

Report on submissions on the proposed Revenue and Financing Policy

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1. Introduction

This section of the report outlines the major issues raised in submissions on the proposed policy, and provides additional information and/or advice on the main points made by submitters.

Purpose of this report

This report provides the Hearings Committee with structure and context related to submissions and is intended to support Councillors in their deliberations and decision-making.

Content of this report

This report lists the major issues made by submitters, seeking to capture the major features of the written submissions. It also provides additional information and/or advice on technical points. In some instances, the contextual information we provide is relevant to more than one point. For brevity and ease of navigation, we have grouped those points together.

We received 418 submissions directly on the Revenue and Financing policy (R&F) and 68 of these (16%) appeared to be pro-forma.

In addition to the R&F submissions, there were also 42 LTP submissions that commented on the R&F proposals. Those comments have been included in the compiled books of submissions, and some comments have also been provided as example comments in this report. The report does not summarise every submission, nor list every point made by every submitter.

Scope

In considering scope, we have been guided by section 101(3) of the Local Government Act, which requires Council to consider, for each activity:

- a) the community outcomes to which the activity primarily contributes
- b) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals
- c) the period in or over which those benefits are expected to occur
- d) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
- e) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

Council must then consider the overall impact of any allocation of liability for revenue needs on the community.

This report includes:

- information, especially about rates and rates impacts, that was developed during the public consultation in response to requests for specific information, and
- further information that has been developed in response to submissions.

For the Hearings and Deliberations we will also provide copies of core discussion documents and modelling that we used in the development of the policy and the consultation.

2. Flood Protection

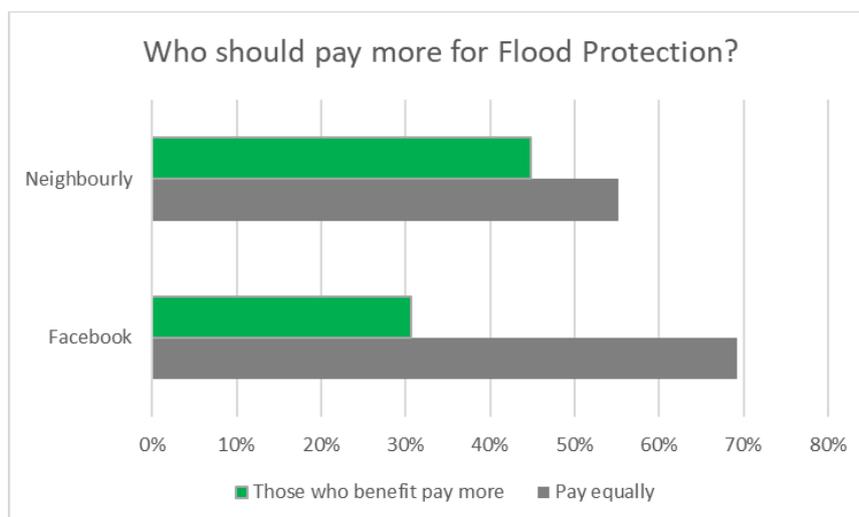
Flood Protection appears to have been the most controversial issue of the consultation.

- 1 55 of the submissions (13%) broadly support the proposal to change Flood Protection funding (32 for Option 1, 23 for Option 3).
- 2 334 of the submissions (81%) support Option 2, which leaves the Flood Protection rate funding as is.
- 3 25 submissions did not give an opinion.

Submissions on the Revenue and Financing policy were largely in favour of Option 2. Note that Council's major stakeholders, such as the city and district councils within the region, made their comments via their LTP submissions, which are not included in these counts.

	<i>Preferred option</i>			
	<i>1</i>	<i>2</i>	<i>3</i>	<i>Did not say</i>
Wellington	9	0	9	4
Lower Hutt	7	5	3	1
Upper Hutt	2	0	1	0
Porirua	6	0	0	
Kāpiti Coast	1	4	2	3
South Wairarapa	4	243	7	13
Carterton	0	56	0	3
Masterton	3	26	1	1
Total	32	334	23	25

Council conducted a social media poll which received a total of 127 votes on Facebook and 156 votes on Neighbourly. The results of the polls are shown below. We do not have data on the location of the poll respondents.



Submissions on Flood Protection funding fall into two main groups – those in favour and those against.

<i>Submission topics</i>	
1	Broad support for the Flood Protection proposal
2	Opposition to the Flood Protection proposal
a)	Want to see more analysis
b)	Not satisfied with the consultation process
c)	Want more consistency between Flood Protection funding and Public Transport funding
d)	The rates impact is not fair on people in various parts of the region

The next section outlines the main issues from submissions. We include a sample of comments on each of these main points.

Broad support for the Flood Protection proposal

Sample comments from submission numbers 11, 212, 58, and LTP 280, LTP 287, LTP 299, LTP 305, LTP 313, LTP 323

- *We support the review of the revenue and financing policy to make rates allocations more transparent (Living Streets Aotearoa)*
- *The [Wellington City] Council has advocated for this approach to flood protection and supports GWRC's proposal.*

In recent times, the approach to increasing resilience across the region and throughout the country has been that those most affected must take the most action. In a related example, with earthquake prone buildings, those most at risk have been targeted for quickest strengthening. The Wellington region as a whole is a high seismic area but the requirement to strengthen URM buildings has, in this region, targeted buildings within Hutt City Council and Wellington City Council's areas. These councils were required to contribute funding to enable subsidies for building owners to conduct this work, with ratepayers gaining a benefit from a safer city being increased sooner than otherwise required.

It is consistent with this approach that flood protection is funded to reflect the benefit each group of ratepayers receives from this work. The Council supports this (Wellington City Council).

- *Council is not opposed to the review of the policy (Upper Hutt City Council).*
- *We support the proposed changes to rates for public transport and flood protection to be proportionally lower in Porirua. This is a far more equitable approach for our ratepayers and better reflects who gets the most benefit from these services across the region (Porirua City Council).*
- *As a principle, we agree with the proposals to charge rates based, at least partially, on the benefits residents get from the services funded by those rates.*

We support the proposal to change the flood protection funding to weight it more towards those catchments that benefit most from it. The use of a partial targeting rate would appear to be the simplest way of achieving this.

We accept that the whole region benefits from flood protection and that all residents should make some contribution to it. However, there are private benefits to landowners in flood-prone areas from flood protection work, and we agree that they should contribute relative to this private benefit. We like the transparency of a targeted rate and the fact that it can also send price signals (depending on the rate paid, of course) to landowners considering developing areas of land. This could result in fewer properties being at risk of flood inundation and damage and possibly reduce costs to GWRC and local councils following floods.

We cannot comment on whether the 70:30 split of the targeted rates is the right one as the GWRC supporting documents don't include an analysis of the costs and benefits for the different catchments. However, we support the principle of the new targeted rates (Wellington Chamber of Commerce).

- *The Chamber recognises the large amount of public good that comes from the work done in flood protection around the Wellington region. We believe that 70% of this work should now be funded via a targeted rate on the properties in the immediate location of where work is being completed. We therefore support the proposed funding expenditure and the funding policy changes that sit alongside that. The Porirua Basin is without expenditure in this area, and therefore it is more equitable to move from a 5% contribution to a 3% contribution from a targeted rate across the first three years of the plan. The whole purpose of a regional council is to share costs of important infrastructure. We believe the case can be made for some cross-subsidisation from Wellington and Porirua, however the proposed change is more equitable for our business ratepayers and we support the transition to this (Porirua Chamber of Commerce).*
- *Seems fair and equitable + sensible option.*
- *Support flood protection at a higher 80% catchment rate. Incentives to build out of flood prone areas is important not subsidising.*
- *Re flood protection how do you determine the catchment? i.e. does Wainui pay for Hutt river works. Because they need to cross the river every day.*
- *On flood protection, care will need to be taken to ensure lower socio-economic areas are not burdened with large rate increases.*

Officer comment 1 – Benefits and costs of Flood Protection

Comments noted.

[Opposition to the Flood Protection proposal - Want to see more analysis](#)

Sample comments from submission numbers 417 and LTP submissions LTP 322, LTP 321

- *Information supplied by the GWRC does not enable me to understand the impact of the proposed significant changes to the funding of flood protection works. This is contrary to the first principle of the GWRC consultation policy.*
- *The comprehensive changes proposed to the Revenue and Financing Policy have far reaching consequences for the economic viability of Wairarapa. There is no evidence that these economic impacts have been considered by GWRC (Wairarapa Voice).*
- *The Plan does not delineate what the money for flood protection work is going to be spent on in each geographical area for each year over the next 10 years. Nor does the Plan show the costs to ratepayers for flood protection work in each geographical area for*

each year over the next 10 years. It only shows financial impact to ratepayers for Year One. We want better, clearer, and more detailed information for such important decisions (Save Our Hills, Upper Hutt).

- *While SWI acknowledge there needs to be changes in this area, the consultation document does not provide enough detail or rationale for the changes proposed– (Sustainable Wairarapa Inc).*

Officer comment 2 – Analysis of the Flood Protection proposal

In preparing information for consultation, officers sought to balance the need for information to be understandable and digestible to the community, while providing sufficient levels of information for the community to be fully informed and meeting legal requirements.

The Statement of Proposal and the supporting information included a description of the benefits, and the beneficiaries of flood protection activities.

The overall costs of Flood Protection are included in the LTP, and those costs were applied to the rates impact information in the Revenue & Financing Policy Statement of Proposal (for both year one of the proposed transition, as well as the full impact of the policy) and in the supporting information.

During consultation, we developed more detailed information and we provided this in response to specific queries.

Opposition to the Flood Protection proposal - Not satisfied with the consultation process

Sample comments from submission numbers 407, LTP 322, LTP 283.

- *The public consultation has been marked with initial obfuscation and what appears to be a willful decision by the GWRC to misrepresent the review and its impacts.*
The consultation information is spread incoherently among a number of documents. The GWRC LTP Consultation Document includes narrative supplemented by some basic tabular analysis while the four page "Have Your Say" brochure on the Revenue and Financing Policy has the submission form but with virtually no information included– (Wairarapa Voice).
- *Because of the major defects in consultation the changes to rating for flood protection works proposal should not proceed until adequate information has been provided followed by informed consultation.*
- *The Process has been incomplete and missing fundamental information of importance to ratepayers. Informal surveys of people in the Wairarapa showed NO awareness of any consultation process, no awareness of the extent of the rate hikes (this is still unknown, in spite of repeated requests) no awareness of public consultation meetings from GWRC and once a few have been advised by local community groups (such as WAG and Wairarapa Voice), no clear understanding of what is being proposed or it's likely impact on individual ratepayers– (Waiohine Action Group).*

Opposition to the Flood Protection proposal - Want more consistency between Flood Protection funding and Public Transport funding

