

# Fees and Charges Policy

1 July 2026

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# Selwyn Water Fees and Charges Policy

## 1. Purpose

This policy establishes a structured, sustainable framework for setting, approving, administering, and enforcing fees and charges imposed by Selwyn Water Limited (Selwyn Water).

It ensures that fees and charges:

- Are transparent
- Reflect cost recovery, usage, and network serviceability
- Align with Selwyn Water's strategic and operational objectives
- Comply with the Local Government (Water Services) Act 2025 (the Act) and other relevant legislation where applicable

The detailed fee and charge amounts are contained in the draft Fees and Charges Schedule set out in Appendix A of this document.

## 2. Scope

This policy applies to all water supply, wastewater, trade waste, administrative and related service fees and charges imposed by Selwyn Water as set out in the Fees and Charges Schedule.

## 3. Legislative framework

Selwyn Water sets and collects fees under the Act. In particular:

- Charges are set in accordance with Selwyn Water's Water Services Strategy (s86(6)(a))
- Charges must not be based on, or take into consideration, a property's capital or land value (s86(6)(b))
- Charges are recoverable as a debt to Selwyn Water (s100).
- A waiver policy for charges and/or penalties must be adopted and published (s102). Selwyn Water has adopted a policy providing for remission or waiver of charges.
- Selwyn Water's Board may, by resolution, authorise late payment penalties, in accordance with the statutory provisions (s103 and s104)
- Selwyn Water must publish a list of charges that apply to its annual billing period on its website (s91).

All fees must be legally defensible and aligned with statutory requirements.

## 4. Charging principles

All fees and charges will be determined in accordance with the following principles. These principles have been developed taking into account the objectives of water service providers in s17, and the financial principles for water service providers in s18, of the Act.



## 4.1. Cost recovery

Charges will recover:

- Operating costs
- Asset renewal funding (via depreciation recovery)
- Debt servicing
- Regulatory compliance costs
- Appropriate overhead allocation

## 4.2. User/beneficiary pays

Connected properties are the primary beneficiaries of water and wastewater services and will bear the primary cost of those services.

## 4.3. Additional demand pays

Where customers create additional demand or network impact (e.g. trade waste discharges, bulk extraction), additional charges will apply.

## 4.4. Intergenerational Equity

Long-life infrastructure costs will be spread appropriately through capital funding mechanisms.

## 4.5. Serviceability-based charging

Properties situated within an approved serviceable boundary may incur a Serviceability Charge even if not connected, in accordance with s88 of the Act.

# 5. Usage-based charging

Volumetric charging structures will be applied where metering is available to promote conservation and reflect network usage.

# 6. Frequency of charging

Selwyn Water will charge customers quarterly for their drinking water and wastewater services. Water bills will include the fixed charges and drinking water volumetric charges (volumetric charging is either metered or on restricted supply).

# 7. Structure of charges

The Fees and Charges Schedule may include:

## 7.1. Drinking water charges

- Volumetric charge per m<sup>3</sup>
- Restricted supply unit charges
- Serviceability charges
- Meter-related fees
- Connection and stand over fees
- Temporary supply charges



- Bulk water extraction charges

## **7.2. Wastewater charges**

- Fixed charges per Separately Used or Inhabited Part (SUIP)
- Commercial volumetric percentage of water-in
- Pan-based charges
- Serviceability charges
- Inspection and connection fees

## **7.3. Trade Waste Charges**

- Fixed charges per permit and/or consent (including special agreements)
- Volumetric charges
- Strength-based charges (e.g. Biochemical Oxygen Demand)
- Monitoring and testing charges
- Application fees

## **7.4. Capital growth, administrative and engineering charges**

- Fixed charges per permit and/or consent
- Volumetric charges
- Strength-based charges (e.g. Biochemical Oxygen Demand)
- Monitoring and testing charges
- Pre-treatment cost recovery
- Application fees

## **8. SUIP and multi-unit charging**

Selwyn Water applies fixed charges per Separately Used or Inhabited Part (SUIP) to ensure:

- Fair allocation of infrastructure availability costs
- Compliance with statutory charging principles

Where multiple SUIPs share a single meter:

- The fixed charge will apply per SUIP
- Volumetric charges will be applied to the primary account holder

Where a reserve or similar non-rateable land does not meet the SUIP definition, Selwyn Water may determine fixed charges based on the number of service connections, service units, or equivalent demand assessments to ensure equitable cost recovery. Charges will not be based on capital or land value.

Familial relationships do not exempt additional SUIPs from fixed charges. This means, if people live together as a family, each separate unit (SUIP) will still have its own fixed charge.

SUIP is defined in the Water Services Strategy.



## 9. Serviceability charges

A Serviceability Charge may be imposed on a property which is not connected to a network where:

- A property is within the approved serviceable boundary, which in accordance with s88(1)(a) of the Act is 100 metres from a water supply or wastewater network
- Network infrastructure is available, and has sufficient capacity, to connect to that property
- The property can be connected to that network (regardless of whether the property is in fact connected); and
- The land is not non-rateable land specified in Part 1 of Schedule 1 of the Local Government (Rating) Act 2002

Serviceable boundary maps are maintained by Selwyn Water consistent with s88 of the Act and may be updated from time to time. Charges apply based on the published boundary at the time of billing.

## 10. Bulk and temporary supply

Bulk extraction permits, and temporary supply arrangements:

- Must be metered
- Are subject to fixed and volumetric charges as specified in the Schedule
- May require upfront payment
- Must have appropriate safety measures in place, including backflow protection, in accordance with applicable standards.

Bulk extraction charges reflect network and treatment impact.

## 11. Trade waste charging

Trade waste charges will reflect:

- Volume discharged
- Strength of discharge
- Impact on treatment processes
- Monitoring and compliance requirements

Applicants for trade waste permits may also be required to undertake the following activities at their own cost, as a condition of a trade waste permit issued under the Selwyn District Council Trade Waste Bylaw 2016:

- Pre-treatment
- Monitoring devices
- Sampling and testing

## 12. Year zero charging

Charges for new connections, subdivisions, or newly titled properties will:

- Be pro-rated from the date of connection or title issue (whichever occurs first)



- Ensure immediate revenue capture
- Align with development contribution frameworks

### 13. Waivers and remissions of charges

Waivers and remissions are addressed in Selwyn Water’s Waivers and Remissions Policy.

### 14. Late payment and enforcement

Late payment penalties may be applied in accordance with the Act.

Unpaid charges:

- Constitute a debt to Selwyn Water
- May result in enforcement action

Disconnection for non-payment will only occur where lawful and consistent with statutory obligations to provide safe and sufficient water services.

### 15. Responsibility for billing information

Selwyn Water will endeavour to maintain a complete and accurate database for charging users of drinking water and wastewater services in the district. However, the responsibility for ensuring that a user is billed for all services they receive rests with the user.

If it is identified that Selwyn Water has undercharged for services, Selwyn Water may recover the undercharged fees for a period of up to five years.

Interest will not be charged on any undercharged fees.

### 16. Approval and review

The Selwyn Water Board will:

- Approve this Policy
- Approve the Fees and Charges Schedule annually (or delegate approval within defined parameters)

Any material changes to the charging methodology, structure of charges, or introduction of new charge categories are subject to Selwyn Water’s Significance and Engagement Policy and must be approved by the Board.

|                         |              |
|-------------------------|--------------|
| <b>Date of approval</b> | 24 June 2026 |
| <b>Effective from</b>   | 1 July 2026  |
| <b>Next review date</b> | June 2027    |

