

Summary Annual Report

2023/24





Contents

From the Mayor and Chief Executive	5
About the Summary Annual Report	7
Māori involvement in decision-making	7
The Year in Review	8
Summary Financial Performance	10
Service Performance	12
Our Services	13
Progress on our Key Projects	14
Planning for Future Growth	16
Meeting Growing Community Needs	18
Essential Infrastructure	20
Summary Statement of Service Performance	24
Summary Statement of Comprehensive Revenue and Expense	26
Summary Statement of Financial Position	27
Summary Statement of Changes in Equity	27
Summary Statement of Cashflows	28
Notes to the Summary Financial Statements	29
Explanations of Major Variances Against Budget	32
Disclosure Statement Summary	34
Independent Auditors Report	36



Welcome to Selwyn District Council's

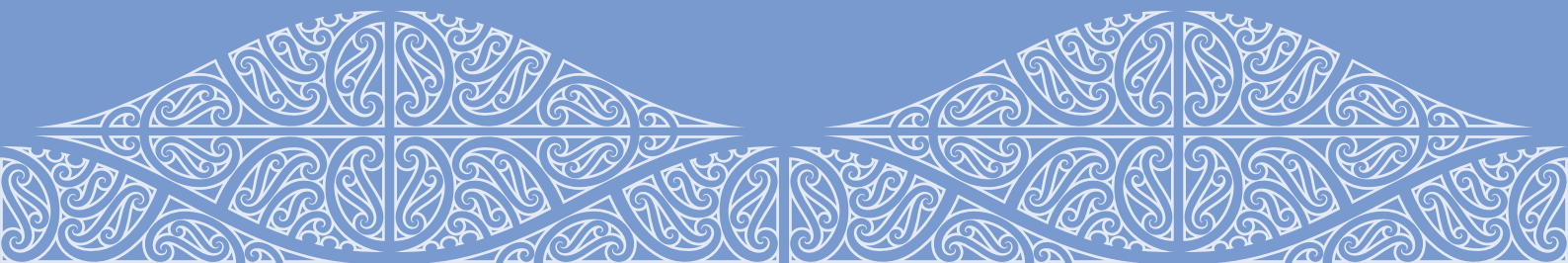
Summary Annual Report 2023/24

This summary provides an overview and summary of Selwyn District Council and group's activities and services for the year ended 30 June 2024.

The information has been extracted from the full annual report for the year ended 30 June 2024 adopted by the Council on 26 March 2025. The full financial statements have been prepared in accordance with, and comply with, Tier 1 PBE accounting standards. The summary has been prepared in accordance with generally accepted accounting practice in New Zealand and complies with PBE FRS 43 Summary Financial Statements.

The summary cannot be expected to provide as complete an understanding of the Council's performance as the full annual report. The full annual report has been audited and had an unmodified opinion issued.

The full Selwyn District Council Annual Report 2023/24 is available from Council offices and service centres, or online at selwyn.govt.nz.





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 Summary 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 full 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 full Annual Report also supports the Council's accountability to the community for the decisions made during the year. This document is a summary of the full Annual Report.

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 Waikirikiriri 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 ended 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.



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 Waikikiriki 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

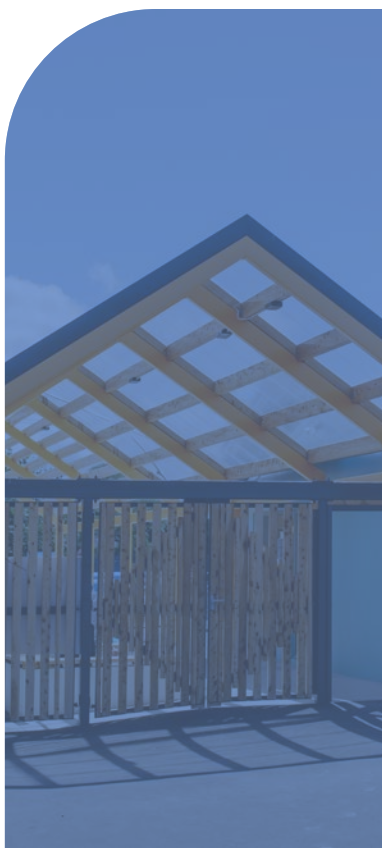
In our Long-Term Plan 2021–2031, we consulted with the community on several significant new projects. Here's how some of these have progressed during the year to 30 June 2024.