Sample comment from submission LTP 307

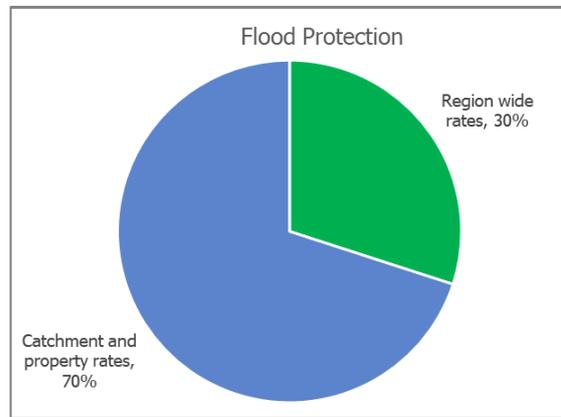
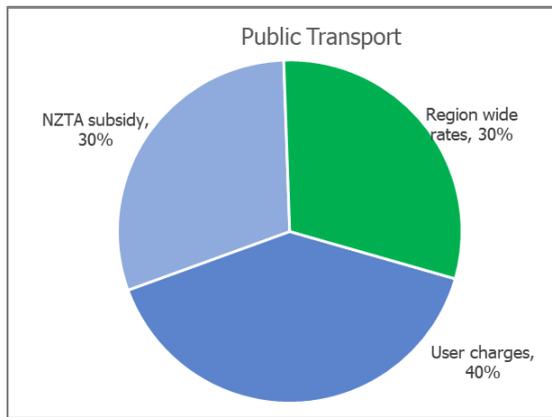
- GWRC propose that people who live alongside or in the catchments of the major rivers meet 70% of the costs of flood control. In that same spirit, it seems eminently reasonable that people who sit in and on the buses and trains should meet 70% of the costs of that service: while apportioning 70% of flood control works is an inevitably subjective judgement, apportioning 70% of public transport costs to users of that service is a transparent and objective measure. Similarly, those who regularly visit their local park should equally pay 70% or thereabouts for that service (Federated Farmers).*

Officer comment 3 – Consistency of funding rationale

There are differences between the Flood Protection and Public Transport activities that affect the proposed funding:

- Public Transport services are used daily and fares can be charged to thousands of individual users. In addition, NZTA provides a subsidy.
- Flood Protection is about preventative measures for the (storm) water that will come one day. People cannot buy flood protection on the day they need it, the way they can buy a bus or train ticket.

Council seeks to collect 25-30% of the funding for both activities from rates that are applied across the whole region.



Opposition to the Flood Protection proposal - The rates impact is not fair on people in my part of the region

Sample comments from LTP submission numbers LTP 24, LTP 67, LTP 93, LTP 98, LTP 296, LTP 315, LTP 317, and many R&FP submissions.

- Flood areas should not have to pay more rates.*

Wairarapa

- The 70/30 rate increase split needs to return to the normal 50/50 split to be fair and equitable.*

- *Keep the status quo and not load 70% on South Wairarapa. A 66% increase in rates is gross and unacceptable. You will drive pensioners from their homes.*
- *Change of rating for Floodplain and water management is illogical and unfair and has been foisted arbitrarily with little evidence of the need other than population politics!*
- *It does seem very unfair to put the majority of flood protection costs on the Wairarapa. At the moment our rates are approx \$25,000, some of that pays public transport, stadium etc. To increase our rates by 50% would add another \$12,500. That is a lot.*
- *The Flood management costs should remain 50/50. The rates burden on individuals (especially farmers) increasing by 46% (as I understand it in my area) is unreasonably large.*

Officer comment 4 – Individual rate increases

Comments are noted. We have not confirmed the rates for individual properties in this report.

- *The stated objective of the proposed funding change for flood protection is to "better reflect the benefits each group of ratepayers receives from this work". However, Figure 2 below shows the proposed policy change would mean Masterton ratepayers are the only district in the region with substantial flood protection requirements to fully fund their own flood protection work. This is clearly not equitable and MDC is asking that this policy change is not implemented.*

Your proposal sees a significant increase in MDC's share of rates to fund flood protection – it is a 39 per cent increase in Year 1, increasing to a cumulative 139 per cent by Year 3. In dollar terms that is an increase from \$421,000 to \$1,007,000 per annum.

Officer comment 5 - Flood Protection funding for Masterton district

Because the catchment as a whole contributes to the need for flood protection work, Council's proposal is to treat Wairarapa as a single catchment. In general, water in the north of the Wairarapa, including Masterton District flows south into the lower valley. That means that the lower valley must contend with additional flows from the upper valley, and that the lower valley will need greater flood protection than the upper valley.

The Hearings Committee could consider longer transition period, for example, six or nine years, which would reduce the immediate impact of the increases.

Hutt Valley

- *Council is very concerned about the proposal and considers it to be a breach of good faith with Lower Hutt ratepayers because their support for the major flood protection works through the Hutt Valley was obtained on the understanding that costs would be allocated on a 50-50 cost sharing basis, When GWRC undertook consultation on the City Centre reach programme in Lower Hutt GWRC representatives assured Hutt City residents that the allocation methodology would no change so ratepayers made choices on the understanding that the cost would be split 50-50 and that this would continue to be the case going forward (Hutt City Council, LTP 304).*

- *The point of my submission is not to complain about the bulk water levy funding system for the bulk water supply but to point out that if changes are to be made to the formula for funding flood protection (the liability side of the Hutt River "ledger"), then it is only fair to also look at the bulk water charging mechanism and put it on a basis which reflects the actual cost of supply to each of the 4 cities (the asset side of the Hutt River "ledger").*

The bulk water supply is funded at a uniform rate (per unit of volume) across the Wellington area by way of bulk water levies on the four cities in the Wellington area. This arrangement ignores the fact that it costs significantly less per unit of water to supply Hutt City than it does to supply the other cities in the area. Consequently Hutt City ratepayers have, for approximately 45 years, cross subsidised the water supply to the rest of the Wellington area and continue to do so. The same applies, to a lesser extent, to Upper Hutt City.

- *We (Te Awakairangi Greens) believe it is unfair to change the funding model just before the Riverlink project is about to start. We believe that is particularly unfair when this funding model isn't used for all regional council services.*

In particular, the Hutt pays the same for water as the rest of the region, yet the costs for supply in the Hutt are minimal, and in times of water shortage, Hutt residents are the most proactive in reducing water use. The proposed cross harbour pipeline is an example of Hutt Valley ratepayers paying for something that is of no benefit to them (Te Awakairangi Greens, LTP 300)

Officer comment 6 - Flood Protection funding in Hutt Valley

The bulk water funding model is based on treating the entire system as a single network. Expenditure on any single part of the network strengthens the system as a whole. Funding is based on a benefits basis in accordance of volume of water used by each metropolitan area.

Hutt Valley ratepayers benefit from water provided anywhere in the region that enables employment and other economic activities as well as social and cultural activities.

We oppose the establishment of differential rating for more flood prone areas. If any differential flood rating is introduced, it should be phased in over three years (Waikanae Beach Residents Society, LTP 315)

Officer comment 7 – Flood Protection funding in Waikanae Beach

The benefits of flood protection services are substantially for private good, with highly localised benefits for the ratepayers and residents in flood prone areas.

3. Public Transport

- 374 of the submissions (89%) expressed views on the Public Transport proposals.
- 310 of these submissions (82%) supported the proposed funding policy: User charges = 35-50%, NZTA subsidies = 25-35%, and rates = 25-35%.
- 294 of the submissions on public transport supported the proposed rating differentials.
- 273 of the submissions on public transport supported both of these proposals.
- 43 of the submissions on public transport (11%) supported neither proposal.

The Public Transport submissions fall into eight main groups

<i>Submission topics</i>	
1	Broad support for rates that increase PT use
2	Support for differentials
3	Rationale for the differentials is not clear
4	Do not support discounted differentials
5	Want higher rates for people who travel further
6	Want lower user charges (fares)
7	Want lower PT rates for my district/category <ul style="list-style-type: none"> • Rural ratepayers • Ōtaki
8	Wellington CBD and business differentials

The following comments are a sample of comments on each of the issues that are directly related to the proposed Revenue and Financing Policy.

Broad support for rates that increase PT use

Sample comments from submission numbers LTP 304, 3, 120, 182, 183, 184, 215, 216

- *We support the proposed changes to rates for public transport to be proportionally lower in Porirua. This is a far more equitable approach for our ratepayers and better reflects who gets the most benefit from these services across the region (Porirua City Council).*
- *Council supports the proposed changes to the way public transport rates are allocated as the regional network calculation approach more fairly reflects Lower Hutt's share of the costs (Hutt City Council)*
- *Anything that helps make public transport cheaper for users will increase patronage and help reduce congestion and other car-related woes such as air pollution, obesity etc.*
- *I would like the fare revenue target to be less than 50%, with new income from something like congestion charging, parking levies, etc that have a TDM effect.*
- *I am concerned with the lack of transport policy that targets modal shift away from car use and onto PT.*

There needs to be a discussion around realising the 'true cost' of car use (roading costs, sprawl and associated infrastructure costs etc), and explore how to generate revenue from car users to contribute more towards these costs.

The wrong issue is being focused on. It shouldn't be a discussion around how expensive public transport is, instead, we should be addressing the low cost of private car use. Focus on congestion charging and road tolling to generate PT revenue subsidy.

- *The wrong issue is being focused on. It shouldn't be a discussion around how expensive public transport is, instead, we should be addressing the low cost of private car use. Focus on congestion charging and road tolling to generate PT revenue subsidy.*
- *PUBLIC TRANSPORT must be THE NUMBER 1 priority!!!*
- *As much subsidy as possible. Public transport succeeds when it is cheap frequent and on time.*
- *We need to share the costs of climate changes across our region - and retreat may be necessary in places. We also need to grow public transport use quickly, rather than lock in status quo services via differentiated rates. We're all in this together.*

Support for differentials

Sample comments from submissions LTP 173, 134 and 300

- *As with the targeted nature of the flood protection rates, we support the principle of a rating differential for public transport. We also like the simplicity of a standard rate with broad categories of the differential. We can't comment on whether the differentials are appropriate because we don't have access to GWRC's analysis of costs and benefits. We support GWRC applying a public transport rate across the region.*

The widespread nature of a public transport rate recognises that even people who do not use public transport and travel in other vehicles benefit from public transport resulting in there being fewer other vehicles on the road and more parking space at their destination (benefits that some people who don't use public transport don't acknowledge) (Pukerua Bay Residents Association LTP 144).

- *Council supports the propose differentials for public transport rates provided that the Otaki area (i.e., north of Waikanae) is provided the same differential as the Wairarapa (Kāpiti Coast District Council, LTP 173)*
- *We support the public transport fare discounts. We also support the changes to the funding model for public transport, as we believe that more fairly represents Hutt's share of the costs (Te Awakairangi Greens, LTP 300).*

Rationale for the differentials is not clear

Sample comments from submission numbers 164, 188, 205, 322, 412

- *It is not clear in the policy how much NZTA funding is used to fund public transport at the moment, making the analysis of the proposed options difficult to compare to the current situation.*
- *The transport proposal is difficult to understand. There was no option for status quo. The Wairarapa train service is known for being unreliable and often overcrowded. I would expect a seat if I pay a train fare.*

- *I'm not sure how the proposed differentials were developed, but they would appear to be highly subjective.*
- *It is impossible to assess the public transport differentials as info provided is not sufficient to assess its appropriateness.*
- *We have no faith in the public transport cost modelling based on the same flawed review that gave rise to the change in flood protection rating. Our own analysis shows that the differentials used by GWRC are open to question and if different assumptions were used there would be a need to adjust the public transport rates burden in a way that is favourable to Wairarapa ratepayers (Wairarapa Voice, LTP 322).*

Officer comment 8 – Public Transport differentials

The proposed Public Transport differentials were set as a result of analysing the public benefits of public transport.

As required by s101(3)(b) of the Local Government Act, Council was then mindful of the overall impact of rates requirements when deciding on the differentials that were used in the proposal.

