

Engagement Document

Water Services Strategy 2026–2027

**Every interaction
we have with water
has a ripple effect
on the future.**

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A message from our Chair

Selwyn Water begins its journey with strong foundations and a clear purpose – to deliver safe, reliable and sustainable water services for our growing district, while building a best-in-class water utility for our communities.

We have been established at a time of significant change for water services in Aotearoa New Zealand. Our formation reflects both national reform and a strong local commitment to ensuring that the people of Selwyn continue to receive safe, reliable, and sustainable water services as our district grows and evolves.

Selwyn Water is building on solid foundations. The decision to establish a standalone water services provider followed careful consideration by Selwyn District Council and extensive work undertaken through the development of the Water Services Delivery Plan. That work demonstrated that the Selwyn District has both the capability and the ambition to meet the challenges ahead. We acknowledge the leadership, analysis, and community engagement that brought us to this point, and we take that work forward with respect and responsibility.

As a newly established organisation, our immediate focus is on continuity and stability. We're committed to maintaining service reliability, meeting regulatory and water quality standards, and ensuring that the transition does not disrupt the essential services our communities rely on.

At the same time, a number of critical work programmes are already underway to strengthen our foundations and to support robust, evidence-based planning. These include independent validation of revenue assumptions and making sure everyone pays their fair share, comprehensive asset condition assessments to assist with forward planning, and targeted analysis of growth-driven capacity pressures – particularly to better understand and align the infrastructure implications of approved and future development.

In addition, we are consolidating our capital delivery activities into a structured and prioritised programme, improving visibility, coordination, and delivery confidence. The Council has told us that it wants us to align our planning with their forthcoming Long-Term Plan reset. This alignment will be a key focus over the coming year.

Together, this work will provide the clarity and accuracy required to support informed decision-making and ensuring that future investment is well-targeted, affordable, and aligned with the needs of our communities.

We recognise that the environment in which we operate continues to evolve. Legislative reform, economic regulation, new water safety standards, growth pressures, and environmental expectations will all shape our path. We'll have to be flexible, responsive, and open to learning. We've already made good progress, and our Water Services Strategy demonstrates that a dedicated water services focus can deliver improved outcomes for our customers alongside greater efficiency. That is our mission.

Alongside a rigorous focus on meeting water quality standards and delivering a well-sequenced capital programme, we know we need to ensure costs are managed well. While additional investment is required, we are encouraged that work to date has enabled us to reduce the impact on customers in the current year. We will continue to seek further efficiencies as the organisation grows and matures.

This Water Services Strategy has been developed as a one-year strategy, prepared in a period of global supply chain uncertainty arising from current geopolitical conditions. Selwyn Water is not immune to these pressures. The Board will continue to monitor the impact of these geopolitical conditions and work to minimise the effect of input cost increases on our customers.

We intend to provide an updated Water Services Strategy next year, aligned with the Council's 2027–2030 Long-Term Plan. This will allow us to provide our communities with a clearer view of how these external factors are influencing our financial models and future investment needs.

Our Water Services Strategy reflects both pragmatism and aspiration. Pragmatism, because building a modern water utility company requires disciplined governance, strong systems, and careful financial stewardship. Aspiration, because we believe Selwyn Water can, over time, become a best-in-class water services provider – one that earns the trust of its community through transparency, reliability, and consistent performance.

The Board is committed to providing steady oversight during this establishment phase and to supporting management as they build the capability, systems, and culture required for long-term success. We will measure ourselves not only by compliance and financial performance, but by how well we listen, adapt, and improve.

Our journey is just beginning. We approach it with humility, determination, and a clear sense of responsibility to our shareholder, our regulators, mana whenua, and the communities we serve.



Murray Strong
Chair
Selwyn Water

Working with mana whenua to care for our water

Water is more than infrastructure. It supports life, community wellbeing, ecosystems, and cultural identity.

For mana whenua, water is a taonga that must be respected, protected and used wisely. Selwyn Water is committed to working closely with mana whenua to be responsible stewards of this taonga to meet the needs of current and future generations.

Selwyn District sits within the takiwā (territory) of Ngāi Te Ruahikihiki and Ngāi Tūāhuriri. The two hapū (subtribes) jointly hold mana whenua status in the takiwā. Te Taumutu Rūnanga and Te Ngāi Tūāhuriri Rūnanga, act on behalf of the hapū.

As a newly established organisation, Selwyn Water is building on the relationships, commitments, and agreements developed by Selwyn District Council, carrying these forward as a foundation for our approach.

During this establishment phase, our focus is on maintaining continuity, building trust, and laying the groundwork for deeper, more structured partnerships over time. We recognise that meaningful partnership is ongoing, evolving, and central to the long-term stewardship of water.

Our approach aligns with the Waiora One Water Strategy, a shared strategic framework agreed between rūnanga and Selwyn District Council. This Strategy reflects a collective commitment to uphold the mana and mauri of all water and recognises that water is a connected system, from the mountains to the sea. It supports integrated planning across land, water, infrastructure, and communities.

This responsibility shapes how Selwyn Water will plan and make decisions. It means we focus on:

- Protecting waterways and groundwater
- Reducing environmental harm from wastewater systems
- Planning infrastructure with long-term stewardship in mind
- Working collaboratively with mana whenua, Selwyn District Council, and our communities

As Selwyn Water establishes itself as a standalone water services provider, we carry forward this partnership-led framework. The Waiora One Water Strategy informs how we consider stewardship, shared responsibility, and long-term outcomes, alongside technical, financial, and regulatory decisions.

