve more together and make the change we're seeking happen faster.

Selwyn District Council is leading the strategy in partnership with business, community and mana whenua. Every decision and investment has an economic impact, so this is an integrated and whole-of-system approach to getting it right for our community.

The strategy is for 10 years and will align with Waikirikiri Ki Tua Future Selwyn which looks out to 2050 and beyond, recognising that big shifts require an intergenerational view. To close the gap between aspiration and action, the strategy will be delivered in stages with a clear and concise list of priority actions that we can start work on right away. We know these will evolve over time and we need to be responsive to change.

Selwyn Biodiversity Strategy

In June 2024, the Council adopted the Selwyn Biodiversity Strategy. The purpose of the strategy is to provide guidance and a common focus for policy and decision making, resource allocation, voluntary effort, and on-the-ground projects and initiatives related to indigenous biodiversity management in Selwyn. It aims to build on the good work already occurring, by raising awareness of biodiversity values, facilitating the coordination of agency effort through alignment and partnerships, and support and encourage the efforts of communities, landowners, and individuals.

The Council is working on priority actions and next steps to bring it to life.

Residential Development Design Guide

The purpose of this guide is to give developers and designers guidance on processes and best practice urban design with outcomes that benefit the overall community.

The guide is also intended to be a useful framework to Council staff in its assessment and decision making on applications under the District Plans. The guide's role is to provide a bridge between policy expectations and practical application.

The guide is a non-statutory document that works in conjunction with the provisions set out in the Selwyn District Plan and other strategic planning framework documents, such as Waikirikiri Ki Tua Future Selwyn, Structure Plans, Area Plans and Outline Development Plans (ODPs).

District Plan

The District Plan is a key document in helping the Council to plan for, and manage, the future growth of the District. The District Plan Review has delivered a Partially Operative District Plan and continues to seek the ongoing resolution of appeals. The Council will also start to work through changes to improve efficiency and effectiveness.

Waikirikiri Ki Tua Future Selwyn

Waikirikiri Ki Tua Future Selwyn is all about our future, and the future we leave for the generations to come. Waikirikiri Ki Tua Future Selwyn looks at where we are, reflects on where we have been, prepares us for what may come, and guides us to where we want to be.

Waikirikiri Ki Tua Future Selwyn is our long-term strategic approach to intergenerational wellbeing, sustainability, resilience, growth, change and development in Waikirikiri Selwyn. It is a long-term, future-focused strategy that provides the strategic and spatial direction for navigating our future.

Waikirikiri Ki Tua Future Selwyn will influence future decision-making, planning and investment by Selwyn District Council as well as aligning current and future strategies, plans and policies, so that there is a co-ordinated and joined up approach to delivering on the priorities and aspirations of Waikirikiri Selwyn.

It shares a vision for the future, and what it looks like (strategic outcomes), things we need to achieve to get there (directions) and our strategic priorities (or the things we need to focus on to achieve the outcomes).

Its vision is for 'a liveable, innovative and connected Waikirikiri Selwyn, filled with opportunity and prosperity'.

Waikirikiri Ki Tua Future Selwyn builds upon the Greater Christchurch Spatial Plan and will continue to work through translating its vision into Area Plans and coordinated actions for the future.



Meeting Growing Community Needs

A number of new facilities and spaces were completed in Selwyn District in the 2023/24 year, as the Council continued to invest in services to support a growing population.

Public Toilets

Funding received from Central Government's Tourism Infrastructure Fund has enabled a number of new public toilet facilities to be provided. This has included a replacement public convenience on State Highway 73 at Darfield, a new public toilet at Lake Lyndon as well as a new facility at Neills Road near Lincoln to service the Rail Trail to Little River. A new public toilet is also largely completed at Hororātā that will service both the travelling public and the Reserve. In providing public toilet services for high-use playgrounds a new toilet has been installed in Te Whariki/Lincoln.

District Park

Work has started on the planning for the District Park which is to be located on the eastern edge of Rolleston on land purchased in 2016 to cater for district-wide recreation and community activities that may not be available in more urban open spaces. Over 1,600 responses were received from the community on ideas for the development of the park. With stage 1 (35 hectares) programmed to start in 2025/26 possible developments, subject to plan confirmation, include natural open space areas, community gardens and fruit trees, formal style gardens, tracks and trails, natural play areas, dog-friendly areas, multi-use hard courts, and open grass areas for sports and events.

Tārerekautuku Yarrs Lagoon

The 81-hectare Tārerekautuku Yarrs Lagoon restoration project is progressing well. The project is now in its third year, and work completed to date includes willow control across approximately two-thirds of the site, the planting of 9,000 native seedlings, predator control, and the construction of two bridges to provide improved site access. Tārerekautuku is one of Canterbury's largest freshwater wetlands, and it plays a significant part in the ecology of Te Waihora Lake Ellesmere and its catchment. The project received \$796,980 in funding from the Ministry for the Environment's Freshwater Improvement Fund.

Castle Hill Community Centre

Work was completed on extending the Castle Hill Community Centre which also included some internal reconfiguration to enable improved use of spaces. This work will provide additional community space for the expanding Castle Hill community and the building also serves as a civil defense welfare centre.



Essential Infrastructure

Roading Infrastructure

The Council's investment in infrastructure continues to grow to support community expansion. Developments on Selwyn's transportation network continue to be driven by district development and changing travel patterns resulting from the Christchurch Southern Motorway.

In 2023/24, the Council has significantly stepped up on the delivery of both capital projects and road maintenance and renewals, despite cost fluctuation from inflation and government regulatory changes.

Major projects completed or near completion in 2023/24 include the below:

Other projects across the district include new bus shelters, footpath extension, speed limit reduction around schools, minor safety improvements, and road safety promotion including bike skill training in schools.

For road maintenance and renewals, the Council delivered 81km of reseals and 8km of sealed road pavement rehabilitation, a significant improvement over previous years.

Following the July and October 2023 weather events, major repairs were required to Selwyn District's roads, culverts and bridges. The repairs to the events came at a total cost of around \$4.37 million, which is partially subsidised by New Zealand Transport Agency (NZTA).

The Council continues to work with NZTA on transport improvements, including planning for projects coordinated with the NZTA's SH1 Rolleston Access programme. The Council has also embarked on major local road improvement projects, including the Lincoln Town Centre upgrade and the Levi/Lowes Rd Intersection upgrade.



Shands/Hamptons Roundabout
Shands/Trents Roundabout
Tosswill/Trices Roundabout



Leeston/Goulds Road Intersection improvement
Maddisons/Dawsons Road Intersection improvement



Trents Road widening



Re-decking of the Waimakariri Gorge Bridge



Broadlands Drive Park n Ride



Templeton to Prebbleton Cycleway
West Melton to Rolleston Cycleway



Springston Rolleston Road Shared Use path
Villa Mews Shared Use Path



District Wide LED Conversion



Dunns Crossing Road streetlighting
Weedons Ross Road streetlighting
Lincoln Rolleston Road streetlighting

Water Infrastructure

The provision of water services to Selwyn residents saw a significant focus this year on upgrades and renewals to meet levels of service and compliance criteria under the new Drinking Water Standards. This included completing the requirement for residual disinfection (chlorination) on all public drinking water supplies, along with \$1.2m of additional monitoring to ensure quality of water across the network, and over \$1.6m of upgrades or renewals to treatment plants and reservoirs across the district.

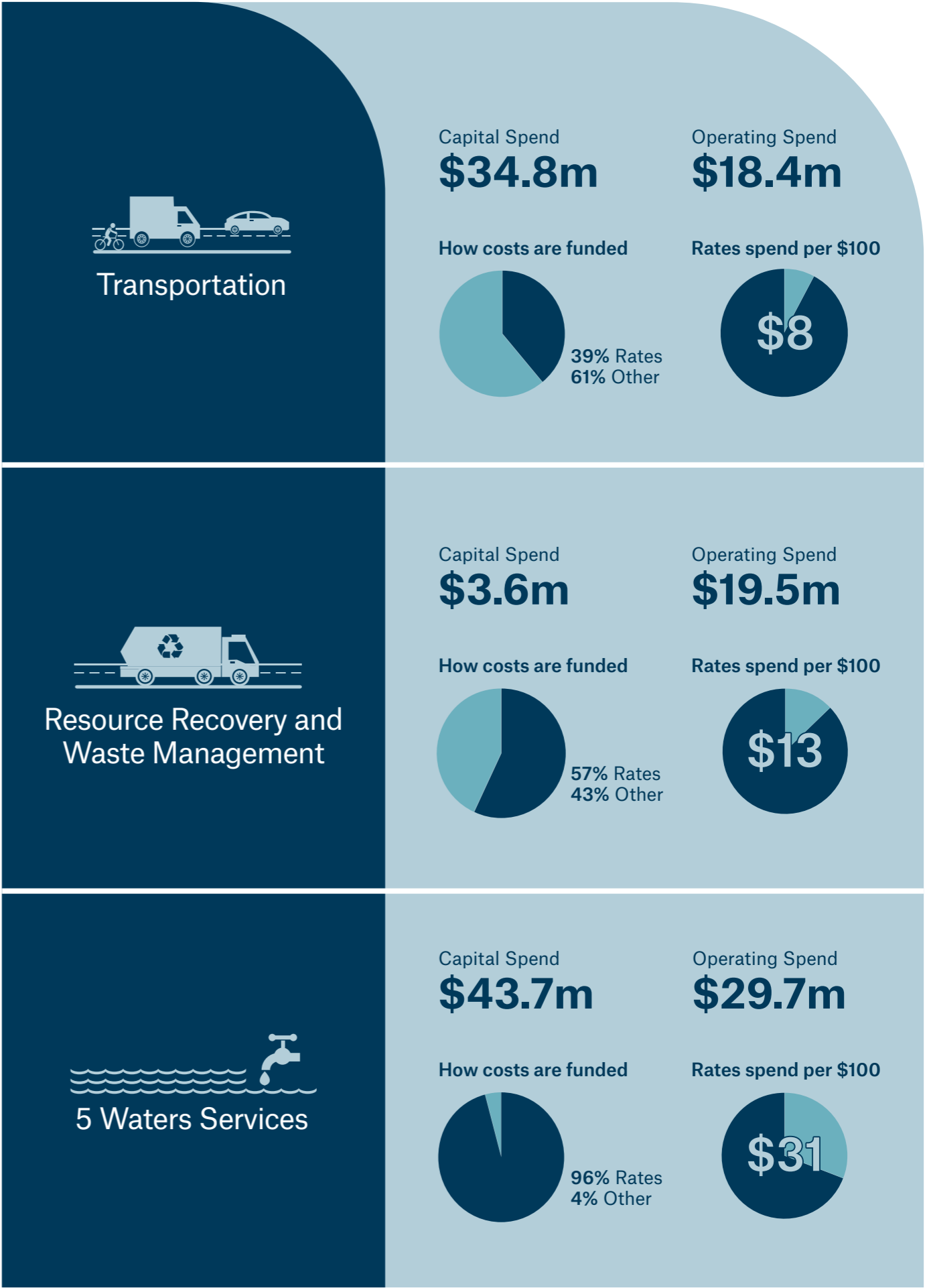
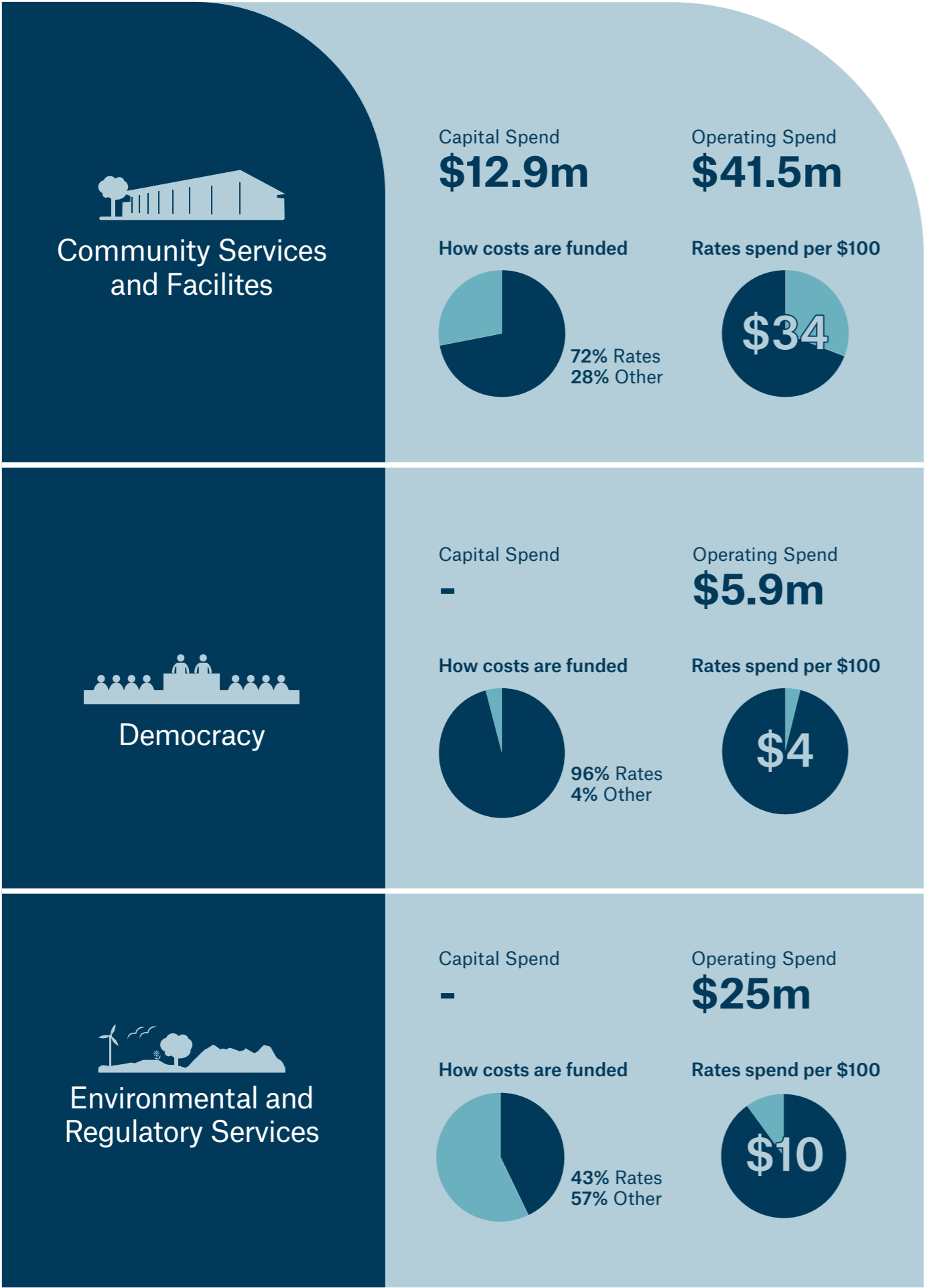
Selwyn was the first Council in the country to apply for an exemption from chlorination. In February 2024, Taumata Arowai granted an exemption for the Rakaia Huts community subject to conditions being met. Due to the impact on our ability to deliver safe water and the significant cost to upgrade our infrastructure, the Council decided in the Long-Term Plan 2024-2034 to continue chlorinating our supplies (including Rakaia Huts) and not to apply for further chlorine exemptions.

Significant Water Treatment Plant and storage upgrades were undertaken in Springfield, Southbridge, Leeston and Arthurs Pass along with replacement of water pipes in Prebbleton, Castle Hill, Lincoln and rural areas.

In May 2024, construction of the Ellesmere to Pines pipeline started which will connect the townships of Leeston, Doyleston and Irwell to the Wastewater Treatment Plant in Rolleston. Expansion of the Pines Wastewater Treatment Plant continued with construction of a new biosolids blending pad completed.

Network expansion to cater for residential growth continued in conjunction with the new developments including new pump stations and pipework.

How Your Rates Were Spent



Council Departments Significant Activities



Introduction

Selwyn District Council provides a wide range of services for and on behalf of the residents of the Selwyn District. For planning and reporting purposes, these services are grouped together as significant activities.

The Council's plans for each significant activity for the 2023/24 financial year were set out in the Selwyn District Council Long-Term Plan 2021-2031 (LTP). The 2024-34 LTP was adopted in June 2024, but this Annual Report is still covered by the 2021-31 LTP. All references to significant activities measures, etc. are in relation to 2021-31 LTP.

The purpose of this section of the Annual Report is to report on the degree to which the Council achieved what it set out to do for each significant activity in both financial and non-financial terms, and its actual performance for the year.

This section of the Annual Report provides the following information for each activity:

- An overview of the group of activities that summarises services included in the group and what the Council has achieved during the financial year.
- Performance measures that illustrate the level of service the Council has provided against levels set out in the Council's LTP.
- A funding impact statement that shows how the group of activities has been paid for.

More information on the funding impact statement is provided below.

Service Performance Measure Information

The service performance information presented in this annual report was selected to compare the actual activities and the actual performance of Selwyn District Council with the intended activities and the intended level of performance as set out in respect of the year in the LTP 2021-2031 and the Annual Plan 2023/24. Through the LTP each activity was adopted with a suite of measures and targets, aligned to deliver on our community outcomes, that best reflect the service characteristics to be provided through that activity.

Consequently, the materiality of which performance measures and targets are included in annual reporting is determined through their adoption with the most recent LTP.

This provides an appropriate, meaningful, comparative, and consistent mix of non-financial performance measures to present service performance information on what Council has achieved during the financial year. This includes comparative performance information from previous years (trend information), and commentary and remedial action for any performance measures that did not achieve target.

Refer to the relevant Significant Activity section in the 2021-2031 LTP for additional details on each activity, including:

- An explanation of why the Council is involved in providing the group of activities.
- A summary of how the activity helps achieve the Council's community outcomes.
- Details of how the Council manages changing demand for any service, including the impact of population changes.

Under the Local Government Act 2002 we are mandated to provide standard performance measures so that the public may compare the level of service provided in relation to the following group of activities: water supply, sewerage and the treatment and disposal of sewage, stormwater, flood protection, and control works and the provision of roads and footpath. DIA guidance has been followed in measuring performance against all mandatory performance measures. We demonstrate regulatory compliance for statutory measures (such as percentage of both building consents and resource consents applications processed within 20 statutory days).

The information in this section of this Annual Report (pages 24-110) constitutes Council's Statement of Service Performance information.

Note: negative numbers are shown in brackets ().

Community Services and Facilities

95% of residents satisfied with Council facilities



302,167

visits to Community Centres



645

reserves and playgrounds



6.85

swims per capita



18,605

people attended Council Community Events

491,874

visits to Libraries and Edge Connector Vehicle

748

hectares of recreation reserves

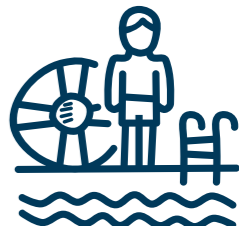


295,569

visits to Selwyn Sports Centre

13,826

learn to swim participants



1,100

residents attending capacity building initiatives



525,782

visits to Selwyn Aquatic Centre



88,270

attendees at fitness programmes

694,536

digital and physical items loaned

Performance Highlights 2023/24

Recreation Reserves

The service target of providing three hectares of reserve per 1,000 people was achieved across the district. However, it is noted that in the eastern area, particularly Rolleston, population growth is creating increasing demand for sports space. Other notable results included:

A survey of sports clubs indicated overall satisfaction with Council-provided sports grounds, facilities and services at 86.6% compared with the target of 80% which is slightly higher than the 85% satisfaction level in 2023/24. There were some issues raised in the survey mainly about ground surface condition and sports lighting levels. With a new turf management regime to be implemented and a roll out of lighting improvement projects it is expected that these issues will be progressively addressed.

Work has continued on improving and expanding the facilities at various sports and recreation parks in the district and has included sports lighting projects at Southbridge Park, Leeston Park and Darfield Domain, development of a croquet area at Broadfield Reserve, constructing a new car park at West Melton Domain, resurfacing tennis courts at Castle Hill and Sheffield Domain and completing the first stage of the walking track at Rhodes Park in Tai Tapu.

An intercept survey of campers using Council-managed campgrounds was carried out over the late summer period and provided a very positive result with 100% of those surveyed indicating they were very satisfied or satisfied with the standard of campground facilities and services.

Township reserves and streetscapes

New neighbourhood reserves, greenlinks and playgrounds continue to be provided in line with residential development in townships across the district including at Rolleston, Lincoln, Prebbleton, Darfield and Leeston with ten new neighbourhood reserves added to the network over 2023/24. The Council also completed the development of two new neighbourhood playgrounds in Rolleston.

The provision level for playgrounds by the Council is above the national median at 6.3 per 1,000 children. An independent audit of the Council's playgrounds continues to show a high level of compliance at 95%, with the audit report noting that "the level of compliance was very high compared to other cities throughout the country" demonstrating Council's commitment to providing safe play environments for residents.

Public toilets

A programme to install new and replacement public toilet facilities as part of upgrading the network has continued with funding support from the Tourism Infrastructure Fund. Overall, the Council's provision level remains above the national median at 0.84 public toilets per 1,000 population.

The contract audit of public toilets indicated six instances where the service did not meet expected standards. Although this met the target (6 or less) this was higher than the previous year's result of 2 instances. Facilities at Arthurs Pass and Castle Hill on State Highway 73 were the main sites where non-compliance was evident which is linked to the high level of use. Servicing schedules will be reviewed to ensure the required standard is met.

Community Centres and halls

In the last year, the Council has exceeded its Key Performance Indicators (KPIs) for Community centres and halls.

Notably, there was an increase of 12.3% in the hours of bookings in the Council's community centres and halls, against a KPI of 5%.

A Customer Satisfaction rating of 94% in the major venues exceeded the KPI of 90%.

In addition to the Council's scheduled events and programming, Council's community centres and halls have provided spaces for several community events over the 2023/24 year. These include the Twilight Market, Kids Market and a pop-up clothing store.

Our events centres have welcomed a large range of functions such as cultural weddings, cultural events and festivals, corporate functions, school functions and individual events such as birthdays, weddings and baby showers and other community events and programmes.

As well as focusing on providing spaces for our community, Council's facilities held a variety of larger events.

Collaboration with Community and Economic Development, and Sport and Recreation teams assist in providing events that serve large portions of the community.

Significant cultural events include the Kerala Fest (4,000 visitors), an Indonesian celebration of 200 families, and Garbarolls – celebrating the Hindu festival. The Emergency Services Open Day was another well supported event.

Schools utilised the facilities for events such as Ladbrooks Primary play, Rolleston College Sports Awards and Te Runanga Sustainability Symposium.

The corporate and government sectors have met in our venues and are an area of growth and opportunity which will have further focus. Regular hirers are encouraged and supported.

Aquatics and Fitness

In the last year, our aquatics and fitness teams have continued to exceed KPIs.

Visits to the Selwyn Aquatics Centre and Selwyn Sports Centre have increased by 14.1% and 6.5% respectively on last year's figures. In addition, swim school enrolments have increased by 3% in the last year.

Fitness and recreation programme participation across the district has increased from 73,959 to 88,270, a 19.3% increase, and fitness membership have increased by 16% in the last year.

Aquatics maintained a user-funding percentage of approximately 55%, in line with previous years, with revenue increasing 17% on the previous financial year.

The sports events and bookings team has engaged with over 110 sports clubs in 2023/24, catering to an estimated 20,000 residents across the district. This has seen an increase in positive interactions with the Council, with 80 sports clubs completing the club satisfaction survey in 2023/24 compared with 61 in 2022/23, and 86.5% of responses reporting being very satisfied or satisfied with the Council.

As a result of the relationships formed through this team, 13 Regional and National sporting events have brought over 15,000 visitors to Waikirikiri Selwyn in 2024.

The Darfield Pool redevelopment was completed in November 2023. Since the development, an electricity saving of 33% was achieved. Additionally, with the temperature of the pools being more consistent and more activities on offer, an increase of 68% of income was achieved compared to the previous financial year.

Community and Economic Development and Events

Cemeteries

With nine complaints received related to cemetery maintenance and services over the year, the target of 10 or less was met and indicates that the public visiting cemeteries are mostly satisfied with the maintenance standards and service provided. The annual survey of funeral directors was not completed in time for results to be disclosed but will be undertaken for the next report cycle.

The target of 85% of townships being within 10km of a cemetery was achieved, although there continue to be gaps in more remote locations such as Arthur’s Pass, Castle Hill, and Rakaia Huts.

The target of recovering 45% of cemetery operating costs from revenue was achieved (58%). This reflects the increase in fees for 2023/24 and reduced overhead support costs for the activity.

Libraries and Service Centres

Since July 2023, visits to Library Service Centres and Te Ara Ātea totalled 487,377, exceeding target KPIs. Active library membership increased by 7% to 32,257, and the total physical items issued increased by 2.5% to 586,684. While this is a modest increase on total physical items issued, visits to the Library Service Centres and Te Ara Ātea have increased by 15% compared to 2022/23, demonstrating the use of these spaces is increasing beyond physical book lending, in addition to 32% increase in digital lending to 107,852.

Overall, 97% of customers expressed being satisfied with the libraries and service centres.

Across the year, 26,659 people attended programmes providing lifelong learning, arts or cultural experiences at a Library Service Centre, Te Ara Ātea, the Edge Connector Vehicle, or another Council facility such as a community hall. In addition, Library Service Centres, Te Ara Ātea and the Edge Connector Vehicle have offered 44 Art, Culture, and Heritage initiatives.

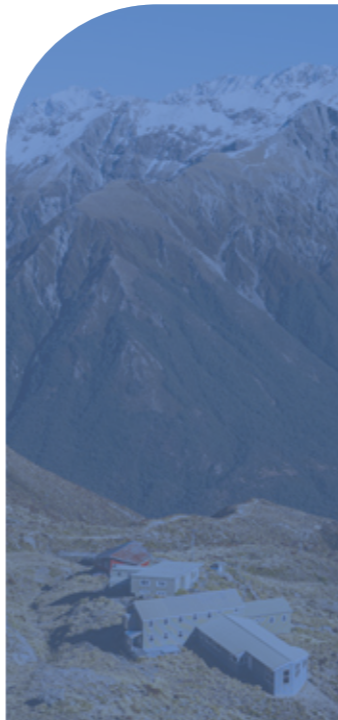
The Arts Culture and Lifelong Learning team in the last year have continued developing and strengthening relationships with our regional museum, heritage, library, arts, and learning peers, while exploring how resources, programmes, heritage, and art experiences can be delivered in partnership for the benefit of Selwyn communities. This has included Christchurch City Libraries, Waimakariri District Libraries, Canterbury Museum, Ngāi Tahu Archives, Lincoln University, University of Canterbury, the Christchurch Symphony Orchestra, the Court Theatre, and others, along with our Selwyn-based heritage and arts groups, pre-schools, primary schools, and secondary schools around the Selwyn District.



Events

In the last year, Council delivered 109 community events which had an attendance of 17,221.

The majority of these events targeted young people, families with children, older people, and people facing additional barriers. Notably, the Selwyn Awards was delivered on 5th August with a sold-out gala dinner with 628 attendees. Survey results show overall satisfaction rate of attendees was around 98%, which indicates that the event participants were satisfied or very satisfied with the event they attended.



Community grants and capacity building

This year, 204 community groups, sports clubs, and individuals were funded through eight community funding streams, including the Community Fund, Creative Communities, Meet Your Street, and Sport NZ Rural Travel Fund.

Contributions were made to projects, events and initiatives such as the Leeston Fete, Southbridge Bowling Club, Rolleston Patchwork and Quilting Club, Selwyn Prostate Support Group, the first Filipino Basketball Association Kings Cup Competition, and The Small Print exhibition at Te Huanui Art Gallery.

In the past year, 1,100 people attended capacity building events, with 99% of surveyed attendees reporting satisfaction with the workshops. These events covered topics such as fundraising, best-practice grant-seeking and volunteer support, and leadership and management. Selwyn Youth Council delivered 18 consultation activities.



Economic Development

Selwyn was showcased as a destination through 14 visitor promotion initiatives with visits to the “From the Land” destination website reaching 148,600 across the year: 64% above target (90,497).

Taste Selwyn was delivered with 38 local businesses participating and a range of events delivered showcasing the district’s hospitality and agricultural industries.

Customer Services

In the last year, the customer services team has:

Received
62,116
phone calls

59,597
answered (96%)
2,519
abandoned (4%)

9,312
calls transferred
(16%)

leaving
84%
of calls handled by
Customer Services
answered
74%
of calls within
20 seconds

Ordered
5,057
new bins

arranged repairs of
1,974
bins
arranged
532
bins to be swapped
logged
218
as stolen

Each team member has two of their recorded calls reviewed for quality each week.
The overall year score for the whole team is **96%**



Received
46,146
emails

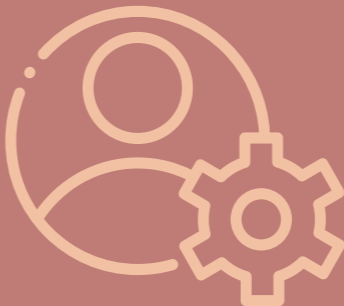
Raised
10,227
Service requests



Delivered
10,974
driver's license
transactions

5,632
Snap Send Solves

**Snap
Send
Solve**



Logged
567
internal admin requests

Strategies

Kai Aku Rika Economic Development Strategy

The Kai Aku Rika Economic Development Strategy was developed over the year and has been endorsed by the Council. The strategy was developed in consultation with business leaders and key economic partners across Waikirikiri Selwyn.

The development of the strategy provided the opportunity to develop working relationships with over 250 stakeholders, facilitate five networking opportunities, and attract investment into the district. The strategy project was complemented by the 17 additional initiatives to promote economic development and support local businesses including networking events, the bi-annual business survey, training, and workshops.

Te Paepae Ageing Well and Piki Amokura Youth Strategies

The Te Paepae Ageing Well and Piki Amokura Youth strategies were developed and are on track for endorsement in September.

These strategies had high engagement from community with 1,067 people engaging for Te Paepae and over 2,500 people for Piki Amokura. Although there have been similar themes identified through the strategy work for both strategies they are nuanced to the needs and life stages of people in both demographic groups. The next stage is action planning and regular reporting on progress and measures to the Council.

Play, Active Recreation and Sport Strategic Action Plan

In the coming year, the actions in the recently endorsed Play, Active Recreation and Sport Strategic Action Plan will begin in earnest. The actions in this plan were awaiting budget provision from the Long-Term Plan 2024-34 process. The plan will give the Council a guiding framework on how to meet the current and future needs of Waikirikiri Selwyn residents for Play, Active Recreation and Sport in the next three years.