[Do not support discounted differentials/ want same rates for everyone](#)

Sample comments from submission numbers 21, 161, 204, 211, 224

- *If the Wairarapa wish to improve their transport options their rates should reflect this.*
- *The entire region benefits from a strong and efficient public transport system. As we all live in the region we should all be funding the same amount.*
- *It makes sense for the region to be treated as one public transport system. There is already an under-funding of public transport services, so districts should not have their rating level reduced - additional money funds more services and encourages use.*
- *I support equal funding for residential public transport rate at 1 for all areas including Wairarapa - they receive a high benefit from PT for the choice of living far away from daily activity.*
- *How much weight was given for Wairarapa rail when calculating the Wairarapa's differentials?*

[Higher rates for people who travel further](#)

- *In regard to funding the proposed changes to public transport - I do not agree with a standardised rate as a single network across the region.*

We paid more to buy a smaller house that is located nearer the city for convenience - we took into account the savings in transportation cost by living closer to the city. Public transport rates should be calculated by distance traveled, not spread evenly.

A system that spreads wealth and expenses evenly is called 'communism'. [34]

Officer comment 9 – Fares and Rates

Overall, public transport is paid for by a mix of fares, rates and NZTA funding. The fares component is for the private benefits of the service. In general, people who travel a long distance pay more than people who travel a short distance.

Public transport rates are for the public benefit components of the activity. It is not possible for rates to distinguish how far a ratepayer travels.

Want lower user charges (fares)

Sample comments from submission numbers 57, and 219

- *On Public transport, the user charges range should decrease, 30-40% user charges, 35-45% subsidy and 25-35% targeted rates.*
- *I think percentage for user pays should be smaller*

Want lower PT rates for my district/ category

Sample comments are from submission numbers 6, LTP 307, 363, LTP 315, 192, LTP 173, LTP 296, LTP 285.

Rural

- *Rural properties should not have to pay for public transport - I live in a rural area some 6 kms from the nearest bus stop. I object strongly to paying for a transport service that is not available; because rural property values are generally higher than urban we often pay more in dollar terms than an urban property with a bus stop at the front gate.*
- *FFNZ [Federated Farmers] do not support the proposed funding formula wherein only 35-50% is user charges, perhaps 25-35% is external subsidies, and up to 35% is rates based on capital value. FFNZ recommend instead:*
 - *User charges up to 70% (consistent with the proposed approach for flood control)*
 - *Subsidies 25-35% (any balance to be funded by UAGC)*
- *Wairarapa should not be paying bigger share than currently pay.*
- *We oppose the differential rating for public transport for Kapiti and Masterton as the benefits for those using roads are not adding to traffic congestion and further reducing greenhouse gas emissions by long distance public transport passengers. We consider the benefits and costs to long distance public transport should be socialised amongst all ratepayers addressing equity and social justice across the region (Waikanae Beach Residents Society, LTP 315)*

Ōtaki

- *Ōtaki should receive a 0.5 differential (as for Wairarapa) in view of limited bus transport available.*
- *Because [Ōtaki and Ōtaki Beach] are low income communities with low levels of public transport benefit, we contend that the residential and business categories in Ōtaki and its*

surrounding areas should be given the same differentials as the Wairarapa (Kāpiti Coast District Council, LTP 173).

Officer comment 10 - Lower Public Transport differentials for Otaki

To support their submission, Officers from Kāpiti Coast District Council have advised that Ōtaki can be rated separately (data has been provided and will be available to the Hearings Committee for consideration during deliberations).

The Committee may wish to consider changing the basis of allocation from a district level to a ward basis. However, this would need to be applied across the region rather than just for one district. At this stage no research has been undertaken to support this approach and it is unlikely to be feasible within the timeframe for the finalisation of this Policy. The committee could request that this be considered in a subsequent review.

Masterton

- *Under this proposal, the Masterton share of Public Transport rates will increase by 49% in year 1 and 148% over three years. The proposed differential rating will increase the average Masterton urban residential property's contribution to public transport by some \$34 over three years. A typical farm property will pay an extra \$180 and a commercial property worth \$1.6 million will pay an additional \$308 per annum after the three year transition.*

Based on service frequency, the benefit level for Masterton residents is 10-13 per cent of the rest of the region. This benefit level estimate doesn't reflect the additional issue that the low service frequency means public transport is often not a practical option for many bus or train trips.

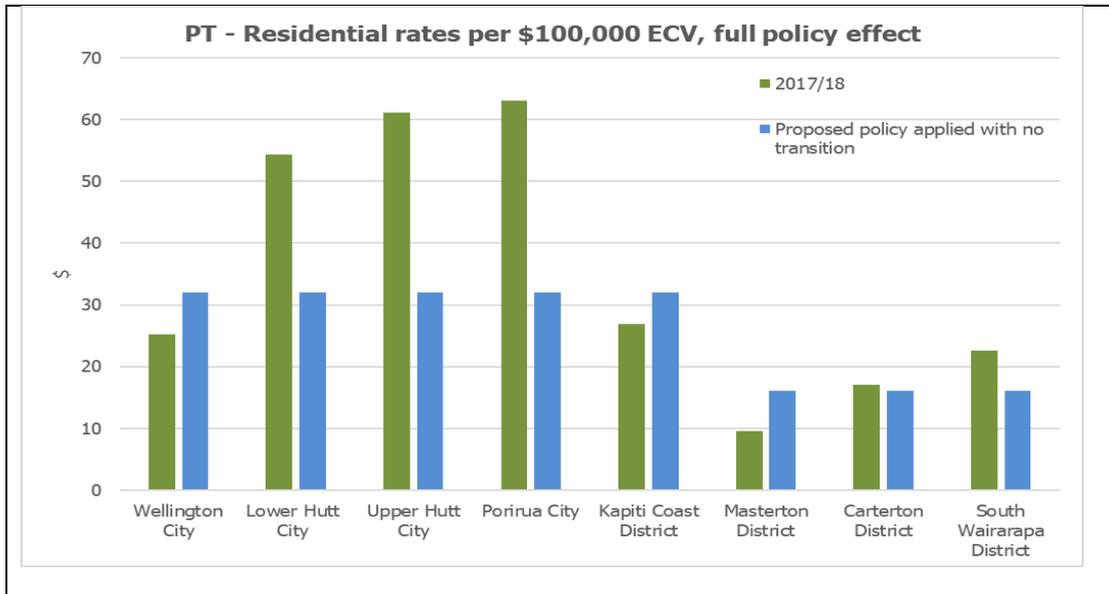
Based on this, MDC proposes the Public Transport rating differential should be:

- *0.10 Wairarapa residential*
- *0.25 Wairarapa businesses (15% of the regional business differential)*
- *0.05 Wairarapa Rural (Masterton District Council, LTP 296).*

Officer comment 11 - Lower Public Transport differentials for Masterton

Under the current policy, Masterton ratepayers pay much lower public transport rates compared to South Wairarapa and Carterton, because of the way journey-to-work data is applied.

The new proposal is focused on the public benefits of the transport network. The proposed policy is that all residential ratepayers from the Wairarapa will pay the same rate per \$100,000 of equalised capital value. The proposed 0.5 differential for these residential ratepayers means that the rates they pay for public transport will be half that paid by the remainder of the region's ratepayers for a home of the same value.



South Wairarapa

- *We strongly question why the ratio for Wairarapa businesses versus other businesses is not the same as the ratio for Wairarapa residential vs other residential? We believe this should be on the same basis so that the multiplier for Wairarapa businesses should be 0.75 not 1.0 (50% of Businesses excluding Wairarapa – the same ratio as residents). We don't believe Wairarapa businesses benefit any more from public transport than our residents do (South Wairarapa District Council, LTP 285).*

Officer comment 12 - Lower business Public Transport differentials in Wairarapa

An initial public benefit analysis for Public Transport concluded that the Business rating category received a substantial public benefit from public transport. Residential and Business/commercial rating units derive different levels of benefit from the activity, and there is no rationale for applying the same reduction formula to those categories.

Wellington CBD and business differentials

Sample comments from submission numbers LTP 287 and LTP 313

- *Sometimes business sector differential rating is used on the unsubstantiated ground that the sector benefits proportionally more from council services. A number of reports have found such thinking to be groundless, yet councils continue to apply significant differentials simply because they can and not on any principled economic basis. Where councils have agreed to reduce such differentials, the reduction has generally occurred at a snail's pace, councils being mindful of not upsetting residential ratepayers who enjoy the advantages of a lower rates' burden courtesy of the business sector. Or conversely, other rating charges that fall on the business sector have been introduced or increased, with no or little reduction overall (Wellington Chamber of Commerce, LTP 313).*
- *While we support the principle of those who benefit most paying more, we question whether the correct balance has been found with the proposal for public transport rating. The burden appears to be disproportionately borne by commercial ratepayers in the CBD. The Council raises this point on behalf of ratepayers within the Wellington City area, who pay both City Council rates and Regional Council rates.*

The differential proposed by GWRC will see commercial ratepayers in Wellington City paying a differential of 2.8:1 to this Council, and of 8:1 to GWRC. The Council deliberately brought our differential down over multiple years to what we believe to be a reasonable and fair level. With the information available the rationale for this differential is not clear. Without that detail we cannot answer questions about the fairness of this and the level to which the CBD is subsidising public transport arriving from the north.

We do recognise that benefits do flow through to businesses but the proposed differential of 8 seems disproportionate (Wellington City Council, LTP 287).

Officer comment 13 - Wellington CBD differentials

PT rates for an average value property in the Wellington CBD are estimated to increase by 27% over the next three years as the new differentials are transitioned in. (CV = \$2,312,000.)

The proposed CBD differential reflects the public benefit that the CBD derives from the public transport network, and an assessment of the overall impact of the requirement for rates from the region.

Meridian Energy wind assets

- The current treatment of the windfarms with respect to the Public Passenger Transport rate is a major concern. The Council is reviewing its Finance and Revenue policy and realigning the funding of this activity so it aligns more closely with those who directly benefit from its use.*

The proposed Finance and Revenue policy proposes that the Meridian wind assets would be rated for Public Transport based on a business differential at 1.5 times the base rate given the Council is trying to align its public transport funding policy to target those using the services.

Although the philosophy of the change is a positive step Meridian considers its wind assets should be treated differently than other business generally.

Meridian requests the Council to consider a differential to be established specifically for "Windfarm (Generation)" with a differential of 0.25. The relief requested is based on treating wind farm assets in the same way as rural land use is for the funding of public transport. Meridian considers it is appropriate that the differential be the same as for rural activities (Meridian Energy, 418).

Officer comment 14 - Rating category for wind assets- Meridian Energy

In 2016, Meridian Energy went to the High Court about the rating category to which Wellington City Council (ACC) had assigned Meridian's wind assets (turbines, etc).

WCC had rated the assets as Commercial, even though they were on rural land, because WCC's Commercial category has a subgrouping for Utilities.

We understand that in January 2017, the High Court decided that Wellington City Council applied the LG Rating Act and its own Revenue and Financing policy correctly, and that the wind assets could be rated Commercial.

For reasons of fairness and efficiency, GWRCs rates assessments use the same rating categories as the district categories. To assign a different rating category for GWRC rates from the WCC rate category would create an administrative challenge that we have not explored with any of the region's city/district councils.

4. Rate increases

A number of R&FP and LTP submissions addressed the issue of rate increases, which many submitters saw as a consequence of the proposed policy changes.