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

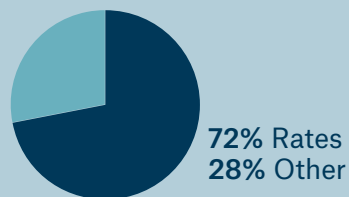


Community Services and Facilities

Capital Spend
\$12.9m

Operating Spend
\$41.5m

How costs are funded



Rates spend per \$100

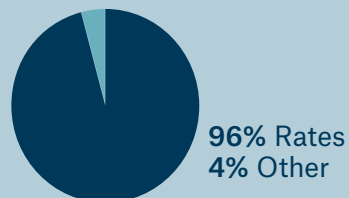


Democracy

Capital Spend
-

Operating Spend
\$5.9m

How costs are funded



Rates spend per \$100

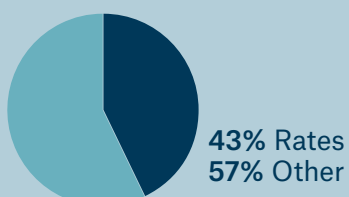


Environmental and Regulatory Services

Capital Spend
-

Operating Spend
\$25m

How costs are funded



Rates spend per \$100



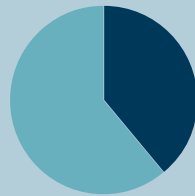


Transportation

Capital Spend
\$34.8m

Operating Spend
\$18.4m

How costs are funded



39% Rates
61% Other

Rates spend per \$100



\$8

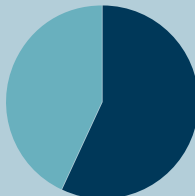


Resource Recovery and Waste Management

Capital Spend
\$3.6m

Operating Spend
\$19.5m

How costs are funded



57% Rates
43% Other

Rates spend per \$100



\$13

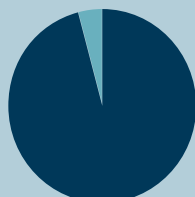


5 Waters Services

Capital Spend
\$43.7m

Operating Spend
\$29.7m

How costs are funded



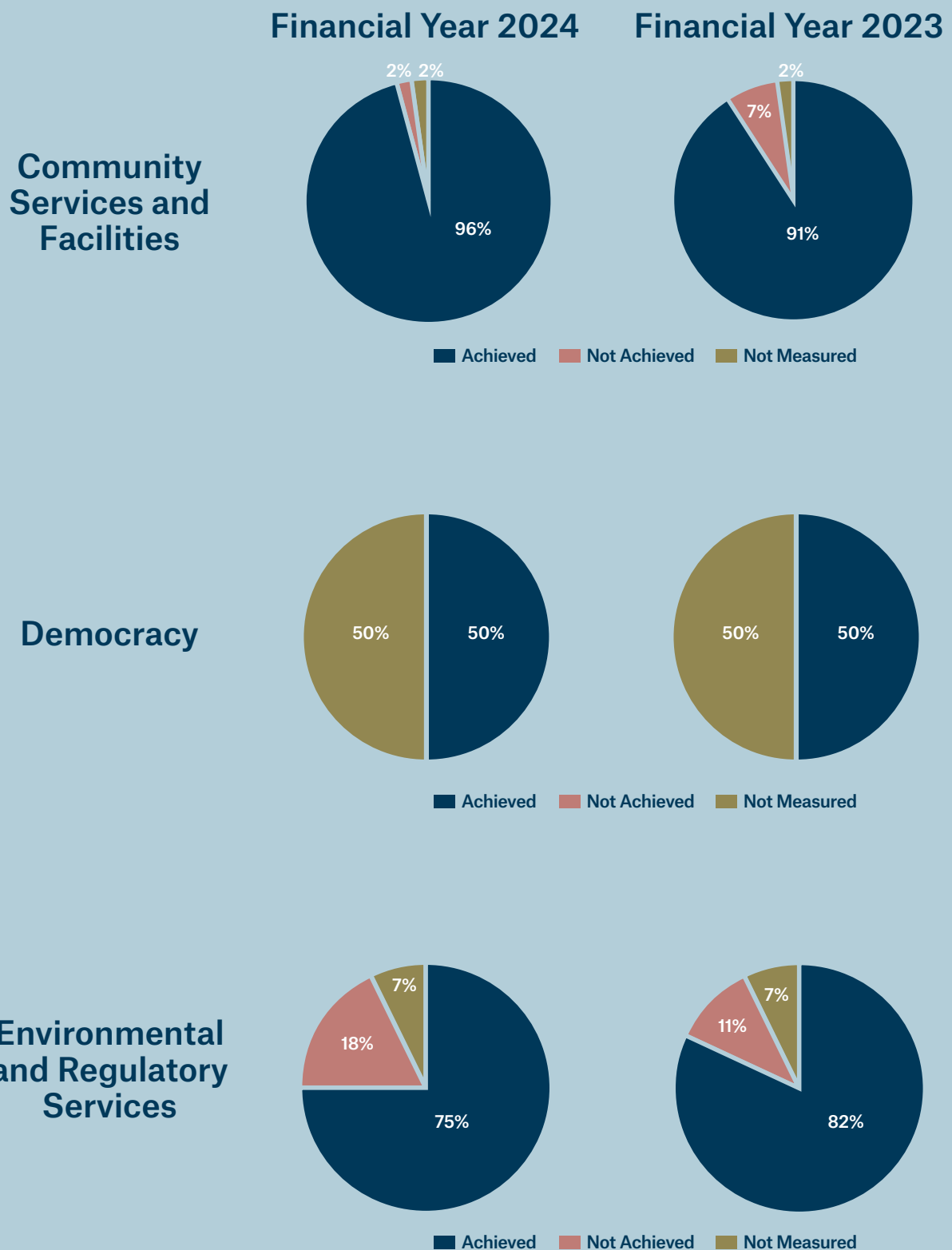
96% Rates
4% Other

Rates spend per \$100

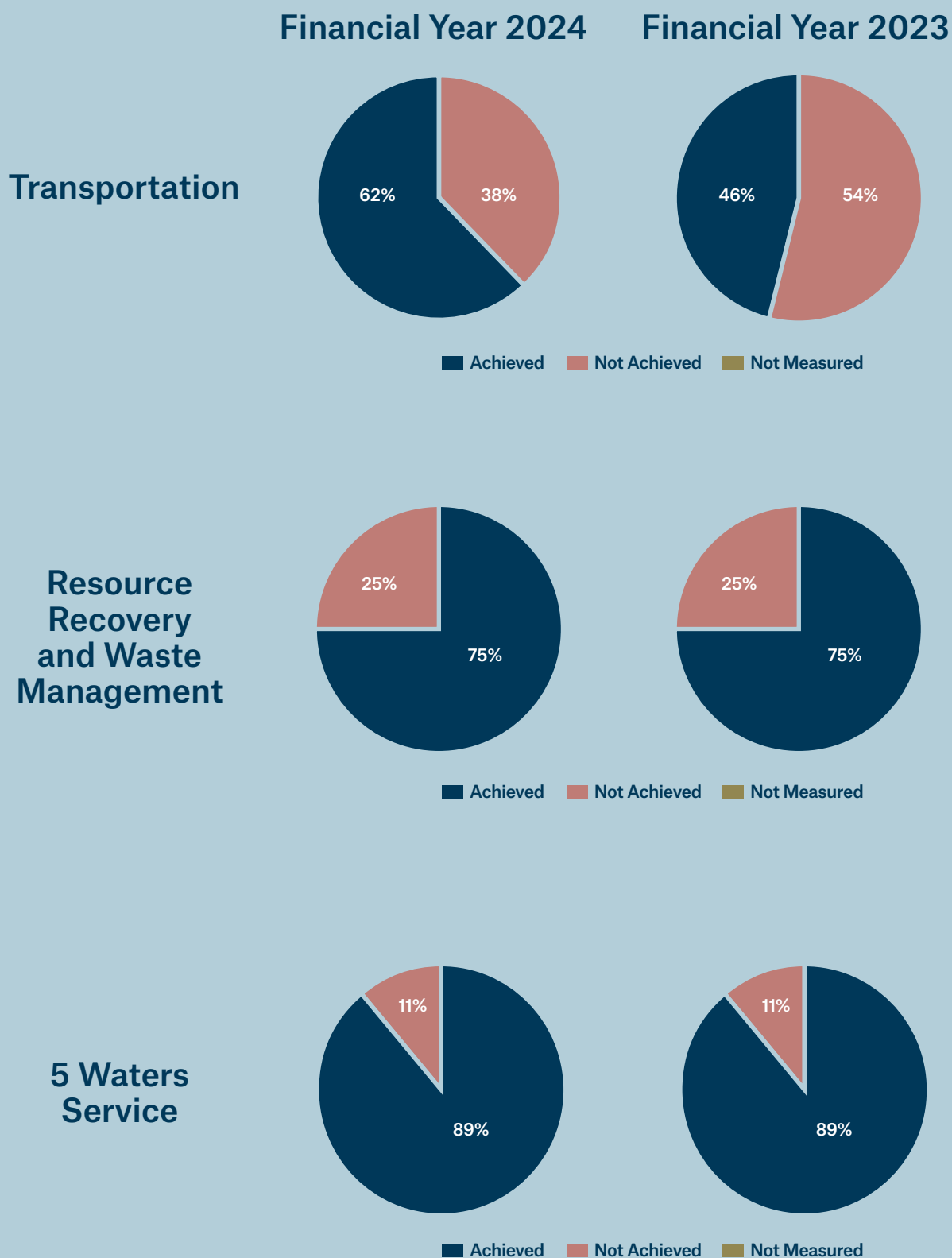


\$31

Summary Statement of Service Performance



For further supporting information on the above charts, please see pages 36 - 110 in our full our Annual Report.



Summary Statement of Comprehensive Revenue and Expense

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
Total revenue	199,867	199,527	203,902	239,657	235,518
Other expenditure	189,701	170,325	168,445	230,744	196,636
Finance costs	5,100	7,102	2,629	5,100	2,629