Te Rautaki Tikaka Rua Bicultural Strategy

Council is committed to foster strong relationships with mana whenua, enhance the cultural competency of our staff and ensure our systems and processes are inclusive and reflective of our bicultural values. The adoption of Te Rautaki Tikaka Rua Bicultural Strategy laid a strong foundation for the work.

This strategy, with its focus on Kā Honoka Our Relationships, He Takata Our People, Kā Mahi Our Systems, and He Huarahi Hou A New Way, is guiding the Council to embed bicultural practices and in building a more inclusive, equitable, and responsive Waikirikiri Selwyn.

Under the Kā Honoka (Our Relationships) workstream, Council continued to strengthen its relationship with mana whenua and iwi Māori, including the establishment of engagement protocols and mana whenua leadership as well as participation at Council and committee meetings. A significant accomplishment was also the establishment of Te Pou Mataaho, the Iwi Māori Partnerships and Capability Team.

Our staff's cultural competence is a priority for the Council. Under the He Takata Our People, this year a Te Reo Māori programme and mihi whakatau, as part of staff induction, were implemented.

Within Kā Mahi Our Systems, Te Pou Mataaho provided expert cultural advice for the development and review of eight Council strategies and processes, incorporating cultural narrative expertise from inception to completion. These efforts have been complemented by translation services and the ongoing development of an organisational Bilingual Glossary.

We have also made significant progress in integrating cultural design elements, dual naming practices and normalisation of Te Reo Māori within Council practice. This work is a result of our commitment to He Huarahi Hou A New Way.

Booking system

Projects underway this year include the improvement of a new centralised booking system for completion for 2025. Once complete, the booking system will be more user friendly, increase in-house delivery and service for our customers, and be more efficient leading to greater cost benefits.



Service targets for community services and facilities

Objective	Performance measure	Service target	2023/24	Achievement	Last year achievement (2022/23)
Recreation Reserves					
To provide recreational open space to give opportunities for residents to enjoy healthy, active lifestyles as well as enhancing the district's landscape, environmental and ecological values	Hectares of sports park per 1,000 population is above the average for similar sized district authorities	≥3 ha	3.02	Achieved	Achieved: 3.1 ha
	Customer satisfaction with sports grounds as measured by an annual survey of users	≥80%	86.60%	Achieved	Achieved: 85%
	Visitor satisfaction with the standard of campgrounds provided as measured by intercept surveys conducted over the camping season	≥80%	100%	Achieved	Not measured as campgrounds usage has not recovered
Township Reserves and Streetscapes					
To provide township reserves and streetscapes to enhance the landscape character of the District, unique identity of township environments, and provide places for recreation activities and social contact	% of townships where all residents are serviced by a reserve within 500m	≥70%	92%	Achieved	Achieved: 84%
	The number of playgrounds per 1,000 children is above the national median for playground provision as measured through the Yardstick benchmark survey	>4	6.3	Achieved	Achieved: 5.9
	Proportion of playgrounds that comply with the NZ safety standard (NZS 5828:2015) as measured by annual ROSPA 3 inspection	≥90%	95%	Achieved	Achieved: 95%

Objective	Performance measure	Service target	2023/24	Achievement	Last year achievement (2022/23)
Community Centres and Halls					
To support social connections and active lifestyles by providing venues for social, cultural, creative, recreational, and education purposes as well as encouraging corporate and private use	The total bookings (community, corporate, and private) of Council Community Centres and Halls, by Ward, increase per annum	≥5%	12%	Achieved	Achieved: 28% Increase (10,007)
	The percentage of Council owned Community Centres and Halls, by Ward, continue to generate revenue meeting or exceeding 20% of operating costs (excluding capital project costs) per annum	75%	100%	Achieved	Not achieved: 54%
	The % satisfaction from annual user surveys for:				
	a) Lincoln Event Centre (LEC)	a) ≥90%	98%	Achieved	Achieved: 98%
	b) Rolleston Community Centre (RCC)	b) ≥90%	92%	Achieved	Achieved: 98%
	c) West Melton Community Centre (WMCC)	c) ≥90%	100%	Achieved	Achieved: 98%
	d) Selwyn Sports Centre (SSC)	d) ≥90%	96%	Achieved	Achieved: 98%
	Total number of visits at: Lincoln Event Centre, Rolleston Community Centre, West Melton Community Centre, and Selwyn Sports Centre	≥350,000	567,558	Achieved	Achieved: 458,574

Objective	Performance measure	Service target	2023/24	Achievement	Last year achievement (2022/23)
Aquatics and Fitness					
To provide opportunities for residents to enjoy healthy and active lifestyles as well as to learn skills to stay safe in the water	The % satisfaction with Selwyn Aquatic Centre from user survey	≥90%	94%	Achieved	Achieved: 97%
	Selwyn Aquatic Centre and Council-operated pools in Ellesmere and Malvern achieve 100% compliance with New Zealand Recreation Association Pool safe accreditation	100%	Achieved	Achieved	Achieved: 100%
	Number of swims per capita of district population per year recorded at Selwyn Aquatic Centre, Darfield, and Southbridge pools	≥4.5	6.85	Achieved	Achieved: 6.23
	Number of visits per annum at the Selwyn Aquatic Centre	≥300,000	525,782	Achieved	Achieved: 460,865
	Number of Learn to Swim participants per annum	≥ 8,000	13,826	Achieved	Achieved: 12,905
	Number of fitness programme participants delivered by Council across Selwyn (per annum)	60,000	88,270	Achieved	Achieved: 80,340
	The percentage of Council owned swimming pools generating revenue meeting or exceeding 20% of operating costs (excluding capital projects)	≥75%	67%	Not achieved: 2 of the 6 pools did not meet this target	Not Achieved: 40%

Objective	Performance measure	Service target	2023/24	Achievement	Last year achievement (2022/23)
Public Toilets					
To provide public toilets to promote a healthy living environment for district residents and provide economic benefits in supporting local businesses and visitor destinations	The provision level for the number of public toilets per 1,000 residents is above the national median measured through the Yardstick benchmark survey	≥0.8	0.84	Achieved	Achieved: 0.82
	Number of “facility compliance failures” per annum identified by independent audit	≤6	6	Achieved	Achieved: 2
Cemeteries					
To provide a network of cemeteries to meet the district’s burial and remembrance needs	The level of satisfaction with cemetery maintenance and services as recorded in an annual survey of funeral directors	≥70%	Not measured	Not measured: Survey not completed by funeral directors	Achieved: 75%
	A cemetery is located within easy driving distance (10 km) of district townships	≥85%	88%	Achieved	Achieved: 88%
	The proportion of cemetery operating costs that is recovered from revenue received from fees and charges	≥45%	58%	Achieved	Not achieved: 39% (Costs have increased faster than fees due to inflation)
	Number of complaints received per annum related to cemetery service	≤10	9	Achieved	Achieved: 7 complaints were received

Objective	Performance measure	Service target	2023/24	Achievement	Last year achievement (2022/23)
Libraries/Service Centres (including arts, culture and heritage)					
To respect residents' diversity and encourage residents to learn throughout their life, and to celebrate Selwyn's identity through participation in arts, culture, and heritage	The % satisfaction from annual user surveys for Libraries/Service Centres	≥90%	97%	Achieved	Achieved: 98%
	Active library membership increases annually	≥5% p.a.	7%	Achieved	Achieved: 13% increase
	Total number of 'walk in' visits per annum to the four libraries/ service centres: Darfield Leeston, Lincoln, Rolleston/Te Ara Ātea	≥280,000	487,377	Achieved	Achieved: 422,963
	The number of 'digital' sessions (either logged in to library website, using a library computer or using Wi-fi and own device) per annum	≥300,000	1,664,744	Achieved	Achieved: 1,106,518
	The number of programme/session participants per annum, delivered in libraries and/or by library staff (including Edge Connector) and number of programme/sessions	≥15,000 participants	26,659	Achieved	Achieved: 28,170

Objective	Performance measure	Service target	2023/24	Achievement	Last year achievement (2022/23)
Libraries/Service Centres (including arts, culture and heritage)					
To respect residents' diversity and encourage residents to learn throughout their life, and to celebrate Selwyn's identity through participation in arts, culture, and heritage	The number of community-based/ led arts, culture and heritage initiatives facilitated/coordinated annually	≥20 initiatives	44	Achieved	Achieved: 39
	The % satisfaction from user surveys for arts, culture, and heritage initiative participants	≥90%	100%	Achieved	Achieved: 97%
	The % of overall rates/water and dog registration payments made at library/Council service centres annually	≥20%	52%	Achieved	Achieved: 50%
	Total combined physical and digital items issued per annum is equal to or greater than 350,000	≥350,000	694,536	Achieved	Achieved: 653,647

Objective	Performance measure	Service target	2023/24	Achievement	Last year achievement (2022/23)
Community and Economic Development including Event Delivery					
To build community connectedness, inclusivity and safety by providing opportunities, events and resources for volunteers and communities	More than 500 residents annually participate in community capacity building initiatives targeted at volunteers, clubs, groups and organisations delivered/resourced and/or facilitated by Council	≥500 participants	1,100	Achieved	Achieved: 1,045
To promote economic development by collaboration, networking, information sharing and encouraging visitors	Community capacity building participants are satisfied/very satisfied	≥90%	99%	Achieved	Achieved: 97%
	Initiatives targeted at newcomers are delivered/resourced and/or facilitated by Council annually	≥12	17	Achieved	Achieved: 21
	Selwyn Youth Consultation/ engagement activities are delivered/resourced and/or facilitated by Council (generally via Selwyn Youth Council)	≥6	24	Achieved	Achieved: 25
	Community events are delivered/resourced and/or coordinated by Council annually, targeting young people, families with children, older people and those facing additional barriers and participation numbers captured	≥100	109	Achieved	Achieved: 143
	Participants in not less than 25 events are satisfied/very satisfied	≥90%	98%	Achieved	Achieved: 99%
	Community Grants Funding is delivered that enables community-led initiatives annually	≥35	108	Achieved	Achieved: 92

Objective	Performance measure	Service target	2023/24	Achievement	Last year achievement (2022/23)
Community and Economic Development including Event Delivery					
To promote economic development by collaboration, networking, information sharing and encouraging visitors	Initiatives to promote economic development/local business and/or celebrate business excellence are delivered, resourced or facilitated annually	≥6	21	Achieved	Achieved: 6
	Visitor Promotion campaigns are delivered resourced or facilitated annually	≥12	12	Achieved	Achieved: 15
	“From the Land” visitor promotion website usage increases annually	≥ 10%	81%	Achieved	Achieved: 11%

Funding Impact Statement – Community Services and Facilities

For the year ended 30 June 2024

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	13,887	13,346	15,100	Note 1
Targeted rates	15,815	16,679	17,786	Note 1
Subsidies and grants for operating purposes	70	72	961	Note 2
Fees and charges	8,458	9,385	10,531	Note 3
Internal charges and overheads recovered	2,192	2,115	1,519	
Local authorities fuel tax, fines, infringement fees and other receipts	90	97	-	
Total operating funding (A)	40,512	41,694	45,897	
Applications of operating funding				
Payments to staff and suppliers	22,815	23,547	29,987	Note 4
Finance costs	1,579	1,752	1,653	Note 5
Internal charges and overheads	7,609	7,633	9,711	Note 6
Other operating funding applications	72	73	122	
Total applications of operating funding (B)	32,075	33,005	41,472	
Surplus/(deficit) of operating funding (A - B)	8,437	8,689	4,425	

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of capital funding				
Subsidies and grants for capital expenditure	-	2,105	-	
Development and financial contributions	3,029	1,016	5,932	Note 7
Increase/(decrease) in debt	4,342	9,574	46,364	Note 8
Gross proceeds from the sale of assets	2,585	5,222	-	Note 9
Lump sum contributions	-	-	-	
Other dedicated capital funding	-	-	-	
Total sources of capital funding (C)	9,956	17,917	52,296	
Applications of capital funding				
Capital expenditure:				
- to meet additional demand	17,735	9,115	6,128	Note 10
- to improve the level of service	1,391	6,195	4,684	
- to replace existing assets	1,915	5,253	2,087	Note 10
Increase/(decrease) in reserves	(5,365)	(2,081)	41,450	Note 11
Increase/(decrease) of investments	2,717	8,124	2,372	
Total applications of capital funding (D)	18,393	26,606	56,721	
Surplus/(deficit) of capital funding (C - D)	(8,437)	(8,689)	(4,425)	
Funding balance ((A - B) + (C - D))	-	-	-	

	2022/23 Actual \$000	2023/24 Actual \$000
Internal loans		
Raised during the year	48,999	14,038
Repaid during the year	(2,547)	(6,535)
Balance as at 30/06/2024	85,678	93,181
Finance costs for year	2,794	4,711

Explanations for significant variances between actual and the Long-Term Plan (LTP) 2023/24:

- Note 1:** Targeted rates & general rates are higher than the LTP due to the growing population of Selwyn District.
- Note 2:** Subsidies and grants are higher than the LTP due to grants agreed & administered to SDC after the budget was already set (however these will have been spent through roughly the same amount of unbudgeted expenditure).
- Note 3:** Fees and charges higher than the LTP in the areas of +\$900k additional DOC reserve disposal income, +\$687k Selwyn Aquatic Centre fees & charges, \$341k additional revenue from commercial rentals and expense recoveries, among others.
- Note 4:** The nature of Customer Services and Facilities (CSF) for many teams is that they must operate at full capacity for operational and health and safety reasons (e.g. the sports centre and pools) so even if a position is vacant the hours must be filled in order to open and operate. Also during the year the Council adopted a living wage increase, which impacted many people within the CSF teams.
- Note 5:** Finance costs less than budgeted due to only 50% of capital projects (across council) progressed for the year and therefore less borrowing required and less interest.
- Note 6:** Internal Charges and overheads are higher than the LTP due to increased resourcing in the support departments to cope with high district growth.
- Note 7:** Development contribution revenue is higher than the LTP due to substantial growth in the district being higher than forecast.
- Note 8:** An internal re-classification of Internal Loans resulted in an increase in this line for 2023/24. In the Whole of Council FIS in Appendix 1 (see page 193) these internal movements are eliminated on consolidation which leaves the increase in external debt.
- Note 9:** The assets budgeted to be sold in the LTP '24 were not sold.
- Note 10:** Less than budgeted capital expenditure was delivered due to delays in commencement of capital projects.
- Note 11:** An internal re-classification of Reserves resulted in an increase in this line for 2023/24. The schedule of Reserves is disclosed in Note 26 of the Financial Report.



Democracy

This year the Council...

Received
1,509

submissions on the
draft Long-Term Plan

Key results

Public hearings were held on the proposed LTP which resulted in 136 submitters presenting their submission in person. The Council's Representation Review was upheld by the Local Government Commission.

Performance highlights 2023/24

The 2023/24 year was the third of the Council's LTP 2021-2031 years. During the last 12 months, the Council engaged with residents through a wide range of formal and informal consultation processes.

These included consultation on the LTP 2024-2034, our Economic Development, Ageing, Youth and Biodiversity strategies, speed management plan and a share an idea to assist the early planning of the District Park.

Decisions on submissions to the Proposed District Plan were publicly notified in August 2023, with the plan now in operation as the 'Partially Operative District Plan'.

The Council received 26 appeals to sections of the plan, with four appeals resolved during the year. The Council hosted 19 full Council and Audit and Risk meetings, 40 Committee meetings for Community Services, Finance & Performance, Transport and Infrastructure; Planning and Climate Change, and Discretionary Funding.

The Council also facilitated 11 Malvern Community Board and 17 Selwyn Waihora Zone committee meetings.

Service targets for democracy

Objective	Performance measure	Service target	Achievement	Last year achievement (2022/23)
To provide confidence in the Council and residents' opportunity to participate in decision making	CouncilMARK overall grading	Not measured	Not measured (this was not measured due to Council not having collected results)	This was not measured due to Council not having collected results
	The numbers of events at which residents have the opportunity to engage with the Council as part of the Annual Plan/Long-Term Plan process	4	Achieved: 14 drop in sessions + 1 online session	Achieved



Funding Impact Statement – Democracy

For the year ended 30 June 2024

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Operating funding				
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	2,480	2,481	2,792	
Targeted rates	1,074	1,154	1,204	
Subsidies and grants for operating purposes	-	53	33	
Fees and charges	149	16	113	
Internal charges and overheads recovered	391	393	-	
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	
Total operating funding (A)	4,094	4,097	4,141	
Applications of operating funding				
Payments to staff and suppliers	3,668	3,604	4,443	Note 1
Finance costs	-	-	-	
Internal charges and overheads	1,117	1,181	1,292	
Other operating funding applications	256	263	136	
Total applications of operating funding (B)	5,041	5,048	5,871	
Surplus/(deficit) of operating funding (A-B)	(947)	(951)	(1,730)	

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Capital funding				
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	
Development and financial contributions	-	-	-	
Increase/(decrease) in debt	-	-	-	
Gross proceeds from the sale of assets	-	-	-	
Lump sum contributions	-	-	-	
Other dedicated capital funding	-	-	-	
Total sources of capital funding (C)	-	-	-	
Applications of capital funding				
Capital expenditure:				
- to meet additional demand	-	-	-	
- to improve the level of service	-	-	-	
- to replace existing assets	-	-	-	
Increase/(decrease) in reserves	-	-	-	
Increase/(decrease) of investments	(947)	(951)	(1,730)	
Total applications of capital funding (D)	(947)	(951)	(1,730)	
Surplus/(deficit) of capital funding (C-D)	947	951	1,730	
Funding balance ((A-B) + (C-D))	-	-	-	

	2022/23 Actual \$000	2023/24 Actual \$000
Internal loans		
Raised during the year	-	-
Repaid during the year	-	-
Balance as at 30/06/2024	-	-
Finance costs for year	-	-

Explanations for significant variances between actual and the Long-Term Plan for the year 2023 to 2024:

Note 1: Payments to staff and suppliers are higher than the Long-Term Plan due to the timing of the planned Canterbury Museum upgrade. The Museum is planning a major upgrade to its buildings in the coming years to improve the visitor experience and to make better provision for the preservation of its extensive collection. The upgrade will be funded by a number of organisations and will include a contribution from Selwyn ratepayers.



Enviromental and Regulatory Services

This year the Council...

Processed

676

resource consent
applications

Issued

2,038

building consents

Registered

17,326

of the district's
dogs

Issued

2,144

Code of Compliance
certificates

Key results

84%

of resource
consents issued
on time

89%

of building
consents issued
on time

100%

of known dogs
registered

100%

of registered
food premises
assessed per
schedule



Performance Highlights 2023/24

Building

Application numbers softened throughout the financial year enabling the building team to get back on top of statutory compliance for building consents. The slow-down can be attributed to market pressures, material costs, inflation, interest rates, all adding to an increase in build costs.

Building Warrant of Fitness audit numbers are increasing with a stable workforce in the building compliance team and is resulting in several issues being identified. We are also seeing a positive lift in the work being carried out by Independent Qualified Persons inspecting these systems.

Regulatory

There has been a continued growth in the complexity of compliance cases and the monitoring and enforcement functions were similarly busy. The Council has successfully resolved and responded to all complaints, investigating them through to conclusion.

92% of all resource consent conditions were monitored within one month of the call-up report being issued, and the remaining 8% were monitored within the next calendar month exceeding the key performance indicator (KPI) of 85%.

The Parking Enforcement function has been a growth area with over 994 complaints about unsafe parking. Whilst a solutions-based approach continues to be applied, Council will look to introduce key performance indicators as data is captured to measure service delivery and response times.

The introduction of ‘one-tag’ lifetime dog tags, along with online registration has continued to help manage the increasing demand in growth from the number of dog registrations and complaints. 100% of all targets for minimising adverse effects on the public were achieved.

Similarly, all alcohol license applications were processed in accordance with legislative requirements and timeframes.

Resource Consents

Selwyn District continued to experience a strong rate of growth throughout the year, which is reflected in the number of resource consent applications processed. In the period from 1 January to 30 June, 48% more applications were received than for the same period in the previous year. The issue of decisions on the now Partially Operative District Plan and the subsequent appeal process has added to the complexity of the workload.

The high volume of work and added complexity has resulted in some applications having timeframe over-runs, despite extending timeframes on many applications. Timeframe compliance as well as quality of outcome are specific focuses of continuous improvement projects.

Implementation of new software solutions, as well as the addition of more full-time equivalent staff (FTE) in 2024/25 will assist in improvements across the board.

Service targets for Development and Growth

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
Strategy and policy				
To plan and provide for the sustainable management, development and protection of natural and physical resources of the District	The District Plan is up to date and in line with legislative requirements, including a reviewing provision every 10 years	100%	Achieved: 100%	Achieved: 100%
	Plan Changes are completed and made operative within two years of notification. NCS database updated and closed out.	100%	Achieved: 100%	Achieved: 100%
	Private plan changes have a decision made on them within two years of notification. NCS database updated and closed out.	100%	Achieved: 100%	Achieved: 100%
To engage with local communities, developers and other interested parties to develop a strategic direction	A suggested work programme is included on the Council agenda once a year (Annual Plan process). The Council decides which projects are advanced from the work programme per year.	Achieved	Achieved	Achieved
To protect areas of significant indigenous vegetation and significant habitats of indigenous fauna to ensure no net loss of indigenous biodiversity, and other indigenous biodiversity values are maintained and enhanced	Identify and protect 15 Significant Natural Areas in the district per year	100%	Not achieved: 53%. Due to governments' shift in focus, staff re-prioritised workload to protection of biodiversity and working with landowners	Achieved: 100%

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
To encourage and support the restoration and enhancement of areas of indigenous biodiversity	Carry out or facilitate 2 km of riparian margin planting in the district year	100%	Achieved: 100%	Achieved: 100%
	Carry out or facilitate 5 ha of indigenous vegetation planting in the district per year	100%	Achieved: 100%	Achieved: 100%
Resource consents and compliance				
To administer the District Plan effectively and efficiently by making timely and quality decisions on Resource Consents	Proportion of Resource Consents issued within Statutory Requirements	98%	Not achieved: 84% The volume of resource consents increased this year and the increased workload caused delays in issuing consents	Not achieved: 77%
To interact with Resource Consent Applicants in a manner which results in a high level of customer satisfaction	Preparation of Environment Court Appeals Settled or found in Council's favour	70%	N/A (no appeals received or resolved in this time period)	Not applicable (no appeals resolved)
	Proportion of Resource Consent Applicants very satisfied or satisfied	85%	Not measured. Insufficient responses from customers.	Not measured

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
Building control				
To support compliant building work through the efficient and effective administration of the Building Act 2004	Proportion of building consents issued within statutory time frames	95%	Not achieved: 89%. This was low due to the high volume of building work being experienced in the district. The 23/24 year started out with 75% compliance in July with gradual improvement throughout the period finishing on 96% in June.	Not achieved: 60%
	Carry out audit inspections of all known residential pools in the district within a three year cycle	33% of pools	Not achieved: 22% This target was not met due to staffing constraints, and Council is continuing to recruit to build the team to capacity to ensure we can meet the workload demands moving forward.	Not achieved: 24%
	Audit a representative sample of commercial building warrant of fitness's in the district	10% of all current BWOFs audited annually	Not achieved: 9%. This target was not met due to staffing constraints, and Council is continuing to recruit to build the team to capacity to ensure we can meet the workload demands moving forward.	Achieved: 13%
	Proportion of Code Compliance certificates issued within statutory time frames	95%	Achieved: 97%	Achieved: 96%
	Proportion of Building Consent Applicants satisfied or very satisfied	90%	Not measured	Not measured
Animal control				
To register all known dogs	Registration of all known dogs by 30 June each year	100%	Achieved: 100%	Achieved: 100%
To investigate all complaints in regard to dog control in a timely manner	Percentage of urgent callouts attended to within two hours	100%	Achieved: 100%	Achieved: 100%
	Percentage of non-urgent callouts attended to within 72 hours	100%	Achieved: 100%	Achieved: 100%

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
Environmental health				
To ensure all registered premises are operated in a manner that minimises any adverse effects on public health	Verbal and written food complaints, enquiries and suspected and confirmed food poisoning incidents will be responded to promptly and within the same day including contacting the complainant or enquirer	100%	Achieved: 100%	Achieved: 100%
	Complaints only in writing will be actioned within three working days (subject to human risk level)	100%	Achieved: 100%	Achieved: 100%
	All registered premises to be inspected and assessed at least once annually between the months of 1 July and 31 December	100%	Achieved: 100%	Achieved: 100%
To ensure all registered premises are operated in a manner that minimises any adverse effects on public health	All enquiries and complaints are prioritised and responded to within 24 hours	100%	Achieved: 100%	Achieved: 100%
	Each notified disease is actioned on the day of receipt from Canterbury District Health Board (Community & Public Health). The initial procedure involves telephone contact with each individual case and if they are not available a standard notification letter is sent on the same day.	100%	Achieved: 100%	Achieved: 100%
	All public swimming pools in the District will be inspected and assessed on an annual basis. These assessments will take place during the months of October – December or prior to use.	100%	Achieved: 100%	Achieved: 100%
	All public events (open to the general public) which have associated licences (Food, Alcohol, Amusement Devices) shall be visited on the day(s) of the event for the purposes of food safety, public health and sanitation	100%	Achieved: 100%	Achieved: 100%

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
Alcohol licencing				
To ensure all licence applications are processed efficiently in accordance with legislative requirements	Proportion of Special Licenses issued within 15 working days of receipt of reports filed by the Police and the Medical Officer of Health	100%	Achieved: 100%	Achieved: 100%
	Proportion of all other uncontested licenses issued within 20 working days of the closing day of submissions	100%	Achieved: 100%	Achieved: 100%
Monitoring, compliance and enforcement				
To monitor activities granted a resource consent to maintain compliance	Monitoring of resource consents conditions are completed within one calendar month of the monitoring report being issued	85%	Achieved: 92%	Achieved: 93%
	All complaints are recorded and investigated to conclusion	100%	Achieved: 100%	Achieved: 100%

Statistics for Resource and Building Consents

For year ended 30 June 2024.

Indicator	Number processed	Working days target	Target % within working days	% Achieved within working days target	Average processing days
Subdivision consents – notified (with hearing)	1	130	100%	100%	159
Subdivision consents – notified (no hearing)	-	50	100%	100%	-
Subdivision consents – limited notification (with hearing)	1	100	100%	50%	171
Subdivision consents – limited notification (no hearing)	2	65	100%	50%	58
Subdivision consents – non-notification (no hearing)	149	20	100%	77%	36
Land use consents – notified (with hearing)	1	130	100%	100%	159
Land use consents – notified (no hearing)	-	50	100%	100%	-
Land use consents – limited notification (with hearing)	2	100	100%	50%	157
Land use consents – limited notification (no hearing)	2	65	100%	50%	58
Land use consents – non-notification (no hearing)	433	20	100%	87%	31
Building consents	1,957	20	100%	89%	13
Full code of compliance certificates	2,144	20	100%	97%	6

Statistics for Resource and Building Consents

For year ended 30 June 2023.

Indicator	Number processed	Working days target	Target % within working days	% Achieved within working days target	Average processing days
Subdivision consents – notified (with hearing)	-	130	100%	100%	-
Subdivision consents – notified (no hearing)	-	50	100%	100%	-
Subdivision consents – limited notification (with hearing)	1	100	100%	0%	109
Subdivision consents – limited notification (no hearing)	2	65	100%	50%	64
Subdivision consents – non-notification (no hearing)	134	20	100%	86%	26
Land use consents – notified (with hearing)	1	130	100%	100%	117
Land use consents – notified (no hearing)	-	50	100%	100%	-
Land use consents – limited notification (with hearing)	4	100	100%	25%	128
Land use consents – limited notification (no hearing)	2	65	100%	50%	71
Land use consents – non-notification (no hearing)	485	20	100%	94%	17
Building consents	3,208	20	100%	42%	27
Full code of compliance certificates	2,252	20	100%	92%	5

Funding Impact Statement – Environmental and Regulatory Services

For the year ended 30 June 2024

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	8,447	8,257	9,292	Note 1
Targeted rates	-	-	-	
Subsidies and grants for operating purposes	130	133	52	
Fees and charges	9,427	9,675	12,039	Note 2
Internal charges and overheads recovered	1,334	1,308	-	
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	
Total operating funding (A)	19,338	19,373	21,382	
Applications of operating funding				
Payments to staff and suppliers	15,069	15,177	18,804	Note 3
Finance costs	-	-	-	
Internal charges and overheads	4,182	4,098	6,201	Note 4
Other operating funding applications	5	5	-	
Total applications of operating funding (B)	19,256	19,280	25,005	
Surplus/(deficit) of operating funding (A-B)	82	93	(3,623)	

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	
Development and financial contributions	-	-	-	
Increase/(decrease) in debt	-	-	(18)	
Gross proceeds from the sale of assets	-	-	-	
Lump sum contributions	-	-	-	
Other dedicated capital funding	-	-	-	
Total sources of capital funding (C)	-	-	(18)	
Applications of capital funding				
Capital expenditure:				
- to meet additional demand	39	40	-	
- to improve the level of service	-	-	-	
- to replace existing assets	-	-	-	
Increase/(decrease) in reserves	34	35	485	
Increase/(decrease) of investments	9	18	(4,126)	
Total applications of capital funding (D)	82	93	(3,641)	
Surplus/(deficit) of capital funding (C - D)	(82)	(93)	3,623	
Funding balance ((A - B) + (C - D))	-	-	-	

	2022/23 Actual \$000	2023/24 Actual \$000
Internal loans		
Raised during the year	-	-
Repaid during the year	(20)	(18)
Balance as at 30/06/2024	305	287
Finance costs for year	8	17

Explanations for significant variances between actual and the Long-Term Plan (LTP) 2023/24:

- Note 1:** The general rate funding requirement is higher than the LTP largely due to the timing of completion of work related to the District Plan review.
- Note 2:** Fees and charges revenue is higher than the LTP largely due to the level of building activity in the District.
- Note 3:** Payments to staff and suppliers is higher than the LTP largely due to increased level of resource to cope with increased level of building activity.
- Note 4:** Internal Charges and overheads are higher than the LTP due to increased resourcing in the support departments to cope with high district growth.



Transportation

This year the Council...


