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Selwyn District Council approves one-off earthquake charge

The Selwyn District Council has approved a once only rates charge of \$135 to cover costs incurred as a result of the September and February earthquakes.

Despite the resilience of the community, the earthquake had impacted at emotional, physical and economic levels, Mayor Kelvin Coe and Chief Executive Paul Davey said in their report on the annual budget. The cost to the district council was around \$15 million, including welfare costs, damage to water and sewer systems, roads, buildings and cemetery headstones.

“Much of this is covered by insurance and government subsidy, but an estimated \$2 million cannot be claimed back and falls to ratepayers,” Mr Davey said.

The Council made the decision to get this charge “out of the way” in one year and across all ratepayers, rather than expecting local communities to fund costs in their areas.

Earthquake damage to the electricity lines network combined with reduced revenue would result in a lower Orion dividend for at least 2011/2012 and the following financial year.

“The lower revenue could have meant even further rates increases, but Council has taken into account the many submissions about the hard times being faced by Selwyn residents, and opted to instead review its expenditure programme to cancel or defer projects,” Mayor Coe said.

General rates will increase by 5.1% from 1 July 2011, largely due to the recession and inflation.

Some targeted rates would be increased, mainly to fund the rising annual costs of sewerage and the replacement of worn out pipes and pumps.

A new pool rate would start from July 2011 to fund both the new Selwyn Aquatic Centre and the five community pools that were previously funded from local targeted pool rates.

“We have been exploring how the Council can support the operation of school pools in recognition of the community benefit they bring. There are 15 school pools and three former school pools open to their communities which the Council will support with an annual operating grant of \$1000,” Mr Davey says.

Funding had also been maintained for a number of grants to community organisations that support Council objectives.

“We’ve tried to balance the need to catch up with some unexpected costs with our district-wide objectives of ensuring Selwyn is a great place to live, work and play,” Mayor Coe said.

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