



**PRESS RELEASE: FOR IMMEDIATE USE**

**April 18, 2008**

## **Public meetings on proposed roading rate change**

The Southland District Council is holding two public meetings in Te Anau and Invercargill on Tuesday, April 22, and Wednesday, April 23, to explain its proposed change to the way it rates for roading work.

The meetings are in Te Anau at the Real Journeys Event Centre at 7pm on Tuesday and at the Invercargill Working Men's Club in Invercargill at 10am on Wednesday.

Consultants Morrison Low will present the methodology for the new model and they and Council staff will answer questions from the public.

Chief Executive David Adamson said Council has been investigating the fairest way to fund the \$25. million a year needed to maintain the District's 5000km of roads for several years. Council gets a \$14 million subsidy from Land Transport New Zealand but has to find \$9 million through rates.

Council has looked at several models in the past few years refining over time, and believes this model better reflects where roading expenditure is being spent and is as fair as possible to all sectors, he said.

One of the key aspects of the model is the change to capital value for allocating rating portions within sectors.

"A change such as that proposed is always going to be difficult as it is like slicing a cake differently and therefore creating winners and losers. But the move to capital value is a big improvement, as the District covers a large area with big differences in land values between different parts.

"Capital value will reflect the total investment in the property, approximates the road damage the property will generate, relative to others in its sector, and tends to be slightly more stable over time," Mr Adamson said.

The proposal is included in Council's draft Annual Plan for consultation. Details on how to make a submission are set out in the draft Plan (available at [www.southlanddc.govt.nz](http://www.southlanddc.govt.nz), Council Offices and District Libraries) and in the Summary (to be sent out to all ratepayers in April).

Submissions should be received by Council by Wednesday, 21 May 2008.

ENDS

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