Completed
11,810 km
of grading on unsealed roads


Repaired
4,786
potholes


Completed
4,336 m
of footpath renewals

Completed
81 km
of sealed and
unsealed road
renewals

Completed
8 km
of sealed road
pavement rehabilitation


Completed
557 m
of footpath
extensions

Completed **6,800 m** of shared path
construction

Key Results

86%
of urban road network met quality target

98%
of rural sealed road network met quality target

95%
of footpaths met service standards

Performance highlights 2023/24

The 2023/24 financial year was the third year of the National Land Transport Programme funding cycle. The Council has been successful in securing additional New Zealand Transport Agency (NZTA) subsidy to significantly step up the delivery of both capital projects and road maintenance and renewals, despite cost fluctuation from inflation and government regulatory changes.

Major projects completed or near completion in 23/24 include:

- Shands/Hamptons Roundabout
- Shands/Trents Roundabout
- Tosswill/Trices Roundabout
- Leeston/Goulds Road Intersection improvement
- Maddisons/Dawsons Road Intersection improvement
- Trents Road widening
- Re-decking of the Waimakariri Gorge Bridge
- Templeton to Prebbleton Cycleway
- West Melton to Rolleston Cycleway
- Springston Rolleston Road Shared Use path
- Villa Mews Shared Use Path
- District Wide LED Conversion
- Dunns Crossing Road streetlighting
- Weedons Ross Road streetlighting
- Lincoln Rolleston Road streetlighting
- Broadlands Drive Park n Ride

Other projects across the district include new bus shelters, footpath extension, speed limit reduction around schools, minor safety improvements, and road

safety promotion including bike skill training in schools. For road maintenance and renewals, the Council delivered 81km of reseals and 8km of sealed road pavement rehabilitation, a significant improvement on previous years.

The Council built 6,800m of shared use path (cycleway) in 23/24, in addition to 557m of footpath constructed to establish a well-connected network. The performance target for footpath only has been deemed too high compared to available budget and has been revised down in the Long-Term Plan 2024/34 (LTP).

Safety remained a key issue, with crashes at intersections being a concern. In 2023/24, there were six fatal crashes and 21 serious-injury crashes on Selwyn's local road network, resulting in eight fatalities and 27 serious injuries.

While the overall condition of the network met the target, the urban portion of the network continues to be below target. This was impacted by the extensive urban development, capital works involving road excavation, as well as some roads deteriorating under heavy traffic.

The Council delivered 11,810km of unsealed road grading. The condition of gravel roads is monitored closely. Contractor inspections include a range of factors, with the proportion of road rated as good or very good reported.

The Council's target of 70% was not achieved, but further surveys are required to determine if this target is realistic year-round, especially considering the increasing impacts of more severe weather events resulting from climate change.

Service targets for Transportation

Objective	Performance measure	Service area	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
To provide a well maintained, operated and affordable land transport system	Response to service requests: The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the LTP. (Mandatory Performance Measure)	All	>75% resolution within the 10 day timeframe specified	Achieved: 77.0% For the purposes of this measure, response means council has resolved the matter for which the service request was raised. The reported result only includes those service requests for which a response was provided during the reporting period	Not achieved: 70.3%
	Condition of the sealed road network: The average quality of ride on a sealed local road network, measured by smooth travel exposure. (This Mandatory Performance Measure indicates the percentage of the network that complies with a maximum roughness target for a particular level of road)	Urban	≥90%	Not achieved: 86% (urban roughness continues to be affected by construction activities leaving patches and some uneven surfaces)	Not achieved: 88%
		Rural	≥95%	Achieved: 98%	Achieved: 98%
		All roads	≥95%	Achieved: 95%	Achieved: 96%
	Maintenance of a sealed local road network: The distance of the sealed local road network that is resurfaced. (Mandatory Performance Measure)	Sealed roads	≥75km	Achieved: 81km	Not achieved: 23.66km
	Maintenance of the unsealed road network: The percentage of roads to achieve “good” or “very good” grades in both of the previous biannual visual condition surveys	Unsealed roads	70%	Not achieved: Dec 63% June 31% (Major weather events in July and October impacted unsealed roads)	Not achieved: 63% (A very challenging year has impacted rural unsealed roads. There have been numerous storm events resulting in extensive damage to roads and access to properties lost.)

Objective	Performance measure	Service area	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
To provide a well maintained, operated and affordable land transport system	Condition of footpaths within the local road network: The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its Annual Plan, activity management plan, asset management plan, annual works programme or LTP). (Mandatory Performance Measure)	Footpaths	≥80%	Achieved: 95%	Achieved: 95%
To cater for any significant projected traffic increases in a sustainable manner	The percentage of individual large capital projects generally completed in the year that they were programmed to occur	Roading improvements	≥75%	Not achieved: 69%. (A change in assessing this measure takes an overall approach as most projects occur across several years. 50% of projects are either complete or underway within the timeframe proposed)	Not achieved: 71%. (A change in assessing this measure takes an overall approach as most projects occur across several years. 50% of projects are either complete or underway within the timeframe proposed)
To allow pedestrians, cyclists and motor vehicle users move safely around the Selwyn District	Road Safety: The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number (Mandatory Performance Measure)	Road safety	Progressively reducing number of fatal and serious crashes	Not achieved: six fatal and 21 serious Injury crashes	Not achieved: one fatality and 18 serious injury crashes
	Public Transport: The change from the previous financial year in the number of passengers utilising public transport to, from, or within the district	Public transport utilisation	Progressive increase in patronage numbers	Achieved: 452,069 (increase of 107,224)	Achieved: 344,845 (increase of 90,690)

Objective	Performance measure	Service area	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
To allow pedestrians, cyclists and motor vehicle users to move safely around the Selwyn District	Active transport (walking): The length of new footpaths constructed	Active transport	2,800 m	Not achieved: 557m constructed (Service target has been reduced to 1,000 m in 2024-2034 LTP. This does not include shared-use paths)	Not achieved: 2,623 m constructed
	Active transport (cycling): The number of schools participating in the School Cycle Skills Education Programme	Active transport	Three schools	Achieved: 27 schools	Achieved: 20 schools
To 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, earthquake recovery, funding and implementation initiatives	Attendance at relevant Regional Transport Committee (RTC) and Regional Transport Officers Group (TOG) meetings and forums.	≥80%	Achieved: 100% (nine out of nine)	Achieved: 88% (seven out of eight)

Funding Impact Statement – Transportation

For the year ended 30 June 2024

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Operating funding				
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	3,257	6,308	7,099	
Targeted rates	-	-	-	
Subsidies and grants for operating purposes	2,787	2,999	10,519	Note 1
Fees and charges	-	-	141	
Internal charges and overheads recovered	2,066	2,344	-	
Local authorities fuel tax, fines, infringement fees and other receipts	299	308	273	
Total operating funding (A)	8,409	11,959	18,032	
Applications of operating funding				
Payments to staff and suppliers	6,678	6,946	14,347	Note 2
Finance costs	1,198	1,427	1,347	
Internal charges and overheads	2,477	2,507	2,697	
Other operating funding applications	-	-	-	
Total applications of operating funding (B)	10,353	10,880	18,390	
Surplus/(deficit) of operating funding (A-B)	(1,944)	1,079	(358)	

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Capital funding				
Sources of capital funding				
Subsidies and grants for capital expenditure	7,778	8,399	15,167	Note 3
Development and financial contributions	1,324	1,146	1,533	
Increase/(decrease) in debt	9,826	8,485	10,567	
Gross proceeds from the sale of assets	-	-	-	
Lump sum contributions	-	-	-	
Other dedicated capital funding	-	-	-	
Total sources of capital funding (C)	18,928	18,030	27,267	
Applications of capital funding				
Capital expenditure				
- to meet additional demand	495	2,818	18,448	Note 4
- to improve the level of service	7,893	8,952	898	Note 5
- to replace existing assets	8,596	8,793	15,421	Note 6
Increase/(decrease) in reserves	739	263	(11,816)	Note 7
Increase/(decrease) of investments	(739)	(1,717)	3,958	
Total application of capital funding (D)	16,984	19,109	26,909	
Surplus/(deficit) of capital funding (C-D)	1,944	(1,079)	358	
Funding balance ((A - B) + (C - D))	-	-	-	

	2022/23 Actual \$000	2023/24 Actual \$000
Internal loans		
Raised during the year	-	74,994
Repaid during the year	-	-
Balance as at 30/06/2024	-	74,994
Finance costs for year	-	2,933

Explanations for significant variances between actual and the Long-Term Plan (LTP) 2023/24:


- Note 1:** Subsidies and Grants for operating and capital expenditure is higher than in the LTP due mainly to higher levels of subsidies received from Waka Kotahi than budgeted including subsidies for emergency works.
- Note 2:** Payments to staff and suppliers is higher than the LTP due to emergency works expenditure and subsidized maintenance and operational expenditure being higher than originally budgeted.
- Note 3:** Subsidies and grants for capital expenditure are higher than the LTP due to increased capital projects expenditure resulting in more subsidies being claimed and also due to funds being received for emergency works.
- Note 4:** Capital expenditure to meet additional demand is higher than the LTP due to the timing of completion of capital projects, including projects for the roundabouts at the Shands and Hamptons Road intersection and Shands and Trents Road intersection.
- Note 5:** Capital expenditure to improve the level of service is lower than the LTP due to the timing of completing some capital projects, including planned local road improvements.
- Note 6:** Capital expenditure to replace existing assets is higher than the LTP due to the timing of project completions including sealed road resurfacing, pavement rehabilitation and re-decking the Waimakariri Gorge bridge.
- Note 7:** An internal re-classification of Reserves resulted in an increase in this line for 2023/24. The schedule of Reserves is disclosed in Note 26 of the Financial Report.

Resource Recovery and Waste Management

This year, the Council collected:

Waste and recycling from over
27,000
households


12,300
tonnes of rubbish


5,100
tonnes of recycling

8,400
tonnes of organics


34,500 tonnes of material processed through the Pines Resource Recovery Park.

Key results

3% reduction in total waste to landfill per capita.
14% reduction in contamination of kerbside recycling.

Performance highlights 2023/24

We are committed to diverting waste from landfill, as this impacts our carbon footprint, keeps valuable resources in use, and helps to reduce our environmental impact.

In 2023/24, Council continued work to transform the Pines Resource Recovery Park as part of the ReConnect project. This project is designed to inspire our communities to think differently about waste. The transformation incorporates the use of reclaimed buildings as well as sustainable material choices in the construction of new facilities and buildings on-site.

Our Waste and Sustainability Educator at ReDiscover provided over 140 outreach and on-site programmes to community groups and schools, hosted events and attended expos, reaching over 5,800 people.

The kerbside collection service collected bins from over 27,000 households. During the past year, a 3% reduction in total waste to landfill per capita was achieved, and contamination in kerbside recycling was reduced by 14%. We conducted a second recycling contamination education campaign in May and June of 2024.

ReConnect

The ReConnect Project at the Pines Resource Recovery Park is progressing. In 2024, we opened ReNourish – our community garden. At ReNourish we focus on using resources wisely and repurposing, recycling, and recovering materials for beneficial use. It is located adjacent to ReDiscover, our education centre, and provides a space to connect through workshops such as composting, learning to preserve fruits and vegetables, how to harvest and store vegetables and herbs for a longer shelf life and less food waste.

Our ReUse Shop is nearing completion and is expected to open in the 2025 calendar year. This will be an alternative to landfill for unwanted items that are still in a good usable condition, as well as providing a source of low-cost goods for the community.



Service targets for Resource Recovery and Waste Management

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
To provide a quality solid waste service for the community	Number of substantiated formal complaints received per annum related to the solid waste service	≤15	Achieved: one substantiated formal complaint was received during the year	Achieved: two substantiated formal complaints were received during the year
To protect the environment by minimising waste to landfill	The total amount of landfill waste per capita measured against the previous year	No increase in kg per capita compared with the previous year	Achieved: 3% decrease in kg per capita on previous year	Achieved: 11% decrease in kg per capita on previous year
	The total amount of household kerbside landfill waste per capita measured against the previous year	Reduction in kg per capita compared with the previous year	Not achieved: 1% increase in kg per capita on previous year	Not achieved: 14% increase in kg per capita on previous year
	Percentage of contamination in the kerbside recycling measured against the previous year	Reduction in percentage contamination compared with the previous year until ≤2%	Achieved: 14% reduction in contamination levels on previous year	Achieved: 30% reduction in contamination levels on previous year



Funding Impact Statement – Resource Recovery and Waste Management

For the year ended 30 June 2024

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	-	-	-	
Targeted rates	9,636	10,120	12,029	Note 1
Subsidies and grants for operating purposes	70	71	10	
Fees and charges	3,375	3,941	8,997	Note 2
Internal charges and overheads recovered	-	-	-	
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	
Total operating funding (A)	13,081	14,132	21,036	
Applications of operating funding				
Payments to staff and suppliers	11,670	13,197	18,706	Note 3
Finance costs	272	306	289	
Internal charges and overheads	625	635	527	
Other operating funding applications	-	-	-	
Total applications of operating funding (B)	12,567	14,138	19,522	
Surplus/(deficit) of capital funding (A-B)	514	(6)	1,514	

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	
Development and financial contributions	-	-	-	
Increase/(decrease) in debt	(208)	2,981	3,553	
Gross proceeds from the sale of assets	-	-	-	
Lump sum contributions	-	-	-	
Other dedicated capital funding	-	-	-	
Total sources of capital funding (C)	(208)	2,981	3,553	
Applications of capital funding				
Capital expenditure:				
- to meet additional demand	76	3,376	3,439	
- to improve the level of service	-	-	-	
- to replace existing assets	-	-	111	
Increase/(decrease) in reserves	-	-	8,353	Note 4
Increase/(decrease) of investments	230	(401)	(6,836)	
Total applications of capital funding (D)	306	2,975	5,067	
Surplus/(deficit) of capital funding (C - D)	(514)	6	(1,514)	
Funding balance ((A - B) + (C - D))	-	-	-	

	2022/23 Actual \$000	2023/24 Actual \$000
Internal loans		
Raised during the year	-	10,706
Repaid during the year	-	-
Balance as at 30/06/2024	-	10,706
Finance costs for year	-	335

Explanations for significant variances between actual and the Long-Term Plan (LTP) 2023/24:

- Note 1:** Targeted rate revenue is higher than the LTP due to growth in the district.
- Note 2:** Fees and charges revenue is higher than the LTP predominantly due to higher than forecast organic tonnes received at the Pines Resource Recovery Park.
- Note 3:** Payments to staff and suppliers is higher than the LTP due to higher than budgeted maintenance contracts and pit operation costs due to higher growth in the district.
- Note 4:** An internal re-classification of Reserves resulted in an increase in this line for 2023/24. The schedule of Reserves is disclosed in Note 26 of the Financial Report.



5 Waters Service

This year the Council...



Provided drinking water to

81%
of residential
properties

Supplied
9.31
million cubic
metres of water to
households

Provided wastewater to

68%
of residential properties

Treated
4.34
million cubic metres
of wastewater

The Council also
maintained...

1,549 km
of water network

693 km
of wastewater network

128 km
of stormwater pipes

1,572 km
of water race channels

372 km
of land drainage drains

Key results

Operating under the new Drinking Water Quality Assurance Rules (DWQAR), our water supplies were:

98%
of treatment plants
compliant for
protozoa treatment

98%
of treatment
plants compliant
for bacterial

100%
compliant for
bacteria monitoring
(E.coli testing) in
the distribution

0.335m³
Average
consumption of
drinking water per
day per resident

Performance highlights 2023/24

Safe drinking water

From 1 January 2023, new Drinking Water Quality Assurance Rules (DWQAR) reporting started, as introduced by Taumata Arowai.

Council's reporting requirements measure compliance against the following criteria: bacterial, protozoa, chemicals and cyanotoxin for treatment plants and microbiological, residual disinfection, disinfection by-products and plumbosolvent metal rules for distribution networks. Compliance is monitored and reported through on-line monitoring along with a sampling regime, with minimum samples specified for various zones. At minimum we adhered to these sampling requirements, and in some zones exceeded the sampling requirements.

All water treatment plants have now a protozoa and bacteria barrier (Ultraviolet light UV) in place. The compliance at water treatment plants for protozoa was 98% and for bacterial 98% and 100% for monitoring E. coli in the distribution systems.

Treatment non-compliances were mainly contributed to a lack of treatment barrier for part of the year for two supplies until new treatment came on-line and a data recording error on the 17 July 2023, which meant records were not available to show compliance for many treatment plants for that one day. It is important to note for the data recording error, all treatment plants remained in operation, met critical control point requirements and delivered safe water.

Water quantity

Selwyn residents tend to be high users of water, using an average of 0.335 m³ of water per person a day in the 2023/24 year, slightly lower compared with previous years.

This can be attributed to mostly outdoor use – residents tend to have larger sections and therefore wish to maintain these sections, with comparatively low rainfall and free draining soils water use has historically been high. The Council has a role to play in continuing to educate the community on water conservation, with a long-term view to changing behaviour on water consumption.

Serviced area

81% of residential properties in Selwyn are serviced with water and 68% of residential properties are serviced by the Council's wastewater systems.

Compliance with resource consents

During the 2023/24 year there were no abatement notices, infringement notices, enforcement orders or convictions received for any of the Council's water services.

Dry weather sewer overflows

The Council attended to two dry weather sewage and one wet weather overflows in 2023/24. The target was less than 1.4 overflows per 1,000 rated properties, which was met. The final result was 0.9 dry weather overflows and 0.05 wet weather overflows per 1,000 rated properties.

Water sustainability and availability

Sustainable water management continues to be a focus for the Council. We are actively implementing a Water Demand Management Strategy which includes the installation of water meters and implementation of volumetric water charging. The Council is aware of the potential impact that climatic cycles and trends have on its five waters and is actively monitoring and planning for this.

Water loss assessment

The percentage of real water loss from the water reticulation system in urban schemes was 20.2%. It was determined through water balance calculations for each supply, using a nationally agreed methodology (BenchlossNZ).

It is noted that there were a significant number of 'new' metered water connections which were not included in the water billing data provided, and assumptions were made for these connections based on readings made in Aug-Oct 2024 except for Lincoln and Rolleston.

At the time of reporting some water meter reads data for Rolleston and Lincoln schemes were unavailable or incomplete. Rather than excluding these meters from the analysis and significantly over estimating leakage, existing use from the water meter read data set was analysed by SDC staff and used to estimate water demand for the missing data. For Rolleston and Lincoln, the missing water use data was updated with the following assumption: 49% of connections with full year use, 21% half year use and 30% zero use. These assumptions have been included in the water balance calculations and water loss results. It should be noted that while these assumptions aim to approximate the missing data as closely as possible, confidence in the accuracy of results for the Lincoln and Rolleston Townships is reduced.

Service targets for 5 Waters Services

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
Land drainage				
To minimise nuisance effects from water services	The number of complaints received about the performance of the land drainage system, expressed per 1,000 rated properties	Less than 10	Achieved: 3.40	Achieved: 2.25
To provide water services in a cost-effective manner	Total average operating cost per serviced property for land drainage	≤\$170	Not achieved: \$193.61. Target was set 3 years ago and higher than forecasted inflation has occurred.	Achieved: \$113.70
Stormwater				
To minimise adverse effects of water services on the environment	Compliance with resource consents for discharge from the stormwater system measured by the number of:		Achieved all	Achieved all
	a) abatement notices	Nil	Nil	Nil
	b) infringement notices	Nil	Nil	Nil
	c) enforcement orders	Nil	Nil	Nil
	d) convictions	Nil	Nil	Nil
	Received from Environment Canterbury. (Mandatory Performance Measure)			

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
To minimise nuisance effects from water services	The number of complaints received about the performance of the stormwater system, expressed per 1,000 rated properties. (Mandatory Performance Measure)	Less than 20	Achieved: 7.88	Achieved: 12.03
	The median response time to attend a flooding event measured from the time that personnel receives notification to the time that service personnel reach the site. (Mandatory Performance Measure)	Less than one hour for urgent flooding events	Achieved: Nil	Achieved: Nil
	The number of flooding events that occur as a result of overflow from the stormwater system that enters a habitable floor (Mandatory Performance Measure)	Nil in less than 50 year storm events	Achieved: Nil	Achieved: Nil
	For each flooding event, the number of habitable floors affected, expressed per 1,000 properties connected to the stormwater system (Mandatory Performance Measure)	Nil per 1,000 connected properties in less than 50 year storm events	Achieved: Nil	Achieved: Nil
	Total average rate per serviced property for stormwater	≤\$110	Not achieved: \$132.00. Target was set 3 years ago and higher than forecasted inflation has occurred.	Not achieved: \$122.00

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
Wastewater				
To minimise nuisance effects from water services	Compliance with resource consents for discharge from the wastewater system measured by the number of:		Achieved all	Achieved all
	a) abatement notices	Nil	Nil	Nil
	b) infringement notices	Nil	Nil	Nil
	c) enforcement orders	Nil	Nil	Nil
	d) convictions	Nil	Nil	Nil
	Received from Environment Canterbury. (Mandatory Performance Measure).			
	The total number of complaints received about sewage odour, blockages system faults and response to issues with its sewerage expressed per 1,000 rated properties (Mandatory Performance Measure)	Less than eight	Achieved: 1.51	Achieved: 1.18
To address problems with water services in a timely manner and prioritised according to risk and need	Where personnel attend wastewater overflows resulting from a blockage or other fault in the wastewater system. The median response time measures the:			
	a) attendance time: from the time that the personnel receives notification to the time that service personnel reach the site;	a) Less than one hour	Achieved: 50 minutes	Achieved: 35 minutes
	b) resolution time: from the time that the personnel receives notification to the time that service personnel confirm resolution of the blockage or other fault. (Mandatory Performance Measure)	b) Less than 24 hours	Achieved: 17 hours 11 minutes	Achieved: two hours 20 minutes

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
To provide service capacity to accommodate growing communities, where this growth is sustainable	The proportion of residential properties serviced by wastewater services within the district expressed as a percentage of total residential properties	≥60%	Achieved: 68%	Achieved: 67%
To provide the community with water services to a standard that protects their health and property	The number of wet and dry weather wastewater overflows from the wastewater system, expressed per 1,000 rated properties (Mandatory Performance Measure)	Less than 1.4 overflow	Achieved: 0.14 Wet 0.05 Dry 0.09	Achieved: Wet 0.15 Dry 0.10
To provide water services in a cost effective manner	Total average rate per serviced property for wastewater	≤\$555	Not achieved: \$610.00. Target was set 3 years ago and higher than forecasted inflation has occurred	Not achieved: \$586.00
Water supply				
	Compliance with resource consents for surface water takes for water supplies measured by the number of:		Achieved all	Achieved all
To minimise nuisance effects from water services	a) abatement notices	Nil	Nil	Nil
	b) infringement notices	Nil	Nil	Nil
	c) enforcement orders	Nil	Nil	Nil
	d) convictions	Nil	Nil	Nil
	Received from Environment Canterbury.			
To minimise nuisance effects from water services	The total number of complaints received about drinking water clarity, continuity of supply, odour, taste, pressure flow and response to these issues, expressed per 1,000 rated properties (Mandatory Performance Measure)	Less than 20	Achieved: 8.36	Achieved: 11.90

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
To address problems with water services in a timely manner and prioritised according to risk and need	Where personnel attend a non-urgent call-out in response to a fault or unplanned interruption in the reticulation system. The median response times measures the:		Achieved all	Achieved all
	a) attendance time: from the time that personnel receive notification to the time that service personnel reach the site;	a) Less than 24 hours	Achieved: 26 minutes	Achieved: one hour
	b) resolution time: from the time that personnel receive notification to the time that service personnel confirm resolution of the fault or interruption (Mandatory Performance Measure)	b) Less than 120 hours	Achieved: one hour eight minutes	Achieved: two hours two minutes
	Where personnel attend an urgent call-out in response to a fault or unplanned interruption in the reticulation system. The median response times measures the:		Achieved all	Achieved all
	a) attendance time: from the time that personnel receive notification to the time that service personnel reach the site;	a) Less than four hours	Achieved: 30 minutes	Achieved: 60 minutes
	b) resolution time: from the time that personnel receive notification to the time that service personnel confirm resolution of the fault or interruption (Mandatory Performance Measure)	b) Less than 48 hours	Achieved: one hour three minutes	Achieved: two hours
To provide service capacity is provided to accommodate growing communities, where this growth is sustainable	The proportion of residential properties serviced by water supplies within the district expressed as a percentage of total residential properties	≥80%	Achieved: 81%	Achieved: 80%

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
To provide service capacity is provided to accommodate growing communities, where this growth is sustainable	The percentage of real water loss from the water reticulation system in urban schemes. Determined through a water balance calculations for each supply, using a nationally agreed methodology (BenchlossNZ) (Mandatory Performance Measure)	19%	Not achieved: 20.2% (Measure is close to achievement and improved from prior year)	Not Achieved: 20.9%
	The average consumption of drinking water per day per resident (Mandatory Performance Measure)	Less than 0.48m³ per person per day within urban schemes	Achieved: 0.335 m³	Achieved: 0.367m³
	The extent to which the drinking water supplies comply with the drinking water standards for bacteria compliance (Mandatory Performance Measure)	≥99.9% of monitoring samples comply, at both the treatment plant and within the reticulation, across the district	Not achieved: (Treatment plant 98%) Achieved: (Reticulation 100%) Records were not available on one day due to a data recording error to show non compliance. However, on this day all treatment plants remained operational and meeting critical control point requirements and delivering safe water.	Not achieved: 1 July 2022 to 31 December 2022 80%
				1 January 2023 to 30 June 2023 88% (Under new compliance rules) (No UV Protozoa barrier in place but in place as of May 2023)
To provide water services in a cost effective manner	The extent to which the drinking water supplies comply with the drinking water standards for protozoal compliance	≥85% of the treatment plant sites (include bores where secure) are compliant across the district	Achieved: (98%)	Not achieved: 1 July 2022 to 31 December 2022 80% 1 January 2023 to 30 June 2023 88% (Under new compliance rules) (No UV Protozoa barrier in place but in place as of May 2023)
	Total cost to provide 200m³ of water to a 'on demand' serviced property	≤\$484	Achieved: \$468.00	Achieved: \$432.00

Objective	Performance measure	Service target	Current year achievement (2023/24)	Last year achievement (2022/23)
Water Races				
To minimise nuisance effects from water services	The total number of complaints received about continuity of supply, expressed per 1,000 rated properties	Less than 50	Achieved: 9.03	Achieved: 9.8
To address problems with water services in a timely manner and prioritised according to risk and need	Where personnel attends an urgent blockage or other fault in the water race system. The median response times measures the:		Achieved all	Achieved all
	a) Attendance time: from the time that personnel receives notification to the time that service personnel reach the site;	a) Less than four hours	Achieved: 31 minutes	Achieved: 35 minutes
	b) Resolution time: the time that personnel receives notification to the time that service personnel confirm the resolution of the blockage or other fault	b) Less than 48 hours	Achieved: two hours eight minutes	Achieved: two hours 26 minutes
To provide water services in a cost-effective manner	Total average operating cost per serviced property for water races	≤\$200	Achieved: \$115.75	Achieved: \$109.51
To minimise adverse effects of water services on the environment	Compliance with resource consents for surface water takes for water supplies measured by the number of:		Achieved all	Achieved all
	a) abatement notices	a) Nil	Nil	Nil
	b) infringement notices	b) Nil	Nil	Nil
	c) enforcement orders	c) Nil	Nil	Nil
	d) convictions	d) Nil	Nil	Nil
Received from Environment Canterbury.				



Funding Impact Statement – Community Water Supply

For the year ended 30 June 2024

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	-	-	-	
Targeted rates	10,056	11,054	12,081	
Subsidies and grants for operating purposes	-	-	-	
Fees and charges	219	227	114	
Internal charges and overheads recovered	-	-	-	
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	
Total operating funding (A)	10,275	11,281	12,194	
Applications of operating funding				
Payments to staff and suppliers	5,568	5,528	10,823	Note 1
Finance costs	465	575	542	
Internal charges and overheads	1,993	2,022	1,538	
Other operating funding applications	-	-	-	
Total applications of operating funding (B)	8,026	8,125	12,903	
Surplus (deficit) of operating funding (A - B)	2,249	3,156	(709)	

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	
Development and financial contributions	2,365	2,421	2,317	
Increase/(decrease) in debt	9,420	(594)	20,388	Note 2
Gross proceeds from the sale of assets	-	-	-	
Lump sum contributions	-	-	-	
Other dedicated capital funding	-	-	-	
Total sources of capital funding (C)	11,785	1,827	22,705	
Applications of capital funding				
Capital expenditure:				
- to meet additional demand	4,764	4,759	10,512	Note 3
- to improve the level of service	5,591	3,706	10,060	Note 4
- to replace existing assets	3,874	3,974	4,646	
Increase/(decrease) in reserves	(2,835)	(2,946)	2,464	Note 5
Increase/(decrease) of investments	2,640	(4,510)	(5,686)	
Total applications of capital funding (D)	14,034	4,983	21,996	
Surplus/(deficit) of capital funding (C - D)	(2,249)	(3,156)	709	
Funding balance ((A - B) + (C - D))	-	-	-	

	2022/23 Actual \$000	2023/24 Actual \$000
Internal loans		
Raised during the year	-	40,563
Repaid during the year	-	-
Balance as at 30/06/2024	-	40,563
Finance costs for year	-	1,363

Explanations for significant variances between actual and the Long-Term Plan (LTP) 2023/24:

- Note 1:** Payments to staff and suppliers is higher than the LTP largely due to the timing of completion of some operational projects and increased maintenance costs.
- Note 2:** Increase/(decrease) in debt is higher than LTP due to the timing of completion and increased costs of Capital Projects.
- Note 3:** Capital expenditure to meet additional demand is higher than the LTP due to timing of completion and increased cost of water supply projects.
- Note 4:** Capital expenditure to improve the level of service is higher than the LTP due to timing of completion and increased cost of water supply upgrades.
- Note 5:** An internal re-classification of Reserves resulted in an increase in this line for 2023/24. The schedule of Reserves is disclosed in Note 26 of the Financial Report.

