RATING REVIEW 2026

One District, Many Pieces, One Picture.

Different parts of our district contribute in different ways. This review considers how those pieces fit together when sharing the cost of Council services.



GORE DISTRICT COUNCIL

STATEMENT OF PROPOSAL | OCTOBER 2026

www.goredc.govt.nz

Why we are doing the Rates Review

It is good practice for a Council to periodically review its rating system. Over time, changes to how people live and how land is used or even what people expect of their Council can change the underlying rationale for who should pay for the services we operate. This review is not about increasing the total amount of rates Council collects. It is about making sure that the way we share rates is fair, easy to understand, administer and fit for the future.

There are significant changes ahead that affect the way Council services are funded. In particular, Council's three waters activities will transfer to the jointly owned water organisation, Southern Water, from 1 July 2027.

Removing water rates from the Council's rating system changes the balance of the remaining rates. Under the Local Government (Rating) Act 2002, certain fixed rates cannot make up more than 30% of total rates revenue. Once water rates are removed, Council's existing rating structure would no longer comply with this requirement. Council's current rating system has also become increasingly complex over time and can be difficult to understand.

Council uses fixed rates across a number of different activities, and changes to one component affect the overall balance of the system. The rating system needs to be considered as a whole, rather than adjusted in isolation.

The review has therefore considered how the costs of all remaining Council services should be shared across the whole district. It aims to be simple and easy to understand, robust and durable, while also balancing affordability, fairness and the relationship between those who benefit from Council services and those who create costs.

The Council is seeking your input around the rating review. After hearing your input, the Council will then make its decisions about:

1. Moving away from multiple targeted rates to collecting a greater proportion of the general rate, based on a property's capital value and land use; and
2. Allowing the (Uniform Annual General Charge (UAGC) to be set within a 22%–28% range, replacing the current 25% cap.
3. The differentials applied to the general rate for each of the proposed categories.

We want to know what you think about our proposed changes to our rating system. Read through this document for information about the proposals and the options we've identified. We will be providing information and meeting interest groups around the district and holding community pop up sessions where you can hear more about the review - keep an eye on our website **www.lets.talk.goredc.govt.nz/rates-review-2026** for dates, times and locations.

Feedback opens: **21 October**

Feedback closes: **18 November**

Hearings: **3 & 4 December**

Deliberations: **10 December**

What are we proposing?

1. Rating based on land use

Our current rating categories are largely based on ward or location. We would like to simplify these and instead group properties according to how the land is used.

The proposed categories are:

- Residential and other
- Rural
- Commercial
- Industrial
- Utilities

Why is this important?

Where a property is located does not always reflect how it is used. Under the current system, for example, some industrial properties pay rural rates simply because they are located within a rural ward.

Categorising properties by land use means properties with similar uses are treated more consistently across the district. It also provides a clearer basis for considering how different types of properties benefit from, and contribute to the cost of Council services.

Have your say

Using the QR code

Simply open the camera on your smartphone and point it at the code below. A link will appear on your screen - tap it to go directly to the Gore District Council Rating Review webpage.

There you'll find:

- Information about the Rating Review and proposed options
- The online Rates Options Dashboard
- Frequently Asked Questions (FAQs)
- Supporting documents and reports
- Information on how to make a submission

No typing required. Just scan, tap and explore the information online at your convenience.

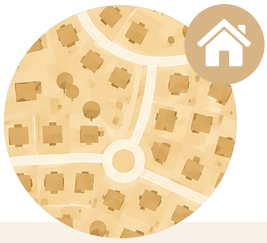
Have we overlooked anything or given something too much weight? What would you change, and how would the options affect you?

Scan the QR code to have your say online.

www.lets.talk.goredc.govt.nz/rates-review-2026

Residential & Other

(including lifestyle properties under 8 hectares)



Services they rely on

- Roads and foothpaths
- Parks and reserves
- Libraries and community facilities
- Waste and recycling services
- Emergency management services
- Community events

Rural

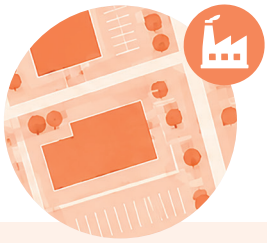
(greater than 8 hectares)



Services they rely on

- Roads and bridges
- Libraries and community facilities
- Regulatory and planning services
- Emergency management services
- District-wide infrastructure
- Community events

Industrial



Services they rely on

- Freight and transport connections
- Roads and Network
- Business and employment growth
- Long-term district planning
- Economic development initiatives

The five symbols represent the key rating groups in the Gore District: Rural, Commercial, Industrial, Residential & Other, and Utilities.

They show how different rating options affect each sector and how Council costs are shared. The review focuses on how rates are distributed while funding the services and infrastructure the community expects.