Sample comments from submission numbers LTP 323, 410, LTP 315, LTP 173, 414, LTP 307, LTP 296.

Porirua

- *We do note with concern that rate increases for GW consistently outstrip those of the Territorial Local Authorities in the region. As we invoice rates on your behalf, the component charged by GW is largely invisible to our residents and we likely bear the brunt of ratepayer dissatisfaction at the cumulative effect of local and regional rates increases. We ask that GW takes greater account of affordability and does not justify a larger percent increase compared to its local councils because of the smaller component of rates represented by GW on the bill (Porirua City Council, LTP 323).*
- *As Porirua residents pay the highest per capita [rates] in the region, any further GWRC increases (as a %) impact greatly. Please consider this aspect in terms of retirees. A net impact could be seen as social /cultural engineering in forcing less well off citizens more from their homes bought at a time when property prices were much more accessible.*

Kāpiti Coast

- *Due to the greater increase in valuations at Waikanae Beach compared to other areas, largely we believe due to the new Expressway, there has been a proportionately larger rates increase at in rates at Waikanae beach. Some increases in rates has been as high as 20 percent with most well over two times the district average rate increase proposed by the council of 4.7 percent. Residents at the beach, many of whom are on fixed incomes believe that such an increase beyond their control is inherently unfair and raise equity issues amongst ratepayers. They seek to ensure Greater Wellington RC looks at ways to ensure greater equity in rates across the region (Waikanae Beach Residents Society, LTP 315).*
- *Council is extremely concerned by the potential impact of the revenue and financing proposals in this LTP. Council notes the average rates increase proposed is 6.7% for the 2018/19 year. By our calculations, the total increase in rates contributed by Kāpiti residents under this new proposed policy would be 14.1% (increased from \$9,327,068 in 2017/18 to \$10,644,427 in 2018/19). This is totally unacceptable (Kapiti Coast District Council, LTP 173).*
- *Given the high proportion of Kapiti residents on either low fixed incomes or in low waged employment, the increases in RVs have serious negative impacts on day to day affordability.*

Existing home-owners have the increase in RV but that does not automatically equate to having income or cash assets to pay for exorbitant rates increases. The term 'asset rich, cash poor' is very relevant (414)

Officer comment 15 - Kāpiti Coast rates

A 14% increase in rates would be due to:

- Valuation changes, especially for Residential properties (1%)
- Increased expenditure by GWRC (7%)
- Revenue and Financing policy changes (6%)

For more details see Appendix One (Overall Impacts) to this report.

Wairarapa

- *The impact of the GWRC proposals as we read it is a 50% increase in Wairarapa rates:*
 - *Wairarapa rural rates (8,000 rating units) will increase by nearly \$700k pa, or \$7m over the ten year period*
 - *Wairarapa total rates (21,000 rating units) will increase by \$2.6m pa, or \$26m over the ten year period (Federated Farmers, LTP 307).*

Officer comment 16 – Ten year rate increases

We calculate the total rate impact for each of the next ten years in the LTP, but we do not calculate this at an individual rating category level within each district.

Detailed rates figures for the next ten years will become increasingly uncertain due to changes in project scope, timing and cost, changes in the absolute and relative property valuations, and changes in the number of rating units actual (compared to the growth forecasts from each district).

Masterton

- *Currently GWRC collects \$2.2 million in District-wide rates from Masterton ratepayers. The changes to your policy will mean that increases to \$3.6 million, a 59% increase. The proposal to spread that increase over three years does not change the fact that \$1.4 million more will need to be found from Masterton's ratepayers. These increases are huge and we respectfully submit, cannot be justified. Masterton has a low level of commercial property and a higher than average proportion of low income households. Our community is less able to afford the rates increases that are proposed than other districts and cities in the region (Masterton District Council, LTP 296).*

Officer comment 17 – Rates paid by Masterton ratepayers

In 2018/19, the total increase from the District will be \$705,000, and over three years the increase will be \$1.5 million.

5. Other topics

Uniform Annual General Charge and public benefits

- *FFNZ reiterate recommendations that WRC utilise UAGC to its fullest extent (up to 30%) for all expenditure areas where the benefits accrue to citizens, as distinct from property owners (Federated Farmers of New Zealand, LTP 307).*

Officer comment 18 – UAGC and public benefits

Council has considered the public and private benefits of all its activities. Wherever an activity is fully or largely provided for the public good, Council prefers to use capital value, which provides better overall affordability, and which is a more progressive funding mechanism than the regressive UAGC.

6. Transition

- 94 submissions (22%) supported a 3-year transition.
- 159 submissions (38%) were opposed
- 165 submissions (40%) did not express an opinion

The Transition submissions fall into three main groups

<i>Submission topics</i>
1 Do not have a transition – implement the proposal immediately
2 Three years is not long enough
3 Do not have a transition because there was insufficient detail in the consultation documents

The following comments are a sample of comments on each of the issues that are directly related to the Revenue and Financing Policy

Do not have a transition – implement the proposal immediately

Sample comments from submission numbers 9, 134, 147

- *Do not have a 3 year transition period - just get straight onto whatever it is you decide, but ensure that you have rates relief programmes available for people on fixed incomes.*
- *TRANSITION PERIOD From the perspective of Porirua ratepayers, we would prefer that there was no transition period — if the proposal is a sound one, GWRC should implement it immediately. However, if a transition period allows GWRC to overcome opposition to the proposals, we would accept a short transition period for both proposals.*
- *I don't see why the three year transition should take that long.*

Officer comment 19 – Do not have a transition

Some groups of ratepayers face significant rate increase because of the proposed policy change and a transition period would ease the immediate impact.

Three years is not long enough

Sample comments from submission numbers LTP 173 and LTP 315.

- *Council notes that the transition from the rates review is proposed over 3 years, although its not entirely clear bow the new models would be implemented across the 3 years. Three years is an unacceptably short timeframe, imposing a significant burden on our District, which we have noted has some of the lowest ability to pay in the Region.... Council requests that any rates review is implemented over a ten=year transition, not a 3-year transition (Kāpiti Coast District, LTP 173).*
- *Put in place provisions for any household with greater than twice the average district rate increase to have their rates increase staggered over the next three years and not all implemented in one year (Waikanae Beach Residents Society Incorporated, LTP 315).*

Officer comment 20 – Three years is not long enough

The Hearings Committee could consider longer transition period, for example, six or nine years, which would reduce the immediate impact of the increases.

Do not have a transition because there was insufficient detail in the consultation documents

Sample comments from submission numbers 48, 89, 99, 177, 188.

- *Any proposed transition period should also show true year-on-year changes to the individual's rates bill.*
- *Only providing the figures for the first year of the transition is VERY VERY misleading.*
- *Finally referring back to the consultation process, the current process is misleading. You ask us to compare the first years rates to understand the impact, however this does take into account the transition period and show us the full picture.*
- *The proposed transition is simply a smokescreen and a diversion aimed at making the next three year's rate rises seem more palatable as the end result is basically the same as if there were no transition. A longer transition period will have the same criticism. Providing a rates calculator with the LTP to work out just next year's regional rates disguises the fact that further substantial changes in regional rates for Wairarapa are to come in the following two years.*
- *If you present year 1 figures of a 3 year transition period then I would expect that you also present the figures for year 2 & year 3. The lack of information of the costs for year 2 & year 3 leaves you the impression that further increases are to be expected.*

Officer comment 21 – Do not want a transition because do not want the policy

Several examples of the full impact of the proposed policy were available during the consultation period -

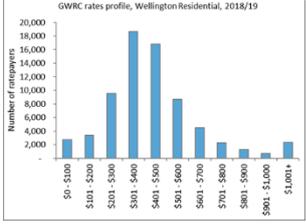
1. The R&F consultation documents included a chart that showed what happens if Council implemented the full policy proposal immediately.
2. The LTP consultation document had a table that showed the impact of immediate implementation.

During the consultation we developed and published more detailed breakdowns of the rate impacts for each of the next three years.

Figures and charts from that modelling are included in the Overall Impact section of this report.

7. Appendix One - Overall impacts of the proposals

This section has three types of charts and tables to support Council decision making.

<p><i>1 Rates Profiles</i></p>	<p>Rate profile charts, which show rates in bands, and the number of ratepayers in each band.</p> <p>This set includes a chart for each category in each district showing the increases and decreases in rates, and the number of ratepayers in each band.</p> <p>Data tables are also included.</p>																																																																																	
<p><i>2 Three-year rate impact tables</i></p>	<p>Each table shows the estimated individual rates for each of the next three years.</p>	<table border="1"> <thead> <tr> <th>Porirua City Residential</th> <th>2017/18</th> <th>2018/19</th> <th>2019/20</th> <th>2020/21</th> <th>2018/19</th> <th>2019/20</th> <th>2020/21</th> </tr> </thead> <tbody> <tr> <td>General rate</td> <td>164</td> <td>142</td> <td>155</td> <td>150</td> <td>-21</td> <td>13</td> <td>-6</td> </tr> <tr> <td>Flood protection - catchment</td> <td>0</td> <td>38</td> <td>32</td> <td>26</td> <td>38</td> <td>-6</td> <td>-6</td> </tr> <tr> <td>Flood protection - regional</td> <td>0</td> <td>2</td> <td>3</td> <td>3</td> <td>2</td> <td>1</td> <td>0</td> </tr> <tr> <td>River rate</td> <td>1</td> <td>0</td> <td>0</td> <td>0</td> <td>-1</td> <td>0</td> <td>0</td> </tr> <tr> <td>PT</td> <td>309</td> <td>274</td> <td>240</td> <td>208</td> <td>-35</td> <td>-34</td> <td>-32</td> </tr> <tr> <td>Stadium</td> <td>3</td> <td>0</td> <td>0</td> <td>0</td> <td>-3</td> <td>0</td> <td>0</td> </tr> <tr> <td>WSP</td> <td>14</td> <td>14</td> <td>14</td> <td>14</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>491</td> <td>470</td> <td>444</td> <td>401</td> <td>-21</td> <td>-26</td> <td>-41</td> </tr> <tr> <td>Check</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Porirua City Residential	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21	General rate	164	142	155	150	-21	13	-6	Flood protection - catchment	0	38	32	26	38	-6	-6	Flood protection - regional	0	2	3	3	2	1	0	River rate	1	0	0	0	-1	0	0	PT	309	274	240	208	-35	-34	-32	Stadium	3	0	0	0	-3	0	0	WSP	14	14	14	14	0	0	0	Total	491	470	444	401	-21	-26	-41	Check	-	-	-	-	-	-	-
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<p><i>3 Rates for each category, by district, 2018-21</i></p>	<p>This set of charts has three years of the Business, Residential and Rural rates for each district shown on one chart.</p> <p>This is simply an alternative view of the Three-year rate impact tables above.</p>																																																																																	

Rate Profile

Many submitters commented on the affordability of the proposed changes, and/or the fairness of the proposed changes. To assist the Hearings Committee to consider these submissions, officers have prepared a Rates Profile for each district and category. These profiles show rates in bands, with the number of ratepayers in each band.