Funding Impact Statement – Community Wastewater

For the year ended 30 June 2024

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	-	-	-	
Targeted rates	9,044	9,796	10,935	Note 1
Subsidies and grants for operating purposes	-	-	-	
Fees and charges	1,107	1,136	751	
Internal charges and overheads recovered	-	-	-	
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	
Total operating funding (A)	10,151	10,932	11,687	
Applications of operating funding				
Payments to staff and suppliers	5,460	5,656	7,253	Note 2
Finance costs	926	1,282	1,210	
Internal charges and overheads	1,310	1,328	1,362	
Other operating funding applications	-	-	-	
Total applications of operating funding (B)	7,696	8,266	9,825	
Surplus (deficit) of operating funding (A - B)	2,455	2,666	1,862	

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	
Development and financial contributions	3,821	3,402	5,117	Note 3
Increase/(decrease) in debt	7,005	21,521	10,708	Note 4
Gross proceeds from the sale of assets	-	-	-	
Lump sum contributions	-	-	-	
Other dedicated capital funding	-	-	-	
Total sources of capital funding (C)	10,826	24,923	15,825	
Applications of capital funding				
Capital expenditure:				
- to meet additional demand	7,707	26,037	11,760	Note 5
- to improve the level of service	3,409	2,035	2,056	
- to replace existing assets	2,700	4,161	4,047	
Increase/(decrease) in reserves	(1,123)	(1,103)	4,900	Note 6
Increase/(decrease) of investments	588	(3,541)	(5,076)	
Total applications of capital funding (D)	13,281	27,589	17,687	
Surplus/(deficit) of capital funding (C - D)	(2,455)	(2,666)	(1,862)	
Funding balance ((A - B) + (C - D))	-	-	-	

	2022/23 Actual \$000	2023/24 Actual \$000
Internal loans		
Raised during the year	-	4,715
Repaid during the year	-	-
Balance as at 30/06/2024	-	4,715
Finance costs for year	-	-

Explanations for significant variances between actual and the Long-Term Plan (LTP) 2023/24:

- Note 1:** Targeted rate revenue is higher than the LTP due to growth in the district.
- Note 2:** Payments to staff and suppliers is higher than the LTP largely due to the timing of completion of some operational projects and increased maintenance costs.
- Note 3:** Development contributions revenue is higher than the LTP due to the higher than forecast substantial growth in the district.
- Note 4:** Increase/(decrease) in debt is lower than LTP due to the timing of completion of Capital Projects.
- Note 5:** Capital expenditure to meet additional demand is lower than the LTP due to timing of completion of Wastewater projects.
- Note 6:** An internal re-classification of Reserves resulted in an increase in this line for 2023/24. The schedule of Reserves is disclosed in Note 26 of the Financial Report.

Funding Impact Statement – Community Stormwater

For the year ended 30 June 2024

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	-	-	-	
Targeted rates	1,991	2,256	2,455	
Subsidies and grants for operating purposes	-	-	-	
Fees and charges	-	-	-	
Internal charges and overheads recovered	-	-	-	
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	
Total operating funding (A)	1,991	2,256	2,455	
Applications of operating funding				
Payments to staff and suppliers	1,335	1,387	1,609	
Finance costs	62	62	58	
Internal charges and overheads	202	205	722	Note 1
Other operating funding applications	-	-	-	
Total applications of operating funding (B)	1,599	1,654	2,390	
Surplus (deficit) of operating funding (A - B)	392	602	66	

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	
Development and financial contributions	251	257	15	
Increase/(decrease) in debt	-	-	16	
Gross proceeds from the sale of assets	-	-	-	
Lump sum contributions	-	-	-	
Other dedicated capital funding	-	-	-	
Total sources of capital funding (C)	251	257	31	
Applications of capital funding				
Capital expenditure:				
- to meet additional demand	-	-	-	
- to improve the level of service	973	972	178	
- to replace existing assets	123	127	68	
Increase/(decrease) in reserves	74	79	(1,286)	
Increase/(decrease) of investments	(527)	(319)	1,136	
Total applications of capital funding (D)	643	859	96	
Surplus/(deficit) of capital funding (C - D)	(392)	(602)	(66)	
Funding balance ((A - B) + (C - D))	-	-	-	

	2022/23 Actual \$000	2023/24 Actual \$000
Internal loans		
Raised during the year	-	178
Repaid during the year	-	-
Balance as at 30/06/2024	-	178
Finance costs for year	-	-

Explanations for significant variances between actual and the Long-Term Plan (LTP) 2023/24:

Note 1: Internal Charges and overheads are higher than the LTP due to increased resourcing in the support departments to cope with high district growth.

Funding Impact Statement – Water Races and Land Drainage

For the year ended 30 June 2024

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	37	38	43	
Targeted rates	3,578	3,710	4,329	
Subsidies and grants for operating purposes	-	-	-	
Fees and charges	491	503	252	
Internal charges and overheads recovered	187	189	-	
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	
Total operating funding (A)	4,293	4,440	4,624	
Applications of operating funding				
Payments to staff and suppliers	3,023	3,248	4,138	Note 1
Finance costs	-	-	1	
Internal charges and overheads	631	639	485	
Other operating funding applications	-	-	-	
Total applications of operating funding (B)	3,654	3,887	4,624	
Surplus (deficit) of operating funding (A - B)	639	553	-	

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	
Development and financial contributions	-	-	-	
Increase/(decrease) in debt	-	-	102	
Gross proceeds from the sale of assets	-	-	-	
Lump sum contributions	-	-	-	
Other dedicated capital funding	-	-	-	
Total sources of capital funding (C)	-	-	102	
Applications of capital funding				
Capital expenditure:				
- to meet additional demand	-	-	-	
- to improve the level of service	311	329	248	
- to replace existing assets	354	395	128	
Increase/(decrease) in reserves	16	2	(1,370)	
Increase/(decrease) of investments	(42)	(173)	1,096	
Total applications of capital funding (D)	639	553	102	
Surplus/(deficit) of capital funding (C - D)	(639)	(553)	-	
Funding balance ((A - B) + (C - D))	-	-	-	

	2022/23 Actual \$000	2023/24 Actual \$000
Internal loans		
Raised during the year	-	248
Repaid during the year	-	-
Balance as at 30/06/2024	-	248
Finance costs for year	-	-

Explanations for significant variances between actual and the Long-Term Plan (LTP) 2023/24:

Note 1: Payments to staff and suppliers is higher than the LTP largely due to the timing of completion of some operational projects and increased maintenance costs.

Internal Council Services

Support services

Internal support and administration functions assist the Council to deliver its significant activities and services (with the exception of taxation expense).

The cost of all support services (overheads) is allocated to each of the Council’s significant activities on a cost basis.

Support services include the Chief Executive’s department, finance, digital services, enabling services, legal and risk, asset management and service delivery. Internal Council Services also cover the Council’s corporate revenue, including dividends, interest and property leases. Because it includes corporate revenue, the Internal Council Services activity generates a surplus. This surplus is used to reduce the general rate requirement so that all ratepayers benefit from this revenue.

Working in collaboration with others

The Council collects rates on behalf of the Canterbury Regional Council (Environment Canterbury) which in turn pays us a fee and a portion of the rating valuation cost. The revenue received is used to offset the cost of running our rates department.

Internal Council services funding impact statement

The general rate revenue line in this statement is a reduction in the general rate requirement, rather than an amount of revenue to be collected from ratepayers. In effect, it offsets the amount of general rate expenditure that would need to be charged to ratepayers if the Council did not have dividend and interest revenue.

Supporting and developing our people

Reflecting on the growth of the organisation, the Council have appointed an Executive Director of People, Capability and Culture to further support the achievement of objectives within this Annual Plan and within the recently adopted Long-Term Plan 2024-2034 (LTP). A priority for this role is to ensure that the foundations of the organisation are in place to enable our kaimahi staff to succeed.

This work includes commencing an organisation-wide policy review, delegated authority review, an increased focus on building internal capacity for legal and risk management and a review of our delivery of Health, Safety and Wellbeing risk management.

In the area of Health, Safety and Wellbeing, community safety is at the heart of all that we do. The Council facilities have hundreds of thousands of visits per year and our teams work hard to ensure safe, welcoming and fit-for-purpose environments, so that all of our people, community included, go home safely every day. Internally our focus has centred around worker engagement, rollout of an organisation-wide critical risk programme, capability-building at the Governance level with workshops for Councillors and the Executive team, as well as an external review of the function, which will provide recommendations for the future.

The Council has nearly completed reviewing all position descriptions and learning needs of core roles to enhance capacity and capability and ensure our staff capacity is aligned with organisational needs. Following on from this significant piece of work is the roll-out of a new leadership development programme at the Executive level. This has commenced this year and will be further rolled out in the 2024/25 year for all leadership positions.

The ongoing delivery of core services, including learning and development, human resource, health, safety and wellbeing and recruitment functions have also been a focus this year. There are many small successes within this space, but a key measure is that our time to hire is significantly below industry average at around 26 days to fill a role, indicating that Selwyn District Council has a strong employee value proposition in the market. We are continuing to find ways to become more effective and efficient with our resources too. One way in which we are looking to improve is to increase our digital capacity by improving access of core human resources data and digital infrastructure. This includes a review of applicant tracking system, online learning systems and preparing for implementation of an human resources information system in year 3 of the Long-Term Plan 2024-2034 (LTP).



Funding Impact Statement – Internal Council Services

For the year ended 30 June 2024

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	787	853	960	
Targeted rates	314	335	80	
Subsidies and grants for operating purposes	153	157	240	
Fees and charges	1,270	1,327	1,777	
Internal charges and overheads recovered	25,155	25,117	31,562	Note 1
Local authorities fuel tax, fines, infringement fees and other receipts	5,863	5,999	6,968	Note 2
Total operating funding (A)	33,542	33,788	41,586	
Applications of operating funding				
Payments to staff and suppliers	20,551	20,638	30,558	Note 3
Finance costs	1	-	-	
Internal charges and overheads	11,178	11,218	7,989	
Other operating funding applications	127	131	305	
Total applications of operating funding (B)	31,857	31,987	38,851	
Surplus (deficit) of operating funding (A - B)	1,685	1,801	2,735	

	2022/23 LTP \$000	2023/24 LTP \$000	2023/24 Actual \$000	Notes
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	
Development and financial contributions	-	-	-	
Increase/(decrease) in debt	(82)	-	5,284	Note 4
Gross proceeds from the sale of assets	-	-	-	
Lump sum contributions	-	-	-	
Other dedicated capital funding	-	-	-	
Total sources of capital funding (C)	(82)	-	5,284	
Applications of capital funding				
Capital expenditure:				
- to meet additional demand	876	370	684	Note 5
- to improve the level of service	-	-	-	
- to replace existing assets	258	254	-	
Increase/(decrease) in reserves	28	29	2,121	
Increase/(decrease) of investments	441	1,148	5,214	
Total applications of capital funding (D)	1,603	1,801	8,019	
Surplus/(deficit) of capital funding (C - D)	(1,685)	(1,801)	(2,735)	
Funding balance ((A - B) + (C - D))	-	-	-	

	2022/23 Actual \$000	2023/24 Actual \$000
Internal loans		
Raised during the year	-	-
Repaid during the year	-	-
Balance as at 30/06/2024	741	741
Finance costs for year	-	-

Explanations for significant variances between actual and the Long-Term Plan (LTP) 2023/24:

- Note 1:** Internal charges and overheads recovered are higher than the LTP due to continued population growth.
- Note 2:** Local authorities fuel tax, fines, infringement fees and other receipts are higher than the LTP due to higher dividend revenue and interest revenue received compared to projections.
- Note 3:** Payments to staff and suppliers are higher than the LTP due to continued population growth which includes increased staff numbers.
- Note 4:** The movement in debt represents the net transfer of loans between internal and external borrowing.
- Note 5:** Capital expenditure to meet additional demand is higher than the LTP due to increased information technology equipment and services.



Financial reporting

Statement of compliance and responsibility

Compliance

The Council and management of Selwyn District Council confirm that all statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.

Responsibility

The Council and management of Selwyn District Council accept responsibility for the preparation of the annual financial statements and the judgements used in them.

The Council and management of Selwyn District Council accept responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and management of Selwyn District Council, the annual financial statements for the year ended 30 June 2024 fairly reflect the financial position and operations of the Selwyn District Council.



Sam Broughton,
Mayor



Sharon Mason,
Chief Executive



Financials – annual report disclosure statement for year ending 30 June 2024

What is the purpose of this statement?

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

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

For 2023/24 council is reporting against its limits as outlined in the 2021-2031 Long-Term Plan (LTP). The 2024-2034 LTP was adopted by Council 3 July 2024.

Rates affordability benchmark

The council meets the rates affordability benchmark if –

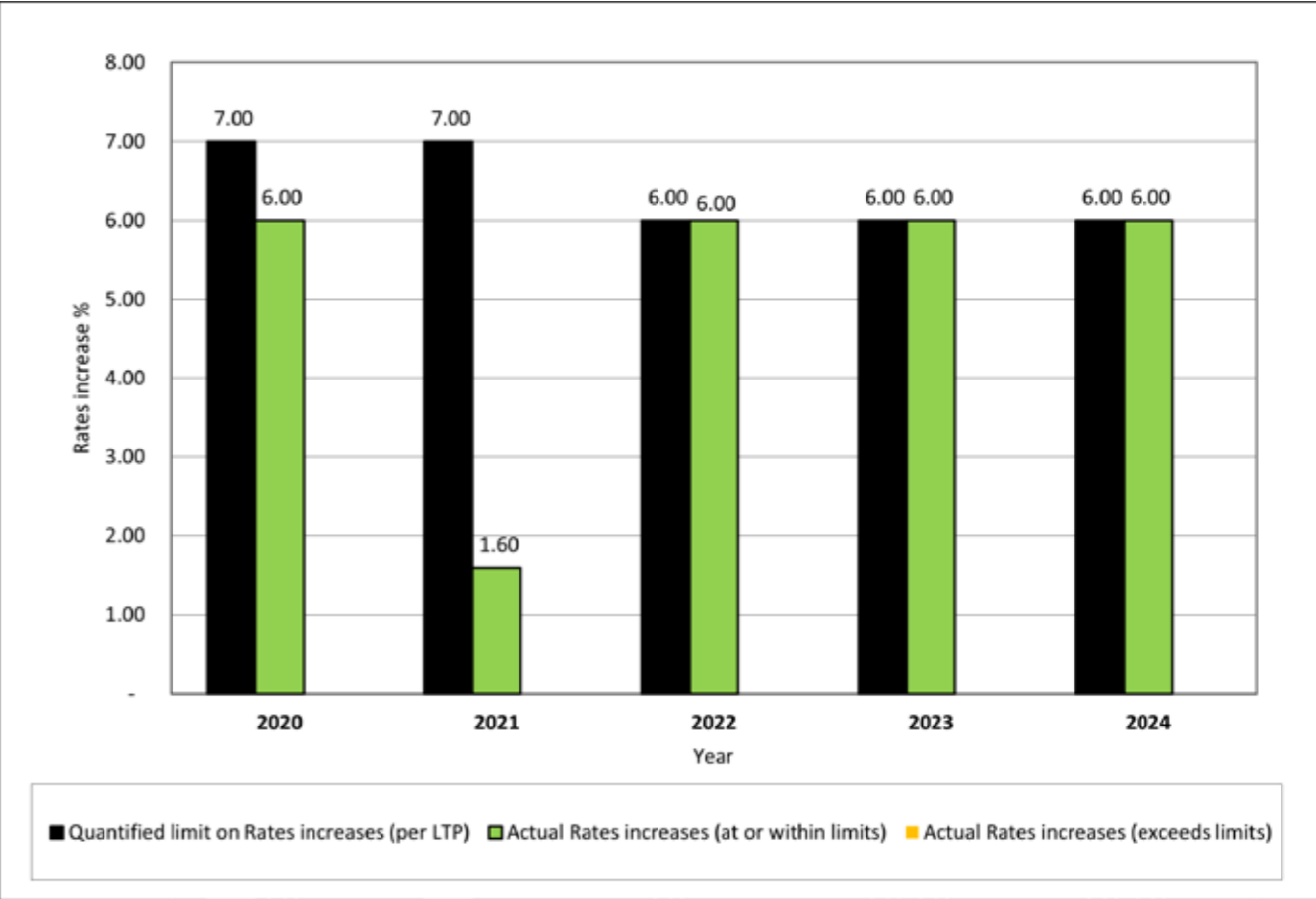
- Its actual rates revenue equals or is less than each quantified limit on rates; and
- Its actual rates increase equal or are less than each quantified limit on rates increases.

Rates (revenue) affordability

Following an amendment to the Local Government Act 2002 in 2019, the Council has not included a quantified limit on rates (revenue) affordability in the financial strategy for the 10-year Long-Term Plan 2021-2031.

Rates (increases) affordability

The following graph compares the Council's actual average rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's Long-Term Plan. The quantified limit is 6% per annum for the period of the 2021-31 Long-Term Plan.

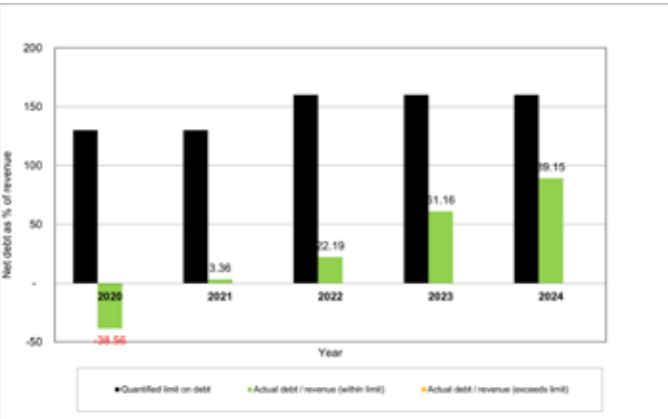


Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

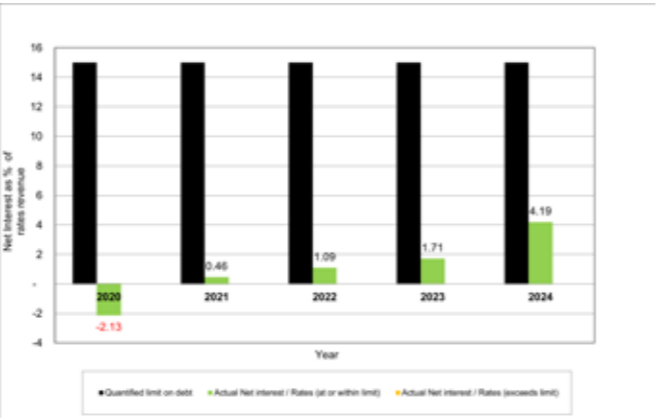
Net borrowing as percentage of revenue

The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council's Long-Term Plan. The quantified limit is net borrowings as a percentage of revenue will be less than 160%.



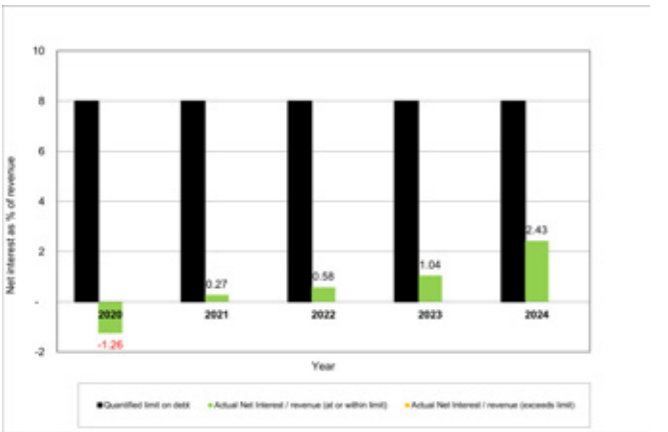
Net interest as percentage of rates revenue

The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council's Long-Term Plan. The quantified limit is net interest as a percentage of rates revenue will be less than 15%.



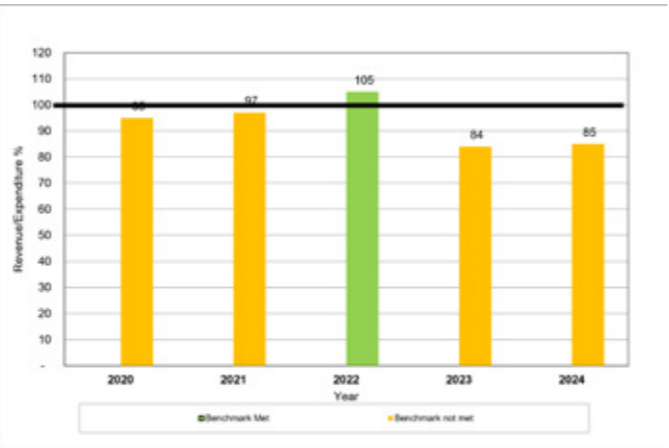
Net interest as percentage of total revenue

The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council's Long-Term Plan. The quantified limit is net interest as a percentage of revenue will be less than 8%.



Balanced budget benchmark

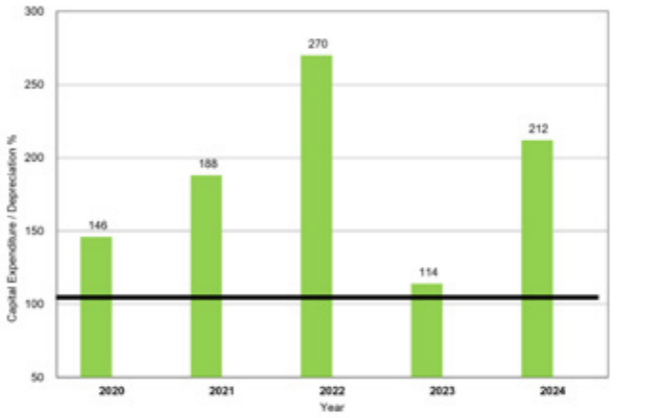
The following graph displays the Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluation of property, plant or equipment). The Council meets this benchmark if its revenue equals or is greater than its operating expenses.



Essential services benchmark

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services.

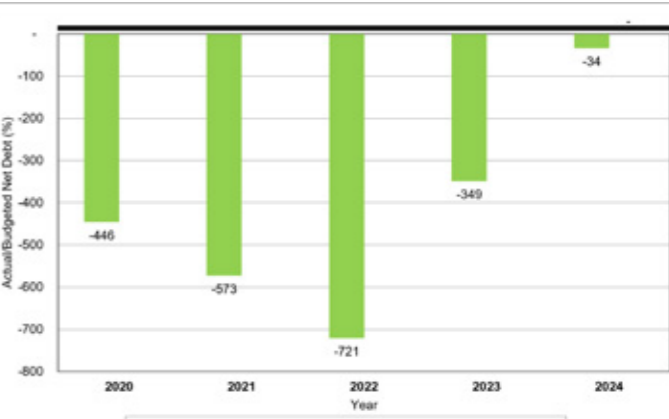
The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt control benchmark

The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

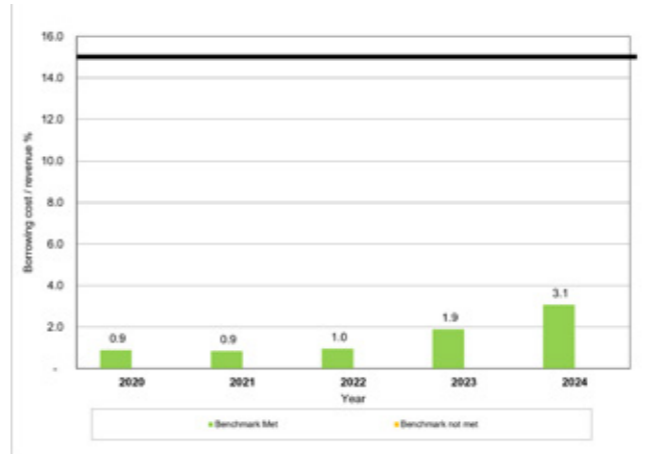
The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



Debt servicing benchmark

The following graph displays the Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluation of property, plant, or equipment).

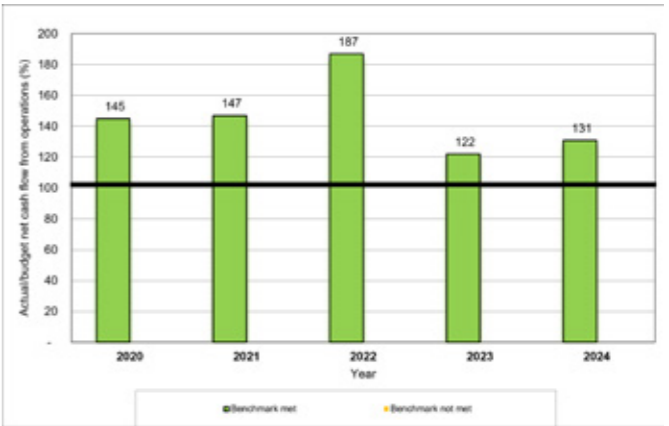
Because Statistics New Zealand projects the Council's population will grow faster than the national population growth rate, it means the debt servicing benchmark is met if it's borrowing costs equal or are less than 15% of its revenue.



Operations control benchmark

This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flows from operations.

The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.





Statement of Comprehensive Revenue and Expense

For the financial year ended 30 June 2024

		Council			Group	
	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Revenue						
Rates revenue	3	96,104	94,074	85,322	96,097	85,315
Subsidies and grants	3	26,981	24,210	13,171	26,981	13,454
Fees and charges	3	27,176	23,912	25,625	27,176	22,118
Dividend revenue		6,450	5,004	6,296	4,450	4,046
Interest revenue		1,075	-	1,181	1,543	1,473
Other revenue	3	7,776	8,323	9,303	49,799	47,082
Development and financial contributions	3	14,914	9,259	20,410	14,914	20,410
Vested assets		18,314	34,390	38,569	18,314	38,569
Other gains/(losses)	3	1,077	355	4,025	383	3,051
Total revenue		199,867	199,527	203,902	239,657	235,518
Expenses						
Personnel costs	4	42,386	38,428	33,526	71,942	59,524
Finance costs	6	5,100	7,102	2,629	5,100	2,629
Other expenses	5	98,947	88,963	90,156	107,191	89,227
Depreciation and amortisation expense	18	48,368	42,934	44,763	51,611	47,885
Total expenses		194,801	177,427	171,074	235,844	199,265
Suplus/(deficit) before tax		5,066	22,100	32,828	3,813	36,253
Income tax credit/(expense)	7	77	-	84	1,565	2,270
Surplus/(deficit) after tax		4,989	22,100	32,744	2,248	33,983
Surplus / (deficit) attributable to: Selwyn District Council		4,989	22,100	32,744	2,248	33,983
Surplus/(deficit) after tax		4,989	22,100	32,744	2,248	33,983
Other comprehensive revenue and expense (items that will not be reclassified to surplus/(deficit))						
Financial assets at fair value	12	7,152	-	62,881	8,052	44,981
Gains/(losses) on revaluations of assets	25	87,133	-	27,211	91,208	29,255
Deferred taxation on revaluation	7	-	-	-	-	175
Total other comprehensive revenue and expense		94,285	-	90,092	99,260	74,411
Total comprehensive revenue and expense		99,274	22,100	122,836	101,508	108,394
Total comprehensive revenue and expense attributable to: Selwyn District Council		99,274	22,100	122,836	101,508	108,394
Total comprehensive revenue and expense		99,274	22,100	122,836	101,508	108,394

The accompanying notes and accounting policies form and integral part of these financial statements. Explanations of major variances against budget are provided in Note 29.

Statement of Financial Position

As at 30 June 2024

		Council			Group	
	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Assets (current)						
Cash and cash equivalents	8	27,399	11,322	20,447	39,231	31,943
Receivables	9	24,646	15,847	14,271	28,655	15,095
Inventories and work in progress	11	1,239	2,327	1,248	4,004	6,942
Assets held for sale	13	-	-	-	532	112
Other financial assets	12	10,000	20,000	10,205	10,000	10,205
Derivative financial instruments	10	3,968	-	3,882	3,968	3,882
Total current assets		67,252	49,496	50,053	86,390	68,181
Non-current assets						
Property, plant and equipment	16	2,709,692	2,700,140	2,556,824	2,737,011	2,583,100
Inventories and work in progress	11	807	-	807	807	807
Intangible assets	17	980	290	994	1,879	1,908
Forestry assets	19	487	130	125	487	125
Investment property	15	63,292	78,146	61,287	52,702	51,462
Investments in CCOs and similar entities	12	202,757	152,978	195,605	161,657	153,605
Other financial assets	12	3,977	-	2,482	3,977	2,482
Derivative financial instruments	10	12,484	-	11,968	12,484	11,968
Total non-current assets		2,994,476	2,931,684	2,830,092	2,971,004	2,805,457
Total assets		3,061,728	2,981,180	2,880,145	3,057,394	2,873,638
Liabilities (current)						
Payables and deferred revenue	20	34,894	31,695	26,012	36,433	27,497
Income tax payable	7	30	-	9	918	1,817
Employee benefit liabilities	21	5,375	-	3,732	8,941	6,261
Provisions	22	11	-	20	572	146
Borrowings	23	40,000	609	10,200	40,000	10,200
Derivative financial instruments	10	1,769	-	1,537	1,769	1,537
Total current liabilities		82,079	32,304	41,510	88,633	47,458

		Council			Group	
	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Non-current liabilities						
Employee benefit liabilities	21	42	-	127	54	137
Deferred tax liability	7	45	6,253	31	630	1,283
Provisions	22	867	1,173	947	867	947
Borrowings	23	145,000	216,561	105,000	145,000	105,000
Derivative financial instruments	10	9,065	-	7,173	9,065	7,173
Total non-current liabilities		155,019	223,987	113,278	155,616	114,540
Total liabilities		237,098	256,291	154,788	244,249	161,998
Net assets		2,824,630	2,724,889	2,725,357	2,813,145	2,711,641
Equity						
Accumulated Funds	25	1,254,463	1,289,173	1,294,779	1,264,352	1,307,409
Fair Value Through Other Comprehensive Revenue	25	156,431	93,684	149,279	124,330	116,278
Restricted Reserves	25	39,150	30,228	(6,155)	39,150	(6,155)
Revaluation Reserves	25	1,374,588	1,311,804	1,287,455	1,385,315	1,294,107
Total equity		2,824,632	2,724,889	2,725,358	2,813,147	2,711,639

The accompanying notes and accounting policies form and integral part of these financial statements. Explanations of major variances against budget are provided in Note 29.

Statement of Changes in Equity

For the financial year ended 30 June 2024.

	Council			Group	
	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Equity as 1 July	2,725,358	2,702,789	2,602,522	2,711,639	2,603,245
Adjusted balance 1 July	2,725,358	2,702,789	2,602,522	2,711,639	2,603,245
Total comprehensive revenue	99,274	22,100	122,836	101,508	108,394
Equity at 30 June	2,824,632	2,724,889	2,725,358	2,813,147	2,711,639
Total comprehensive revenue and expense attributable to: Selwyn District Council	99,274	22,100	122,836	101,508	108,394
Total comprehensive revenue and expense	99,274	22,100	122,836	101,508	108,394

The accompanying notes and accounting policies form and integral part of these financial statements. Explanations of major variances against budget are provided in Note 29.