Commercial



Services they rely on

- Safe and attractive town centres
- Parking and transport access
- Economic development initiatives
- Community events and promotion
- Essential infrastructure services

Utilities



Services they rely on

- Reliable infrastructure networks
- Long-term planning and resilience
- Access to transport routes
- Regulatory and compliance services
- Emergency response coordination

2. Changes to the land use definitions

We have also reviewed the definitions for each land-use category to make sure properties are classified consistently. We are proposing the following two changes:

Residential

Any property below eight hectares that is not considered industrial, commercial or utility would be treated as residential.

Why?

We considered the point at which a property is generally of sufficient size to operate as a viable farming property. On this basis, we propose using eight hectares as the threshold between residential and rural properties.

Utilities

Utilities include underground infrastructure such as fibre, water and wastewater pipes and above ground infrastructure such as cell phone towers and electricity transmission. Electricity generation would be classified as commercial rather than utility.

Why?

Electricity generation is a commercial activity, whereas transmission infrastructure has different characteristics and is more appropriately treated as a utility for rating purposes.

3. Simplifying the way rates are charged

We are proposing to move away from the current system of multiple targeted rates, many of which are calculated differently depending on where a property is located. Instead, a greater proportion of Council's rates would be collected through the general rate, based on a property's capital value (CV).

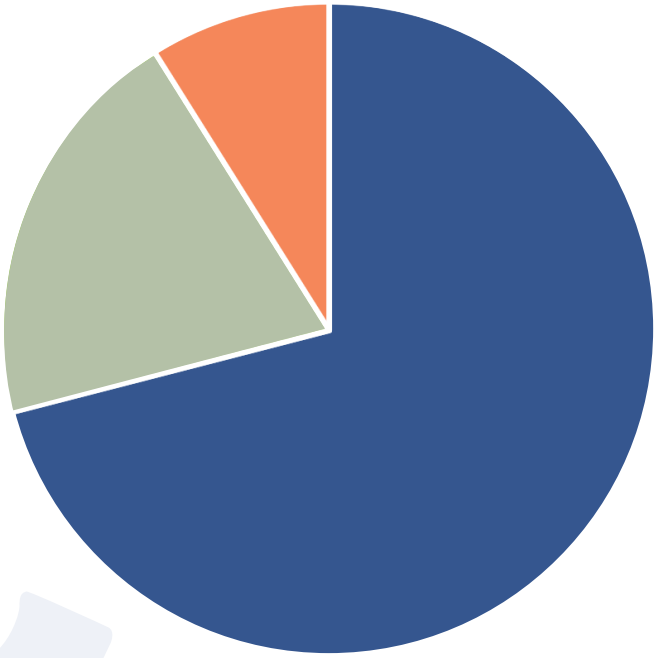
We would still retain:

- A Uniform Annual General Charge (UAGC), so that every rating unit contributes a fixed amount towards Council services; and
- Differentials on the general rate, meaning different land-use categories would have different rates in the dollar applied to their capital value; and
- A targeted rate for the kerbside waste and recycling collection because only those properties who receive this service or have access to it pay for it.

Like pieces of a puzzle, every rating group plays a part in supporting the services and infrastructure we all rely on.

This review is about finding the right balance in how those costs are shared across the Gore District.

How total Council rates are made up



- General rate (based on capital value with differentials)
- Uniform Annual General Charge (UAGC)
- Targeted rate for waste and recycling

Why simplify?

The current rating system has developed over time and is complex. There are numerous targeted rates, with some rates varying according to ward or location. This can make it difficult to understand both what a property is paying and why.

The proposed approach would increase the proportion of rates collected through the general rate. This reflects the fact that many Council services and facilities provide benefits across the Gore District, regardless of where people live.

Services such as roads, parks, libraries, community facilities, economic development, planning and emergency management contribute to the wellbeing of the entire district and support a thriving community and local economy.

Moving more of the rates into the general rate would simplify the system and make it easier to understand. Under the proposed system, the general rate would be based on capital value, with different rates in the dollar (differentials) applying across five different land use categories. This means both the value of a property and how it is used would influence the amount paid in rates. This approach would also help reduce the reliance on a larger number of targeted rates.

The Uniform Annual General Charge (UAGC) would remain a fixed rate paid by every separately used or inhabitable unit for Council services.

Together, the general rate differentials, and the UAGC determine how the overall rates requirement is shared across properties.

What are we proposing for the UAGC?