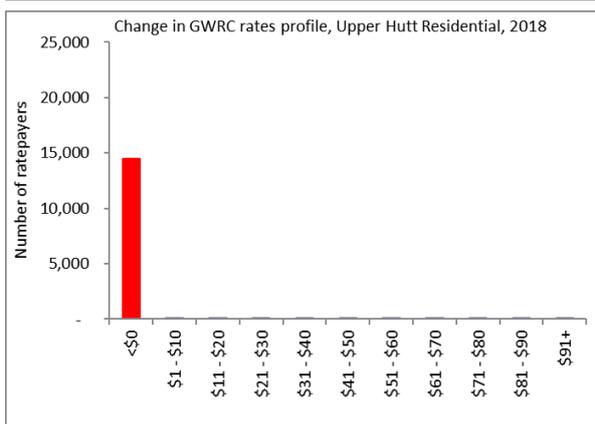
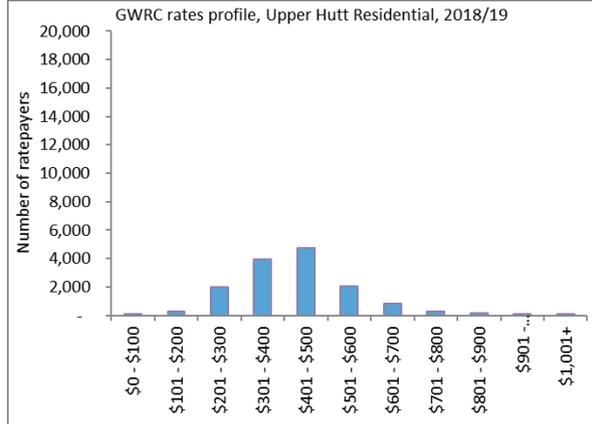
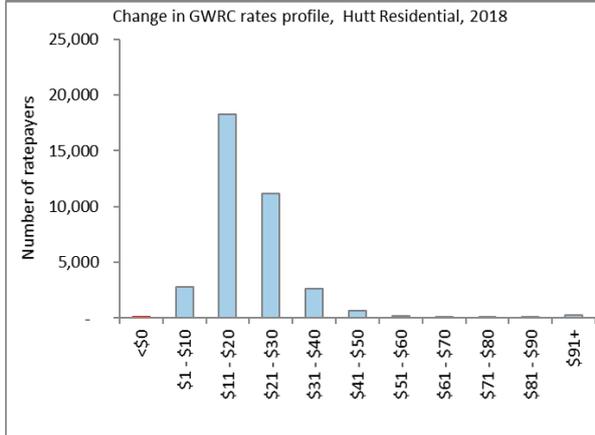
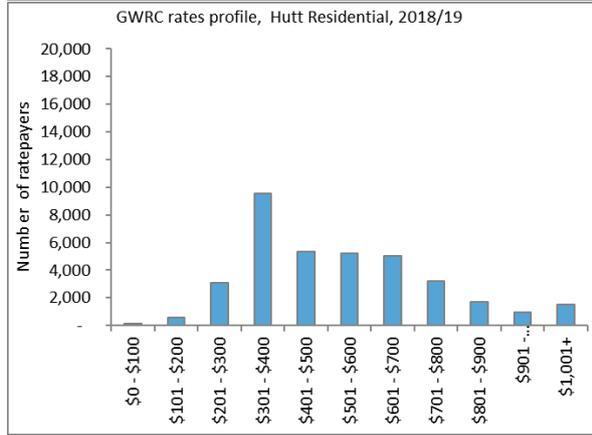
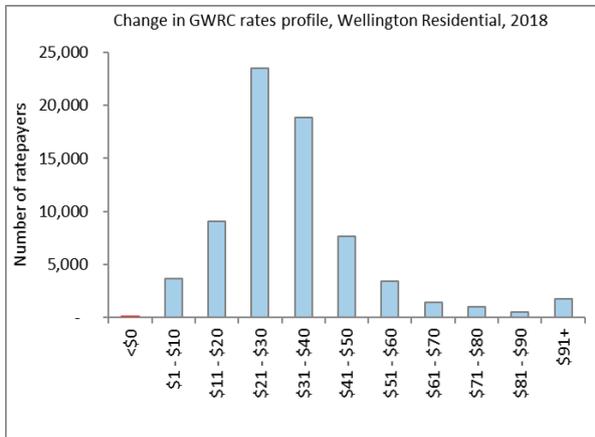
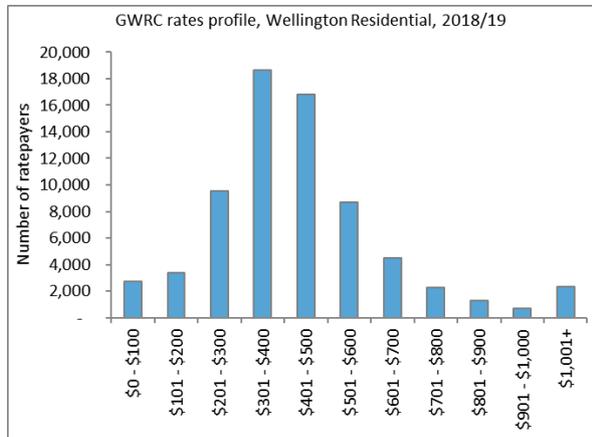
A Rates Change Profile for each district and category has also been prepared. This

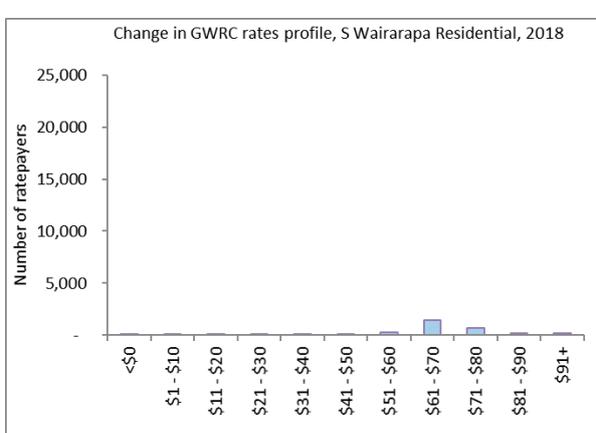
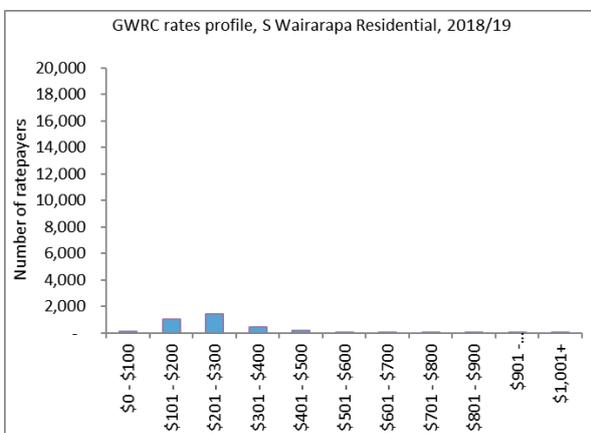
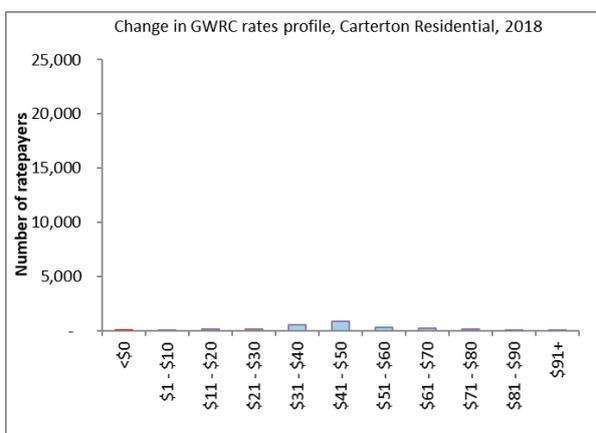
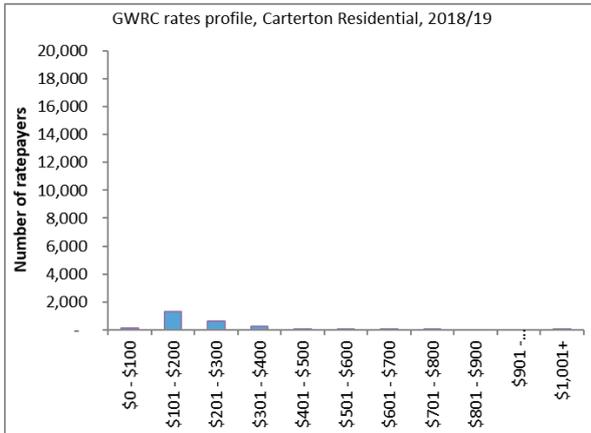
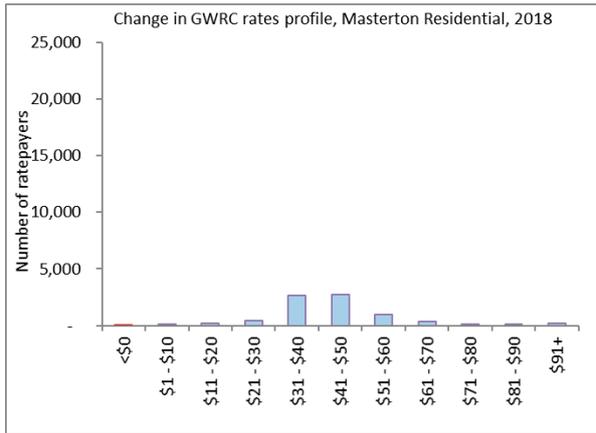
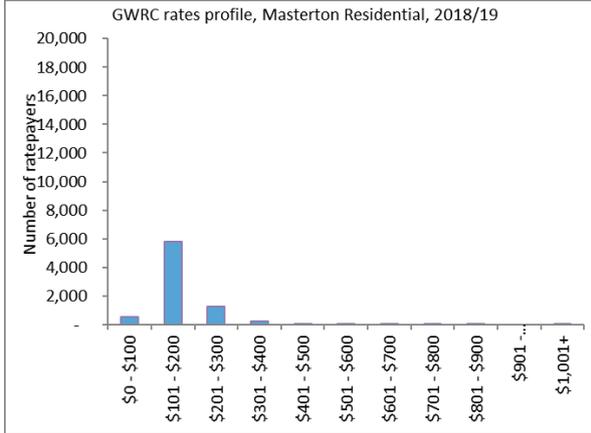
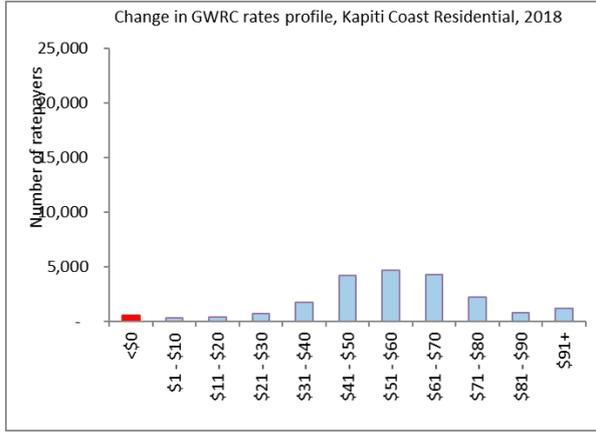
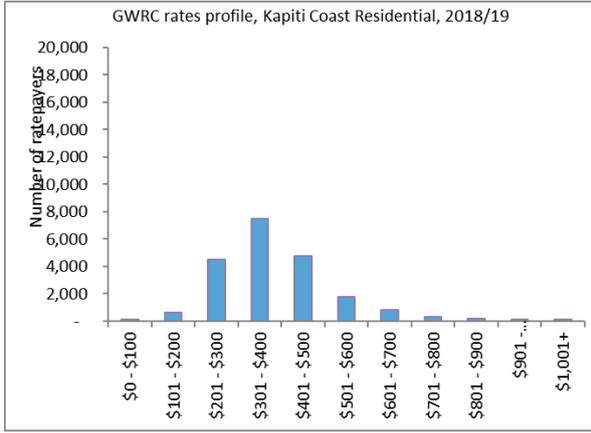
enables Committee to see how many ratepayers are in each band, and compare the bands across the region.