Surplus/(deficit) before taxation	5,066	22,100	32,828	3,813	36,253
Income taxation expense/(benefit)	77	-	84	1,565	2,270
Surplus/(deficit) after taxation	4,989	22,100	32,744	2,248	33,983
Other comprehensive revenue and expense <i>Items that will be reclassified to surplus/(deficit)</i>					
Fair value movement of unlisted shares	7,152	-	62,881	8,052	44,981
Gain/(loss) on assets revaluation	87,133	-	27,211	91,208	29,255
Deferred taxation on revaluation	-	-	-	-	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
<i>Total comprehensive income attributable to:</i>					
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

Summary Statement of Financial Position

As at 30 June 2024

	Council			Group	
	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Assets					
Current assets	67,252	49,496	50,053	86,390	68,181
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 liabilities	82,079	32,304	41,510	88,633	47,458
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	2,711,640
Equity					
Equity attributable to Selwyn District Council and Group	2,824,632	2,724,889	2,725,358	2,813,147	2,711,639
Total equity	2,824,632	2,724,889	2,725,358	2,813,147	2,711,639

Summary 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
Balance at 1st of 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
Balance at 30 June	2,824,632	2,724,889	2,725,358	2,813,147	2,711,639
Components of equity:					
Accumulated Funds	1,254,463	1,289,173	1,294,779	1,264,352	1,307,409
Fair Value Through Other Comprehensive Revenue	156,431	93,684	149,279	124,330	116,278
Restricted Reserves	39,150	30,228	(6,155)	39,150	(6,155)
Revaluation Reserves	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

Summary 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
Net cashflow from operating activities	33,978	25,955	33,957	34,447	40,904
Net cashflow from investing activities	(96,826)	(181,888)	(75,048)	(96,959)	(79,546)
Net cashflow from financing activities	69,800	148,244	40,000	69,800	40,000
Net increase / (decrease) in cash and cash equivalents	6,952	(7,689)	(1,091)	7,288	1,358
Cash and cash equivalents at the beginning of the year	20,447	19,011	21,538	31,943	30,585
Cash and cash equivalents at the end of the year	27,399	11,322	20,447	39,231	31,943
<i>Represented by</i>					
Cash & cash equivalents	27,399	11,322	20,447	39,231	31,943

Notes to the Summary Financial Statements

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 summary financial statements of the Council and group are for the year ended 30 June 2024. The summary financial statements have been extracted from the full financial statements, which were authorised for issue by Council on 26 March 2025, and have been audited, receiving an unmodified opinion.

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 full 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 full financial statements have been prepared in accordance with and comply with PBE Accounting Standards. This summary has been prepared in accordance with PBE FRS 43: Summary Financial Statements.

The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide a complete understanding as provided by the full financial report. The full financial report is available from Council offices, service centres and online at our website www.selwyn.govt.nz.