Statement of Cashflows

For the financial year ended 30 June 2024.

	Council			Group	
	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Cash flows from operating activities					
Receipts from customers	165,536	157,960	152,395	206,886	194,012
Interest received	1,075	1,000	1,195	1,543	1,487
Dividends received	6,450	4,488	6,046	4,450	4,046
Payments to suppliers and employees	(130,980)	(130,391)	(122,850)	(167,550)	(152,788)
Goods and services tax (net)	(2,961)	-	(413)	(2,961)	(663)
Interest paid	(5,100)	(7,102)	(2,354)	(5,100)	(3,866)
Income tax (paid)/received	(42)	-	(62)	(2,821)	(1,324)
Net cashflow from operating activities	33,978	25,955	33,957	34,447	40,904
Cash flows from investing activities					
Receipts from sale of property, plant, and equipment	-	2,585	22,022	-	22,571
Receipts from sale of assets	242	-	-	595	-
Purchase of property, plant, and equipment	(95,777)	(184,473)	(87,070)	(96,263)	(92,117)
Acquisition (disposal) of investments	(1,291)	-	(10,000)	(1,291)	(10,000)
Net cashflow from investing activities	(96,826)	(181,888)	(75,048)	(96,959)	(79,546)
Cashflows from financing activities					
Proceeds from borrowings	69,800	148,244	40,000	69,800	40,000
Net cashflow from financing activities	69,800	148,244	40,000	69,800	40,000
Net increase/(decrease) in cash and cash equivalants	6,952	(7,689)	(1,091)	7,288	1,358
Cash and cash equivalants at the beginning of the year	20,447	19,011	21,538	31,943	30,585
Cash and cash equivalants at the end of the year	27,399	11,322	20,447	39,231	31,943
Represented by					
Cash & cash equivalents (Note 8)	27,399	11,322	20,447	39,231	31,943

The accompanying notes and accounting policies form and integral part of these financial statements. Explanations of major variances against budget are provided in Note 29.

Reconciliation of Net Surplus/(Deficit) After Tax to Net Cash Flow From Operating Activities

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Surplus/(deficit) after tax	4,989	32,744	2,248	33,983
Add/(less) non-cash items:				
Depreciation and amortisation	48,368	44,763	51,611	47,894
Vested assets	(18,314)	(38,569)	(18,314)	(38,569)
(Gains)/losses in fair value of forestry assets	-	5	-	5
(Gains)/losses in fair value of investment property	(2,600)	(1,938)	(1,835)	(878)
(Gains)/losses in fair value of financial instruments	1,523	(1,131)	1,523	(1,131)
Movement in non-current employee entitlements	(85)	(8)	(83)	(8)
Movement in provision for doubtful debts	102	34	102	34
Movement in deferred taxation	15	10	682	(510)
Add/(less) items classified as investing or financing activities:				
(Increase)/decrease - (Gains)/losses on disposal of property, plant and equipment	-	(961)	(71)	(1,046)
Add/(less) movements in working capital items:				
(Increase)/decrease - Accounts receivable	(10,375)	740	(12,971)	(2,522)
(Increase)/decrease - Inventories	9	579	(402)	2,275
Increase/(decrease) - Accounts payable	8,691	(2,289)	9,750	(507)
Increase/(decrease) - Employee Entitlements	1,643	192	2,680	626
Increase/(decrease) - Provisions	(9)	(226)	426	(226)
Increase/(decrease) - Income tax payable	21	12	(899)	1,484
Net cash inflow/(outflow) from operating activities	33,978	33,957	34,447	40,904

Reconciliation of Movements in Liabilities Arising From Financing Activities

	Borrowings \$000	Derivatives \$000	Total \$000
Balance at 1 July 2022	75,200	6,009	81,209
Cash inflows	40,000	-	40,000
Cash outflows	-	-	-
Non-cash changes	-	1,131	1,131
Balance at 30 June 2023	115,200	7,140	122,340
Cash inflows	69,800	-	69,800
Cash outflows	-	-	-
Non-cash changes	-	(1,522)	(1,522)
Balance at 30 June 2024	185,000	5,618	190,618

1. Statement of accounting policies

Reporting entity

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

The group consists of the ultimate parent, Selwyn District Council, and its subsidiaries CORDE Limited (100% owned), and the Selwyn District Charitable Trust (Trustee and Settlor). The Council's 50% equity share of its associate Central Plains Water Trust is equity accounted into the group financial statements.

The Council and group provide local infrastructure, local public services, and provide regulatory functions to the community. The Council does not operate to make a financial return.

The reporting date of the Council, controlled entities, and the associate is 30 June.

The Council has designated itself and the group as public benefit entities (PBEs) for the purposes of complying with generally accepted accounting practice (GAAP).

The financial statements of the Council and group are for the year ended 30 June 2024. The financial statements were authorised for issue by Council on 26 March 2025.

Basis of preparation

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain property, plant and equipment, investment properties, biological assets, derivative financial instruments, financial instruments classified as available for sale and financial instruments held for trading.

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the year.

In 2024 a new financial template was utilised for the preparation of external financial reporting. At set up a review was completed on the mapping of all accounts. Comparatives have been re-stated to reflect the new mappings. The overall result is unaffected, and the new presentation provides better readability.

Statement of compliance

The financial statements and service performance information of the Council and group have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with and comply with PBE Accounting Standards.

PBE IPSAS 23 Revenue from Non-Exchange Transactions requires entities to disclose the amount of revenue from non-exchange transactions in the financial statements. As the separate labelling of revenue as exchange or non-exchange in most cases would not be considered material, we have decided to not label revenue as exchange or non-exchange. We have, however, separately disclosed the major classes of revenue streams in Note 3.

The financial statements and service performance information have been prepared in accordance with and comply with all other PBE Standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000), other than the remuneration and the severance payment disclosures in Note 4 and the related party transaction disclosures in Note 26. The remuneration, severance payment, and related party transaction disclosures are rounded to the nearest dollar.

Standards issued and not yet effective that have been early adopted

There are no standards and amendments issued but not yet effective that have been early adopted during the financial year.

Other changes in accounting polices

PBE IPSAS 1 Disclosure of Fees for Audit Firms' Services. This standard requires an entity to disclose the fees incurred for services received from the audit firm and a description of each service into specific categories. Note 5 Other Expenses has been expanded to include the additional required information with the adoption of PBE IPSAS 1.

Standards issued and not yet effective, and not early adopted

There are no standards issued and not yet effective, that have been early adopted during the financial year.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

Basis of consolidation

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the group on a line-by-line basis. All intragroup balances, transactions, revenues, and expenses are eliminated on consolidation.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation of an entity begins from the date when the Council obtains control of the entity and ceases when the Council loses control of the entity.

Control over an entity is determined when the Council has exposure, or rights, to variable benefits from its involvement with the entity and can affect the nature or amount of those benefits through its power over the other entity. The Council considers all relevant facts and circumstances in assessing whether it has power over another entity. For example, the ability to appoint or remove a majority of the entity's governance and management, binding arrangements the Council enters into, group voting rights, and pre-determination mechanisms. The Council reassesses whether or not it controls another entity if facts and circumstances change.

The Council will recognise goodwill where there is an excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the consideration transferred is lower than the net fair value of the Council's interest in the identifiable assets acquired and liabilities assumed, the difference will be recognised immediately in surplus or deficit.

Foreign currency transactions

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into New Zealand Dollars (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of

monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

Goods and services tax

Items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the 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 investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Note 3 (ii) operating leases as a lessor is presented inclusive of GST.

Commitments and contingencies are disclosed exclusive of GST.

Budget figures

The budget figures are those approved by the Council in its 2021-31 LTP. The budget figures have been prepared in accordance with GAAP, using accounting policies that are consistent with those adopted by the Council in preparing these financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Estimating the derivative financial instruments - see Note 10
- Estimating the fair value of equity investments - see Note 12
- Estimating the fair value of land, buildings, and infrastructural assets – see Note 16
- Estimating the employee entitlements - see Note 21

- Estimating the landfill aftercare provision - see Note 22.

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

- Classification of property – see Note 16
- Impairment of goodwill (group) – see Note 17
- Brand name and customer list (group) – see Note 17.

2. Summary revenue and expenditure for group of activities

Accounting policy

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

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that 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.

There have been no changes to the cost allocation methodology during the year.

Summary revenue and expenditure for groups of activities

	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
Revenue			
Democracy	1,349	1,182	1,300
Community services and facilities	36,729	25,991	35,914
Environmental services	12,090	14,663	10,028
Transportation	27,634	21,894	15,859
Solid waste management	21,036	20,233	15,158
Community water supplies	14,511	15,418	14,593
Community waste water supplies	16,804	15,654	19,247
Stormwater	2,469	2,723	2,423
Water races and land drainage	4,581	4,772	4,360
Total activity revenue	137,203	122,530	118,882
General rates	34,790	33,914	30,415
Rates penalties	495	370	416
Vested assets	18,314	34,390	38,569
Other corporate revenue	9,065	8,323	15,620
Total revenue	199,867	199,527	203,902
Expenditure			
Democracy	5,871	6,446	4,234
Community services and facilities	48,443	46,275	43,324
Environmental services	25,213	27,661	21,914
Transportation	38,567	23,350	35,073
Solid waste management	19,598	20,965	14,360
Community water supplies	22,353	16,813	20,873
Community waste water supplies	15,908	12,880	15,128
Stormwater	3,986	3,368	3,457
Water races and land drainage	5,454	6,142	4,791
Other corporate expenditure	9,408	13,527	7,920
Total expenditure	194,801	177,427	171,074

Each significant activity is stated gross of internal costs and revenues and includes targeted rates attributable to activities (see Note 3). To fairly reflect the total external operations for the Council in the statement of comprehensive revenue and expense, these transactions are eliminated as shown above. Other corporate revenue includes revenue sources, which are not directly attributable to a significant activity, for example dividends, interest and insurance proceeds. Other corporate expenditure includes expenditure sources, which are not directly attributable to a significant activity, for example, interest rate swap valuation movements.

Reconciliation of surplus of operating funding to surplus / (deficit) before taxation

The following reconciliation bridges the difference between the funding impact statement and the statement of comprehensive revenue and expenditure

	Derivatives \$000	Total \$000
Surplus of operating funding	4,102	7,745
Operating surplus items not included in operating funding		
Depreciation and amortisation	(48,368)	(44,763)
Vested land and infrastructure from property development	18,314	38,569
Development and financial contributions	14,914	20,410
Subsidies and grants for capital expenditure	15,167	5,263
Other revenue and expense items	937	5,604
Surplus/(deficit) before taxation	5,066	32,828

3. Revenue

Accounting policy

Revenue is measured at fair value.

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

Rates revenue

The following policies for rates have been applied:

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

Development and financial contributions

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

NZ Transport Agency Waka Kotahi roading subsidies

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

Other grants received

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

Building and resource consent revenue

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

Entrance fees

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

Landfill fees

Fees for disposing of waste at the Council's resource recovery park are recognised upon waste being disposed by users.

Provision of commercially based services

Revenue derived through the provision of services to third parties in a commercial manner is recognised in proportion to the stage of completion at balance date. Generally, this is determined by the proportion of costs incurred to date bearing to the estimated total costs of providing the service.

Sales of goods

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

Infringement fees and fines

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The revenue recognised is determined based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding 2-year period.

Vested or donated physical assets

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

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

For long-lived assets that must be used for a specific use (for example, land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue.

A liability is recognised only if the Council expects that it will need to return or pass the asset to another party.

Donated and bequeathed financial assets

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

Interest and dividends

Interest revenue is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established. Dividends are recognised in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment.

3(i). Breakdown of rates and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
General rates	34,934	30,548	34,927	30,701
Rates penalties	495	416	495	416
Targeted rates attributable to activities:				
- metered water supply	3,829	3,115	3,829	3,115
- community services and facilities	17,786	16,400	17,786	13,125
- democracy	1,204	1,100	1,204	1,100
- solid waste management	12,029	10,727	12,029	10,727
- community waste water supplies	10,935	9,705	10,935	9,705
- community water supplies	8,251	7,203	8,251	10,318
- stormwater	2,455	2,122	2,455	2,122
- water races and land drainage	4,329	4,042	4,329	4,042
Rates remissions	(143)	(56)	(143)	(56)
Total rates revenue	96,104	85,322	96,097	85,315

The Council is required by the Local Government Funding Agency (LGFA) Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates income. The Multi-Issuer Deed defines annual rates income as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received by the Council from other local authorities for services provided by the Council for which those other local authorities rate. The annual rates income of the Council for the year ended 30 June 2024 for the purposes of the LGFA Guarantee and Indemnity Deed disclosure is shown above.

In accordance with the ‘Local Government (Rating) Act 2002’ certain properties cannot be rated for general rates. This includes schools, places of religious worship, public gardens and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute a remission under the Council’s Rates Remission Policy.

Rating base information

The following rating base information for Selwyn District Council is disclosed based on the rating base information at the end of the preceding financial year:

Ratings base	Council	
	Actual 2024	Actual 2023
Number of rating units at end of preceding year	35,398	33,511
Total capital value of rating units at end of preceding year	\$37.1b	\$26.9b
Total land value of rating units at end of preceding year	\$21.4b	\$13.6b

Rates remissions

Rates revenue is shown inclusive of rates remissions. The Council’s ‘Rates Remission Policy’ allows for rates remission on condition of a ratepayer’s extreme financial hardship and allows for rates remission for:

- community, sporting and other organisations
- sewerage rates for schools
- vacant land
- Plunket branches, scout group halls
- masonic lodges
- properties and open space covenants
- school and service club endowment land
- land protected for natural, historic or cultural conservation.

3 (ii). Breakdown of fees and charges

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Building, Resource Management and policy charge	8,309	8,332	8,309	8,865
Connection and irrigation fees	205	290	205	290
Dog registration fees	642	657	642	657
Gravel reserve royalties	52	65	52	65
Facility hires and charges	1,192	915	1,192	853
Selwyn Aquatic Centre fees and charges	2,746	2,386	2,746	2,367
Solid waste fees and charges	8,927	7,393	8,927	4,421
Land information memorandum fees	497	403	497	403
Other fees and charges	4,606	5,184	4,606	4,197
Total fees, charges and metred water supply	27,176	25,625	27,176	22,118

Operating leases as a lessor

Investment property is leased under operating leases. The investment property leases have a non-cancellable term of 12 to 72 months. No contingent rents have been recognised during the year.

The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Not later than one year	2,279	2,720	1,639	2,104
Later than one year and not later than five years	7,589	6,383	5,030	3,924
Later than five years	7,322	7,538	4,353	4,070
Total operating leases as a lessor	17,190	16,641	11,022	10,098

3 (iii). Breakdown of subsidies and grants

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
NZTA roading subsidies	23,830	11,284	23,830	11,323
Affordable water reform grants	1,326	601	1,326	601
Tourism infrastructure funding	297	396	297	396
Other subsidies and grants	1,528	890	1,528	1,134
Total subsidies and grants	26,981	13,171	26,981	13,454

There are no unfulfilled conditions and other contingencies attached to government grants recognised.

3 (iv). Breakdown of other revenue

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Lease and rental property revenue	3,477	3,255	2,798	2,740
Commission	632	514	632	-
Petrol tax	273	345	273	345
Land sales	-	2,220	-	2,220
Other revenue – CORDE	-	-	42,702	41,062
Other revenue – Council	3,394	2,969	3,394	715
Total other revenue	7,776	9,303	49,799	47,082

3 (v). Breakdown of Gains/(Losses)

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Gain/(loss) disposal of PPE	-	961	71	1,047
Gain/(loss) fair value derivatives	(1,523)	1,131	(1,523)	1,131
Gain/(loss) fair value investment properties	2,600	1,938	1,835	878
Gain/(loss) fair value forestry	-	(5)	-	(5)
Total gains/(losses)	1,077	4,025	383	3,051

4. Personnel costs

Accounting policy

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Defined contribution superannuation schemes

Employer contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Breakdown of personnel costs and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Salaries and wages	38,748	31,356	66,031	55,872
Superannuation plan employer contributions	1,088	864	2,065	1,714
Increase/(decrease) in employee entitlements	1,558	192	2,598	626
Directors’ and elected members remuneration	821	778	1,069	976
Other personnel costs	171	336	179	336
Total personnel costs	42,386	33,526	71,942	59,524

Employer contributions to defined contributions plans include contributions to Kiwisaver.

Council employee remuneration by band

The number of employees who were employed at 30 June are detailed below. Those receiving remuneration of \$60,000 or more are grouped into \$20,000 bands. If there are less than five or fewer employees in a band, they are combined upwards with the next banding as stipulated in the Local Government Act 2002.

Council		
<i>Remuneration for employees by band as at 30 June</i>	Actual 2024	Actual 2023
Less than \$60,000	282	305
\$60,001 - \$80,000	126	102
\$80,001 - \$100,000	88	85
\$100,001 - \$120,000	57	52
\$120,001 - \$140,000	28	18
\$140,001 - \$160,000	8	10
\$160,001 - \$200,000	13	9
\$200,001 - \$360,000	6	5
	608	586

At 30 June	Full time equivalent staff		Number of employees	
	2024	2023	2024	2023
Full time staff	334	309	334	309
Part time staff	87	93	209	221
Casual staff	6	6	65	56
Total employees and full time equivalents	427	408	608	586

A full-time employee is determined based on a 37.5 hour working week.

The number of full time equivalent (FTE) employees as at 30 June 2024 was 427 (2023: 408) where 37.5 hours a week is considered full time.

The total employees and full-time equivalent figures included in these tables do not include vacant positions at 30 June.

Severance payments

For the year ended 30 June 2024, Council made 8 severance payments totalling \$217,230 (2023: 3 - totalling \$15,000).

The value of each of the severance payments was \$46,900, \$33,450, \$30,000, \$30,000, \$30,000, \$30,000, \$11,880 and \$5,000 (2023: \$10,000, \$4,000, \$1,000).

Chief Executive remuneration

The total remuneration (including any non-financial benefits) paid or payable for the year to the Chief Executive was \$315,333 (2023: \$435,847).

Elected representatives’ remuneration

Elected representatives received the following remuneration:

	Council	
	Actual 2024 \$	Actual 2023 \$
Selwyn District Council		
Sam Broughton - Mayor	146,747	144,347
Malcolm Lyall - Councillor	65,344	70,832
Debra Hasson - Councillor	56,592	53,327
Nicole Reid - Councillor	54,453	55,466
Shane Epiha - Councillor	54,453	51,374
Bob Mugford - Councillor	54,453	51,374
Grant Miller - Councillor *	54,453	51,374
Sophie McInnes - Councillor	54,453	51,374
Elizabeth Mundt - Councillor	54,453	38,351
Phil Dean - Councillor	54,453	38,351
Lydia Gliddon - Councillor	54,453	38,351
Megen McKay - Non-elected **	43,562	-
Jeff Bland - Councillor	-	13,022
Jenny Gallagher - Councillor	-	13,022
Mark Alexander - Councillor	-	13,022
Murray Lemon - Councillor	-	13,022
	747,869	696,609

* Councillor Grant Miller is a Director of Transwaste (Canterbury) Limited and also received Director fees of \$41,091 (2023: \$40,089).

** Megen McKay is the Te Taumutu rūnanga appointed representative.

Councillors remuneration does not include travel, mileage or cellphone allowance, but does include hearing fees where applicable of \$2,139 (2023: \$15,230).

Malvern Community Board remuneration

	Council	
	Actual 2024 \$	Actual 2023 \$
Bruce Russell (Chairperson)	17,782	6,423
Sharn Nu'u	10,538	6,423
Calvin Payne	10,538	6,423
John Very	5,099	-
Phillip Freeman	5,099	-
Ken May	3,161	15,541
Sean Ellis	1,581	6,423
John Morten	-	5,393
Judith Pascoe	-	2,696
Karen Meares	-	2,696
Bill Woods	-	2,696
	53,797	54,714

Malvern Community Board remuneration does not include travel, mileage or cellphone allowance, but does include hearing fees where applicable of \$nil (2023: \$nil).

5. Other expenses

Accounting policy

Grant expenses

The Council's grants awarded have no substantive conditions attached.

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

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as an expense when approved by the Council and the approval has been communicated to the applicant.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Breakdown of other expenses and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Expenses include:				
Fees to principal auditor				
Audit fees for financial statement audit	246	252	393	397
Audit fee recovery	44	-	44	-
Audit fees for long term plan	110	-	110	-
LTP recovery	123	-	123	-
Audit fees for assurance review of the debenture trust	8	8	8	8
Bad debts written off	152	35	152	35
Consultants Fees	6,687	6,300	6,687	6,300
Electricity	4,000	3,152	4,000	3,152
Expected credit loss allowance for receivables	149	47	149	47
Grants	250	263	250	263
Maintenance	47,381	43,229	47,381	43,229
Operating lease expense	-	173	2,342	466
Property, plant and equipment impairment	-	-	26	10
Valuation Services	338	323	338	323
Cost Of Sales	-	579	-	579
Other operating expenses	39,459	35,795	45,188	34,418
Total other expenses	98,947	90,156	107,191	89,227

The auditor of Council, for and on behalf of the Office of the Auditor-General, is Audit New Zealand.

In 2024 a new financial template was utilised for the preparation of external financial reporting. At set up a review was completed on the mapping of all accounts. Comparatives have been re-stated to reflect the new mappings. The overall result is unaffected and the new presentation provides better readability.



Operating leases as a lessee

The Group leases plant and equipment in the normal course of its business. The leases have a non-cancellable term of 48 months. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

The total minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$nil (2023: \$nil).

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Not later than one year	-	-	191	167
Later than one year and not later than five years	-	-	109	159
Total non-cancellable operating leases	-	-	300	326

6. Finance costs

Accounting policy

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

Breakdown of finance costs and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Finance expenses	-	-	-	-
Interest paid on borrowings	5,100	2,629	5,100	2,629
Total finance costs	5,100	2,629	5,100	2,629



7. Tax

Accounting policy

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

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years.

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 profit.

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

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

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

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

Breakdown of taxes and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Surplus/(deficit) before tax	5,066	32,828	3,813	36,253
Tax at 28%	1,418	9,192	1,068	10,151
Permanent adjustment	(1,341)	(9,108)	508	(7,824)
Prior period adjustments	-	-	(11)	(57)
Tax expense/(benefit)	77	84	1,565	2,270
Comprising of:				
Current tax	65	74	1,934	2,807
Adjustment to current year in prior years	(2)	-	(13)	(57)
Deferred tax	14	10	(356)	(480)
Tax expense/(benefit)	77	84	1,565	2,270
Deferred tax benefit/(liability)				
Opening balance	(31)	(20)	(1,283)	(1,644)
Temporary differences				
Investment property	(15)	(11)	(15)	-
Property, plant and equipment	-	-	2	(165)
Accrued revenue	-	-	698	377
Retentions	-	-	(33)	149
Closing balance	(46)	(31)	(631)	(1,283)
Future tax benefit/(deferred taxation) is represented by:				
Non-current assets	-	-	1,087	649
Non-current liabilities	(46)	(31)	(1,718)	(1,932)
Total	(46)	(31)	(631)	(1,283)

8. Cash and cash equivalents

Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown with borrowings in current liabilities in the statement of financial position.

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Cash at bank and in hand	27,399	20,439	33,231	31,935
Term Deposits with maturities under three months	-	8	6,000	8
Total cash and cash equivalents	27,399	20,447	39,231	31,943

The carrying value of short-term deposits with maturity dates of 3 months or less approximates their fair value.

Although cash and cash equivalents at 30 June 2024 are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated allowance is trivial.

9. Receivables

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

The Council and group apply the simplified ECL model of recognising lifetime ECL for short-term receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking specific to the debtors and the economic environment.

Rates are ‘written off’:

- when remitted in accordance with the Council’s rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Rates receivable	4,092	3,191	4,092	3,184
Receivables from subsidiaries and associates	210	337	210	(2,650)
Dividend receivable	2,000	2,250	-	-
Other receivable and prepayments	14,049	7,057	20,058	13,125
GST receivable	4,444	1,483	4,444	1,483
Gross receivable	24,795	14,318	28,804	15,142
Less: allowance for credit losses	(149)	(47)	(149)	(47)
Net receivable	24,646	14,271	28,655	15,095
Total receivables comprise: Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates	8,925	5,830	6,925	593
Receivables from exchange transactions – this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates	15,870	8,488	21,879	14,549
	24,795	14,318	28,804	15,142

Rates receivable

The Council does not provide for ECLs on rates receivables less than six years past due, as it has various powers under Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court’s judgment, then the Council can apply to the Registrar of the High Court to have the judgment enforced by sale or lease of the rating unit.

Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place, debts are discounted to the present value of future repayments.

The Chief Executive approved the write-off of rates receivable during the year under the Local Government Rating Act 2002 as follows:

- Section 90A: \$nil (2023: \$nil).
- Section 90B: \$nil (2023: \$nil).

Other receivables

Debtors and other receivables are non-interest bearing and receipt is normally on 30 days terms, therefore their carrying value approximates their fair value.

The ECL rates for other receivables at 30 June 2024 and 1 July 2023 are based on the payment profile of revenue on credit over the prior two years at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the expected recoverability of receivables. Given the short period of credit exposure, the effects of macroeconomic factors are not considered significant.

The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The allowance for credit losses based on the Council and the group’s credit loss matrix is as follows:

	Current	1 to 30	31 to 90	90+	Total
Council – 2024					
Expected credit loss rate	0.00%	0.00%	0.00%	3.52%	
Gross receivable amount (\$000)	6,724	630	201	4,235	11,790
Lifetime ECL (\$000)	-	-	-	(149)	(149)
Group – 2024					
Expected credit loss rate	0.00%	0.00%	0.00%	3.52%	-
Gross receivable amount (\$000)	11,315	699	208	4,235	16,457
Lifetime ECL (\$000)	-	-	-	(149)	(149)
Council – 2023					
Expected credit loss rate	0.00%	0.00%	0.00%	1.17%	-
Gross receivable amount (\$000)	2,776	601	311	4,009	7,697
Lifetime ECL (\$000)	-	-	-	(47)	(47)
Group – 2023					
Expected credit loss rate	0.00%	0.00%	0.00%	1.17%	-
Gross receivable amount (\$000)	7,264	1,416	386	4,009	13,075
Lifetime ECL (\$000)	-	-	-	(47)	(47)

Movement in the provision for impairment of receivables are as follows:

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Balance as at 1 July	47	13	47	13
Additional provisions made during year	131	73	131	73
Amounts written off during year	(29)	(39)	(29)	(39)
Balance at 30 June	149	47	149	47

10. Derivative financial instruments

Accounting policy

Derivative financial instruments are used to manage exposure to foreign exchange risks arising from the Council’s operational activities and interest rate risks arising from the Council’s financing activities. In accordance with its Treasury Management Policy, 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 remeasured to their fair value at each balance date.

Breakdown of derivative financial instruments and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Current asset portion				
Interest rate swaps – cash flow hedges	3,968	3,882	3,968	3,882
	3,968	3,882	3,968	3,882
Non-current asset portion				
Interest rate swaps - cash flow hedges	12,484	11,968	12,484	11,968
	12,484	11,968	12,484	11,968
Total derivative financial instrument assets	16,452	15,850	16,452	15,850
Current liability portion				
Interest rate swaps – cash flow hedges	1,769	1,537	1,769	1,537
	1,769	1,537	1,769	1,537
Non-current liability portion				
Interest rate swaps – cash flow hedges	9,065	7,173	9,065	7,173
	9,065	7,173	9,065	7,173
Total derivative financial instrument liability	10,834	8,710	10,834	8,710

Fair value

The fair values of interest rate swaps have been determined by calculating the expected future cash flows under the terms of the swaps and discounting these values to present value. The inputs into the valuation model are from independently sourced market parameters such as interest rate yield curves. Most market parameters are implied from instrument prices.

Timing of nominal principal amounts and average fixed rates of interest rate swaps

	Less than 1 year	1-2 years	More than 3 years	Total
Council and Group – 2024				
Nominal amount (in \$000)	2,500	8,500	97,000	108,000
Average fixed rate	0.80%	1.21%	3.04%	2.84%
Council and Group – 2023				
Nominal amount (in \$000)	5,000	2,500	75,500	83,000
Average fixed rate	0.93%	0.80%	2.38%	2.16%

The notional principal amounts of the outstanding interest rate swap contracts at 30 June 2024 were \$108 million (2023: \$83 million).

At 30 June 2024, the interest rates for interest rate swaps vary from 0.80% to 4.29% (2023: 0.93% to 4.29%).

11. Inventory and work in progress

Accounting policy

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (distribution at no charge or for a nominal charge) distribution or use. Inventories are measured as follows:

- Non-commercial: measured at cost, adjusted for any loss of service potential.
- Commercial: measured at the lower of cost and net realisable value.

Cost is allocated using the first-in-first-out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first.

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

Any write-down from cost to net realisable value or for the loss of service potential is recognised in surplus or deficit in the year of the write-down.

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

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

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

Breakdown of inventory, work in progress and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Current inventories				
Held for use in the provision of services	21	30	21	30
Gravel stocks	-	-	357	300
Other direct materials	-	-	780	575
Work in progress	-	-	1,628	4,819
Land being developed for sale	1,218	1,218	1,218	1,218
Total current inventories	1,239	1,248	4,004	6,942
Non-current inventories				
Land being developed for sale	807	807	807	807
Property plant & Equipment	-	-	-	-
Total non-current Inventories	807	807	807	807
Total inventories	2,046	2,055	4,811	7,749

The write-down of inventory during the year was \$nil (2023: \$nil).

No inventory is pledged as security for liabilities (2023: \$nil), there is no inventory subject to retention of title clauses (2023: \$nil).

12. Investments in CCOs, other similar entities, and other financial assets

Accounting policy

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through other comprehensive revenue and expense (FVTOCRE); and
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council and group’s management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

Initial recognition of concessionary loans

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

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates.

Subsequent measurement of financial assets at FVTOCRE

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except ECL and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. Debt instruments in this category are the Council and group’s listed bonds.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council and group designate into this category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long-term.

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Other than for derivatives, the Council and group has no instruments in this category.

Expected credit loss allowance (ECL)

The Council and group recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council and group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance

is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council and group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council and group’s historical experience and informed credit assessment and including forward-looking information.

