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Council proposes rate increase of 6.12 percent

The Southland District Council is proposing a District rate increase of 6.12 percent for 2008-2009 in its draft annual plan.

Councillors accepted the draft plan at an extraordinary Council meeting yesterday. It will be available to the public on April 17, with submissions closing on May 21.

Corporate planner Nicole Taylor said the proposed District rate increase is slightly less than the 6.15 percent in the Council's LTCCP and will result in a District rate take of \$22,207,712 which includes a proposal for kerbside recycling.

The plan also includes various local rates for townships throughout the District. The amounts of these rates are set by each local committee at their meetings held in February and March.

In 2008/2009 these local rates will total \$7,226,129, taking the total rate take to \$29,433,841.

Miss Taylor said the draft plan is basically an update to year 3 of the Council's ten-year plan adopted in 2006.

The draft plan details the differences from what was originally included in the ten-year plan, provides an update on various projects and also includes a proposed amendment to the ten-year plan about how the roading rate and development and promotions rates are collected.

The amendments, which have received a clear audit opinion, are a legal requirement because the Council is changing its Revenue and Financing Policy which sets out how the Council intends to fund its activities.

The Council has also decided to hold public meetings, in Te Anau on April 22 and Invercargill on April 23, to explain the proposed change to the way the roading rate is collected.

The main change is the proposal to use capital value instead of land value to collect the roading rate. In addition the Council is also proposing to use a new model (based around tonnage) to calculate the share of costs which different sectors pay towards

roads. This has been the subject of a number of submissions to the Council's plan in the past.

"It is important that residents let the Council know what they think about the proposals as the Draft Annual Plan is used to set the rates from 1 July 2008."

Another key issue included in this year's plan is a proposal to introduce either a two or three wheelie bin system for kerbside recycling.

Miss Taylor said this will be an additional cost above the 6.12% rate increase, and the exact amount will depend on the submissions received, the results of a trial being carried out in Winton and whether the system uses two or three wheelie bins.

The Council is keen to know what residents think about the possibility of kerbside recycling, Miss Taylor said.

"The three-bin kerbside recycling option will cost properties already receiving the service an additional \$199 excluding GST a year if only the District Council is involved, and \$108 excluding GST if it is a regional initiative. The two-bin option will cost \$75 excluding GST," she said.

Submissions will be heard by Council on June 10 and considered at another meeting on June 11. The final plan will be brought to Council on June 25.

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