[READ the Waiora One Water Strategy at selwynwater.co.nz](https://selwynwater.co.nz)

Our Water Services Strategy

Our Water Services Strategy sets out how Selwyn Water will deliver safe, reliable, and sustainable water services for the district, including how we will manage our assets, invest in infrastructure, and fund services over time.

A long-term direction, with a short-term focus

Under the Government's Local Water Done Well reforms, all water service providers are required to prepare a Water Services Strategy. While these strategies typically look ahead around 10 years, our first Strategy has been developed during Selwyn Water's establishment phase and is intentionally focused on laying a strong foundation for future planning. It signals our longer term direction, while focusing in detail on the year ahead.

Strengthening how we plan and prioritise investment

Selwyn Water is continuing to build and strengthen the information it uses to plan for the future. Important work is already underway to better understand the condition of our water and wastewater assets, improve the accuracy of our planning assumptions, and assess how growth in the district will affect future demand.

At the same time, we are bringing our investment planning together into a clearer, more coordinated programme so we can prioritise work, improve delivery, and make the best use of funding over time.

Aligning with Selwyn District Council's Long-Term Plan

We recognise that longer-term planning is best aligned with Selwyn District Council's Long-Term Plan, ensuring decisions are based on the most up-to-date information about growth, costs, and community priorities.

It also ensures we can deliver our services in the most affordable way possible, while continuing to meet the needs of the Council as our Shareholder, and customers.

For this reason, our first Water Services Strategy will be reviewed and updated in 2027 alongside the Council's 2027–2030 Long-Term Plan. At that time, longer term plans, including investment requirements and pricing, will be revisited using a more mature and validated evidence base.

What the Strategy covers

This Strategy also describes:

- The current state of our drinking water and wastewater networks
- The challenges we face, such as growth, tighter regulation, ageing infrastructure, and climate risks;
- The priorities and actions needed to respond
- The investment required and how it will be funded
- The service standards we will be accountable for

Together, this provides a roadmap for Selwyn Water, guiding day to day operations as well as longer term investment and upgrades, so services remain reliable today and ready for the future.

About this Engagement Document

This Engagement Document provides an overview of our full Water Services Strategy. It explains who we are, the services we provide, the challenges and opportunities we're planning for, the investment ahead, how charging works, and what this means for households and businesses, so you can understand what we're proposing and why.

[READ the full draft Water Services Strategy at selwynwater.co.nz](https://selwynwater.co.nz)

What we are asking the community

We are seeking feedback on whether we are heading in the right direction. In particular:

- Do our priorities (safety, reliability, growth capacity, renewals, resilience, environmental performance) feel right for Selwyn?
- Is our approach to funding and charges clear and fair?
- What local priorities or outcomes should we consider as we deliver the Strategy?

Why your feedback matters

In the long-term, Selwyn Water must make decisions that balance:

- Protecting public health and meeting regulatory requirements
- Affordability for households and businesses
- Supporting growth and new housing
- Protecting the environment
- Resilience to climate change and natural hazards
- Long-term sustainability for future generations

Improving one area can place pressure on another. For example:

- Investing earlier to support growth can increase costs sooner
- Holding down costs may limit how quickly infrastructure can be upgraded
- Building extra resilience can increase upfront investment but reduce long-term risk
- Because infrastructure is often shared, investment to support growth can also benefit existing customers, and costs are not always attributable to a single group

While these factors matter, protecting public health and meeting regulatory requirements must always come first. Other decisions are then shaped around these obligations, including how investment is timed and how costs are managed over time.

Your feedback will help us understand how the community thinks these trade offs should be balanced.

How your feedback will shape what happens next

Your feedback plays an important role in shaping the decisions ahead. While some parts of drinking water and wastewater services are set by legislation, there are still important choices to make about priorities, timing, and how we balance competing needs as Selwyn grows.

Through this engagement, your feedback can help shape:

- Which outcomes matter most for Selwyn over the next decade
- How we prioritise investment over time, particularly where trade-offs are required
- How clearly we explain charges, decisions, and performance
- How we support households and communities who may find water charges challenging
- What “good water services” look like for Selwyn now and for future generations

Your input helps us understand community expectations and values, which directly informs how this Strategy is finalised and implemented.

What's already set

Some elements of the Strategy are required by legislation or regulation and can't be changed. These include:

- Drinking water safety standards that protect public health
- Environmental requirements for wastewater discharge
- The need to maintain and renew ageing infrastructure
- Compliance with national water regulation

These requirements exist to protect people, waterways, and long-term wellbeing, and they must be met regardless of how services are organised or funded.

Other policies we are seeking feedback on

Waivers and Remissions Policy

We are also seeking feedback on our draft Waivers and Remissions Policy, which explains the situations where we may be able to reduce, adjust, or temporarily waive certain water charges.

This policy is designed to support customers who experience unavoidable or exceptional circumstances, such as leaks, faults, or short-term financial hardship, while ensuring water services remain fair, consistent, and financially sustainable for the whole community.

Fees and Charges Policy and Fees and Charges Schedule

We would also like your views on Selwyn Water's Fees and Charges Policy, which includes the Fees and Charges Schedule for 2026/27.