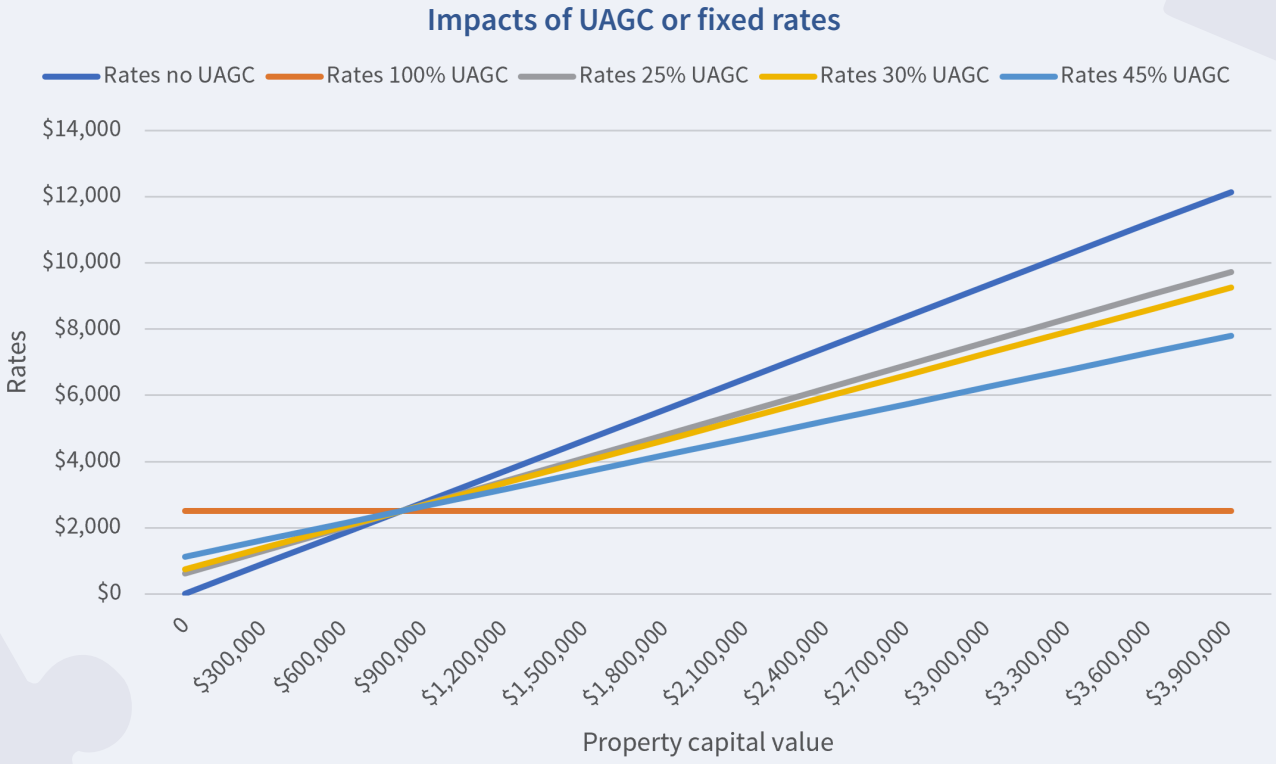
The UAGC is important because changing the fixed rate changes how the rates burden is distributed:

A higher UAGC generally shifts more of the rates burden towards lower-value properties.

