Rating Review: Frequently Asked Questions

Why is Council reviewing rates?

Why is Council reviewing rates now?

Water services are due to move to Southern Waters Limited on 1 July 2027. Once water rates leave Council's rates account, the fixed charges in our current system would exceed the legal limit of 30% of rates revenue. We therefore need to change how rates are set. Because the current system has become complex, Council is reviewing it as a whole and asking whether it still shares costs fairly.

Is Council using the review to collect more rates?

This review is about how the rates Council needs are shared between properties. The proposed options do not, by themselves, increase the total amount collected. Council makes separate decisions about its overall budget through its annual planning process.

Why can't we just keep things as they are?

The current mix of fixed charges would exceed the legal limit once water rates leave. Recreating today's distribution of rates through a different system would also require differentials that Council does not consider a fair reflection of the benefits and costs associated with different property uses.

What does Council mean by a "fairer" system?

Council is proposing to share costs more consistently across the district, taking account of how a property is used and the broad benefits and impacts associated with that use, rather than relying as heavily on which ward it is in. We know people may have different views about what is fair, and we want to hear them.

Why make changes if councils might amalgamate?

Any amalgamation is uncertain. The transfer of water services is planned for July 2027, so Council needs a workable rating system for that change.



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.

How would the proposed system work?

How are rates calculated now?

Your Council rates can include a fixed Uniform Annual General Charge (UAGC), a general rate based on your property's capital value, and targeted rates. Some charges and the way they are applied also vary by ward. Over time, this combination has become difficult to understand.

What is Council proposing?

Council proposes to collect most of the rates covered by this review through a general rate based on capital value, with differentials for different property categories. It would retain a UAGC within a proposed range and a targeted rate for those who use kerbside waste and recycling.

What is capital value?

Capital value is the assessed value of a property, including its land and improvements such as buildings. It takes into account location and access to services. Council proposes to use it to calculate the capital value portion of the general rate.

What is a UAGC?

A Uniform Annual General Charge is a fixed charge that helps share some of Council's general costs across properties.

Why is Council proposing a range for the UAGC? Council has used 25% for the modelling so people can see the estimated effect of the proposal. It is proposing a range in the policy because the UAGC's actual share of rates revenue can change as factors such as the number of properties and the total rates required change. The range gives Council room to set the charge each year while staying within the policy and the legal limit. The 25% figure is a share of rates revenue across the district; it does not mean the UAGC will be 25% of every property's bill.

What is a differential?

A differential adjusts the capital value portion of the general rate for a property category. For example, a differential of 2.0 means a property pays twice that portion of the rate compared with a residential property of the same capital value. It does not mean its total rates bill doubles.

What differentials is Council proposing?

The proposed differentials are residential 1.0, commercial 2.0, industrial 2.0 and utilities 1.0. Council is asking for feedback on two rural options: 1.0 or 0.85.

Why are there two options for rural properties?

Council wants feedback on how the cost of shared services should be allocated to rural properties. Under the 0.85 option, the capital value portion of the general rate would be 15% lower than for a residential property with the same capital value. The Statement of Proposal also models other rural differentials so people can see their effects.

Why eight hectares for the rural category?

Council has proposed eight hectares as the boundary between rural and residential properties. We want to hear whether that is the right threshold. If you think it should be different, please tell us what you would use and why.



I live on a lifestyle block smaller than eight hectares. Which category would I be in?

Under the proposed definition, your property would be in the residential category. The Rates Options Dashboard will show the estimated effect for your property under each option.

Do commercial and industrial properties pay twice what residential properties pay?

No. Their proposed differential of 2.0 applies to the capital value portion of the general rate, compared with a residential property of the same capital value. It does not apply to the whole bill. Council's proposed differential reflects its assessment of the benefits and costs associated with those activities, including their use of shared infrastructure and town centres.

What would it mean for my property?

I have two houses on my farm. How many fixed charges would I pay?

A UAGC is charged for each separately used or inhabited part of a property. A farm with two separate dwellings would generally pay two UAGCs. Council is not proposing to change this approach.

Will my rates go up?

Some properties will pay more under the proposed ways of sharing rates and others will pay less. The modelling indicates that many rural properties would see an increase under either rural option; the 0.85 option reduces that increase but does not necessarily remove it. Use the Rates Options Dashboard to see the estimated effect for your property.

I don't use many Council services. Why might I pay more?

Rates help keep services available across the district; they are not a bill for each service you personally use. Council considers broad benefits and impacts when deciding how costs should be shared.

Who sets my property's capital value?

Quotable Value carries out Gore District's rating valuations. Rating valuations are overseen and audited by the Valuer-General. Visit: **www.goredc.govt.nz.**

How can I see what the proposal means for my property?

Enter your property into the Rates Options Dashboard. It will show your 2026/27 rates with and without water, and your estimated rates under the proposal without water. Compare the figures without water to see the effect of the proposed rating changes. These figures show the effect of changing the rating system; your eventual bill will also depend on the budget adopted for 2027/28.

If wind farms are classed as commercial, will power prices rise?

Electricity prices are influenced by the wider electricity market, so a change to one site's rates would not translate directly into the same change on household power bills. Under the proposal, electricity generation would be classed as commercial, while transmission lines and pipes would remain in the utilities category.

Water, consultation and next steps

Who will provide water services from 1 July 2027?

Southern Waters Limited, a council owned company involving Central Otago, Clutha, Gore and Waitaki District Councils. Visit **www.southernwaters.co.nz**

Will water still appear on my Council rates bill?

No. Under the planned arrangements, Southern Waters will bill customers separately for the water services it provides.

Does the Rates Options Dashboard include water?

Yes. The dashboard will show your 2026/27 rates both with and without water, alongside your proposed rates without water. To see the effect of the rating review, compare the two figures without water. The figure including water shows what you currently pay in total.

How do I have my say?

Submissions are open **21 October 2026.** You can submit online through Let's Talk or get a form from Gore library, Mataura Library , Gore District Council, The Multisport stadium or Croydon Aviation Heritage Centre. You can also ask to speak to your submission at a hearing in on 26 and 27 November.

What happens after consultation?

Council will consider submissions before deciding on the rating approach in December. The chosen approach would be incorporated into the 2027–37 Long-term Plan and take effect from 1 July 2027.

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

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