



*caring about you & your environment*

## **Report 99.126**

11 March 1999

File: G/6/1/1

Report to Policy and Finance Committee

From: Ted Maguire, Council Secretary

### **1999 Valuation Equalisation**

#### **1. Purpose**

To report on the valuation equalisation as a 1 September 1998 and the implications for the 1999/2000 Wellington Regional Council Rates.

#### **2. Background**

The Local Government Reorganisation (Wellington Region) Order 1989, requires the Council to apportion its general rate in accordance with equalised capital values provided by the Valuer-General. This is because regional councils, unlike territorial authorities, do not have a valuation roll over the whole council's area of responsibility (the region) at a common date. In accordance with policy previously agreed by Council, the date of the valuation equalisation for the 1999/2000 Wellington Regional Council rates is 1 September 1998. It should be noted that the general rating apportionment excludes the transport rate, rivers rate and stadium rate, which are apportioned on an area of benefit basis.

The valuation process sees all properties re-valued over a three year cycle, only part of the region being done each year. In 1998 a triennial revaluation was carried out in Porirua, Upper Hutt and South Wairarapa. In addition, Wellington and Hutt Cities have moved to a system of annual valuations and therefore were also re-valued in 1998. (New Wellington City values, as at 1/9/98, are to be released shortly. The Lower Hutt values were released sometime ago.) It is understood that Hutt City has recently resolved to return to triennial valuations as a cost saving measure. The Wellington Regional Council continues to promote a common valuation date region-wide, an idea which is becoming more feasible with the devolution of the National Property Database to territorial authorities.

The equalisation process adjusts total district values (but not individual property values) in districts re-valued in earlier years to reflect the overall market changes in the intervening periods. It is a price index type adjustment.

Net equalised capital values at 1 September 1998, as supplied by Quotable Value are as follows:

City/District	Net Equalised Capital Value 1.9.97 \$	% of Region	Net Equalised Capital Value 1.9.98 \$	% of Region	% Change
Pt Tararua District	2,456,520	0.01	2,456,520	0.01	-4.74
Kapiti Coast District	3,118,269,000	9.06	3,379,225,000	9.35	8.37
Porirua City	2,291,631,000	6.66	2,425,887,000	6.71	5.86
Upper Hutt City	1,974,000,000	5.73	2,145,542,000	5.94	8.69
Lower Hutt City	6,193,000,000	17.99	6,612,541,000	18.29	6.77
Wellington City	17,861,054,000	51.88	18,601,500,000	51.46	4.15
Masterton District	1,487,800,000	4.32	1,470,705,000	4.05	-1.66
Carterton District	591,000,000	1.72	584,000,000	1.62	-1.10
South Wairarapa District	905,780,000	2.63	930,242,000	2.57	2.70
<b>Total</b>	<b>34,424,990,520</b>	<b>100</b>	<b>36,152,098,520</b>	<b>100</b>	<b>5.00</b>

Those districts with an increase in capital value greater than the average of 5.0% will experience an increase in their share of the general rate. All those below 5.0% will see their share of the general rate go down.

The unaudited equalisation table and General Market Comments for this year from Quotable Value is attached in **Appendix 1**. It must be noted that the overall impact on rates is affected by the Transport Rate and Stadium Rate, which are apportioned to different classes of ratepayer according on a benefit basis, and the Rivers Rate, which is apportioned on an area of benefit basis.

It is emphasised that the valuation equalisation figures apply only to the apportionment of the general rate between constituent districts. The actual rates themselves, ie. the cents in the dollar calculations, is calculated using **current** roll valuations as at 30 June. These will not be available until rolls are finalised in early July. Appropriate information about these, which is supplied by territorial authorities, will be reported to the Council in July.

The net number of assessments have changes as follows:

City/District	1997	1998	No. Change	% Change
Pt Tararua District	9	9	0	0
Kapiti Coast District	19,755	19,956	201	1.02
Porirua City	16,135	16,206	71	0.44
Upper Hutt City	13,870	14,000	130	0.94
Lower Hutt City	37,796	37,862	66	0.17
Wellington City	60,353	61,159	806	1.34
Master-ton District	10,543	10,578	35	0.33
Carterton District	3,095	3,128	133	4.30
South Wairarapa District	4,854	4,910	66	1.36
<b>Total</b>	<b>166,410</b>	<b>167,808</b>	<b>1,398</b>	<b>0.84</b>

It should be noted that an increasing number of assessments would take up part of any city/district increase in rates. Where there is an increase in assessments but a decrease in ECV, the share of regional rates per property will decrease even more.

### 3. Recommendation

*That the report be received and the information noted*



TED MAGUIRE  
Council Secretary

#### Attachments:

Quotable Value: Equalisation and Market Report