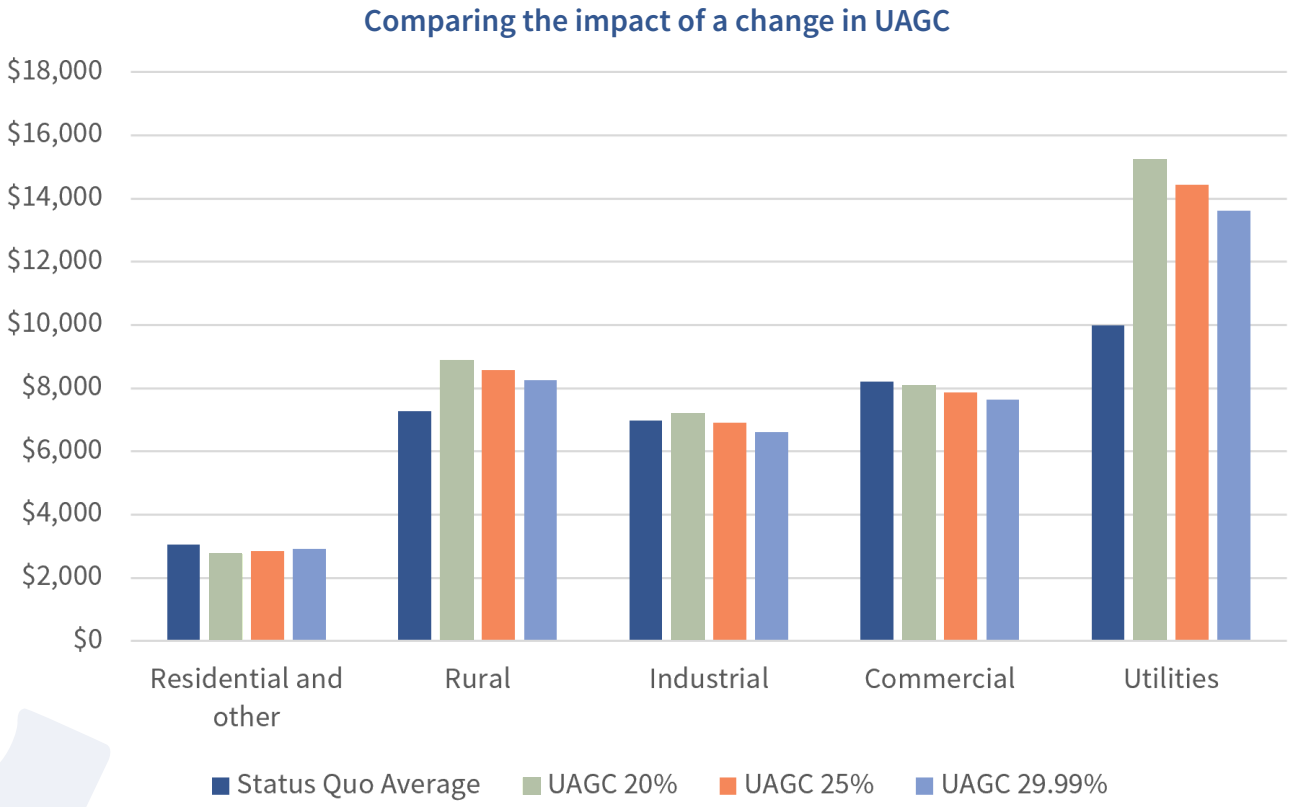
A lower UAGC generally means higher-value properties carry a greater proportion.

This is demonstrated by the scenarios in the **graph below**. It illustrates what rates would look like if property values were not used and everyone paid a fixed amount and what they would look like if there were no fixed rates.

There are also a few more moderate scenarios in between. Legally, a Council's income from fixed rates cannot exceed 30%, so the examples below are for illustrating the impact only.



The **second graph below** shows the impact of different UAGCs on average rates in Gore District for each rating category compared to what these categories currently pay.



We propose that the UAGC should remain between 22% and 28% and that this strikes a fair balance between the low and high value properties.

The Council's current policy is that the UAGC cannot exceed 25%. We would like to hear your views on whether we have this balance right.

The comparisons used later in this document for Options A and B use a UAGC of 25% for ease of comparison, which is within the proposed range.

This review is not about increasing rates. It is about ensuring they are shared fairly, easy to understand and fit for the future.

Now we want to hear from you on whether we've found the right balance.

What are we proposing for the general rate differentials?

Council has looked at its activities afresh to consider who benefits from them and whether particular types of property create a greater need for them.

Many services benefit the whole district. Rural and urban residents both use roads and community facilities and businesses benefit from a district where people can travel, work and spend time. The question is how to share the cost of those services fairly between different types of property.

A differential adjusts the capital value portion of the general rate for each land-use category. Residential properties provide the starting point, with a differential of 1.0. Council proposes the following differentials:

Land Use	Proposed differential	Council's reasoning
Residential and other	1.0	The starting point against which the other categories are compared.
Industrial	2.0	Industrial businesses rely on the road network to move goods and equipment. Some activities also contribute to the need for roads that can carry heavier traffic.
Commercial	2.0	Commercial properties benefit from customer access, roads, public spaces and community facilities that help make Gore and Mataura places where people visit and spend money.
Utilities	1.0	Council has not identified a sufficient reason, based on its assessment of benefits and costs, to apply a higher weighting to this category.

These are judgments about the relative contribution of categories, not a calculation of the exact value each property receives from Council services. A differential of 2.0 means that a commercial or industrial property pays twice the capital value portion of the general rate of a residential property with the same capital value. It does not mean its total rates bill will be twice as high.

Two options for rural properties

In choosing a rural differential, Council has considered access to facilities in Gore and Mataura against the district-wide services rural properties use and the demands rural activities place on parts of the road network.

Option A

Rural differential of 0.85

A rural property would pay 85% of the capital value portion of the general rate paid by a residential property of the same capital value.