Presentation currency and rounding

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

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 policies

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 in our full financial report 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.

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. 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
- Estimating the fair value of equity investments
- Estimating the fair value of land, buildings, and infrastructural assets

- Estimating the employee entitlements
- Estimating the landfill aftercare provision.

Critical judgements in applying accounting policies

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

- Classification of property
- Impairment of goodwill (group)
- Brand name and customer list (group).

Capital commitments

The Council's contractual commitments for acquisition of property, plant and equipment amounted to \$43.4m (2023: \$8.8m) and \$7.6m (2023: \$9.7m) for the Group.

Contingencies

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.

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

Transactions with related parties

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. Refer to the full Annual Report for details of transactions with related parties.

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.

Events after balance date

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.

Explanations of major variances against budget

Assets

Cash and cash equivalents held at year end is higher than budgeted by \$16.1 million, due to the maturity of a \$10.0m Term Deposit that matured during the year and was not re-invested, resulting in an increase in cash balances.

Receivables is \$8.8m higher than budgeted due to overall debtors increasing, plus some large income accruals from other government entities which make up the balance.

Property, plant and equipment is higher than budget by \$9.6 million due largely to valuation movements in the Council's infrastructure assets and land and buildings during the 2023/2024 financial year.

Investments in CCOs and similar entities was \$49.8m higher than budget and represents the Council's investments in companies such as Transwaste, Orion and CORDE. The budget set for the 2023/2024 financial year has not accurately captured these total shareholdings.

Liabilities

Borrowings are lower than budget by \$32.2 million because the budget included higher borrowing levels in the current year to fund capital projects which have been funded using existing cash reserves or have been carried forward for completion in future periods.

Cash flow

The Council has a positive operating cash flow of \$34.0 million. The operating cash flow is used to fund the operating expenditure programme and repay debt.

Investing activities consists of the capital programme which includes acquisition and disposal of long-term assets, and other investments not included in cash equivalents.

Financing activities are activities that result in change in the size and composition of the contributed equity and borrowings of the Council.

Revenue

Fees and Charges is \$3.3m higher than 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 not one fee being responsible for the overall increase compared to budget.

Development and Financial Contributions is \$5.7m higher than budget due to an increase in funds received from developments connecting to Selwyn's existing infrastructure such as roading and water services. Vested Assets is \$16.1m lower than budget, due to the slowdown in completed housing developments in Selwyn, which has resulted in less income from vested assets than originally budgeted

Expenses

Personnel Costs is \$4.0m higher than budget due the growth of the Selwyn District. There has simultaneously been a need to increase in the staffing requirements of Council to facilitate this growth.

Other Expenses is \$10.0m higher than budget due to district growth, the facilities and infrastructure needs 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 \$5.4m higher than budget due to an increase in assets, asset value, and the resources needed to service the growth.

Other revenue

Fair value movement in unlisted shares is \$7.2m higher than budget due to nothing being budgeted for F24.

Gains/(losses) on revaluations of assets is \$87.1m higher than budget due to nothing being budgeted for F24.



Disclosure Statement Summary

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 2021-31 Long-Term Plan.

Council has met 6 of these benchmarks in the financial year 2023/24. The benchmarks are as follows:

	FY 2023/24
Rates increase affordability benchmark	MET
Debt affordability benchmark	MET
Balanced budget benchmark	NOT MET
Essential services benchmark	MET
Debt servicing benchmark	MET
Debt control benchmark	MET
Operations control benchmark	MET

These ratios and benchmarks enable the reader to determine whether or not the Council is prudently managing its revenue, expenses, assets, liabilities and general financial dealings. For more detail surrounding these benchmarks, please refer to our full Annual Report (pages 115-117).





Independent Auditor's Report

To the readers of Selwyn District Council and group's summary of the annual report for the year ended 30 June 2024

The summary of the annual report was derived from the annual report of the Selwyn District Council (the District Council) and its subsidiaries and controlled entities (the group) for the year ended 30 June 2024.

The summary of the annual report comprises the following information on pages 24 to 32:

- the summary statement of financial position as at 30 June 2024;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2024;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary service performance information.

Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: Summary Financial Statements.

Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2024 in our auditor's report dated 26 March 2025.

Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out 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.

In addition to the audit, we have reported on the District Council's 2024–2034 long-term plan and performed a limited assurance engagement related to its 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.



Julian Tan,
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
23 April 2025