The Fees and Charges Policy explains how drinking water and wastewater charges are set and applied. It is a legislative and regulatory requirement and supports Selwyn Water to demonstrate its long-term financial sustainability. The Policy sets out the principles that guide how charges are established, including fairness, transparency, cost reflectivity, and affordability over time.

The Fees and Charges Schedule within the Policy sets out the draft charges that will apply for the first financial year from 1 July 2026, including fixed charges, usage-based charges, and other service fees.

Together, the Policy and Schedule sit alongside the Water Services Strategy and translate our long-term plans into the charges customers see on their bills.

What happens next

We will report back on what we heard and explain how community feedback influenced the final Strategy and policies. The Water Services Strategy will be reviewed again in 2027, alongside Selwyn District Council's Long-Term Plan.

About Selwyn Water

Who we are

Selwyn Water is your locally owned water organisation, responsible for delivering safe drinking water and effective wastewater services across the Selwyn district.

We were created as part of the Government's Local Water Done Well reform programme to strengthen regulatory compliance, improve long-term investment planning, and ensure water services are delivered in a financially and environmentally sustainable way. Our establishment reflects both national reform objectives and Selwyn District Council's commitment to meeting the needs of a rapidly growing district.

We were formally established under the Local Government (Water Services) Act 2025 to focus solely on drinking water and wastewater, bringing specialist expertise, modern asset management, and long-term stewardship to one of New Zealand's fastest-growing areas.

On 18 December 2025, ownership of drinking water and wastewater assets, including treatment plants, reticulation networks, consents, contracts and related debt, transferred from Selwyn District Council to Selwyn Water, representing an asset base of around \$1.1 billion.

Why we exist

Water is central to life – from drinking water in our homes to wastewater safely treated and returned to the environment. These services protect public health, support our growing communities, and help care for the natural environment we depend on.

Selwyn Water was established to take care of these services on behalf of the community, with a long-term focus on safety, reliability, and sustainability.

As our district grows, our responsibility grows with it. Our purpose is to protect Selwyn's water, deliver reliable services every day, and build a resilient system that can meet the needs of our district's future generations.

Selwyn Water exists to:

- Provide safe, reliable and affordable water services
- Act as guardians, caring for water resources with respect for mana whenua values
- Plan for future generations, ensuring infrastructure is resilient, sustainable and fit for purpose
- Support sensible, well-sequenced growth as Selwyn continues to expand

What we do

Selwyn Water is responsible for:

Treating and supplying drinking water

Collecting and treating wastewater

Maintaining and renewing our network of pipes, plants and pumps to keep services safe and reliable

Planning and building new infrastructure to support growth and protect levels of service

Meeting regulatory standards. and protecting environmental health across all our systems

Surface waters including stormwater, land drainage and water races continue to be delivered by Selwyn District Council, with coordination arrangements in place to ensure alignment across planning and delivery.



Selwyn Water Board Chair, Murray Strong, Deputy CEO Heather Geddes and CEO Alex Cabrera

Who we are accountable to

Selwyn Water does not operate alone. Our work is guided and checked through a combination of independent governance, and regulatory oversight. Together, these arrangements help ensure water services are well managed and decisions are made in the public interest.

Our Shareholder

Selwyn Water is owned by Selwyn District Council on behalf of the community. This means water services remain publicly owned and locally accountable.

Under national water services legislation, drinking water and wastewater assets cannot be sold or privatised. Selwyn Water is not set up to make profits for our shareholder. Any surpluses are reinvested back into water services for the benefit of current and future customers, helping maintain and improve infrastructure, meet regulatory requirements, and support long-term affordability.

Selwyn District Council sets expectations for Selwyn Water's performance through a Statement of Expectations. This helps ensure we:

- Focus on what matters most to the community
- Manage money responsibly
- Plan for the long-term
- Operate openly and transparently

Our Board

Selwyn Water is governed by an independent Board. The Board is responsible for setting direction, overseeing major decisions, and making sure the organisation is meeting its responsibilities.

This includes decisions about:

- Investment in infrastructure
- Managing risks
- Service performance and affordability
- Meeting legal and regulatory requirements

The Board is accountable to the community through the Council as shareholder.

Our regulators

Water services are subject to strict national and regional rules. Independent regulators provide checks and balances to protect people and the environment.

- **Taumata Arowai** is the water services authority that oversees drinking water safety and quality
- **Environment Canterbury Regional Council** regulates wastewater discharges, consents and environmental impacts
- **The Commerce Commission** will oversee economic regulation, ensure pricing is affordable for customers and transparent over time
- **Department of Internal Affairs (DIA)** monitor performance and reporting

These regulators operate independently of Selwyn Water, providing assurance that standards are being met.

Our community

Most importantly, Selwyn Water is responsible to the people who rely on water services every day.

As a community-owned organisation, we are committed to:

- Communicating clearly and honestly
- Explaining decisions in plain language
- Listening to community feedback
- Caring for water as a shared and essential resource

Strong governance, clear rules, and public ownership all work together to ensure Selwyn Water delivers safe, trusted water services, now and into the future.

[READ our Statement of Expectations at `selwynwater.co.nz`](#)

Selwyn – a growing, changing district

Selwyn is one of New Zealand's fastest growing districts.

87,600

Selwyn's estimated population

115,959

Selwyn's projected population in 2034

Source: StatsNZ; Selwyn District Council Annual Plan 2026

This rapid growth is reshaping the district, creating new communities, increasing demand for infrastructure, and placing pressure on essential services.