These profiles use the same vertical axis in the charts for each category, so that the relative number of ratepayers in each city/district is readily apparent. Red bars refer to the number of ratepayers whose rates will go down.

Porirua profiles are not included because the data was not available.

Residential profiles





Rate Profiles – Residential data

The data for the charts above is shown here. It shows the number of ratepayers within each district who pay each band of rates. Data for Porirua was not available.

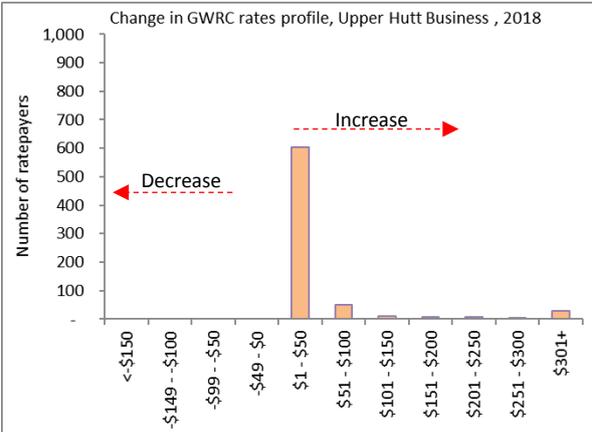
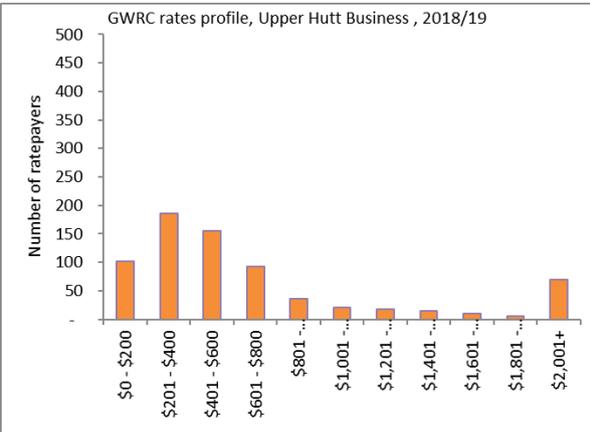
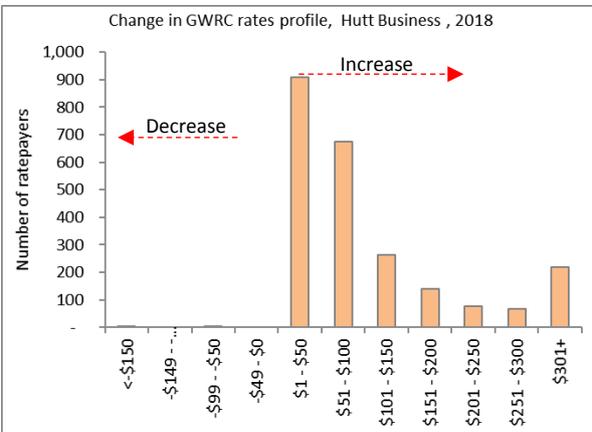
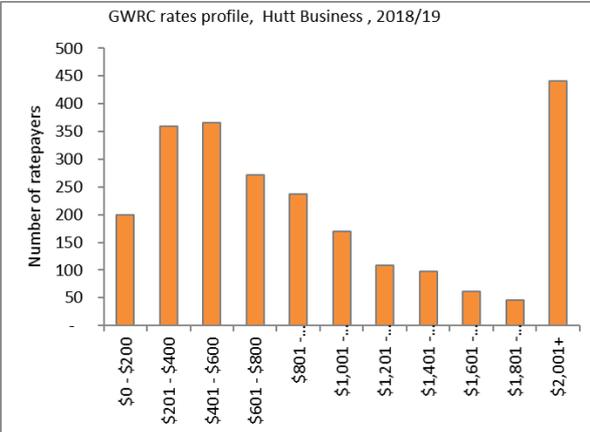
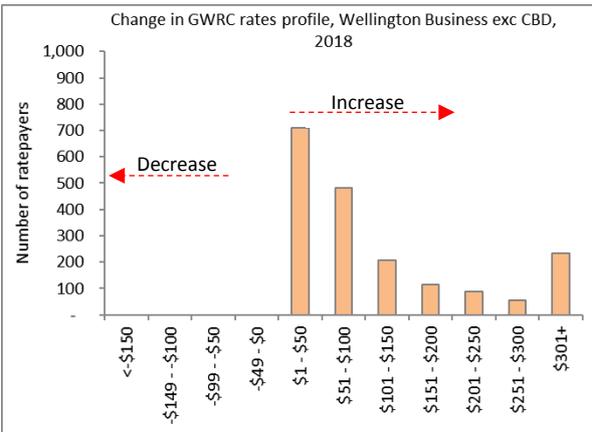
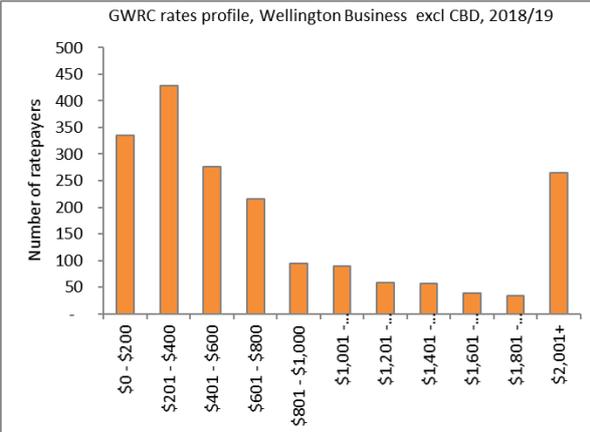
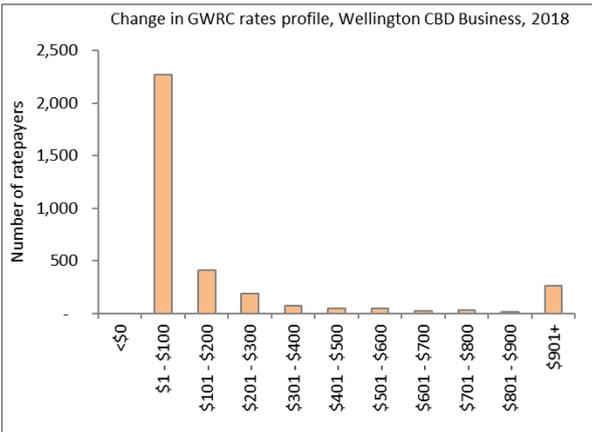
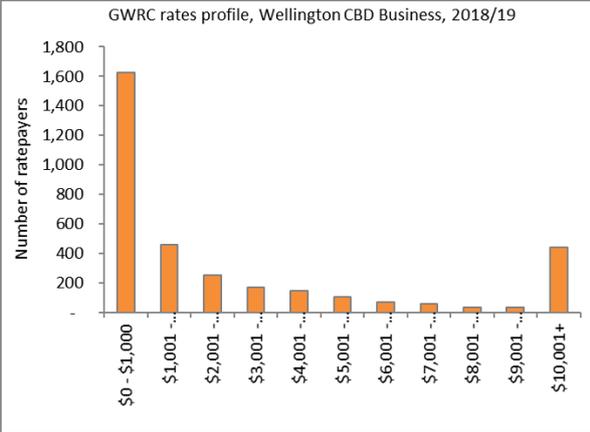
	Wellington City	Hutt City	Porirua City	Upper Hutt City	Kapiti Coast District	Masterton District	Carterton District	South Wairarapa District
\$0 - \$100	2,755	114		98	111	532	120	90
\$101 - \$200	3,362	566		270	630	5,785	1,288	1,017
\$201 - \$300	9,569	3,056		1,996	4,530	1,251	622	1,424
\$301 - \$400	18,652	9,549		3,944	7,456	229	258	465
\$401 - \$500	16,827	5,331		4,723	4,750	38	31	158
\$501 - \$600	8,666	5,213		2,081	1,755	13	3	54
\$601 - \$700	4,518	5,029		854	797	1	1	14
\$701 - \$800	2,286	3,182		306	337	3	1	10
\$801 - \$900	1,290	1,689		156	197	5	-	4
\$901 - \$1,000	715	946		70	95	-	-	2
\$1,001+	2,301	1,527		105	135	11	4	5
Total	70,941	36,202	-	14,603	20,793	7,868	2,328	3,243