The impact of option A on average rates for each rating category in below table:

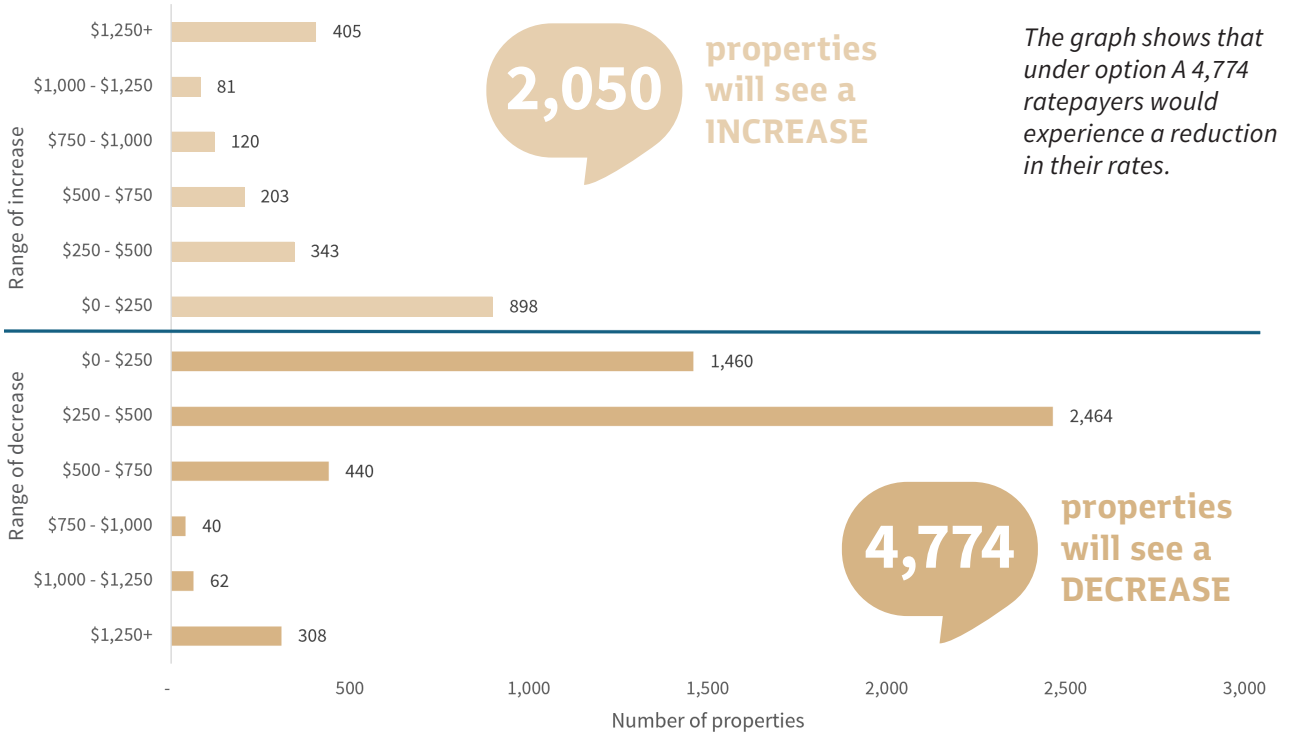
This recognises Council's view that rural properties receive somewhat less benefit from council amenities because they have less convenient access to facilities in Gore and Mataura.

It would also reduce the increase faced by rural properties as the rating system changes. Because the total amount of rates to be collected remains the same, other categories would pay a greater share of the rates than under Option B.

New Rating Group	Status Quo*	Rural (diff= 0.85)
(New) General Rate Residential and Other	$3,046	$2,846
(New) General Rate Rural	$7,282	$9,743
(New) General Rate Industrial	$6,965	$6,884
(New) General Rate Commercial	$8,202	$7,853
(New) General Rate Utilities	$9,982	$14,388

**Based on 2026/27 actual rates levied, having removed the Water, Wastewater and Stormwater targeted rate.*

Impact on properties: Option A vs Status quo



The graph shows that under option A 4,774 ratepayers would experience a reduction in their rates.

Option B

Rural differential of 1.0

Rural and residential properties would pay the capital value portion of the general rate on the same basis.

The impact of option B on average rates for each rating category in below table:

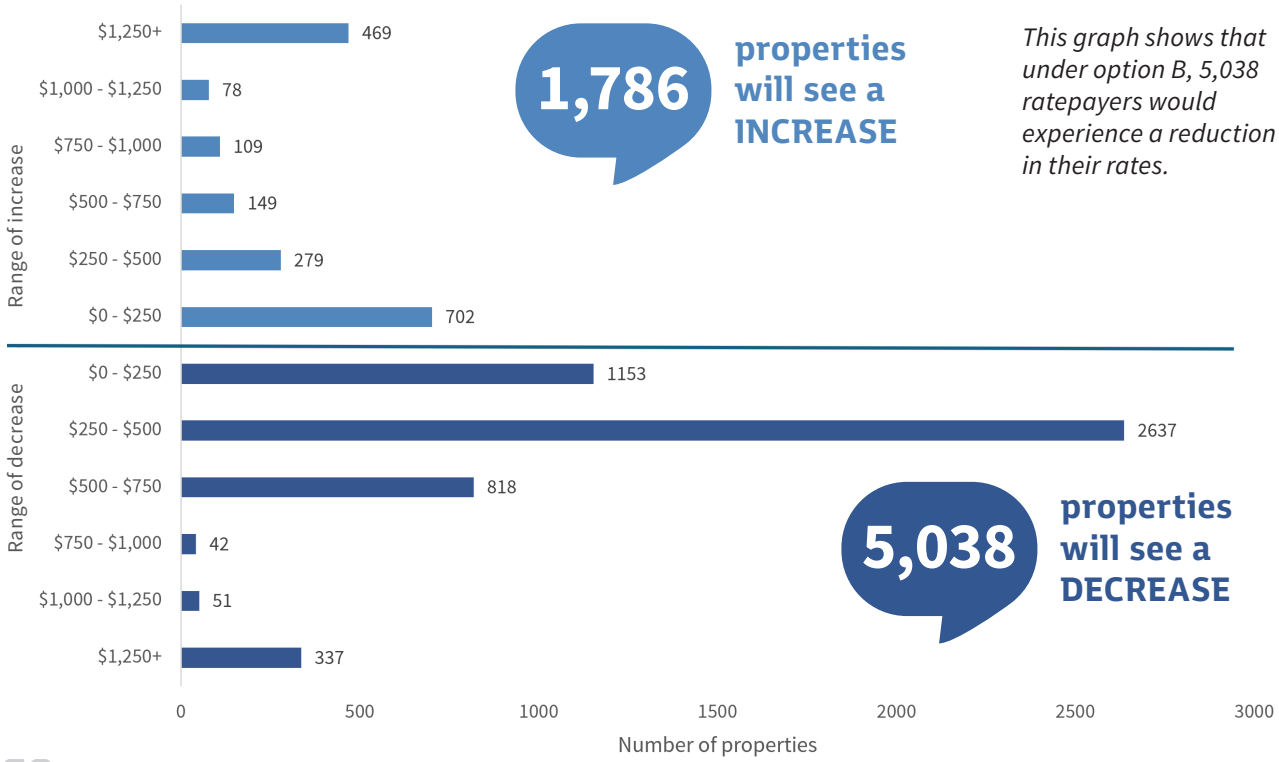
This option gives greater weight to the services rural and residential properties share and to the demands rural activities place on parts of the road network. Under this scenario, on average rural properties would pay a greater share than under Option A.

Council has shown the effect of other rural differentials in the graph below so you can see how changing this weighting affects the average rates for each category.

New Rating Group	Status Quo*	Rural (diff = 1.0)
(New) General Rate Residential and Other	$3,046	$2,760
(New) General Rate Rural	$7,282	$10,664
(New) General Rate Industrial	$6,965	$6,548
(New) General Rate Commercial	$8,202	$7,500
(New) General Rate Utilities	$9,982	$13,618

