

13 August 2024

File Ref: OIAPR-1274023063-29775

[REDACTED]

By email: [REDACTED]

Tēnā koe [REDACTED],

Request for information 2024-187

I refer to your request for information dated 24 July 2024, which was received by Greater Wellington Regional Council (Greater Wellington) on 8 August 2024. You have requested the following:

“Currently, year-on-year, from 30 June 2024 to 30 June 2025 our total rates bill has jumped from \$15,143 to \$18,965 in one year, i.e. \$3,821.93 - an increase of 25%. Within this amount, the Masterton District Council component increase was 23% and Greater Wellington Regional Council’s component increase was: 32%

Are you able to tell me what percentage of GWRC’s component increase is due to valuation increases versus cost increases?”

Greater Wellington’s response follows:

Greater Wellington does not hold the information you have requested. We are therefore refusing your request under section 17(g) of the Act on the basis that the information requested is not held by Greater Wellington and we have no grounds for believing that the information is either –

- Held by another local authority or department or Minister of the Crown or organisation; or
- Connected more closely with the functions of another local authority or department or Minister of the Crown or organisation.

However, we are providing you with information regarding the valuation increases as well as some information about cost increases. The combination of the two, in conjunction with other factors such as targeted rates and levies, ultimately determines the final amount of rates you pay. Greater Wellington's rates model is used to determine who pays what and does not give us the ability to simply answer your question as stated.

Valuation:

The territorial authorities (TA's) in the Greater Wellington Region are revalued for rating purposes triennially. However, the effective date of valuation is not the same for each TA. The Greater Wellington Regional Council Rates are affected by rating valuations, and the misaligned effective date of valuation is seen by some as inequitable.

An estimate of projected valuation can be carried out under Section 131 of the Local Government Rating Act 2002 – which provides similar provisions as the previous legislation relating to “Equalisation Certificates”, or Equalised Capital Value (ECV). Interim values are provided for each TA within the region, at a given date, which are used for rating purposes.

Data used as the basis for these projected values is from Quotable Value's (QV) records who provide gross factors based on all land within each district.

In December 2023, QV provided Greater Wellington with updated ECVs, which were used in the ratings model to determine the proposed rates for public consultation undertaken in March/April 2024.

The following table shows the movement in ECVs across the Wellington Region. You will notice that Wairarapa has had a significant increase in their ECV compared to other TAs.

Table 1 Percentage Increase on Roll Values

TLA	CONSTITUENT AUTHORITY	DATE REVISED	2023 NET ASSMTS	2023 NET ROLL CAPITAL VALUES	2023 NET EQUALISED C.V.	% CHANGE
41	PT TARARUA DISTRICT	1/09/2020	11	\$15,976,500	\$21,568,275	35.00%
43	KAPITI COAST DISTRICT	1/08/2023	25,913	\$22,974,448,800	\$23,073,590,904	0.43%
44	PORIRUA CITY	1/10/2022	20,139	\$19,396,255,500	\$18,992,714,263	-2.08%
45	UPPER HUTT CITY	1/07/2022	18,200	\$16,988,020,450	\$15,516,301,703	-8.66%
46	HUTT CITY	1/09/2022	42,581	\$40,135,222,400	\$38,393,867,363	-4.34%
47	WELLINGTON CITY	1/09/2021	81,994	\$120,523,614,751	\$99,003,634,434	-17.86%
48	MASTERTON DISTRICT	1/09/2020	13,415	\$9,094,379,155	\$10,956,106,252	20.47%
49	CARTERTON DISTRICT	1/09/2020	5,224	\$3,877,945,800	\$4,589,109,075	18.34%
50	SOUTH WAIRARAPA DISTRICT	1/09/2020	7,340	\$6,552,899,050	\$7,645,492,004	16.67%
TOTAL			214,817	\$239,558,762,406	\$218,192,384,272	-8.92%

Masterton’s increased valuation means that the territory takes a larger share of the Greater Wellington rates that are based on a Capital Value funding tool, such as general rates.

Cost increases:

Greater Wellington, just like other Councils across the country, have faced significant cost increases even before factoring in any new programmes of work.

A main driver for the increases, since our 2021-31 Long Term Plan (LTP), is inflation and interest rates reaching levels higher than anticipated which has put significant pressure on the first year of our 2024-34 Long Term Plan.

Insurance is another factor putting pressure on our rates. Since Cyclone Gabrielle we have seen double digit increases in our insurance premiums with further increases expected. Greater Wellington has been reviewing its insurance programme to find savings, even looking at what can be self-insured. However, given the size and value of our infrastructure, these costs continue to increase.

Although Wairarapa does not pay water levies, the water levy percentage increase follows a similar pattern to the LTP average rates percentage increase, with it being higher in 2024/25.

The following table shows the overall cost increases for Greater Wellington, as well as who is paying how much. The links to the documents have been provided as they hold all the information about our activities and costs.

Year	Reference	Total Budget	% from General Rates	% from Targeted Rates*	% from Govt Grants	% from other revenue**
2018/19	2018-28 Long Term Plan (Refer page 264)	\$355,119,000	12.7%	23%	22%	42.3%
2020/21	2020/21 Annual Plan (Refer page 23)	\$367,228,000	13.5%	22.5%	21%	43%
2022/23	2022/23 Annual Plan (Refer page 48)	\$501,631,000	14.6%	21.3%	28.3%	35.8%
2024/25	2024-34 Long Term Plan (Refer page 230)	\$558,625,000	14.2%	23.5%	23.8%	38.5%

*Excludes Water Levy's

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If you have any concerns with the decision(s) referred to in this letter, you have the right to request an investigation and review by the Ombudsman under section 27(3) of the Local Government Official Information and Meetings Act 1987.

Please note that it is our policy to proactively release our responses to official information requests where possible. Our response to your request will be published shortly on Greater Wellington's website with your personal information removed.

Nāku iti noa, nā



Jacob Boyes
Kaiwhakahaere Matua, Pūtea me ngā Tūraru | Group Manager Finance and Risk (acting)