The Council and group consider a financial asset to be in default when the financial asset is more than 90 days past due. The Council and group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

Council measure ECLs on loan commitments at the date the commitment becomes irrevocable. If the ECL measured exceeds the gross carrying amount of the financial asset, the ECL is recognised as a provision.

Shares in subsidiaries (at FVTOCRE)

The investment in subsidiaries is carried at FVTOCRE in the Council’s parent entity financial statements.

Breakdown of other financial assets and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Current portion				
Short-term deposits	10,000	10,000	10,000	10,000
LFGA borrower notes	-	205	-	205
Total current portion	10,000	10,205	10,000	10,205
Non-current portion <i>(investments in CCOs and similar entities)</i>				
Unlisted shares in Transwaste (Canterbury) Limited	1,500	1,500	1,500	1,500
Unlisted shares in Orion New Zealand Limited	159,533	151,481	159,533	151,481
Unlisted shares in CORDE Limited	41,100	42,000	-	-
Unlisted shares in Local Government Funding Agency	187	187	187	187
Unlisted shares in Central Plains Water Limited	437	437	437	437
Total investments in CCOs and similar entities	202,757	195,605	161,657	153,605
<i>Investments in other entities</i>				
LFGA borrower notes	3,945	2,445	3,945	2,445
Community loans	32	37	32	37
Total investment in other entities	3,977	2,482	3,977	2,482
Total non-current portion	206,734	198,087	165,634	156,087
Total Other Financial Assets	216,734	208,292	175,634	166,292

Fair value disclosures

Term deposits

The carrying amount of term deposits approximates their fair value.

Unlisted shares

The fair value of unlisted shares in Transwaste (Canterbury) Limited (TCL) has been estimated based on TCL’s net asset backing at 30 June 2024. The TCL investment relates to the Council’s contribution to the construction of the regional landfill. TCL has issued, but uncalled capital of \$4.0 million of which the Council has a 3% shareholding.

The fair value of unlisted shares in Orion New Zealand Limited (ONZL) has been determined using a valuation technique based on a market-based approach.

The independent valuation was completed by Deloitte as at 30 June 2024.

The fair value of unlisted shares in CORDE Limited (CORDE) has been determined using a valuation technique based on maintainable earnings.

The independent valuation was completed by Ernst and Young Corporate Transaction Advisory Services Limited, Auckland as at 30 June 2024.

Due to the immaterial size and nature of the Council’s investments in the LGFA and Central Plains Water Limited, the Council has estimated the fair value of the investments based on net asset backing at 30 June 2024.

Community loans

The face value of community loans is \$37,000 (2023: \$42,000).

The fair value of community loans is \$32,000 (2023: \$37,000).

The fair value of loans at initial recognition has been determined using cash flows discounted at a rate based on the loan recipient’s assessed financial risk factors.

Movements in the carrying value of community loans are as follows:

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
As 1 July	37	22	37	22
Loans repaid during the year (principal and interest)	(5)	(6)	(5)	(6)
Unwind of discount and interest charged	-	21	-	21
At 30 June	32	37	32	37

Credit risk, including ECLs

Term deposits

The Council and group consider there has not been a significant increase in credit risk for investments in term deposits because the banks continue to have low credit risk at balance date.

Term deposits are held with banks that have a long-term AA- investment grade credit rating, which indicates the bank has a very strong capacity to meet its financial commitments.

Community loans

Council manages credit risk associated with community loans in accordance with its Treasury Management Policy. No ECL has been recognised for community loans as the loss allowance is trivial.

Other financial assets

Expected credit losses measured for other financial assets are trivial. They are low-risk and the Council has not identified any indications that credit risk associated with those instruments has significantly increased since initial recognition.

There were no impairment provisions for other financial assets. None of the financial assets are either past due or impaired.

13. Assets held for sale

Accounting policy

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

Any impairment losses for write-downs are recognised in 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.

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

Breakdown of assets held for sale and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening Balance 1 July	-	-	112	134
Transfers to/(from) property, plant and equipment (Note 16)	-	-	451	26
Impairment	-	-	(26)	(10)
Disposals	-	-	(5)	(38)
Total assets held for sale	-	-	532	112
Assets held for sale:				
Property, plant and equipment	-	-	514	112
Motor Vehicles	-	-	18	-
Total assets held for sale	-	-	532	112

14. Investment in associate

Accounting policy

An associate is an entity over which the Council has significant influence and that is neither a subsidiary nor an interest in a joint arrangement. The Council's associate investment is accounted for in the group financial statements using the equity method. The investment in an associate is initially recognised at cost and the carrying amount in the group financial statements is increased or decreased to recognise the group's share of the surplus or deficit of the associate after the date of acquisition. Distributions received from an associate reduce the carrying amount of the investment in the group financial statements.

If the share of deficits of an associate equal or exceeds its interest in the associate, the group discontinues recognising its share of further deficits. After the group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, the group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Where the group transacts with an associate, surpluses or deficits are eliminated to the extent of the group's interest in the associate.

The investment in the associate is carried at cost in the Council's parent entity financial statements.

Breakdown of investment in associate and further information

The Council has a 50% interest in the Central Plains Water Trust (the Trust), which is responsible for promoting the development of agriculture in the Central Canterbury Plains area of New Zealand for the benefit of all the inhabitants of the Canterbury region. The Council's interest is recorded in the Council's financial statements at cost of \$nil.

The following table summarises the financial information of the Trust in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in the Trust.

Summarised financial information presented on a gross basis

	Council	
	Actual 2024 \$000	Actual 2023 \$000
Assets	298	74
Liabilities	276	65
Net Assets	22	9
Group's Interest (50%)	11	5
Revenue	117	87
Expenses	104	87
Total comprehensive Revenue and Expenses	13	-

15. Investment property

Accounting policy

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

Investment property is measured initially as its cost, including transaction costs.

After initial recognition, all investment property is measured at fair value at each reporting date.

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

Breakdown of investment property and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Balance as at 1 July	61,287	58,218	51,462	50,288
Additions from acquisitions/improvements	55	1,131	55	296
Disposals	(650)	-	(650)	-
Fair value gains/(losses) on valuation	2,600	1,938	1,835	878
Balance as at 30 June	63,292	61,287	52,702	51,462

The Council's investment properties are valued annually at fair value effective 30 June 2024 for the financial year by Simon Newberry B.Com, (VPM), FPINZ, FNZIV, an independent valuer from Ford Baker Valuation Limited. All investment properties are valued based on open market evidence.

The fair value of investment property has been determined using the capitalisation of net revenue and discounted cashflow methods. These methods are based on assumptions including future rental revenue, anticipated maintenance costs, and appropriate discount rates.

The market comparison approach is then used as a cross-check with reference to sales of properties that have similar attributes to the subject property.

Comparisons are drawn between the subject property and the sales evidence. Subjective adjustments are applied where necessary to account for factors that have a direct impact on the sale price and value.

Capitalisation and discount rates range from 5.3% to 9% (2023: 5.3% to 8.5%).

There are no contractual obligations in relation to investment properties at balance date not recognised in the financial statements (2023: \$nil).

16. Property, plant, and equipment

Accounting policy

Property, plant, and equipment consist of:

- Operational assets – these include land, farmland, buildings, heritage assets, library books and plant and machinery.
- Infrastructure assets – Infrastructure assets are the fixed utility systems owned by the Council and group. Each asset class includes all items that are required for the network to function. For example, sewerage reticulation includes reticulation piping and sewer pump stations.

Land and farmland are measured at fair value. Buildings, library books, and infrastructural assets (except land under roads) are measured at fair value, less accumulated depreciation and impairment losses. All other asset classes are measured at cost, less accumulated depreciation and impairment losses.

Revaluation

Land, farmland, buildings, library books, and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years.

Revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in surplus or deficit will be recognised first in surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Additions

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

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and group and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

Disposals

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

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:

Asset class	Useful life	Annual depreciation rate
Buildings	10 – 100 years	1% - 10%
Heritage	85 years	4%
Plant and machinery	10 years	10%
Motor vehicles	5 years	20%
Furniture and fittings	10 years	10%
Library books	7 years	14.3%
Computer equipment	4 years	25%
Roading network		
Formation / sub-grade	-	Not depreciated
Sub-base (sealed roads only)	-	Not depreciated
Base course	40 – 150 years	0.7% - 2.5%
Surface (sealed roads)	7 – 100 years	1% - 14.3%
Surface (unsealed roads)	10 years	10%
Kerb & channelling	50 – 80 years	1.25% - 2%
Footpaths base and surface	10 – 80 years	1.25% – 2%
Culverts	50 – 150 years	0.7% - 2%
Structures	20 – 50 years	2% - 5%
Traffic signs	10 years	10%
Traffic Islands	80 years	1.25%
Streetlights	20 years	5%
Street light poles	40 years	2.5%
Bridges	70 – 150 years	0.7% - 1.4%
Railings	20 – 40 years	2.5% to 5%
Water races		
Structure	2 – 100 years	1% - 50%
Water race	2 – 100 years	1% - 50%
Land drainage and stormwater		
Land drainage (structure)	5 – 100 years	1% - 20%
Land drainage (drain)	5 – 100 years	1% - 20%
Water supplies		
Building	100 years	1%
Hydrant	2 – 50 years	2% - 50%
Lateral	3 – 100 years	1% - 33%
Plant & equipment	5 – 100 years	1% - 20%
Pipes	1 – 100 years	1% - 100%
Supply point	1 – 40 years	3% - 100%
Valves	1 – 50 years	2% - 100%
Sewerage systems		
Building	100 years	1%
Chamber	95 years	1%
Lateral	1 - 100 years	1% - 100%
Manholes	1 – 100 years	1% - 100%
Plant & equipment	5 - 150 years	1% - 20%
Pipes	4 – 100 years	1% - 25%
Valves	20 – 50 years	2% - 5%

Stormwater		
Lateral	30 – 100 years	1% - 3%
Manholes	95 years	1%
Pipes	10 – 100 years	1% - 10%
CORDE Limited		
Portable structures	13 – 25 years	8% - 15%
Improvements	5 – 13 years	15% – 40%
Plant and machinery	3 - 15 years	13% - 67%
Motor vehicles	5 – 15 years	13% - 40%
Furniture and fittings	3 – 20 years	10% - 67%
Computer equipment	3 – 5 years	40% - 67%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Impairment of property, plant, and equipment

Property, plant, and equipment that have a finite useful life are reviewed for impairment at each balance date and 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 its value in use.

If an asset’s carrying amount exceeds its recoverable amount, the asset is regarded as 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 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 other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of the impairment loss is also recognised in surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in surplus or deficit.

Value in use for non-cash-generating assets

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

For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach.

The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

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

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

Critical accounting estimates and assumptions

Estimating the fair value of land, farmland, buildings, and infrastructure

The most recent valuation of land, farmland and buildings was performed by an independent registered valuer, Simon Newberry B. Com, (VPM), FPINZ, FNZIV, an independent valuer from Ford Baker Valuation Limited. Ford Baker Valuation Limited are experienced valuers with extensive market knowledge in the types and location of land and building assets owned by the Council. The valuation is effective as at 30 June 2024.

Land (operational, farmland, restricted, and infrastructural)

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values.

Where there is a designation against the land or the use of the land is restricted because of reserve or

endowment status, the valuation approach reflects the restriction in use. Such land is valued based on rural land value plus a location adjustment to reflect different zoning, which are based on the valuer’s judgement.

Restrictions on the Council’s ability to sell land would not normally impair the value of the land because the Council has operational use of the land for the foreseeable future and will substantially receive the full benefits of outright ownership.

Buildings (operational and restricted)

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings. Where buildings are not considered specialised, these are valued at fair market value using an independent market-based appraisal.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions used in the 30 June 2024 valuation include:

- The replacement costs of the specific assets are adjusted where appropriate for optimisation due to over-design or surplus capacity. There have been no optimisation adjustments for the most recent valuations.
- The replacement cost is derived from recent construction contracts of modern equivalent assets and Property Institute of New Zealand cost information.
- There are no significant asbestos issues associated with the buildings.
- The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Infrastructural asset classes: sewerage, water, drainage, and roads

The most recent valuation of roading assets was performed by an independent registered valuer, Jesse Audley who is a valuer with Beca Valuation Limited and was effective as at 30 June 2024. The most recent valuation of water, sewerage, stormwater, land drainage and water race assets were performed by an independent registered valuer, Thrainn Viggooson a valuer at WSP and was effective as at 30 June 2024.

Water, sewerage, stormwater, land drainage, water race, and roading infrastructural assets are valued using the depreciated replacement cost method. There are several estimates and assumptions exercised when valuing infrastructural assets using the depreciated replacement cost method. These include:

- The replacement costs where appropriate reflect optimisation due to over-design or surplus capacity.
- Estimating the replacement cost of the asset. The replacement cost of an asset is based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth, and location. If recent contract cost information is considered out of date, it is indexed using Statistics New Zealand’s Capital Goods Price Index (based on the March 2024 quarter index) for civil constructions to convert them to current dollar value at the valuation date.
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over or underestimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expense. To minimise this risk, infrastructural asset useful lives have been determined with reference to the New Zealand Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration, and condition-modelling are also carried out regularly as part of asset management planning activities, which provide further assurance over useful life estimates.

Critical accounting estimates and assumptions

Classification of property

The Council owns a number of properties held to meet future operational requirements. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for future service delivery objectives. The properties are therefore accounted for as property, plant, and equipment rather than as investment property.

Operational Assets – Council

	Council							
	Land \$000	Farm Land \$000	Buildings \$000	Heritage Assets \$000	Plant and Machinery \$000	Library Books \$000	Work in Progress \$000	Total \$000
Gross carrying amount:								
Balance at 1 July 2022	304,808	2,465	177,709	70	30,037	6,200	3,438	524,727
Additions	13,413	-	6,384	-	4,817	51	3,353	28,018
Disposals	-	-	-	-	(141)	-	-	(141)
Net revaluation increase / (decrease)	-	-	-	-	-	-	-	-
Transfers	1,104	-	(111)	-	33	-	(2,550)	(1,524)
Transfers (to)/from investment property	(72)	-	(2,253)	-	-	-	-	(2,325)
Balance at 30 June 2023	319,253	2,465	181,729	70	34,746	6,251	4,241	548,755
Additions	2,572	-	4,548	-	4,826	572	4,456	16,974
Disposals	-	-	-	-	-	-	-	-
Net revaluation increase / (decrease)	14,893	275	1,234	(2)	-	-	-	16,400
Transfers	(2,149)	-	-	-	-	-	(2,945)	(5,094)
Transfers (to)/from investment property	650	-	-	-	-	-	-	650
Balance at 30 June 2024	335,219	2,740	187,511	68	39,572	6,823	5,752	577,685
Accumulated depreciation:								
Balance at 1 July 2022	-	-	(4,053)	-	(22,610)	(4,040)	-	(30,703)
Disposals	-	-	-	-	120	-	-	120
Net adjustments on asset revaluation	-	-	-	-	-	-	-	-
Depreciation expense	-	-	(5,326)	(3)	(2,785)	(482)	-	(8,596)
Transfers to investment property	-	-	2,029	-	-	-	-	2,029
Balance at 30 June 2023	-	-	(7,350)	(3)	(25,275)	(4,522)	-	(37,150)
Disposals	-	-	-	-	-	-	-	-
Net adjustments on asset revaluation	-	-	10,412	6	-	-	-	10,418
Depreciation expense	-	-	(6,648)	(3)	(2,992)	(535)	-	(10,178)
Transfers to investment property	-	-	-	-	-	-	-	-
Balance at 30 June 2024	-	-	(3,586)	-	(28,267)	(5,057)	-	(36,910)
Net carrying amount at 30 June 2023	319,253	2,465	174,379	67	9,471	1,729	4,241	511,605
Net carrying amount at 30 June 2024	335,219	2,740	183,925	68	11,305	1,766	5,752	540,775

Operational Assets – Group

	Group							
	Land \$000	Farm Land \$000	Buildings \$000	Heritage Assets \$000	Plant and Machinery \$000	Library Books \$000	Work in Progress \$000	Total \$000
Gross carrying amount:								
Balance at 1 July 2022	305,583	2,465	185,995	70	66,574	6,198	3,438	570,323
Additions	13,413	-	6,235	-	9,870	51	3,353	32,922
Disposals	-	-	-	-	(1,333)	-	-	(1,333)
Net revaluation increase / (decrease)	-	-	2,044	-	-	-	-	2,044
Transfers	1,104	-	(111)	-	33	-	(2,550)	(1,524)
Transfers (to)/from investment property	(72)	-	(2,253)	-	-	-	-	(2,325)
Transfers (to)/from assets held for sale	-	-	-	-	(112)	-	-	(112)
Balance at 30 June 2023	320,028	2,465	191,910	70	75,032	6,249	4,241	599,995
Additions	2,572	-	4,548	-	8,887	572	4,456	21,035
Disposals	-	-	-	-	(407)	-	-	(407)
Net revaluation increase / (decrease)	14,893	275	1,999	(2)	-	-	-	17,165
Transfers	(2,149)	-	-	-	-	-	(2,945)	(5,094)
Transfers (to)/from investment property	650	-	-	-	-	-	-	650
Transfers (to)/from assets held for sale	-	-	-	-	(1,508)	-	-	(1,508)
Balance at 30 June 2024	335,994	2,740	198,457	68	82,004	6,821	5,752	631,836
Accumulated depreciation:								
Balance at 1 July 2022	-	-	(5,037)	-	(44,310)	(4,038)	-	(53,385)
Disposals	-	-	-	-	848	-	-	848
Transfers to / (from) assets held for sale	-	-	-	-	86	-	-	86
Net adjustments on asset revaluation	-	-	-	-	-	-	-	-
Depreciation expense	-	-	(5,326)	(3)	(5,881)	(482)	-	(11,692)
Transfers to investment property	-	-	2,029	-	-	-	-	2,029
Balance at 30 June 2023	-	-	(8,334)	(3)	(49,257)	(4,520)	-	(62,114)
Disposals	-	-	-	-	341	-	-	341
Transfers to / (from) assets held for sale	-	-	-	-	1,057	-	-	1,057
Net adjustments on asset revaluation	-	-	10,412	6	-	-	-	10,418
Depreciation expense	-	-	(6,648)	(3)	(6,221)	(535)	-	(13,407)
Transfers to investment property	-	-	-	-	-	-	-	-
Balance at 30 June 2024	-	-	(4,570)	-	(54,080)	(5,055)	-	(63,705)
Net carrying amount at 30 June 2023	320,028	2,465	183,576	67	25,775	1,729	4,241	537,881
Net carrying amount at 30 June 2024	335,994	2,740	193,887	68	27,924	1,766	5,752	568,131

Infrastructure Assets – Council

	Council									
	Roading Network \$000	Water Supplies \$000	Stormwater Systems \$000	Sewerage Systems \$000	Land Drainage \$000	Water Races \$000	Refuse Disposal \$000	Work in Progress (\$000)	Total \$000	
Gross carrying amount:										
Balance at 1 July 2022	792,939	358,339	125,291	461,278	62,583	151,108	6,971	(108)	1,958,401	
Additions	28,842	18,161	6,147	18,558	5	301	111	21,647	93,772	
Net revaluation increase/(decrease)	10,083	-	-	-	-	-	-	-	10,083	
Transfers	-	219	-	32	-	-	-	1,341	1,592	
Balance at 30 June 2023	831,864	376,719	131,438	479,868	62,588	151,409	7,082	22,880	2,063,848	
Additions	39,046	32,716	4,001	19,839	40	2,833	3,714	12,475	114,664	
Net revaluation increase/(decrease)	(29,434)	(27,314)	(987)	11,735	15,331	34,560	11	-	3,902	
Transfers	-	-	-	-	-	-	2,144	(15,218)	(13,074)	
Balance at 30 June 2024	841,476	382,121	134,452	511,442	77,959	188,802	12,951	20,137	2,169,340	
Accumulated depreciation:										
Balance at 1 July 2022	-	-	-	-	-	-	-	-	-	
Net adjustments on asset revaluation	17,128							-	17,128	
Depreciation expense	(17,128)	(8,749)	(1,676)	(7,217)	(63)	(707)	(217)	-	(35,757)	
Balance at 30 June 2023	-	(8,749)	(1,676)	(7,217)	(63)	(707)	(217)	-	(18,629)	
Net adjustments on asset revaluation	19,085	17,558	3,329	14,455	126	1,436	62	-	56,051	
Depreciation expense	(19,085)	(8,809)	(1,653)	(7,238)	(63)	(729)	(268)		(37,845)	
Balance at 30 June 2024	-	-	-	-	-	-	(423)	-	(423)	
Net carrying amount at 30 June 2023	831,864	367,970	129,762	472,651	62,525	150,702	6,865	22,880	2,045,219	
Net carrying amount at 30 June 2024	841,476	382,121	134,452	511,442	77,959	188,802	12,528	20,137	2,168,917	

Infrastructure Assets – Group

	Group									
	Roading Network \$000	Water Supplies \$000	Stormwater Systems \$000	Sewerage Systems \$000	Land Drainage \$000	Water Races \$000	Refuse Disposal \$000	Work in Progress (\$000)	Total \$000	
Gross carrying amount:										
Balance at 1 July 2022	792,939	358,339	125,291	461,278	62,583	151,108	6,971	(108)	1,958,401	
Additions	28,842	18,161	6,147	18,558	5	301	111	21,647	93,772	
Disposals	-	-	-	-	-	-	-	-	-	
Net revaluation increase / (decrease)	10,083	-	-	-	-	-	-	-	10,083	
Transfers	-	219	-	32	-	-	-	1,341	1,592	
Balance at 30 June 2023	831,864	376,719	131,438	479,868	62,588	151,409	7,082	22,880	2,063,848	
Additions	39,046	30,380	3,980	18,985	40	2,707	3,714	12,438	111,290	
Disposals	-	-	-	-	-	-	-	-	-	
Net revaluation increase / (decrease)	(29,434)	(24,978)	(966)	12,589	15,331	34,686	11	-	7,239	
Transfers	-	-	-	-	-	-	2,144	(15,218)	(13,074)	
Balance at 30 June 2024	841,476	382,121	134,452	511,442	77,959	188,802	12,951	20,100	2,169,303	
Accumulated depreciation:										
Balance at 1 July 2022	-	-	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	-	-	-	-	
Transfers to / (from) assets held for sale	-	-	-	-	-	-	-	-	-	
Net adjustments on asset revaluation	17,128							-	17,128	
Depreciation expense	(17,128)	(8,749)	(1,676)	(7,217)	(63)	(707)	(217)	-	(35,757)	
Transfers to investment property	-	-	-	-	-	-	-	-	-	
Balance at 30 June 2023	-	(8,749)	(1,676)	(7,217)	(63)	(707)	(217)	-	(18,629)	
Disposals	-	-	-	-	-	-	-	-	-	
Transfers to / (from) assets held for sale	-	-	-	-	-	-	-	-	-	
Net adjustments on asset revaluation	19,085	17,541	3,329	14,446	126	1,435	62	-	56,024	
Depreciation expense	(19,085)	(8,792)	(1,653)	(7,229)	(63)	(728)	(268)		(37,818)	
Transfers to investment property	-	-	-	-	-	-	-	-	-	
Balance at 30 June 2024	-	-	-	-	-	-	(423)	-	(423)	
Net carrying amount at 30 June 2023	831,864	367,970	129,762	472,651	62,525	150,702	6,865	22,880	2,045,219	
Net carrying amount at 30 June 2024	841,476	382,121	134,452	511,442	77,959	188,802	12,528	20,100	2,168,880	

Core Infrastructure Asset Disclosures

Included within the Council infrastructure assets prior are the following core Council assets:

	Closing Book Value \$000	Additions: Constructed by Council \$000	Additions: Transferred to Council \$000	Most Recent Replacement Cost Estimate for Revaluated Assets* \$000
2024				
Water:				
- Treatment plants and facilities	39,521	240	-	59,779
- Other assets (such as reticulation systems)	342,600	30,481	1,994	476,448
Wastewater:				
- Treatment plants and facilities	60,756	3,041	-	91,455
- Other assets (such as reticulation systems)	450,686	12,708	4,089	533,939
Stormwater	134,452	942	3,059	156,552
Roads and footpaths	841,476	31,212	7,834	1,138,055
2023				
Water:				
- Treatment plants and facilities	54,408	3,263	-	75,327
- Other assets (such as reticulation systems)	313,562	11,317	3,800	435,219
Wastewater:				
- Treatment plants and facilities	72,725	2,661	-	116,853
- Other assets (such as reticulation systems)	399,926	8,020	7,909	463,131
Stormwater	129,762	41	6,106	148,959
Roads and footpaths	831,864	13,275	15,567	1,112,441

Land under roads

Land under roads was valued based on fair value of adjacent land determined by the Council's finance staff effective 30 June 2005. On transition to New Zealand equivalents to International Financial Reporting Standards on 1 July 2006, the Council elected to use the fair value of land under roads as at 30 June 2005 as deemed cost. Land under roads is no longer revalued.

Impairment

Impairment losses of \$nil (2023: \$nil) were recognised during the period. The recoverable amount of the plant and equipment was based on value in use using the restoration cost approach, which was determined by reference to the depreciated replacement cost of the asset less the costs to repair the damage.

Capital commitments

The amount of contractual commitments for acquisition of property, plant, and equipment is:

	Council		Group	
	June 2024 \$000	June 2023 \$000	June 2024 \$000	June 2023 \$000
Community facilities	-	2,173	-	2,173
Property plant and equipment	-	-	484	907
Refuse	-	3,398	-	3,398
Transportation	6,347	1,642	6,263	1,642
Wastewater	32,395	-	392	-
Water Supply	4,642	1,562	495	1,562
Total capital commitments	43,384	8,775	7,634	9,682

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

Insurance of assets

The following information relates to the insurance of Council assets as at 30 June:

	Council	
	Actual 2024 \$000	Actual 2023 \$000
The maximum amount to which insured assets are insured	719,000	717,000
The total value of all Council assets covered by insurance contracts	1,839,000	1,837,000
The total value of all Council assets covered by financial risk-sharing arrangements	1,170,000	1,170,000
Maximum amount available to the Council under financial risk-sharing arrangements	50,000	50,000
Total value of assets that are self-insured	12,800	12,500
Value of funds maintained for self insurance	12,800	12,500

In the event of natural disaster, central government may contribute up to 60% towards the restoration of water, drainage, and sewerage assets, and provide a subsidy towards the restoration of roads.

The Council's underground insurance policy provides cover up to a maximum of \$50 million. This policy has an excess of \$12.5 million. 40% of the residual of \$37.5 million or \$15 million is provided by the insurance policy with the balance of the residual \$22.5 million or 60% provided by Central Government.

Council also has two self-insurance funds as follows:

- Earthquake self-insurance reserve as at 30 June 2024 \$12.0 million.
- General insurance reserve as at 30 June 2024: \$0.8 million.

17. Intangible assets

Accounting policy

Software acquisition and development

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

Costs that are directly attributable to the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

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

Costs associated with development and maintenance of the Council’s website are recognised as an expense when incurred.

Goodwill (group)

Goodwill on acquisition of businesses and subsidiaries is included in “intangible assets”. Goodwill on acquisition of an associate is included in the “investment in associate” carrying value in Note 14, with impairment considered as part of the overall investment balance.

Goodwill is allocated to cash-generating units for the purposes of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Mining Licences (group)

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

Brand name, customer list and customer contacts (group)

Brand name, customer list and customer contracts are finite life intangible assets recorded at their fair value on acquisition less accumulated amortisation and impairment. They are amortised on a straight-line basis over their estimated useful life.

The fair values have been established by reference to Former Blakely Construction Limited (BCL) revenue, discounted cash flows and contracts on BCL books at time of acquisition.

These valuations use assumptions including future revenue, margins, risk and appropriate discount rates.

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 financial year is recognised in surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Asset class	Useful life	Annual amortisation rate
Computer software	2 - 4 years	25% - 50%
Mining licences (group)	24.04 years	4.16%
Brand name (group)	10 years	10%
Customer Relationships	3 years	33%
Customer Contracts	As profit realised	

Mining licences transferred at acquisition date with a finite life are amortised on a straight-line basis over their useful life.

Amortisation begins from acquisition date and ceases at the date that the licence is derecognised.

The amortisation charge for each period is recognised in the surplus or deficit.

Impairment of intangible assets

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

For further details, refer to the policy for impairment of property, plant, and equipment in Note 16. The same approach applies to the impairment of intangible assets.

Breakdown of intangible assets and further information

Movements in the carrying value for each class of intangible asset are as follows:

	Council	Group				
	Computer Software \$000	Computer Software \$000	Goodwill \$000	Brand Name \$000	Customer List \$000	Total \$000
Balance as at 1 July 2023						
Cost	3,275	3,499	3,266	1,357	1,234	9,356
Accumulated amortisation and impairment	(2,281)	(2,461)	(2,396)	(1,357)	(1,234)	(7,448)
Opening carrying amount	994	1,038	870	-	-	1,908
Year ended 30 June 2024						
Additions	331	356	-	-	-	356
Amortisation charge	(345)	(385)	-	-	-	(385)
Balance as at 30 June 2024						
Cost	3,606	3,855	3,266	1,357	1,234	9,712
Accumulated amortisation and impairment	(2,626)	(2,846)	(2,396)	(1,357)	(1,234)	(7,833)
Closing carrying amount	980	1,009	870	-	-	1,879
Balance as at 1 July 2022						
Cost	2,161	2,348	3,266	1,357	1,234	8,205
Accumulated amortisation and impairment	(1,871)	(2,025)	(2,396)	(1,357)	(1,234)	(7,012)
Opening carrying amount	290	323	870	-	-	1,193
Year ended 30 June 2023						
Additions	1,114	1,151	-	-	-	1,151
Amortisation charge	(410)	(436)	-	-	-	(436)
Balance as at 30 June 2023						
Cost	3,275	3,499	3,266	1,357	1,234	9,356
Accumulated amortisation and impairment	(2,281)	(2,461)	(2,396)	(1,357)	(1,234)	(7,448)
Closing carrying amount	994	1,038	870	-	-	1,908

Restrictions

There are no restrictions over the title of intangible assets. No intangible assets are pledged as security for liabilities.

Capital Commitments

There are no capital commitments at 30 June 2024. (2023: \$nil).

Impairment

There is no impairment of intangible assets at 30 June 2024. (2023: \$nil).

Critical accounting estimates and assumptions

Goodwill

Goodwill of \$870,000 (2023: \$870,000) has been allocated to the single cash-generating unit (CGU) of CORDE Limited. The synergies of the business combination in which the goodwill arose are expected to be realised only by the assets of CORDE Limited.