Selwyn Water manages a large and complex network to support this growth, including:

26 drinking water schemes

6 wastewater schemes

1,549 km of drinking water pipes

736 km of wastewater reticulation

37 drinking water treatment plants

6 wastewater treatment plants

Responsible for drinking water and wastewater assets valued at \$1.1 billion (at transfer)

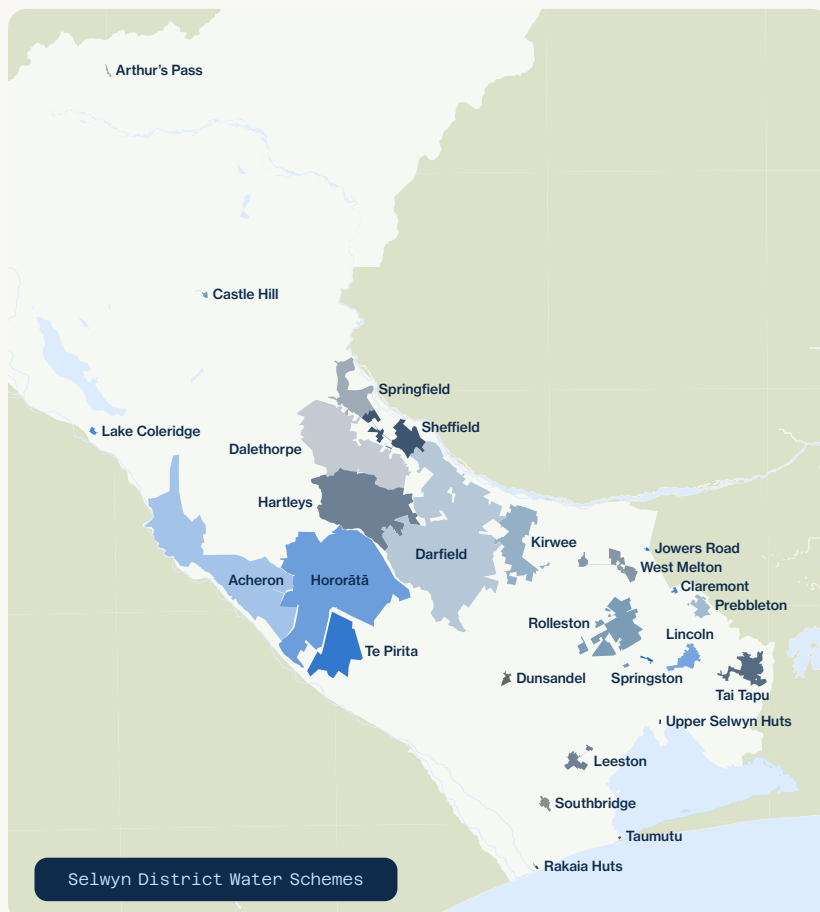
More than \$600M in capital expenditure over the next 10 years

This growth brings opportunity, but also pressure. Our drinking water and wastewater networks are already stretched in some places, and more people means more demand on treatment plants, networks, and water sources.

Future planning must consider:

- Rapid population growth and new housing areas
- Increasing demand on existing infrastructure
- The need to upgrade, renew, and expand key assets
- Stricter environmental standards and climate impacts

How Selwyn continues to grow, and how water services respond to that growth, will shape costs, infrastructure choices, and service outcomes for decades to come. That's why planning ahead, and making informed decisions now, is critical.



Challenges we are facing

Selwyn Water inherits both the strengths and the pressures of a district experiencing fast growth and rising expectations.

1 **Keeping services safe and reliable**
Drinking water must always meet strict safety rules. Wastewater systems must protect our environment and comply with consents. Meeting new regulatory standards requires continuous monitoring, high-performing infrastructure, and specialist capability

2 **Growth outpacing existing capacity**
Population and development growth in Rolleston, Lincoln, Prebbleton and surrounding areas are driving the need for new bores, upgraded treatment plants, additional storage, and larger wastewater networks sooner than expected

3 **Ageing assets and past under-investment**
Some parts of our network, particularly pipes and older treatment infrastructure, are approaching end of life. Renewals need to increase to maintain reliability and reduce failures

4 **Environmental responsibility**
We must minimise impacts on our waterways, meet increasingly stringent environmental standards, and prepare for climate-related changes such as droughts, heavy rain, and extreme weather

5 **Financial sustainability**
Selwyn Water must cover the full cost of delivering drinking water and wastewater services over time. While we aim to keep charges as stable and fair as possible, we also need to ensure long-term affordability by prioritising critical work, improving efficiency, and using debt responsibly

How we plan to respond

Looking ahead, our Strategy outlines a pragmatic, carefully sequenced plan. The actions below reflect what Selwyn Water needs to do, and the order in which we need to do it, to maintain safe services while improving how drinking water and wastewater networks are planned, managed, and future-proofed.

How change will happen over time

Selwyn Water is a new organisation, and improving water and wastewater services is a long-term task. Some actions must happen immediately to protect public health and meet regulatory requirements, while other improvements take time to plan, fund, and deliver.

To manage this, our Strategy takes a phased, horizon based approach, focusing on different priorities over time. This approach explains how the actions outlined below will be delivered.