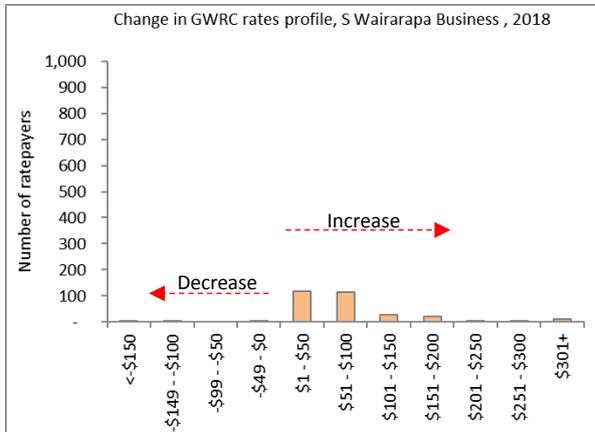
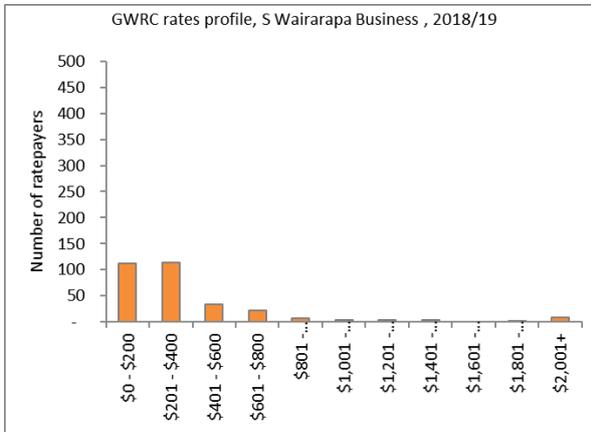
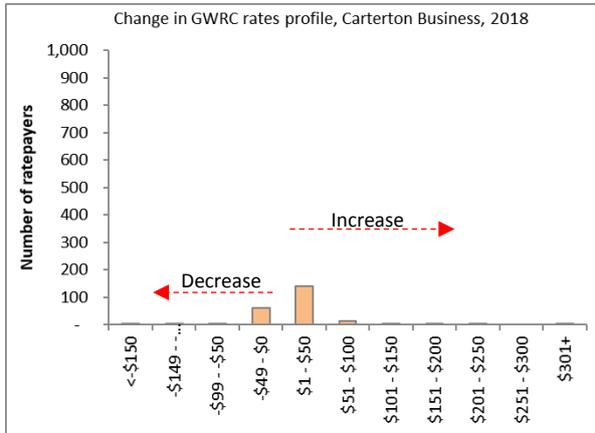
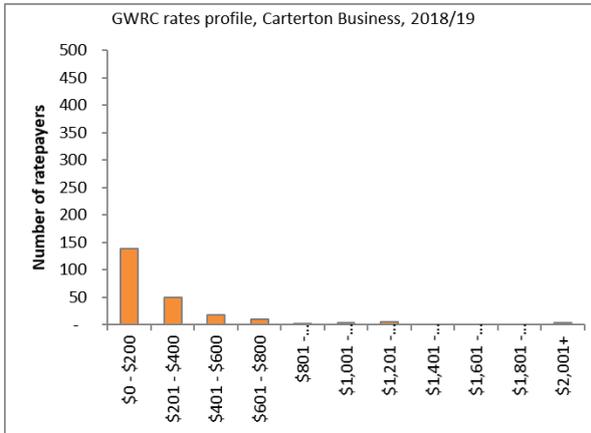
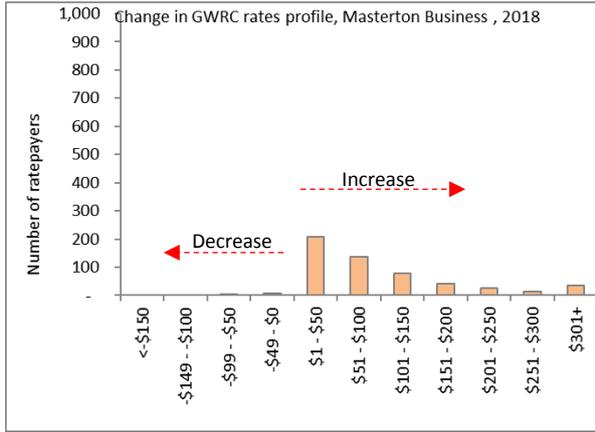
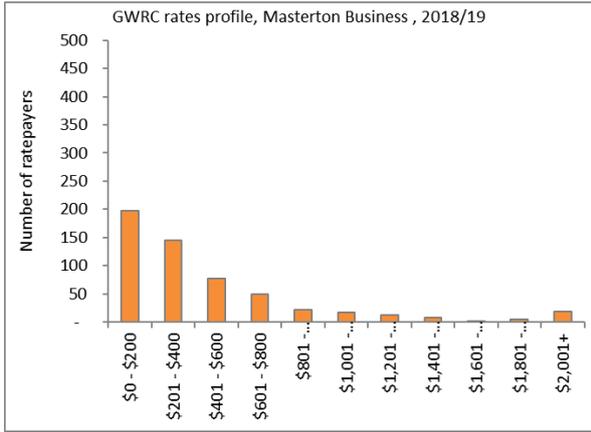
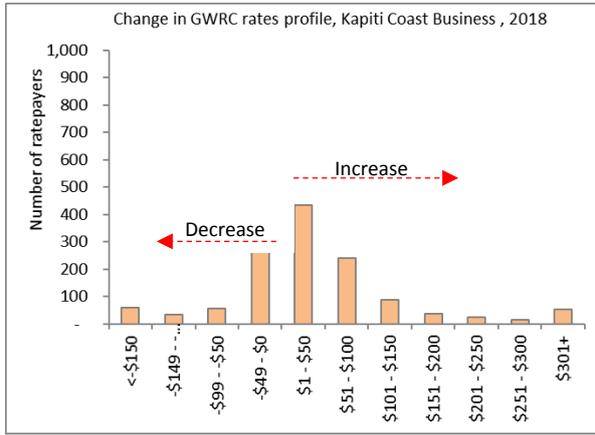
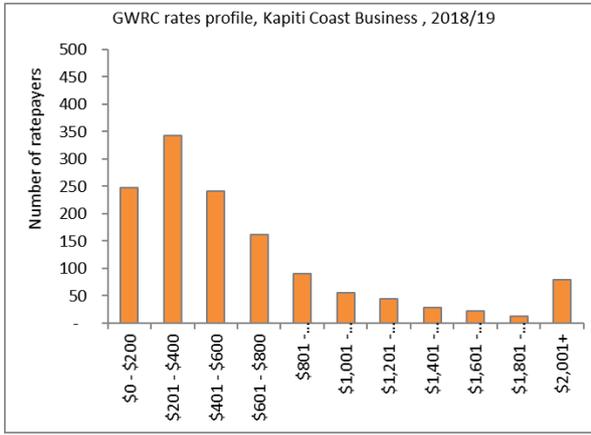
This next table shows the percentage of each district that will have each band of rates increase. For example, in Hutt City, 51% of the Residential ratepayers will have an \$11-\$20 increase in 2018.

Rates Change profile – Residential data

	Wellington City	Hutt City	Porirua City	Upper Hutt City	Kapiti Coast District	Masterton District	Carterton District	South Wairarapa District
<\$0	0%	0%		99%	2%	1%	1%	1%
\$1 - \$10	5%	8%		0%	1%	2%	1%	0%
\$11 - \$20	13%	51%		0%	2%	3%	5%	0%
\$21 - \$30	33%	31%		0%	3%	5%	6%	2%
\$31 - \$40	27%	7%		0%	8%	34%	22%	4%
\$41 - \$50	11%	2%		0%	20%	34%	36%	3%
\$51 - \$60	5%	1%		0%	22%	12%	13%	10%
\$61 - \$70	2%	0%		0%	21%	5%	8%	44%
\$71 - \$80	1%	0%		0%	11%	2%	4%	22%
\$81 - \$90	1%	0%		0%	4%	1%	2%	6%
\$91+	2%	1%		0%	6%	2%	2%	6%

Business profiles





Rate Profile – Business data, excl CBD

	Wellington City	Hutt City	Porirua City	Upper Hutt City	Kapiti Coast District	Masterton District	Carterton District	South Wairarapa District
\$0 - \$200	336	199		102	247	197	139	113
\$201 - \$400	428	360		186	343	145	49	114
\$401 - \$600	277	365		155	241	77	18	34
\$601 - \$800	216	272		93	161	50	9	22
\$801 - \$1,000	95	237		36	91	21	1	7
\$1,001 - \$1,200	89	169		20	56	17	3	3
\$1,201 - \$1,400	58	109		17	45	12	4	3
\$1,401 - \$1,600	57	97		14	29	7	-	4
\$1,601 - \$1,800	39	61		10	22	2	-	-
\$1,801 - \$2,000	34	46		6	12	4	-	2
\$2,001+	264	441		69	80	18	3	8
Total	1,893	2,356	-	708	1,327	550	226	310

Rate Profile and Change Profile – Wellington CBD data

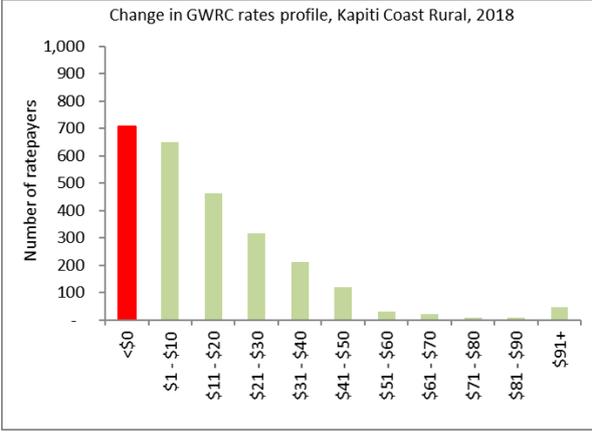
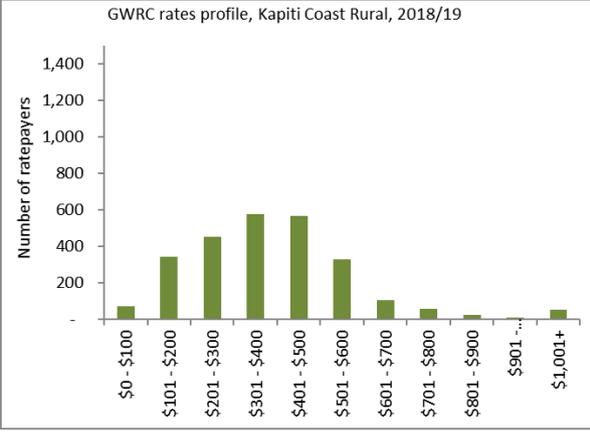
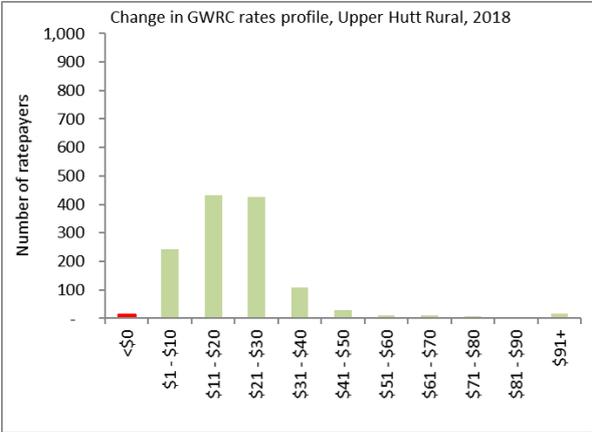
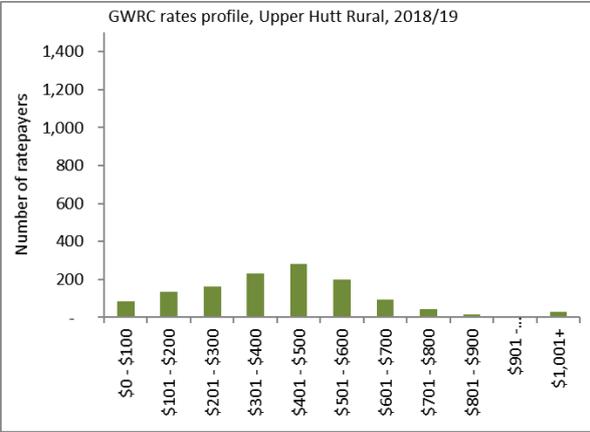
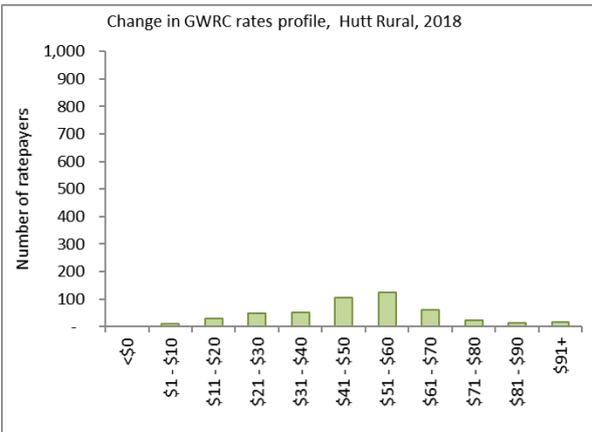
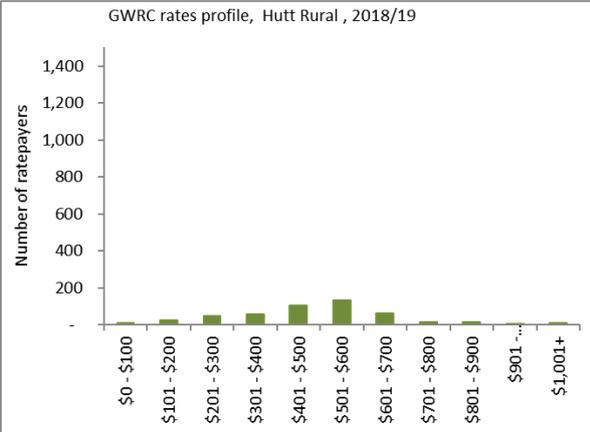
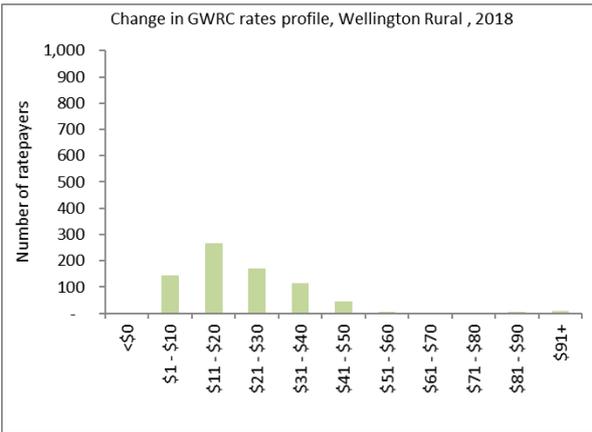
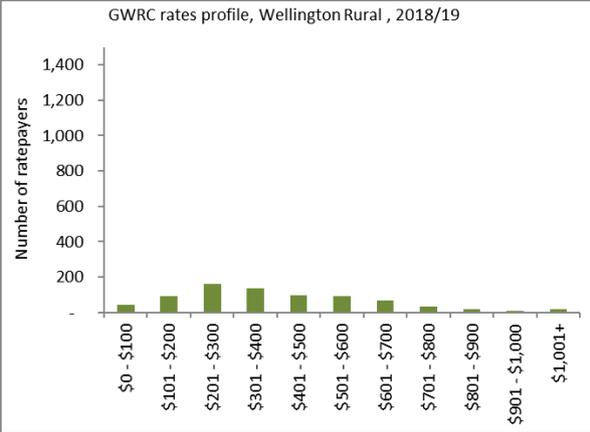
Wellington CBD		
<\$0	-	0%
\$1 - \$100	2,274	67%
\$101 - \$200	414	12%
\$201 - \$300	188	6%
\$301 - \$400	75	2%
\$401 - \$500	46	1%
\$501 - \$600	45	1%
\$601 - \$700	26	1%
\$701 - \$800	28	1%
\$801 - \$900	17	1%
\$901+	263	8%
Total	3,376	