**Based on 2026/27 actual rates levied, having removed the Water, Wastewater and Stormwater targeted rate.*

Impact on properties: Option B vs Status quo

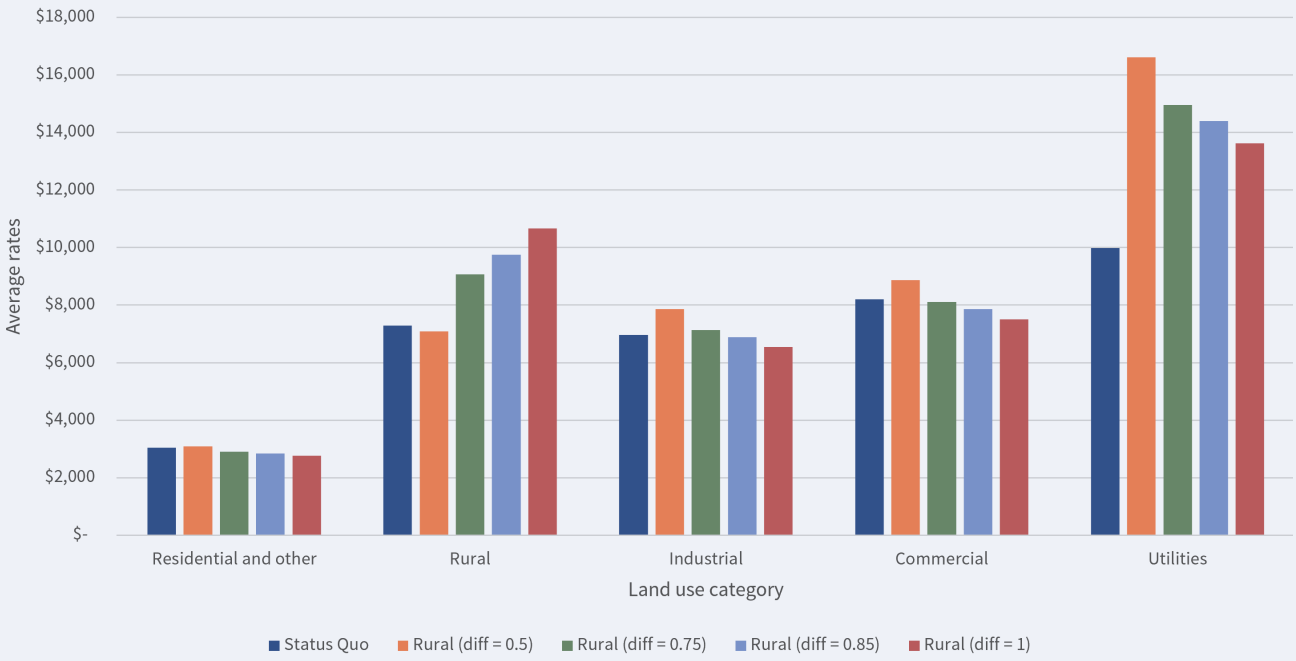


1,786 properties will see a INCREASE

5,038 properties will see a DECREASE

This graph shows that under option B, 5,038 ratepayers would experience a reduction in their rates.

Rating impact of changing differential on rural properties



Council considers that rural properties benefit from a substantial range of district-wide services, even where access to some urban facilities is less convenient. On that basis, it has proposed 0.85 as the lower of the options for consultation. We want to hear whether we have correctly assessed who benefits from Council services and who contributes to their costs.

Find Out What the Proposed Rating Options Could Mean for You

Everyone's property is different, which is why we've created an online Rates Options Dashboard to help you see how the proposed rating options could affect your rates.

The dashboard provides a personalised estimate based on your property and allows you to compare your current rates with the estimated rates you may pay under each option being considered as part of the Rating Review.

It's a quick and easy way to understand what the proposals could mean for you before making a submission.

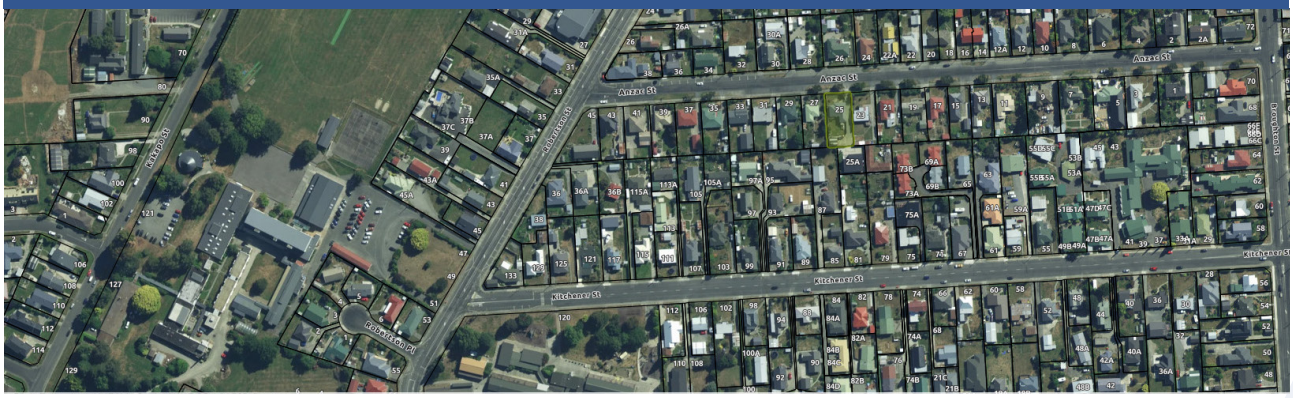
A few things to keep in mind

- The rates dashboard provides estimates only and is intended as a guide during consultation.
- Actual rates may differ once Council has considered public feedback and made final decisions.
- The dashboard is designed to help you make an informed submission by showing the potential impact on your property.
- The figures presented are based on the 2026/27 rating year.

Not sure how the proposals might affect you?

Visit the Rates Options Dashboard at **www.lets.talk.goredc.govt.nz/rates-review-2026** and see the estimated effect it will have for your property.