Horizon 1: Establishment and continuity (now – first few years)

Our immediate focus is on getting the basics right. This means:

- Maintaining safe, reliable water and wastewater services
- Meeting all regulatory and drinking water requirements
- Ensuring service continuity for customers as Selwyn Water establishes itself

Most of what customers experience day-to-day remains consistent during this phase.

Horizon 2: Improvement and capability building (medium term)

Once strong foundations are in place, the focus shifts to improving how services are planned and managed. This includes:

- Stronger asset management and renewals planning
- Better use of data and technology
- Smarter decision-making to support growth, resilience, and value for money

These improvements help reduce future risks and avoid higher costs over time.

Horizon 3: Long-term planning and smarter outcomes (longer term)

Over time, improved capability and information support better long-term outcomes. This includes:

- More informed investment decisions
- Improved resilience to climate and growth pressures
- Greater transparency about performance and system health

This horizon is about ensuring today's decisions support future generations.

Taking this phased approach allows Selwyn Water to deliver steady, well-considered improvements without compromising safety, affordability, or service reliability.

Our key response areas

Within this phased approach, Selwyn Water will focus on the following six response areas over the next ten years:

1. Focus on regulatory compliance and public health

We are embedding strong water safety plans, upgrading treatment processes, and improving monitoring systems to meet the national drinking water regulator, Taumata Arowai's requirements

2. Support growth with timely, targeted investment

We work closely with Selwyn District Council to align infrastructure planning with growth and land use decisions. Major projects over the next ten years include:

- Additional water source capacity and treatment upgrades
- New or expanded wastewater treatment capacity
- Larger pump stations, reticulation and storage
- Network improvements to protect service levels in fast-growing areas

3. Lift renewals and asset stewardship

We're strengthening our risk-based renewals programme so ageing assets are replaced before failure occurs reducing disruption and future costs

4. Modernise how we work

Selwyn Water is building new digital systems, smarter asset management tools, and improved data capability including a future digital twin model of our water networks. This will help us understand system performance, plan for growth and climate change, and make smarter investment decisions over time

5. Strengthen resilience

We are planning for natural hazards, extreme weather and other shocks, ensuring essential services can continue or be restored quickly

6. Build meaningful partnerships

We are deepening engagement with mana whenua and working closely with Selwyn District Council, Environment Canterbury, developers, communities and regulators

What this means for our customers

Safe, reliable services

Your drinking water will continue to be supplied safely and reliably, and wastewater systems will be strengthened to protect public health and the environment.

Gradual, carefully managed changes to charges

Charges will evolve over time as water investment becomes more transparent and aligned with long-term needs. While increases are significant in the early years, our commitment is to manage costs responsibly, smooth impacts where possible, and ensure communities understand what they're paying for and why.

Clearer communication

We will provide updates that are easy to understand, including performance information, project progress, and explanations about how decisions are made.



What investment is needed

Our Strategy sets out the major drinking water and wastewater investments Selwyn Water expects to make over the next decade, based on our current “most likely” planning scenario.

This scenario builds on existing plans developed by Selwyn District Council through the Long-Term Plan (2024–2034) and the Water Services Delivery Plan. It has also been updated to reflect Selwyn’s continued rapid growth and early engineering reassessment as Selwyn Water establishes itself as a standalone organisation.

In total, more than \$600 million in capital investment is planned in the next ten years.

Project scope, timing, and cost will continue to be refined as planning progresses and further decisions are made.

Major capital works identified in the Strategy include:

Drinking water (\$282.7M)

Investment falls into three main categories:

- Projects to meet additional demand
 - such as new water sources, treatment upgrades, storage, and trunk water infrastructure to support growth in areas like Rolleston, Lincoln, Prebbleton, Darfield and surrounding communities
- Projects to improve levels of service
 - including treatment upgrades needed to meet drinking water standards and improve reliability and performance
- Projects to replace existing assets
 - renewals of ageing pipes, treatment plants, and associated infrastructure to reduce the risk of failures and service disruption

Across the next ten years, the Strategy identifies more than \$280 million of investment in drinking water assets. Spending is higher in some years where large growth related or renewal projects are scheduled.

Wastewater (\$387.2M)

Our wastewater infrastructure is one of the largest areas of investment over the next decade, driven by the need to support growth, meet consent and regulatory requirements, and plan ahead for long-term system capacity and resilience.

Key areas of investment include:

- Projects to meet additional demand, particularly:
 - Expansion of the Pines Wastewater Treatment Plant
 - New and upgraded wastewater pipelines and pump stations linking growing towns to treatment facilities
- Projects to improve levels of service, including environmental performance upgrades to meet consent and regulatory requirements
- Projects to replace existing assets, such as renewals of ageing wastewater pipes, pump stations, and treatment infrastructure

Over the next ten years this level of wastewater investment reflects the scale of growth pressures and environmental requirements facing the district.

[READ more about the capital works projects in Chapter 5 of our Water Services Strategy.](#)

How we fund our services

Selwyn Water will fund drinking water and wastewater services through a mix of customer charges and contributions linked to growth and higher-impact use.

Water services will be funded through:

- **Fixed drinking water and wastewater charges**
These cover the cost of having drinking water and wastewater services available, including pipes, treatment plants, and ongoing maintenance
- **Metered water use**
Charges based on how much water is used, encouraging efficient use and helping manage demand
- **Trade waste charges**
Paid by businesses and industries that discharge wastewater with higher volumes or strength. These charges reflect the additional treatment and monitoring required
- **Development contributions**
Paid by developers to help fund new infrastructure needed to support new housing and growth, reducing pressure on existing customers

Development contributions and water charges

Development contributions fund only the growth-related share of new infrastructure. They do not pay for renewing existing assets, compliance upgrades, or day-to-day operations. Maintaining and upgrading the existing network is funded through customer drinking water and wastewater charges.