The recoverable amount of the CGU has been determined based on a value in use calculation. This calculation uses cash flow projections based on financial budgets approved by the Board of Directors and cover a five-year period. Cash flows beyond the five-year period have been extrapolated using an estimated growth rate.

Key assumptions used for the goodwill value in use calculation

- weighted average growth rate 5% for the first five years then nil average growth rate
- post-tax discount rate 4.57%.

These assumptions have been used for the analysis of the CGU of CORDE Limited. The Board has determined budgeted gross margin based on past performance and its expectations for the market. The weighted average growth rate used is consistent with the forecasts included in industry reports. The discount rate used is pre-tax and reflects specific risks relevant to the CGU.

The group believes that a reasonable possible change in any of the key assumptions would not cause the carrying amount of goodwill to exceed the recoverable amount.

18. Depreciation and amortisation expense by group of activity

	Council	
	Actual 2024 \$000	Actual 2023 \$000
Community services and facilities	8,769	7,397
Environmental services	137	-
Transportation	19,085	17,129
Solid waste management	268	217
Communtiy water supplies	8,810	8,786
Community waste water supplies	7,238	7,226
Stormwater	1,653	1,676
Water races and land drainage	792	800
Other corporate	1,616	1,532
<i>Total depreciation and amortisation expense</i>	<i>48,368</i>	<i>44,763</i>

19. Forestry assets

Accounting policy

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle.

Gains or losses arising on initial recognition of forestry assets at fair value less costs to sell and from a change in fair value less costs to sell are recognised in surplus or deficit.

Forestry maintenance costs are recognised in surplus or deficit when incurred.

Critical accounting estimates and assumptions

Independent registered valuer, Laurie Forestry Limited has valued the forestry assets as at 30 June 2024. The following significant valuation assumptions have been adopted in determining the fair value of forestry assets:

- a discount rate of 8.0% (2023: 7.0%) has been used in discounting the present value of expected future cash flows;
- notional land rental costs have been included for freehold land;
- the forest has been valued on a going concern basis and includes only the value of the existing crops on a single rotation basis;
- costs are current average costs. No allowance has been made for cost improvements in future operations;
- log prices are based on a three-year historical rolling average.

Sensitivity analysis

The net present value method that is used for valuing Selwyn District Council's plantations is particularly sensitive to changes in log prices and discount rate:

- Valuation using set parameters **\$486,969**
- Low discount rate (7.0%) **\$519,389**
- High discount rate (9.0%) **\$457,405**
- Low log prices (less 10%) **\$400,516**
- High log prices (up 10%) **\$573,421**

Breakdown of forestry assets and other information

The Council owns 95.3 hectares of Pinus radiata forest, comprising trees that are at varying stages of maturity ranging from 6 to 44 years. There are no restrictions over the title of forestry assets. No forestry assets are pledged as security for liabilities.

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Balance as at 1 July	125	130	125	130
Gains/(losses) arising from changes in fair value	362	(5)	362	(5)
Balance as at 30 June	487	125	487	125

Financial risk management strategies

The Council and Group is exposed to financial risks arising from changes in timber prices. The Council and Group is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future. Therefore, no measures have been taken to manage the risks of a decline in timber prices. The Council and Group reviews its outlook for timber prices regularly in considering the need for active financial risk management.

20. Payables and deferred revenue

Accounting policy

Short-term creditors and other payables are measured at the amount payable.

Payables and deferred revenue

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Trade payables	24,844	12,160	25,902	18,779
Accrued expenses	1,520	-	2,001	-
Deposits and retentions	6,488	4,919	6,488	6,796
Amounts due to subsidiaries and associates	6	7,011	6	-
Payables and deferred revenue under non-exchange transactions:				
Revenue received in advance	820	870	820	870
Rates received in advance	1,216	1,052	1,216	1,052
Total payables and deferred revenue	34,894	26,012	36,433	27,497

Trade payables and deferred revenue are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and deferred revenue approximates their fair value.

Group

The Construction Contract (Retention Money) Amendment Act (2023) commenced on 5 October 2023 and requires construction companies to hold money for retentions withheld from subcontractors on trust. This is included in the cash and cash equivalents balance in a separate compliant bank account, with a balance of \$539k (2023 - \$392k), which addresses this Act.

21. Employee benefit liabilities

Accounting policy

Short-term employee entitlements

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

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

A liability and an expense are recognised for bonuses where the Council or group has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis. The calculations are based on:

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

Presentation of employee entitlements

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

Defined contribution superannuation schemes

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

Defined benefit superannuation schemes

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

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

Breakdown of employee entitlements other information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Accrued salaries and wages	1,296	1,250	2,224	2,052
Annual leave	2,202	2,120	4,662	3,746
Sick leave	27	12	205	113
Holiday remediation pay	1,850	350	1,850	350
Retirement and long service leave	42	127	54	137
Total employee benefits	5,417	3,859	8,995	6,398
Comprising:				
Current	5,375	3,732	8,941	6,261
Non-current	42	127	54	137
Total employee benefits	5,417	3,859	8,995	6,398

22. Provisions

Accounting policy

A provision is recognised for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event;
- it is probable that an outflow of future economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation and discounted using market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash flows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in “finance costs” (see Note 6).

Critical accounting estimates and assumptions

Estimating the landfill aftercare costs

The Council engaged an independent engineer, Collaborations, to provide information as a basis for estimating a provision for capping the Council’s four landfill sites. Collaborations has significant experience in performing such assessments.

The cash outflows for landfill post-closure costs are expected to occur over a period of 10 years (that is, between 2024 and 2034). The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The future cash outflows have been estimated considering existing technology and known changes to legal requirements. The gross provision before discounting is \$.95 million (2023: \$1.2 million).

The following significant assumptions have been made in estimating the provision:

- The estimated period to complete post-closure works is 5 to 10 years, based on the availability of suitable cover material.
- An annual inflation factor of 2.0% has been applied in estimating the future cash outflows.

- Discount rate of 0.65% (2023: 0.65%) has been used to discount the estimated future cash outflows. This rate has been determined using the New Zealand Government Treasury risk free rate and extrapolated beyond the available market data.

The timeframes for completing this work are unknown with the assumption that the sites will be rehabilitated over a period of 10 years.

Landfill aftercare

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.

Contractual rework (Group) – CORDE Limited

(see note 18 (page 70) of CORDE Limited financial statements)

Provisions are required to settle the obligation to rework certain general construction and sealing contracts. A reliable estimate of the cost is required before the provision is recognised.

Movements for each class of provision are as follows:

Landfill aftercare provision	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening balance	947	1,173	947	1,173
Discount unwinding	(79)	(226)	(79)	(226)
Closing balance	868	947	868	947

Contractual rework	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening balance	-	-	101	101
Additional provisions made during the year	-	-	(12)	-
Amounts used during the year	-	-	(18)	-
Closing balance	-	-	71	101

Onerous Contracts	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening balance	-	-	-	-
Additional provisions made during the year	-	-	490	-
Closing balance	-	-	490	-

Weathertightness and other legal claims	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening balance	20	20	20	20
Increase/(decrease) due to discount rate changes and assessment of liability	(9)	-	(9)	-
Closing balance	11	20	11	20

Infringement provision	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Opening balance	-	-	25	25
Additional provisions made during the year	-	-	-	-
Amounts used during the year	-	-	(25)	-
Closing balance	-	-	-	25

Total Provisions	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Current	11	20	572	146
Non-current	867	947	867	947
Total Provisions	878	967	1,439	1,093

23. Borrowings

Accounting policy

Borrowing on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance.

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

Breakdown of borrowings

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Current:				
Secured loans	40,000	10,200	40,000	10,200
Non-current:				
Secured loans	145,000	105,000	145,000	105,000
Total borrowings	185,000	115,200	185,000	115,200

Interest terms for secured loans

The Council's secured loans are mostly at floating rates of interest. For floating rate debt, the interest rate is reset quarterly based on the 90-day bank rate plus a margin for credit risk.

Security

The Council's secured loans are secured over rates of the Council. Carrying values are approximately equal to fair value.

Bank overdraft and flexible credit facilities (Group)

The overdraft facility is secured by debenture. The maximum amount that can be drawn down against the overdraft facility is \$300,000 (2023: \$300,000). There are no restrictions on the use of this facility.

The commercial flexi facility is secured by debenture. The maximum amount that can be drawn down against the overdraft facility is \$3.0 million (2023: \$3.0 million). There are no restrictions on the use of this facility.

Internal borrowings

Internal borrowings are eliminated on consolidation of activities in the Council's financial statements.

Fair values

Long term borrowings are at market rates, therefore carrying amounts approximate their fair values.



24. Contingencies

Selwyn District Council

Contingent liabilities

Building Act Claims

The Building Act 2004 imposes certain obligations and liabilities on local authorities relating to the issue of building consents and inspection of work done. At the date of these financial statements, two matters under that Act indicating potential liabilities had been brought to the Council’s attention. The Council’s initial legal advice considers this claim to be probable and has therefore made a provision for claims where a reliable estimate of the potential cost to the Council can be made.

Local Government Funding Agency

The Council is a guarantor of the New Zealand Local Government Funding Agency Limited (LGFA). The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. In February 2024, S&P Global Ratings affirmed their long-term ratings on New Zealand Local Government Funding Agency (“LGFA”) at ‘AA+’ foreign-currency and ‘AAA’ local-currency. All credit ratings have a stable outlook.

As at 30 June 2024, the Council is one of 30 local authority shareholders and 72 local authority guarantors of the LGFA. The New Zealand Government also has a 20% shareholding in the LGFA. It has uncalled capital of \$1.0 million. When aggregated with the uncalled capital of other shareholders, \$20.0 million is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, the Council is a guarantor of all of the LGFA’s borrowings.

NZLGFA shareholders consist of the New Zealand Government (20%) and local authority shareholders (80%). The New Zealand Government shareholding is fully paid. The uncalled capital of local authority shareholders is \$20m and this is available in the event that an imminent default is identified. Also, together with the shareholders and guarantors, the Council is a guarantor of all of NZLGFA’s borrowings. At 30 June 2024, NZLGFA had borrowings totalling \$23.030 billion (2023 : \$17.684 billion).

- Financial reporting standards require the Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of NZLGFA defaulting on

repayment of interest or capital to be very low on the basis that:

- we are not aware of any local authority debt default events in New Zealand; and
- local government legislation would enable council to levy a rate to recover sufficient funds to meet any debt obligations.

Landfills

The Council does not operate any landfills in the District. The Council has recognised the costs of closing and rehabilitating the Cox, Killinchy, Hawkins and Springston landfills as per Note 22.

The cost of closing other landfills and on-going monitoring after-care of all landfills is not fully known at this time. The costs will be recognised, and funding provided, as the costs become known.

CORDE Limited (Group)

From time-to-time CORDE has performance bonds and bonds in lieu of retentions to third parties. Bonds to the value of \$1,332,306 (2023: \$337,946) are committed as at 30 June 2024.

CORDE does not list these bonds as contingent liabilities because it does not consider that it is probable that any such bonds will be exercised. If any performance issues are raised CORDE has a policy of promptly returning to the site and fixing the customers concerns.

Contingent assets

The Council is not aware of any contingent assets at 30 June 2024. (2023: nil).

CORDE Limited (Group) Contingent assets

From time-to-time CORDE has performance bonds and bonds in lieu of retentions from third parties.

Bonds to the value of \$235,433 (2023: \$nil) are held at 30 June 2024.

CORDE does not list these bonds as assets because it does not consider that it is probable that any such bonds will be exercised. If any performance issues are raised CORDE expects subcontractors will return to the site and resolve any issues.

Other than the above CORDE has no contingent assets at 30 June 2024 (2023: \$nil).

25. Equity

Accounting policy

Equity is the community’s interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- accumulated funds;
- restricted reserves;
- property revaluation reserve; and
- fair value through other comprehensive revenue and expense reserve.

Restricted 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 include 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 specific conditions are met.

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

Property revaluation reserve

This reserve relates to the revaluation of property, plant and equipment to fair value.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the cumulative net change in the fair value of assets classified as fair value though other comprehensive revenue and expense.

Breakdown of equity and further information

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Accumulated funds				
Opening balance as at 1 July	1,294,779	1,210,938	1,307,409	1,222,329
Surplus/(deficit) for the year	4,989	32,744	2,248	33,983
Reserve Transfers				
transfer to restricted reserves	(151,778)	(39,808)	(151,778)	(39,808)
transfer from restricted reserves	106,473	90,492	106,473	90,492
transfer from revaluation reserves on disposal	-	413	-	413
Closing balance as at 30 June	1,254,463	1,294,779	1,264,352	1,307,409
Restricted reserves				
Opening balance as at 1 July	(6,155)	44,529	(6,155)	44,529
Transfers from Accumulated funds	151,778	39,808	151,778	39,808
Transfers to Accumulated funds	(106,473)	(90,492)	(106,473)	(90,492)
Closing balance as at 30 June	39,150	(6,155)	39,150	(6,155)
Asset revaluation reserves				
Opening balance as at 1 July	1,287,455	1,260,657	1,294,107	1,265,090
Net Revaluation gains/(losses)	87,133	27,211	91,208	29,430
Net Revaluation reserve gains/(losses)	-	(413)	-	(413)
Closing balance as at 30 June	1,374,588	1,287,455	1,385,315	1,294,107
Asset revaluation reserves consist of:				
Land and buildings	212,320	185,705	219,737	192,357
Farm land	4,651	4,376	4,651	4,376
Roading	358,083	368,432	358,083	368,432
Water supplies	234,773	244,528	237,092	244,528
Stormwater	56,842	54,499	56,863	54,499
Sewerage	280,640	254,450	281,485	254,450
Land drainage	57,190	41,733	57,190	41,733
Water races	169,727	133,732	169,852	133,732
Forestry	362	-	362	-
Total	1,374,588	1,287,455	1,385,315	1,294,107

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Fair value through other comprehensive revenue and expense reserve				
Opening balance as at 1 July	149,279	86,398	116,278	71,297
Valuation gains/(losses) taken to equity	7,152	62,881	8,052	44,981
Closing balance as at 30 June	156,431	149,279	124,330	116,278
Total Equity	2,824,632	2,725,358	2,813,146	2,711,639

Purpose of each reserve fund

A General reserve:

The purpose of a general reserve fund is to provide funding for new capital items arising from increased levels of service or growth.

B Renewal reserve:

The purpose of a renewal reserve is to provide funding for the renewal of existing capital items.

C Specific reserve:

The purpose of these reserves is to provide funding for the maintenance of specific assets or to generate funds for future specific assets.

D Special reserve:

The purpose of these reserves is for specific purposes as indicated by the reserve name.

E Internal borrowing reserve:

The purpose of these reserves is to separate out internal borrowings.

Information about reserve funds held for a specific purpose is provided below:

	Purpose of reserve fund	Opening balance \$000	Deposits \$000	Withdrawals \$000	Closing balance \$000
Water supply					
Darfield Water Supply Capital Rate Reserve	A	(1,445)	2,384	(938)	-
Darfield Water Supply Water Quality Upgrade	C	2,055	476	(2,531)	-
Kirwee Water Supply Equipment Reserve	A	532	427	(960)	-
Leeston Water Supply Reserve	A	(991)	2,355	(1,365)	-
Lincoln Water Supply Reserve	A	(561)	1,324	(763)	-
Malvern Hills Rural Water Supply Reserve	A	69	980	(1,049)	-
Prebbleton Water Supply Reserve	A	1,702	482	(2,183)	-
Rolleston Water Supply Reserve	A	2,016	1,182	(3,199)	-
Southbridge Water Supply Reserve	A	343	7	(349)	-
Water Supplies Renewal Reserves	A	(6,635)	11,281	(4,646)	-
West Melton Water Supply Reserve	A	451	915	(1,366)	-
Total water supply reserves		(2,464)	21,813	(19,349)	-
Wastewater					
Darfield Wastewater Grant Existing Reserve Fund	A	3,473	-	(3,473)	-
Darfield Wastewater Capital Reserve Fund	A	(9,965)	9,965	-	-
Ellesmere Sewerage Renewal Reserve	B	(276)	2,917	(2,641)	-
Rolleston Sewerage Reserve	A	(17)	241	(224)	-
Sewerage Renewal Reserve	B	1,679	2,369	(4,047)	-
Springston/Aberdeen Special Fund Reserve	D	79	-	(79)	-
Tai Tapu Sewerage Reserve	A	237	1	(238)	-
West Melton Sewerage Reserve	A	(109)	109	-	-
Total wastewater reserves		(4,899)	15,602	(10,702)	-
Stormwater					
Leeston Stormwater Reserve	A	178	-	(178)	-
Stormwater District Renewal Reserve	A	1,108	172	(1,280)	-
Total stormwater reserves		1,286	172	(1,458)	-
Water races and land drainage					
Bealey River River Protection Reserve	D	27	1	-	28
Greenpark Land Drainage Reserve	A	25	1	-	26
Hororata River Land Drainage Reserve	A	20	1	-	20
Irwell Land Drainage Reserve	A	2	-	-	2
L2 River Land Drainage Reserve	A	53	2	-	55

	Purpose of reserve fund	Opening balance \$000	Deposits \$000	Withdrawals \$000	Closing balance \$000
L2 River Land Drainage De-silting Reserve	C	126	6	-	132
L2 River Land Drainage Machinery Reserve	C	192	9	-	201
Leeston Land Drainage Reserve	C	46	2	-	48
Osbourne Land Drainage Renewal Reserve	B	(412)	-	(19)	(431)
Taumutu Culverts Land Drainage Reserve	A	56	3	-	59
Wairiri Valley Land Drainage Reserve	A	5	-	-	5
Water Race Renewal Reserve	A	1,376	274	(1,650)	-
Total land drainage and water race reserves		1,516	299	(1,669)	145
Community services and facilities					
Albert Anderson Fund	D	7	-	-	7
Art Acquisition Reserve	D	51	2	-	53
Broadfield Loan Loan Reserve	E	(7)	7	-	-
Darfield Medical Centre Loan	E	(325)	525	(200)	-
Darfield Township Reserve	A	559	20	(238)	341
District Community Centre Reserve	A	108	5	-	113
District Reserve Contributions Reserve	A	121	5	(37)	89
District Township Reseve	A	81	4	-	85
Dunsandel Community Centre Loan	E	(624)	624	-	-
Ellesmere Reserve Board Reserve	A	176	52	-	228
Ex Ellesmere - Ellesmere Clay Loan Reserve	A	3	-	(3)	-
Foster Park Loan	E	(1,765)	1,765	-	-
Halkett Community Centre 25 Year Loan Reserve	E	(6)	6	-	-
Health Hub - Internal Loan	E	(16,918)	16,918	-	-
Hororata Reserve CPW Shares Hororata Reserve	D	(98)	98	-	-
Insurance Reserve Fund Reserve	A	736	33	-	770
Izone Special Fund	A	13,756	613	(399)	13,971
Lakeside Community Centre Loan Repayment Fund	A	(178)	178	-	-
Leeston Community Centre Loan Repayment Fund	A	(1,091)	1,091	-	-
Leeston Park Special Fund Reserve	A	25	1	-	26
Leeston Township Est NA Osbourne Reserve	D	81	4	(5)	79
Lincoln Events Centre Loan	E	(1,451)	1,451	-	-
Lincoln Library Loan	E	(3,521)	3,521	-	-
McHughs Plantation Loan Reserve	E	(925)	925	-	-
Metal Pits Reserve	D	63	-	(276)	(213)
Reserve Contrib.Southwest Selwyn Area	A	429	754	(1,183)	-

Reserve Contrib.Northwest Selwyn Area	A	1,916	984	(2,900)	-
Reserve Contrib.Eastern Selwyn Area	A	40,879	8,652	(49,531)	-
Rhodes Park Community Centre Loan	E	(981)	981	-	-
Rolleston Com Centre Capital Fund	A	180	8	-	188
Rolleston Community Fund	D	167	6	(57)	116
Rolleston Headquarters Building Renewal Reserve	C	5,045	503	-	5,548
Sinking Fund	D	-	22	-	22
Selwyn Aquatic Centre Loan	E	(21,524)	21,524	-	-
Selwyn District Education Fund Reserve	D	153	7	-	160
Selwyn District Park Loan	E	(2,116)	2,116	-	-
Selwyn Sports Centre Loan	E	(14,606)	14,606	-	-
Southbridge Advisory Committee Reserve	A	31	1	-	32
Tai Tapu ex Paparua Library Reserve	D	15	1	-	16
Te Ara Atea - Loan	E	(15,819)	15,819	-	-
Weedons Reserve Loan Repayment Reserve	A	(97)	97	-	-
West Melton Community Centre Ex Paparua Reserve	A	3	-	-	3
West Melton Community Centre Scholarship Reserve	C	46	2	(2)	46
West Melton Community Centre Loan	E	(2,350)	2,350	-	-
Total community services and facilities reserves		(19,771)	96,281	(54,831)	21,680
Environmental services					
Dog Pound Loan	E	(305)	305	-	-
Weather Tightness Insurance Reserve	D	(49)	180	-	131
Total environmental services reserves		(354)	485	-	131
Internal council services					
MAB Discretionary Fund Reserve	D	38	17	-	55
Commercial Building Loan	E	(741)	741	-	-
Investment Farming Property Loan	E	(1,276)	1,276	-	-
Earthquake Self Insurance Reserve	D	11,866	84	-	11,950
Earthquake Self Insurance - Earmarked Funds	D		-	-	-
Pre 1989 Contributions Reserve	D	76	3	-	80
Zone 5 Special Fund	D	1	-	-	1
Total internal services reserves		9,964	2,121	-	12,086
Transportation					
Roading Contributions Reserve	A	11,861	2,760	(14,621)	-
Undergrounding Reserve	A	3,471	154	(109)	3,517
Total transportation		15,332	2,914	(14,730)	3,517

Solid waste					
Operational Assets Replacement Fund Reserve	B	(7,423)	10,974	(3,553)	-
Waste Mangement Grant	D	-	10	-	10
Waste Minimisation Fund Reserve	D	658	1,103	(181)	1,580
Total solid waste		(6,765)	12,087	(3,734)	1,590
Total restricted reserves		(6,155)	151,774	(106,473)	39,149

Capital management

The Council’s capital is its equity (or ratepayers’ funds), which comprise accumulated funds and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires Council to manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer’s funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today’s ratepayers to meet the costs of utilising the Council’s assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long Term Plan (LTP) and in its annual plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council’s LTP.

26. Related party transactions

Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship; and
- on terms and conditions no more or less favourable than those that it is reasonable to expect the Council and group would have adopted in dealing with the party at arm’s length in the same circumstances.

Further, no disclosure has been made for transactions with entities within the Council group (such as funding and financing flows), where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such group transactions.

Related party transactions required to be disclosed

The Council is the ultimate parent of the group and controls its subsidiaries, CORDE Limited and the Selwyn District Charitable Trust. The Council also exerts significant influence over Orion New Zealand Limited, the Central Plains Water Trust and the Tramway Reserve Trust.

Selwyn District Charitable Trust

The Council provided accounting services to the Trust at no charge and meets the audit fee of the Trust totalling \$nil (2023: \$nil) and met other operating costs of the trust totalling \$50 (2023: \$50).

CORDE Limited

The Council entered into transactions with CORDE during the year.

Corde transactions with Key Management Personnel

	2024 \$000	2023 \$000
Rates, royalties, interest and lease revenue received	877	626
Dividend revenue	2,000	2,250
Contract services received from CORDE	63,276	58,100
Accounts receivable	17	93
Accounts payable and accrued expenses	9,638	6,593
Retentions payable	547	418

Central Plains Water Trust

	2024 \$000	2023 \$000
Payments to suppliers on behalf of the Trust	175	214
Accounts Receivable	210	251

In addition to the above transactions, the Council has provided accounting services to the Trust at no charge.

Key management personnel compensation

	2024 \$000	2023 \$000
Councillors		
Full-time equivalent members	12	11
Remuneration	748	697
Senior management team, including the Chief Executive		
Full-time equivalent members	7	6
Remuneration	1,824	1,521
Total full-time equivalent personnel	19	17
Total key management personnel remuneration	2,572	2,218

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the number of Councillors.

An analysis of Councillor remuneration and further information on the Chief Executive remuneration is provided in Note 4.

27. Events after balance date

Disclosures – Local Water Done Well

In response to the Local Government (Water Services Preliminary Arrangement) Act 2024 (the Act) and Local Water Done Well reforms currently underway, the Council has been required to prepare, consult on, and adopt a Water Service Delivery Plan (WSDP), detailing how the Council plans to fund, manage and deliver water services in future. This initiative represents a significant shift in the governance and management of water services across New Zealand, focusing on improving the quality, safety, and sustainability of water delivery for communities.

Council decided in November 2024 to explore the option of a Water Services Council Controlled Organisation (WSCCO) for the delivery of drinking and wastewater, and to keep stormwater in-house. Noting that if water services were to remain within the Council, there is no guarantee that the costs or service would not change from what had been forecast in the Long-Term Plan 2024-2034.

Consultation on the proposal was with our community between 20 February 2025 and 12 March 2025. Decision making is anticipated to be completed by 2nd April 2025. If a Water Services Council Controlled Organisation is decided on, then it would be stood up by 1 July 2025.

28a. Financial instrument categories

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	Council		Group	
	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Financial Assets				
Fair value through surplus or deficit FVTSD				
Derivative financial instruments	16,452	15,850	16,452	15,850
Borrower Note	3,945	2,650	3,945	2,650
Total financial assets at FVTSD	20,397	18,500	20,397	18,500
Amortised Costs				
Cash and cash equivalents	27,399	20,447	39,231	31,943
Trade and other receivables	20,703	11,127	24,712	11,958
Term deposits	10,000	10,000	10,000	10,000
Community loans	32	37	32	37
Total financial assets at cost	58,134	41,611	73,975	53,938
Fair value through CRE FVTCRE				
Unlisted shares	202,757	195,605	161,657	153,605
Total financial assets FVTCRE	202,757	195,605	161,657	153,605
Financial Liabilities				
Fair value through surplus or deficit FVTSD				
Derivative financial instrument liabilities – not hedge accounted	9,065	7,173	9,065	7,173
Financial liabilities at amortised cost				
Trade and other payables	32,858	24,090	34,397	25,575
Borrowings: - Secured loans	185,000	115,200	185,000	115,200
Other financial liabilities - Total financial liabilities at amortised cost	217,858	139,290	219,397	140,775

28b. Fair value hierarchy

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Level 1 – Quoted market price – Financial instruments with quoted prices for identical instruments in active markets.
- Level 2 – Valuation technique using observable inputs – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Level 3 – Valuation techniques with significant non-observable inputs – Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

		Council		Group	
Financial assets	Level	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Derivative financial assets	2	16,452	15,850	16,452	15,850
Borrower Notes	2	3,945	2,650	3,945	2,650
Unlisted Shares	3	202,757	195,605	161,657	153,605
Financial liabilities					
Derivatives financial liabilities	2	9,065	7,173	9,065	7,173

There were no transfers between the different levels of the fair value hierarchy.

Valuation techniques with significant non-observable inputs (level 3)

	Council		Group	
	Actual 2024 \$0	Actual 2023 \$0	Actual 2024 \$0	Actual 2023 \$0
Balance as at 1 July	198,255	134,329	156,255	92,329
Gain and losses recognised in other comprehensive revenue	4,502	63,926	5,402	63,926
Balance as at 30 June	202,757	198,255	161,657	156,255

Changing a valuation assumption to a reasonable possible alternative assumption would not significantly change fair value.

28c. Financial instrument risks

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Equity securities price risk arises on listed share investments, which are classified as financial assets held at fair value through other comprehensive revenue and expense. This price risk arises due to market movements in listed shares. Equity securities price risk is not managed as the Council holds no listed shares.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Council purchases plant and equipment associated with the construction of certain infrastructural assets from overseas, which require it to enter transactions denominated in foreign currencies. As a result of these activities, exposure to currency risk arises.

It is the Council's policy to manage foreign currency risks arising from contractual commitments and liabilities that are above \$100,000 by entering into forward foreign exchange contracts to manage the foreign currency risk exposure. This means that the Council can fix the New Zealand dollar amount payable prior to delivery of the plant and equipment from overseas.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments issued at fixed rates expose the Council to fair value interest rate risk. Council's Liability Management policy outlines the level of borrowing that is to be sourced using fixed rate instruments.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk.

Council manages its cash flow interest rate risk on borrowings by using floating to fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if Council borrowed at fixed rates directly. Under the interest rate swaps. Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed national principal amounts.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the Council and group, causing it to incur a loss. Due to the timing of its cash inflows and outflows, surplus cash is invested into term deposits, which gives rise to credit risk. The Council also provides financial guarantees, which gives rise to credit risk.

Receivables arise mainly from the Council's statutory functions. There are no procedures in place to monitor or report the credit quality of receivables. The Council has no significant concentrations of credit risk in relation to receivables as it has many credit customers, mainly ratepayers, and the Council has powers under the Local Government (Rating) Act 2002 to recover outstanding rates from ratepayers.

Counterparties and limits can only be approved on the basis of long-term Standard & Poor's, (S&P) credit ratings (or equivalent Fitch or Moody's rating) being A and above and/or short-term rating of A-1 or above.

Council has no other collateral or other credit enhancements for financial instruments that give rise to credit risk.

Maximum exposure to credit risk

		Council		Group	
	S&P Credit Rating	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Cash at bank and term deposits	AA-	37,399	30,447	49,231	41,943
Receivables	Not measured	16,259	9,644	20,268	10,475
Community loans	Not measured	32	37	32	37
Borrower notes	AAA	3,945	2,650	3,945	2,650
Derivative financial instrument assets	AA-	16,452	15,850	16,452	15,850
Total credit risk		74,087	58,628	89,928	70,955

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, the Council maintains a target level of investments that must mature within the next 12 months and ensure all investments are readily tradable.

Council manages its borrowing in accordance with its funding and financial policies, which include a Liability Management policy. These policies have been adopted as part of the Council’s Long-Term Plan.