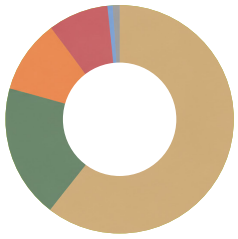
Rates Options Dashboard Example



2026/2027 Rates with 3 Waters	2026/2027 Rates without 3 Waters	OPTION A (0.85 Rural Differential)	OPTION B (1.0 Rural Differential)
$5,169.57	$3,296.20	$3,016.69 -8.48%	$2,928.50 -11.16%

Total 2026/2027 Rates Without 3 Waters

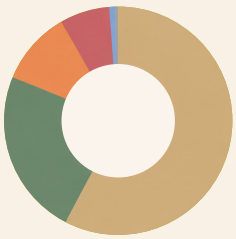
- (New) General Rate Utilities 0.07%
- (New) General Rate Commercial 6.83%
- (New) General Rate Industrial 7.82%
- (New) General Rate Rural 16.08%



- Non Rateable (N) 0.92%
- (New) General Rate Residential 68.27%

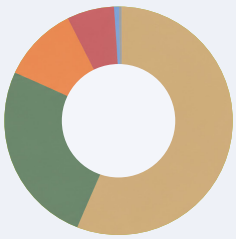
Total 2026/2027 Rates Option A

- Non Rateable (N) 0.09%
- (New) General Rate Utilities 0.06%
- (New) General Rate Commercial 5.44%
- (New) General Rate Industrial 8.66%
- (New) General Rate Rural 26.82%
- (New) General Rate Residential 58.93%



Total 2026/2027 Rates Option B

- Non Rateable (N) 0.09%
- (New) General Rate Utilities 0.05%
- (New) General Rate Commercial 5.2%
- (New) General Rate Industrial 8.23%
- (New) General Rate Rural 29.32%
- (New) General Rate Residential 57.1%



Glossary

Cap Limits

To keep property taxes equitable for lower-value homes, the Local Government (Rating) Act legally caps the proportion of rates a council can raise via the UAGC and certain fixed targeted rates to a maximum of 30% of their total rates revenue to prevent lower-value properties from being unfairly penalised.

Capital Value (CV)

Based on the total market value of the land plus any improvements (buildings, landscaping).

General Rates

There are variable property taxes calculated as a specific rate per dollar of a property's rateable value (i.e. CV).

General rates fund services that benefit the entire community as a whole where separating costs by user is impractical (e.g., roads, parks, libraries, civil defense).

Differential

A differential is a way of adjusting the general rate so that different types of property contribute different amounts. For example, if the residential differential is 1.0 and the commercial differential is 2.0, a commercial property would pay twice the general rate (capital value portion) of a residential property of the same capital value.

Land Value (LV)

Based solely on the value of the raw land, excluding any buildings.

Targeted Rates

Fund specific activities, localised utilities, or distinct work programmes. Unlike general rates, they are only levied against properties that directly benefit from or have access to the service. A common example is; waste collection: Kerbside rubbish, and recycling pick-up services.

Uniform Annual General Charge (UAGC)

A fixed amount that is the same for every property, regardless of the property's value. The actual dollar figure is set each year through the Long-Term Plan or Annual Plan process. There is no weighting for a UAGC. Each separately used or inhabitable unit pays the same fixed rate.

Under New Zealand law, local councils are legally capped and cannot collect more than 30% of their total rates revenue from uniform or fixed rates (like the UAGC) to prevent lower-value properties from being unfairly penalised.

Using the Rates Options Dashboard

- Visit **www.lets.talk.goredc.govt.nz/rates-review-2026**
- Click on the **Rates Options Dashboard** link.
- Enter your property address or valuation details.
- Review your current rates information.
- Compare the estimated impact of each proposed rating option.
- Consider how the options may affect your property and household.
- Share your views with Council by making a submission.

The rates map on page 14 show the 2026/27 rates levied, the 2026/27 rates levied excluding the targeted rates for water, wastewater/stormwater, and options A & B.

Have Your Say

Online Rates Dashboard

Visit the Rates Options Dashboard at **www.lets.talk.goredc.govt.nz/rates-review-2026** and see the estimated effect it will have for your property in just a few minutes.

Find out more on page 13.

Important dates

20 Oct	**Council Meeting** Council approves public consultation
21 Oct	**Public Consultation** Public consultation goes live
18 Nov	**Consultation Closes** Public consultation ends 5pm
3 & 4 Dec	**Hearings** Hearings to take place (full day) (and 4 Dec) if required
10 Dec	**Deliberations**
15 Dec	**Council Meeting** Council meeting for adoption

Giving Feedback is Easy

Fill out the submission form online: **www.lets.talk.goredc.govt.nz/rates-review-2026**

Grab a paper feedback form any of our libraries, the Council building or the Gore Multisports Complex or Visitor Centre.

Return back either by:

Email: info@goredc.govt.nz

Subject line:
Rates Review 2026 Feedback

Post to:
Rates Review 2026 Feedback
Gore District Council
P O Box 8
Gore
Southland 9740

Drop off at: Council's main office, 29 Bowler Avenue, Gore; or the Mataura Library/Service Centre in McQueen Avenue.



THIS REVIEW IS NOT ABOUT INCREASING RATES.

It is about ensuring they are shared fairly, easy to understand and fit for the future.



GORE DISTRICT COUNCIL

www.goredc.govt.nz