This means that stopping or delaying a growth project does not reduce water bills for existing customers. Growth helps pay for growth, but it does not pay to fix or run the system we already have, that's what water charges are for.

How these costs are spread over time, including the use of borrowing to smooth charges and avoid sudden price increases, is addressed through Selwyn Water's financing approach.

What guides our approach

Our Strategy sets out clear principles that guide how Selwyn Water funds and prices drinking water and wastewater services. These principles provide a stable and consistent foundation, while still allowing flexibility as circumstances change over time.

In simple terms, these principles mean:

- **Growth pays for growth**
New developments contribute to the cost of the infrastructure needed to support them, helping reduce the impact on existing customers
- **Cost reflectivity**
Where practical, charges reflect the cost of providing services to different customers and activities
- **Intergenerational equity**
Large, long-lasting assets are paid for over their useful lives, so costs are shared fairly between today's users and future generations
- **Revenue certainty and demand management**
Funding arrangements aim to provide stable, predictable revenue while still encouraging efficient water use
- **Full cost recovery**
Charges are set to gradually recover the full cost of providing water services, ensuring Selwyn Water can operate sustainably and that costs or service risks are not passed on unfairly to future customers
- **Affordability and social equity**
Water services must remain affordable. The impacts of charges are monitored, and targeted support may be considered where appropriate

All funding and pricing decisions must meet legislative and regulatory requirements. These principles are not applied in isolation, they are balanced together to support safe, reliable services while managing affordability.

Water charges

Balancing affordability with the need to invest in safe, reliable water services is central to our Strategy.

We know many households are facing increasing cost pressures. That's why we are focused on managing costs carefully, prioritising essential infrastructure, improving efficiency, controlling operating costs, and using long-term borrowing responsibly to spread costs fairly over time.

From rates to separate water charges – what's changing for our customers?

Until now, drinking water and wastewater services have been funded through your Council rates and metered charges through your separate volumetric water invoice. From 1 July 2026, these services will no longer be charged by Council. Instead, you will receive a separate bill directly from Selwyn Water.

Under this change, drinking water and wastewater services will be charged through:

- Fixed water supply and wastewater charges
- Metered water use

This change does not create new costs. Instead, it makes the cost of water services clearer and more transparent, so our customers can better see what they are paying for and why.

Because investment needs were already increasing under the Council's Long-term Plan and Water Services Delivery Plan, charges will continue to rise over time as major upgrades are delivered. This Strategy aims to spread costs fairly across generations, avoid sudden price shocks, and ensure services remain safe and reliable.

What hasn't changed

- The need to invest in drinking water and wastewater infrastructure
- The cost pressures driving that investment, including growth, regulation, and renewals
- The fact that costs were already increasing

These investment pressures existed before Selwyn Water was established.

What has changed

- Water and wastewater costs are now more visible and transparent
- Charges are clearly separated from general Council rates
- There is a dedicated organisation focused solely on drinking and wastewater services
- Customers can see more clearly what they're paying for and why

Selwyn Water is not introducing new costs, it is making existing and future water service costs clearer, more accountable, and easier to understand.

Why water charges are increasing

Across the country, councils and other water services entities like Selwyn Water are facing cost pressures. Many districts are signalling significant increases to address ageing assets, growth, and higher regulatory standards, and some communities are already experiencing substantial rises.

Historically, water services in Selwyn were not fully funded through direct user charges, with some costs effectively deferred or covered through rates. Under the new water services framework, water charges now need to cover the true cost of delivering water services, this includes:

- Day-to-day operations
- Interest and repayment on borrowing
- Ongoing renewal of assets

Major capital works (for growth, resilience, and compliance) are funded upfront using development contributions and borrowing, rather than being paid for entirely in the year they are built.

Customer charges then:

- Cover the interest costs on that borrowing
- Repay the debt over the life of the assets

This means both current and future users contribute to the infrastructure they benefit from, which is a standard “intergenerational equity” approach used across the sector.

Although Selwyn’s water infrastructure is generally performing well, parts of the system are under increasing pressure from growth, ageing assets, and tighter standards. This means additional investment is needed now to meet service and regulatory responsibilities.