Contractual maturity analysis of financial liabilities, excluding derivatives

The table below analyses Council’s financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	Carrying amount \$000	Contractual cashflows \$000	Less than 1 year \$000	1-5 years \$000	More than 5 years \$000
Council 2024					
Trade and other payables	34,894	34,894	34,894	-	-
Secured loans	185,000	222,359	40,758	133,389	48,212
Total	219,894	257,253	75,652	133,389	48,212
Group 2024					
Trade and other payables	36,433	36,433	36,433	-	-
Secured loans	185,000	222,359	40,758	133,389	48,212
Total	221,433	258,792	77,191	133,389	48,212
Council 2023					
Trade and other payables	24,089	24,089	24,089	-	-
Secured loans	115,200	138,172	16,474	103,070	18,628
Total	139,289	162,261	40,563	103,070	18,628
Group 2023					
Trade and other payables	25,574	25,574	25,574	-	-
Secured loans	115,200	138,172	16,474	103,070	18,628
Total	140,774	163,746	42,048	103,070	18,628

The Council is exposed to liquidity risk as a guarantor of all the LGFA’s borrowings. This guarantee becomes callable in the event of the LGFA failing to pay its borrowings when they fall due.

Contractual maturity analysis of derivative financial instruments

The table below analyses Council’s maturity dates for interest rate derivative financial instruments.

	Carrying amount \$000	Contractual cashflows \$000	Less than 1 year \$000	1-5 years \$000	More than 5 years \$000
Council 2024	5,618	5,891	2,259	3,580	52
Group 2024	5,618	5,891	2,259	3,580	52
Council 2023	7,140	7,904	2,415	5,123	366
Group 2023	7,140	7,904	2,415	5,123	366

Contractual maturity analysis of financial assets

The table below analyses the Council and group’s financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

	Carrying amount \$000	Contractual cashflows \$000	Less than 1 year \$000	1–5 years \$000	More than 5 years \$000
Council 2024					
Cash and cash equivalents	27,399	27,399	27,399	-	-
Trade and other receivables	20,703	20,703	20,703	-	-
Loans to related parties	-	-	-	-	-
Net settled derivative asset (interest rate swap)	5,437	5,891	2,259	3,580	52
Other financial assets:					-
- term deposits	10,000	10,000	10,000	-	-
- community loans	-	-	-	-	-
- borrower notes	4,831	4,831	628	3,267	936
Total	68,370	68,824	60,989	6,847	988
Group 2024					
Cash and cash equivalents	39,231	39,231	39,231	-	-
Trade and other receivables	25,510	28,655	28,655	-	-
Loans to related parties	-	-	-	-	-
Net settled derivative asset (interest rate swap)	5,437	5,891	2,259	3,580	52
Other financial assets:					
- term deposits	10,000	10,000	10,000	-	-
- community loans	-	-	-	-	-
- borrower notes	4,831	4,831	628	3,267	936
Total	85,009	88,608	80,773	6,847	988
Council 2023					
Cash and cash equivalents	20,447	20,447	20,447	-	-
Trade and other receivables	9,644	9,644	9,644	-	-
Loans to related parties	-	-	-	-	-
Net settled derivative asset (interest rate swap)	7,140	7,904	2,415	5,123	366
Other financial assets:					
- term deposits	10,000	10,000	10,000	-	-
- community loans	37	37	37	-	-
- borrower notes	2,650	3,185	351	2,371	463
Total	49,918	51,217	42,894	7,494	829
Group 2023					
Cash and cash equivalents	31,943	31,943	31,943	-	-
Trade and other receivables	10,475	10,475	10,475	-	-
Loans to related parties	-	-	-	-	-
Net settled derivative asset (interest rate swap)	7,140	7,904	2,415	5,123	366
Other financial assets:					
- term deposits	10,000	10,000	10,000	-	-
- community loans	37	37	37	-	-
- borrower notes	2,650	3,185	351	2,371	463
Total	62,245	63,544	55,221	7,494	829

Sensitivity analysis

The Council is exposed to interest rate risk arising from borrowing funds at floating interest rates and investing cash in short-term deposits at fixed interest rates.

The Council believes there is no material sensitivity to interest rate movements in relation to at the year-end due to the following:

- The majority of interest rate related exposures relate to borrowings.
- The majority of floating rate borrowings are economically hedged with interest rate swap contracts.
- Any adverse/positive impact arising from the sensitivity to interest rate risk on floating rate borrowings will be offset by an equal and opposite movement in the fair value of the interest rate swap contracts.

The sensitivity analysis below illustrates the potential effect on the surplus or deficit of reasonable market movements with all other variables held constant.

	Council		Group	
2024	- 100 bps	+100 bps	- 100 bps	+100 bps
Financial Assets				
Cash and cash equivalents	(274)	274	(392)	392
Term deposits	(100)	100	(100)	100
Derivative financial assets	(327)	308	(327)	308
Total financial assets interest rate risk sensitivity	(701)	682	(820)	800
Financial Liabilities				
Secured loans	1,267	(1,267)	1,267	(1,267)
Total financial liabilities interest rate risk sensitivity	1,267	(1,267)	1,267	(1,267)
Total interest rate risk sensitivity	566	(585)	447	(467)

	Council		Group	
2023	-50 bps	+100 bps	-50 bps	+100 bps
Financial Assets				
Cash and cash equivalents	(102)	(204)	(160)	319
Term deposits	(50)	(100)	(50)	100
Derivative financial assets	(1,496)	(3,062)	(1,496)	(3,062)
Total financial assets interest rate risk sensitivity	(1,648)	(3,366)	(1,706)	(2,643)
Financial Liabilities				
Secured loans	161	322	161	322
Total financial liabilities interest rate risk sensitivity	161	322	161	322
Total interest rate risk sensitivity	(1,487)	(3,044)	(1,545)	(2,321)

Explanation of interest rate risk sensitivity

The interest rate sensitivity is based on a reasonable possible movement in interest rates, with all other variables held constant, measured as a basis points (bps) movement. For example, a decrease in 100 bps is equivalent to a decrease in interest rates of 1.0%.

The sensitivity for derivatives (interest rate swaps) has been calculated using a derivative valuation model based on a parallel shift in interest rates of -100bps/ +100bps (2023: -50bps/+100bps).

29. Explanations of major variances against budget

Statement of comprehensive revenue and expense For the year ended 30 June 2024

Total revenue

2024 revenue is largely on budget, with major variances resulting from:		
Fees and charges	Actual result \$3.3m favourable to budget	This Fees and Charges line includes income from building and resource consents, solid waste charges and aquatic centre fees. All areas have seen a steady increase in revenue compared to their budgets, with no one fee being responsible for the overall increase compared to budget.
Development and financial contributions	Actual result \$5.7m favourable to budget	Development Contributions are favourable to budget due to an increase in funds received from developments connecting to Selwyn’s existing infrastructure such as roading and water servicess.
Vested assets	Actual result \$16.1m unfavourable to budget	The 2024 budget doesn’t accurately reflect the slowdown in completed housing developments in Selwyn, which has resulted in less income from vested assets than originallly budgeted.

Total expenses

2024 expenses are unfavourable to budget by \$17.4m, with major variances resulting from:		
Personnel Costs	Actual result \$4.0m unfavourable to budget	With the increase in growth of the Selwyn District, there has simultaneously been a need to increase in the staffing requirements of Council to facilitate this growth. This has resulted in an increase in the personnel expenses when compared with budget.
Other Expenses	Actual result \$10.0m unfavourable to budget	As Selwyn grows, so too does it's need for the facilities and infrastructure to be maintained. The maintenance expense alone has seen the biggest increase from budget, with other expenses including spend such as building levies, insurance and software licencing.
Depreciation and Amortisation expense	Actual result \$5.4m unfavourable to budget	The increase in spend against budget for depreciation reflects an increase in assets and asset value, and the resouces needed to service a growing district.

Other comprehensive revenue and expense

2024 other comprehensive revenue and expenses are \$94.3m favourable to budget, with major variances resulting from:		
Fair value movement of unlisted shares	Actual result \$7.2m favourable to budget	This favourable result is due to a \$0 budget set for the 2024 year.
Gains/(losses) on revaluations of assets	Actual result \$87.1m favourable to budget	This favourable result is due to a \$0 budget set for the 2024 year.

Statement of financial position For the year ended 30 June 2024

Total assets

2024 assets are \$80.5m higher than budget, with major variances resulting from:		
Cash and cash equivalents	Actual result \$16.1m higher than budget	The major driver in this result is a \$10.0m Term Deposit that matured during the year and was not re-invested, resulting in an increase in cash balances.
Investment in CCOs and similar entities	Actual result \$49.8m higher than budget	The 2024 result represents the Council's investments in companies such as Transwaste, Orion and CORDE. The budget set has not accurately captured these total shareholdings.

Total liabilities

2024 liabilities are \$19.2m less than budget, with major variances resulting from:		
Borrowings	Actual result \$32.2m less than budget	The budget has not been split to accurately reflect the current and non-current borrowings, but cumulatively the result of \$185.0m of actual borrowings compared to a budgeted \$217.2m shows a reduction in the need for external borrowings by Council in 2024.

30. Statutory Deadlines

The 2023/24 Annual Report of Selwyn District Council was not completed by 31 December 2024, as required by section 47 of Schedule 1AA of the Local Government Act 2002 due to resource constraints.

31. Reconciliation of Financial Statement lines reclassified

	Audited 2023 \$000		Note	Restated 2023 \$000	Explanation:
Revenue					
Rates revenue	85,322	Rates revenue	3	85,322	
Subsidies and grants	13,338	Subsidies and grants	3	13,171	
		Other expenses	5	167	i
Fees and charges	25,477	Fees and charges	3	25,625	
		Other expenses	5	(148)	i
Interest revenue	1,181	Interest revenue		1,181	
Other revenue	48,145	Other revenue	3	9,303	
		Vested Assets		38,569	ii
		Other Expenses	5	(6,023)	i
	-	Dividend revenue		6,296	ii
Development and financial contributions	20,410	Development and financial contributions	3	20,410	
Other gains/(losses)	4,815	Other gains/(losses)	3	4,025	
		Other expenses	5	790	i
Total revenue	198,688				
Restated total revenue	-			203,902	
Expenses					
Personnel costs	32,748			33,526	
		Other expenses		(778)	i
Finance costs	2,629			2,629	
Other expenses	85,720			90,156	
		Subsidies and grants		167	ii
		Fees and Charges		(148)	ii
		Other revenue		(6,023)	iii
		Other gains/(losses)		790	iii
		Personnel Cost		778	ii
Depreciation and amortisation expense	44,763			44,763	
Total expenses	165,860				
Restated total expenses	-			171,074	
Equity					
Accumulated Funds	1,262,042			1,294,779	
		Restricted Reserves		(32,737)	iv
Fair Value Through Other Comprehensive Revenue	149,279			149,279	
Restricted Reserves	26,582			(6,155)	
		Accumulated Funds		32,737	iv
Revaluation Reserves	1,287,455			1,287,455	
Total equity	2,725,358			2,725,358	

i). Reclassification of Expenses: Certain revenue items have been reclassified from revenue into other expense category, due to changes or updates in the mapping process. This adjustment ensures that the financial data accurately reflects the current accounting structure and has no impact on the surplus/(loss) for the period.

ii). Separate Disclosure: Some items are now disclosed separately on the face of the financial statement to provide better visibility and understanding of specific key financial information.

iii). Reclassification of Revenue: Certain expense items have been reclassified from other expenses into their correct corresponding revenue category, due to changes or updates in the mapping process. This adjustment ensures that the financial data accurately reflects the current accounting structure and has no impact on the surplus/(loss) for the period.

iv). Reclassification of Equity: Accumulated funds and restricted reserves have been reclassified due to changes or updates in the mapping process. This adjustment ensures that the financial data accurately reflects the current accounting structure.

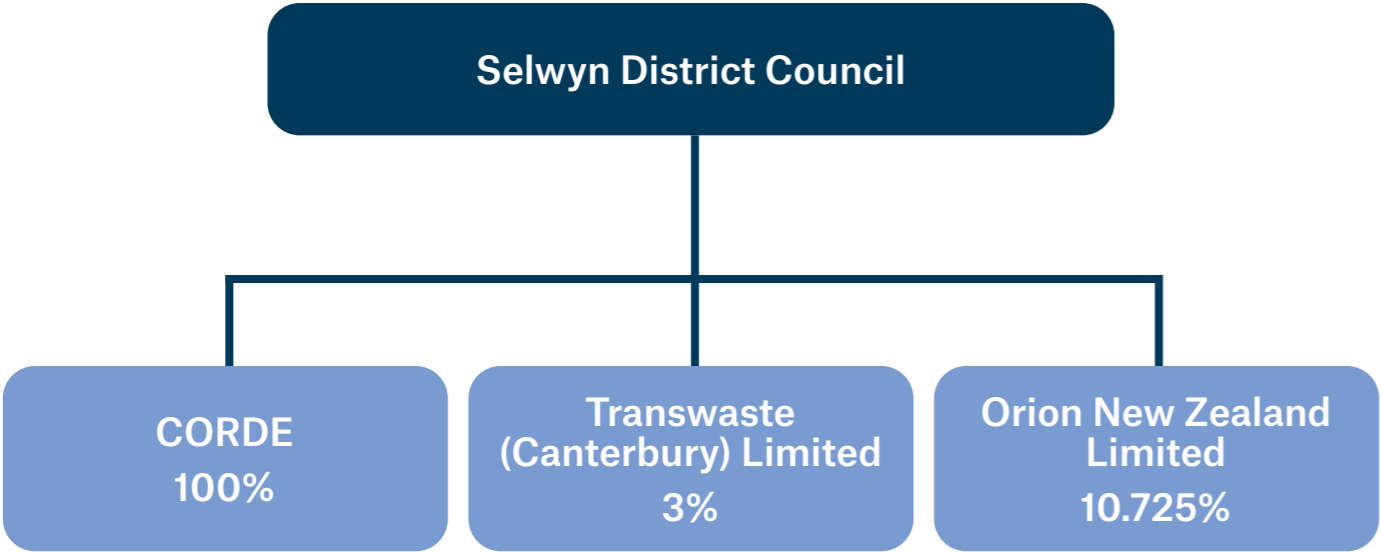
Appendix 1: Other legislative disclosures

Funding impact statement for whole of Council

Selwyn District Council Funding Impact Statement for the year ended 30 June 2024 (whole of Council).

Operating funding	2022/23 Annual Plan \$000	2022/23 Annual Report \$000	2023/24 Annual Plan \$000	2023/24 Actual \$000
Sources of operating funding				
General Rates, Uniform annual general charges, rates penalties	30,421	30,908	34,284	35,286
Targeted Rates	52,822	54,414	59,790	60,898
Subsidies and grants for operating purposes	3,209	7,908	3,643	11,815
Fees and charges	25,671	34,593	27,072	34,715
Interest and dividends from investments	5,862	7,477	5,487	7,525
Local authorities fuel tax, fines, infringement fees and other receipts	387	345	476	273
Total Operating Funding (A)	118,372	135,645	130,752	150,512
Applications of operating funding				
Payments to staff and suppliers	107,535	123,560	126,931	140,667
Finance costs	2,757	2,629	7,103	5,100
Other operating funding applications	460	493	461	563
Total applications of operating funding (B)	110,752	126,682	134,495	146,330
Surplus/(Deficit) of operating funding (A - B)	7,620	8,963	(3,743)	4,182
Sources of capital funding				
Subsidies and grants for capital expenditure	9,485	5,263	20,567	15,167
Development and financial contributions	10,790	20,410	9,259	14,914
Increase/(decrease) in debt	70,036	40,000	148,244	69,800
Gross proceeds from the sale of assets	2,585	1,985	2,585	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	92,896	67,658	180,655	99,881
Applications of capital funding				
Capital expenditure				
- to meet additional demand	59,926	47,703	120,417	50,971
- to improve the level of service	29,471	16,326	29,698	18,124
- to replace existing assets	23,141	21,205	34,378	26,508
Increase/(decrease) in reserves	(14,345)	(17,947)	(5,078)	45,301
Increase/(decrease) of investments	2,323	9,334	(2,503)	(36,841)
Total applications of capital funding (D)	100,516	76,621	176,912	104,063
Surplus/(deficit) of capital funding (C - D)	(7,620)	(8,963)	3,743	(4,182)
Funding balance ((a - b) + (c - d))	-	-	-	-

Financial interests



Community Trusts Administered by the Council:

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

Financial interests – CORDE Limited

Relationship to the Council

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

The shareholders exercise influence on the Company through the negotiation of the annual Statement of Intent.

Nature and scope of the company

CORDE 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 Company’s actual financial performance compared with the targets outlined in its Statement of Intent for the year ended 30 June 2024 is set out below:

	Status	Actual 2024 \$’000	Target 2024 \$’000
Financial performance targets:			
Revenue	Achieved	\$106,721	\$79,480
Net profit before tax	Not achieved	\$4,791	\$5,887
Return on equity	Not achieved	11.5%	15.0%
Ratio of equity to total assets	Not achieved	54%	59.9%
Total equity	Achieved	\$29,423	\$28,350
Liquidity	Achieved	1.6:1	1.6:1
Dividend paid	Achieved	\$2m	≥\$1.2m
Key performance targets:			
Return after tax to opening equity	Achieved	11.8%	≥8%
To maintain ISO 9001:2015 Quality Standard Certification	Achieved	Maintained	Maintain
ISO 45001:2018 Health & Safety standard certificate	Achieved	Maintained	Maintain
ISO 14001:2015 Environmental Performance standard certificate	Achieved	Maintained	Maintain
Staff Retention	Achieved	78.2%	70%
Training & development as a % of payroll costs	Achieved	4.2%	≥1.5%

Summary of financial performance

	Actual 2024 \$’000	Actual 2023 \$’000
Revenue	106,721	99,867
Expenditure	101,930	92,036
Surplus / (deficit) before taxation	4,791	7,831
Surplus / (deficit) after taxation	3,305	5,620
Dividend	2,000	2,250

Financial interests – Orion New Zealand Limited

Relationship to the Council

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

The shareholders exercise influence on the Company through the negotiation of the annual Statement of Intent.

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 Company’s actual financial performance compared with the targets outlined in its Statement of Intent for the year ended 31 March 2024 is set out below:

Financial performance targets

	Actual 2024	Target 2024	Actual 2023
Profitability			
Electricity delivery revenue (\$m)	238	239	230
Other revenue (\$m)	96	102	93
Earnings before interest, tax, depreciation & amortisation (\$m)	109	119	103
Earnings before interest and tax (\$m)	46.4	47.2	46.1
Interest expense (\$m)	23.7	18.5	16.4
Profit after tax (\$m)	11.6	19.1	21.6
Dividends (\$m)	25	25	32.0
Debt (including Transpower finance leases) (\$m)	584	597	498
Equity (\$m)	876	676	842
Equity to total assets (%)	0.49	45%	51%
Profit after tax to average equity (%)	1.5%	2.8%	2.6%
Dividend yield (%)	2.9%	3.7%	3.9%
Return on invested capital (%)	3.3%	3.9%	3.6%
Operating margin (%)	7.8%	9.8%	8.1%
Debt to EBITDA (times)	4.0	4.4	4.4
Net gearing (%)	40%	47%	37%
Interest cover (times)	2.0x	2.0x	2.8
Revenue growth (%)	3.6%	4.0%	3.9%
EBITDA growth (%)	5.8%	6.2%	-6.6%

	Actual 2024	Target 2024	Actual 2023
Network Reliability			
SAIDI - planned	24.09	39.68	25.93
SAIDI - unplanned	60.86	84.71	43.37
SAIDI - total minutes per customer	84.95	124.39	69.30
SAIFI -planned	0.0775	0.1496	0.0731
SAIDI - unplanned	0.6306	1.0336	0.5059
SAIDI - total number of interruptions per customer	0.7078	1.832	0.5790
Health and Safety			
Events that did or could have resulted in serious injury to Orion Group Employees	5	≤4	4
Events that did or could have resulted in serious injury to Orion service providers	1	≤4	2
Events that did or could have resulted in serious injury to the public, excluding car versus pole incidents	2	nil	1
Cusomer Inspired			
Net Promoter Score	Measure disestablished by Orion as it fails to predict behavior.	>40	35

Approximate number of connections at 31 March 2024 was 225,331 (2023: 220,800)

Notes:

1. The SAIDI and SAIFI network reliability targets are regulated limits. Natural disasters and other major events can cause significant numbers and/or durations of network supply interruptions. The future occurrence and/or severity of these events cannot be predicted.
2. SAIDI and SAIFI are standard industry measures of network reliability performance. They include planned and unplanned interruptions but exclude interruptions that are caused by electricity generators or Transpower or are caused by the low voltage (400V) network, or last for less than one minute.

Summary of financial performance	Actual 2024	Actual 2023
Revenue	334,365	322,617
Expenditure	225,124	219,356
Surplus/(deficit) before taxation	22,829	27,669
Surplus/(deficit) after taxation	11,595	21,618
Ordinary dividend	25,000	32,000

Financial interests – Selwyn District Charitable Trust

Relationship to the Council

On 22 June 2022, the Council exempted the Selwyn District Charitable Trust from being a Council Controlled Organisation under Section 7 (3) of the Local Government Act.

Nature and scope of activities

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

Key performance targets

The Trust’s actual financial performance compared with the targets outlined in its Statement of Intent for the year ended 30 June 2024 is set out below:

- The Trust aims to distribute all the funds it receives in the year of receipt.*
 - During the period the Trust received a total of \$nil (2023: \$nil) in donation revenue. The Trust has distributed \$nil (2023: \$nil) to the Selwyn District Council during the year.
 - At year end there was \$nil (2023: \$nil) payable to Selwyn District Council.
- The Trust aims to achieve investment returns in line with those achieved by the Council.*
 - The Trust earns interest on donations received at the prevailing interest rates in the Trust’s current accounts. Funds are distributed to the Council on a regular basis to ensure that appropriate investment returns are received on balances held prior to being used for their intended purpose.

Summary of financial performance	Actual 2024	Actual 2023
Revenue	-	-
Expenditure	-	-
Surplus/(deficit) before taxation	-	-

Financial interests – Central Plains Water Trust

Relationship to the Council

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

Nature and scope of activities

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

The Trust holds all necessary resource consents for the Central Plains Water Scheme.

Objective

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

The Trust’s actual financial performance compared with the targets outlined in its Statement of Intent for the year ended 30 June 2024 is set out below.

Reporting to the public on the performance of the Scheme	
Continue use of Liquid Earth (Brydon Hughes) to obtain data from CPWL and prepare the Annual Sustainability Report	The Annual Sustainability Report has been prepared for the 2023-24 year drawing together data, information, analysis and monitoring that is available to report on from the 2023-24 season
Continue to publish ‘a user-friendly’ Annual Sustainability Report on our website	This report has been published for 2024.

Environmental leadership	
Instigate informal talks with water users	Our informal discussions with users occur as a result of the roles our Chairman and Trustees have within the local community and business sectors here in Selwyn. These informal conversations have happened organically over the course of the year and have supported the broader environmental leadership focus.
Develop a financial plan to support our education initiatives including CPWL funding (based on surplus funds from our operations), use of the EMF, and possible other external sources	This area will continue to be reviewed as funding in all areas has been reduced so there are fewer avenues to fund this particular project.

Community engagement and Education	
Improve the website to make it more effective and accessible	The Trust has been working with CPWL to make the website more informative and intends to use the website more to interact with the community. This piece of work is estimated to be completed before the end of the 2024-25 financial year.
Education and engagement of youth and other generations within the Selwyn District	The Trust has a strong relationship with Hororata and Glentunnel schools and has engaged with them to tell the "Story of Water" which the Trust considers an important connection in educating the community on the vital life force that Water Well Used provides. The Trust will continue to reach out to additional schools but is mindful of the challenges the schools have in fitting into their often full curriculum of study and recognise that for some they have little to no available time to spare.
Company, Trust, Council and Ecosystem strategic alignment	The Trust has aligned itself to CPWL’s strategic vision by drawing out key parts of their strategy to report on in the Sustainability Report which will continue into the future.
External opportunities, e.g. partnerships, innovation, and intergenerational learning.	This area will continue to be worked on with the appointment of two new Trustees.

Engagement with Selwyn District Council and Christchurch City Council	
Continue six-monthly briefings by CPWT with additional briefings by exception	The Trust achieved this target by meeting with and reporting to the Settlers (Christchurch City Council and Selwyn District Council) of the Trust on more than 2 occasions. In addition, the Trust and CPWL attended Christchurch City Council in September 2023 to engage and present to Councillors about how the Scheme was operating and the environmental outcomes.

Education Targets	
Undertake an ecosystem Bus tour	Bus tours were run by CPWL for interested parties.
Visits to four schools within the Selwyn District	The Trust directly engaged with Hororata and Glentunnel schools over the year. Due to crowded curriculums at other District Schools the Trust was not able to present to any other schools but will continue to develop this area through Trustee relationships.
Dissemination of video programmes	This was achieved by the Trust putting together several tools and activities to tell the “Story of Water” of which the Trust considers an important connection in educating the community on the vital life force that Water Well Used provides.

Environmental Targets	
To ensure compliance of resource consents	CPWL has maintained it’s primary duty of providing oversight over the Trust’s operations and performance. CPWL has also assured the Trust that all resource consent, water rights and statutory requirements have been met.
To ensure compliance of water rights	
To report on any non-compliance	
Commitment to meeting all legal, statutory and regulatory requirements	

Relationship Targets	
Stakeholder engagement and advice	The Trust achieved this target by meeting with and reporting to the Settlers (Christchurch City Council and Selwyn District Council) of the Trust on more than 2 occasions. The Trust and CPWL also attended Christchurch City Council (September 2023) to engage and present to Councillors about how the Scheme was operating and the environmental outcomes.
Trust meetings with the Joint Working Committee	During the 2023-24 year the Trust liaised with Chairperson Cr Lydia Gilddon to keep the Settlor councils informed of any issues with the scheme that might arise and any possible non conformance’s.

Summary of financial performance	Actual 2024	Actual 2023
Revenue	117	87
Expenditure	104	87
Surplus/(deficit) before taxation	13	-

Financial interests – Tramway Reserve Trust

Relationship to the Council

On 18 June 2020, the Council exempted the Tramway Reserve Trust from being a Council Controlled Organisation under Section 7 (3) of the Local Government Act

Nature and scope of activities

Tramway Reserve, at the 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 wastewater management. The Trust was established as part of that agreement between Ngai Tahu and the Council as a condition of the upgraded Leeston (Ellesmere) Sewerage Treatment site.

Key performance targets

The Trust’s actual financial performance compared with the targets outlined in its Statement of Intent for the year ended 30 June 2024 is set out below:

- *The Trust will continue work towards returning the Tramway Reserve waterway to its natural state and facilitating public access.*
- The Trust continued with its monitoring role to ensure the Tramway Reserve Waterway is maintained in its natural state and that public access was available.

Summary of financial performance	Actual 2024	Actual 2023
Revenue	-	-
Expenditure	-	-
Surplus/(deficit) before taxation	-	-

Independent Auditor's Report

To the readers of Selwyn District Council's annual report for the year ended 30 June 2024

The Auditor-General is the auditor of Selwyn District Council (the District Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Julian Tan, using the staff and resources of Audit New Zealand, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the District Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the District Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 26 March 2025. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 119 to 192:
 - present fairly, in all material respects:
 - the District Council and Group's financial position as at 30 June 2024; and
 - the results of their operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;

- the funding impact statement on page 193 presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan; and
- the statement of service provision (referred to as "significant activities") on pages 24 to 110:
 - presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2024, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
 - complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 45, 51, 65, 74, 81, 95, 98, 101, 104 and 109, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's long-term plan; and
- the funding impact statement for each group of activities on pages 44, 50, 64, 73, 80, 94, 97, 100, 103, and 108, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's long-term plan.

Report on the disclosure requirements

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 115 to 117, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council's audited information and, where applicable, the District Council's long-term plan and annual plans.

The basis for our opinion is explained below and we draw attention to other matters. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.

Basis for our opinion on the audited information

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the “Responsibilities of the auditor for the audited information” section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council’s responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council and the Group or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor General’s Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council’s annual plan or long-term plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General’s Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council and Group’s internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the District Council.
- We determine the appropriateness of the reported intended levels of service in the significant activities, as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council and Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the District Council and the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the audited information of the entities or business activities within the Group to express an opinion on the consolidated audited information. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Council is responsible for the other information included in the annual report. The other information is defined as all information in the annual report other than the audited information, the disclosure requirements and our auditor’s report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the District Council and Group in accordance with the independence requirements of the Auditor-General’s Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have reported on the District Council’s 2024–2034 long-term plan and performed a limited assurance engagement under the District Council’s debenture trust deed. These engagements are compatible with those independence requirements.

Other than the audit and these engagements, we have no relationship with, or interests in, the District Council or its subsidiaries and controlled entities.

Handwritten signature of Julian Tan in blue ink.

Julian Tan
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

Council Information (as at 30 June 2024)

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

Mayor

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Ellesmere Ward

Shane Epiha
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Elizabeth Mundt
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Malvern Community Board

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027 436 1727
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John Verry (Deputy Chair)
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Phil Freeman
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Sharn Nu’u
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Calvin Payne
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Customer Services

For general enquiries, assistance and information, telephone 0800 SELWYN (735996)

Website

selwyn.govt.nz

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ROLLESTON 7643

Service Centres

Leeston Library Service Centre
19 Messines Street
Private Bag 1
LEESTON
Phone: (03) 347 2871

Darfield Library Service Centre
1 South Terrace
DARFIELD 7510
Phone: (03) 318 7780

Lincoln Library Service Centre
Gerald Street
LINCOLN 7608
Phone: (03) 347 2876

Te Ara Ātea
26 Tennyson Street
ROLLESTON 7614
Phone (03) 347 2880

Auditors

Audit New Zealand
PO Box 2
CHRISTCHURCH 8140
On behalf of the Auditor-General

Bankers

Westpac
PO Box 2721
CHRISTCHURCH 8140

Solicitors

Buddle Findlay
PO Box 322
CHRISTCHURCH 8140

Sister Districts/Cities

Akitakata, Hiroshima, Japan
Yubetsu, Northern Hokkaido
Japan Toraja Utara, South Sulawesi,
Indonesia Coventry Rhode Island,
USA Shandan, Gansu Province, China

CORDE

85 Hoskyns Road
ROLLESTON 7675
Phone: (03) 318 8320
Email: corde@corde.co.nz
Website: www.corde.co.nz

Board

Steve Grave (Chair)
Murray Harrington
Pat McEvedy
Ben Kepes
Chris Hall

Central Plains Water Trust

Phone: 027 430 3818 or
(03) 982 4267

Trustees

Pat McEvedy (Chairman)
Elle Archer
Les Wanhalla
Olive Webb (stepped down April 2024)
Rob Lawrence
Richard McDowell (appointed April 2024)
Murray Doak (appointed April 2024)