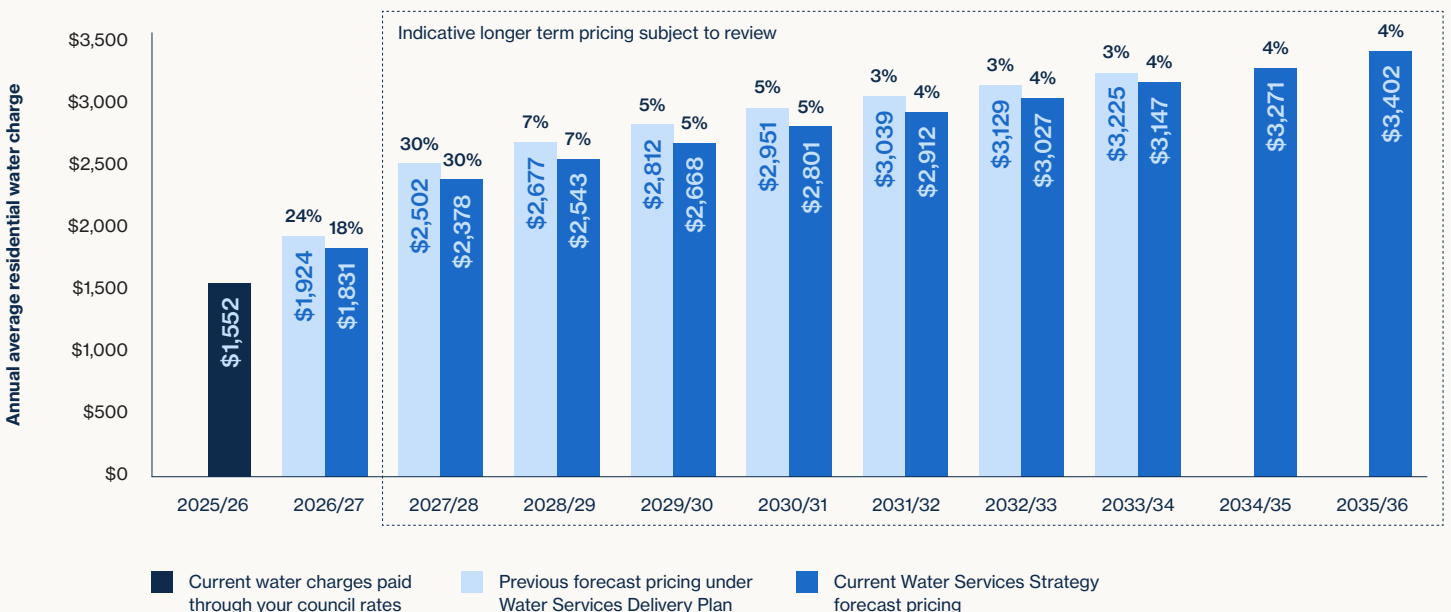
Over the next decade, Selwyn Water plans to invest more than \$600 million in drinking water and wastewater infrastructure. Even with contributions from new development, the size of this programme and the fact, that much of it needs to happen early, places upward pressure on charges, particularly in the near term.

Draft projected average residential water charges (2026–2036)

The following graph shows the draft projected average urban residential water charges for drinking water and wastewater from 2026 to 2036.

Beyond 2026/27, these long-term forecasts are based on modelling assumptions from the Council’s Water Services Delivery Plan (2025). We will review this price path in line with future updates to our Water Services Strategy.

Draft projected average residential water charges (2026–2036)



Currently, an average urban household with drinking water and wastewater services pays around \$1,552 per year, which is approximately \$4.25 per day, for water services.

Under the Council's Water Services Delivery Plan, which was accepted by the Department of Internal Affairs on 8 July 2025, these costs were projected to increase by around 24% in the 2026/27 financial year to \$1,924 an increase of \$372.

Following the transfer of assets from the Council and the work Selwyn Water has done to validate and improve the accuracy of the data we have received, we are now proposing a draft 18% increase for 2026/27.

For an average urban household receiving both drinking water and wastewater services (including volumetric charges based on the average urban water use of 257m³), the expected annual increase has reduced from \$372 to \$280, a savings of \$92 from what was originally indicated. This brings the total bill for 2026/27 to around \$1,831, or approximately \$5 per day. This could be less with lower water usage.

This reduced increase reflects a more accurate and up-to-date understanding of costs, based on detailed reviews of operational data, asset condition, and revenue undertaken since the asset handover.

Earlier projections were developed using Long-Term Plan modelling completed before Selwyn Water took ownership of the assets. The updated analysis provides a clearer picture of what is required to maintain safe, reliable, and compliant water services, while keeping affordability front of mind.

While efficiencies have reduced the projected increase from 24% to 18%, an increase is still required to support Selwyn's rapid growth, manage rising operating and compliance costs, and ensure services continue to meet national regulatory standards.

At this stage, Selwyn Water has focused on detailed modelling for the next year only. This is because our Water Services Strategy will be reviewed again in 2027 to align with the Council's next Long-Term Plan. That update will reflect what we learn as Selwyn Water transitions into full operations and is expected to identify further efficiency opportunities.

Throughout this process, we remain focused on keeping water charges as low as possible, while ensuring services remain safe, reliable, and sustainable for the future.

[READ a copy of our Fees and Charges Policy that contains our Fees and Charges Schedule at \[selwynwater.co.nz\]\(http://selwynwater.co.nz\)](#)

Our financing approach

Selwyn Water will use borrowing to fund a significant share of its capital investment, reflecting the long-lived nature of water and wastewater infrastructure. This allows the cost of assets to be shared more fairly between current and future customers, rather than being borne upfront by today's users.

In practice, this means that debt will increase in the early years of the Strategy as investment is brought forward to address growth, regulatory requirements, and service needs. Over time, as the capital programme stabilises and revenue increases are implemented, debt levels are expected to stabilise and begin to reduce relative to the size of the business.

We will access debt funding primarily through the Local Government Funding Agency, supported by shareholder arrangements. Borrowing will be managed within a structured framework, including financial covenants and regular monitoring, to ensure that debt remains sustainable and aligned with Selwyn Water's revenue and investment profile.

Financing decisions will continue to be closely linked to choices about capital delivery and pricing. Where required, the timing and sequencing of investment, and the balance between debt and current funding, can be adjusted to maintain financial sustainability while supporting agreed levels of service.

These decisions are carefully balanced to ensure water services remain safe, reliable, and sustainable over time.

[READ more about our financial approach in Chapter 9 of our Water Services Strategy.](#)

Looking ahead

The approach set out in our Water Services Strategy reflects updated information and modelling and has already enabled some moderation of initially planned increases.

Selwyn Water will continue to monitor costs, demand, and delivery assumptions and will adapt over time as new information becomes available.

Future pricing and funding settings will be reviewed alongside:

- Updates to the capital investment programme
- Improved data on usage and costs
- The next Selwyn District Council Long-Term Plan
- Any national changes to how growth infrastructure is funded



Share your feedback

How to share your feedback

Selwyn Water is seeking community feedback on our draft Water Services Strategy, Waivers and Remission Policy and Fees and Charges Policy, that includes our Fees and Charges Schedule for 2026/2027.

You can read the documents online at selwynwater.co.nz or view hard copies at a Selwyn District Library and Service Centre.

Please share your feedback using this form or fill out an online survey by scanning the QR code below.

You do not have to answer every question and if you need extra space, you can use additional paper and attach it to this form.

If using this form, please complete and return it by:

- Dropping it off to the Selwyn District Council at 2 Norman Kirk Drive, Rolleston
- Dropping it off at any Selwyn District Council Library and Service Centre
- Scan and email your form to communications@selwynwater.co.nz



Please submit your feedback by 5pm, Monday 1 June 2026.

Privacy Statement

Feedback is part of our public engagement process and becomes part of the public record. Anonymous feedback will not be accepted. Feedback, including names, may be published on our website and in official documents, so do not include any personal information you would prefer to keep private within your submission.

If you think information within your submission should be kept confidential, please contact us at communications@selwynwater.co.nz

View our full Privacy Policy at selwynwater.co.nz/privacy

Section 1: Your details

Are you submitting as an individual or as an organisation?

Individual

Organisation _____

First name _____

Last name _____

Address _____

Email address _____

How is the property you live in connected to drinking water and wastewater in Selwyn?

Tick all that apply

Drinking water

- The property is connected to town water supply
(This means the property is connected to Selwyn Water's reticulated drinking water network)
- The property is connected to a restricted water supply
(This means the property receives a fixed daily allowance delivered to a private holding tank over a 24 hour period via a restrictor installed and maintained by Selwyn Water)
- The property has its own private bore for water supply
- The property is a business connected to town water supply

Wastewater (sewer)

- The property is connected to town reticulated wastewater (sewer)
(This means the property is connected to Selwyn Water's wastewater network)
- The property has its own private wastewater system
(This means the property is not connected to Selwyn Water's wastewater network)
- The property is a business connected to town reticulated wastewater
- I have a property at Upper Selwyn Huts
- I do not live in Selwyn
- Other _____

Section 2: Draft Water Services Strategy questions

1. What aspects of drinking water and wastewater services matter most to you?

Choose the options that are most important to you

- Water quality (taste, clarity, confidence it is safe to drink)
- Reliability (consistent supply, minimal outages)
- Affordability
- Resilience and emergency preparedness (earthquakes, floods)
- Environmental protection
- Long-term sustainability and future proofing (planning for future generations and climate change)
- Transparency and accountability (clear decision making and reporting)
- Customer service and communication (clear information, responsive support)
- Managing demand and water use efficiently
- Supporting growth
- Other (please specify) _____

2. Do you support bringing forward upgrades when growth is faster than expected, if it increases water charges in the short-term?

- Yes
- No
- It depends (please explain)

3. Would you support additional investment to improve drinking water quality or reliability, even if it increased water charges?

- Yes
- No
- It depends (please explain)

Section 3: Approach to pricing

4. Selwyn Water proposes to use a set of pricing principles to guide how drinking water and wastewater charges are set. These include fairness and equity, charges that reflect use, growth paying for growth, spreading costs fairly over time, revenue certainty, and affordability.

Which pricing principles matter most to you?

Choose the options that are most important to you

- Fairness and equity (everyone pays a fair share)
- Charges based on services received
(i.e. those who use more water or place greater demand on the system, pay more)
- Keeping household charges predictable and stable over time
- Growth paying for growth
(new development contributes more to new infrastructure, reducing impacts on existing customers)
- Spreading costs fairly between current and future generations
- Keeping water charges affordable, with support for households who need it
- Ensuring water services are financially sustainable (covering the full cost of services over time)

5. Is there anything else about drinking water and wastewater pricing that you think Selwyn Water should consider?

6. If Selwyn Water could improve just one thing in the next decade, what should it be?

7. Do you have any other feedback on our draft Water Services Strategy or our draft Fees and Charges Policy and Fees and Charges Schedule for 2026/27?

Section 4: Draft Waiver and Remissions Policy

Our draft Waiver and Remissions Policy outlines when and how Selwyn Water may be able to help by reducing, adjusting, or waiving certain charges in fair and reasonable situations.

8. Do you think Selwyn Water's proposed approach to helping customers with drinking water and wastewater charges in certain circumstances is fair and reasonable?

- Yes
- No
- Unsure (please explain)

9. Are there any situations where you think Selwyn Water should, or should not, provide help with drinking water and wastewater charges?

Thank you for taking the time to provide your feedback.