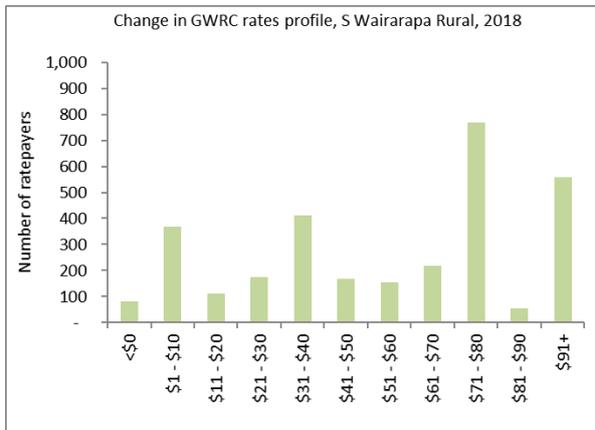
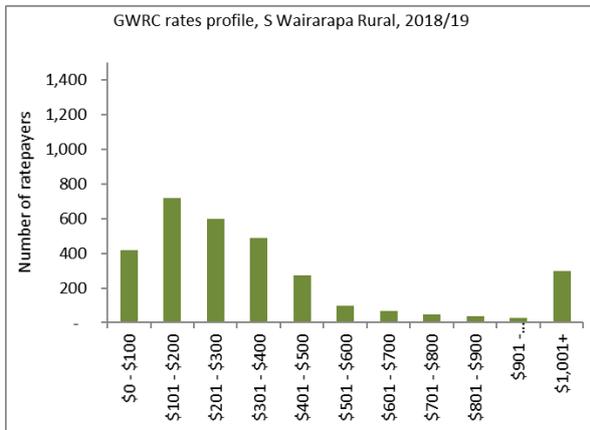
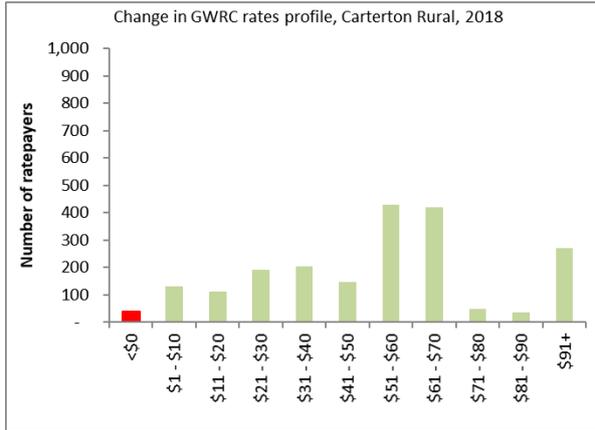
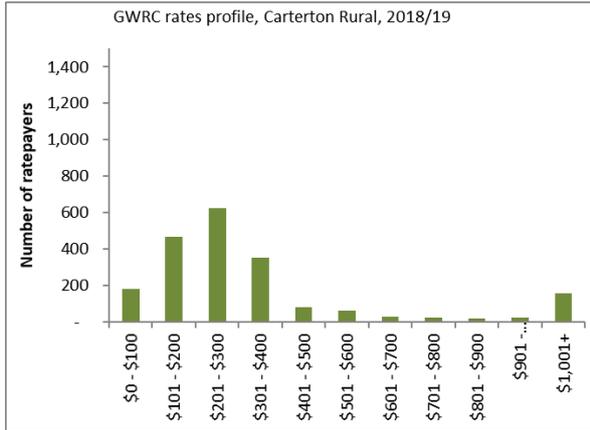
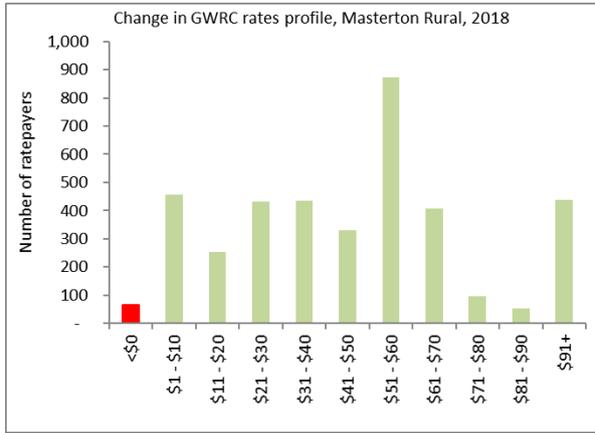
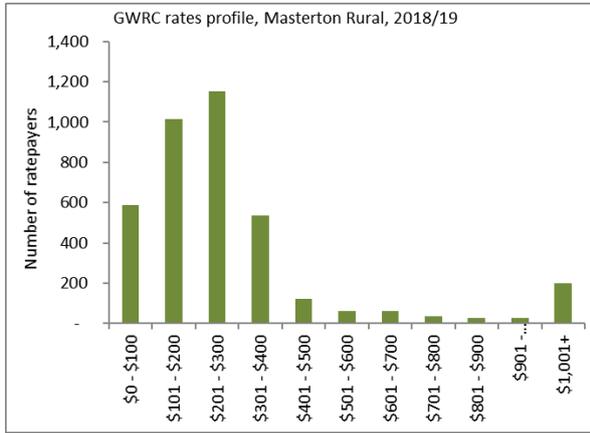
This next table shows the percentage of each district that will have each band of rates increase. For example, in Upper Hutt City, 85% of the Business ratepayers will have a \$1-\$50 increase in 2018.

Rates Change profile – Business data

	Wellington City	Hutt City	Porirua City	Upper Hutt City	Kapiti Coast District	Masterton District	Carterton District	South Wairarapa District
<-\$150	0%	0%		0%	4%	0%	0%	1%
-\$149 - -\$100	0%	0%		0%	2%	0%	0%	0%
-\$99 - -\$50	0%	0%		0%	4%	1%	1%	0%
-\$49 - \$0	0%	0%		0%	22%	1%	27%	2%
\$1 - \$50	38%	39%		85%	33%	38%	62%	38%
\$51 - \$100	26%	29%		7%	18%	25%	6%	37%
\$101 - \$150	11%	11%		1%	7%	14%	1%	9%
\$151 - \$200	6%	6%		1%	3%	7%	1%	6%
\$201 - \$250	5%	3%		1%	2%	5%	0%	2%
\$251 - \$300	3%	3%		1%	1%	3%	0%	1%
\$301+	12%	9%		4%	4%	6%	1%	4%

Rural profiles





Rate Profile – Rural data

	Wellington City	Hutt City	Porirua City	Upper Hutt City	Kapiti Coast District	Masterton District	Carterton District	South Wairarapa District
\$0 - \$100	43	9		84	72	589	181	419
\$101 - \$200	94	22		137	343	1,017	466	720
\$201 - \$300	159	49		165	454	1,155	623	597
\$301 - \$400	138	55		232	578	538	352	487
\$401 - \$500	97	106		281	565	123	80	273
\$501 - \$600	91	134		201	330	61	63	97
\$601 - \$700	66	60		94	104	60	31	68
\$701 - \$800	33	16		45	55	37	25	47
\$801 - \$900	19	14		16	25	29	19	36
\$901 - \$1,000	9	5		8	11	28	27	26
\$1,001+	19	8		30	52	201	160	296
Total	768	478	-	1,293	2,589	3,838	2,027	3,066

The following table shows the percentage of each district that will have each band of rates increase. For example, in South Wairarapa District, 25% of the Rural ratepayers will have a \$71-\$80 increase in 2018.

Rates Change profile – Rural data

	Wellington City	Hutt City	Porirua City	Upper Hutt City	Kapiti Coast District	Masterton District	Carterton District	South Wairarapa District
<\$0	0%	0%		1%	27%	2%	2%	3%
\$1 - \$10	19%	2%		19%	25%	12%	7%	12%
\$11 - \$20	35%	6%		33%	18%	7%	6%	4%
\$21 - \$30	22%	10%		33%	12%	11%	9%	6%
\$31 - \$40	15%	10%		8%	8%	11%	10%	13%
\$41 - \$50	6%	22%		2%	5%	9%	7%	6%
\$51 - \$60	1%	26%		1%	1%	23%	21%	5%
\$61 - \$70	0%	12%		1%	1%	11%	21%	7%
\$71 - \$80	0%	5%		0%	0%	3%	2%	25%
\$81 - \$90	1%	3%		0%	0%	1%	2%	2%
\$91+	1%	4%		1%	2%	11%	13%	18%

Three-year rate impacts

Impacts of property revaluations in Kāpiti Coast and Wairarapa

The impacts of increased property residential valuations have especially affected the proposed rates in Kāpiti and the Wairarapa. Modelling of these different changes, which the Council considered during decision making on the proposed R&FP, will be available again to assist in the Committees Deliberations.

The following charts and tables show how rates are estimated to change as:

- the LTP budget is applied each year, and
- the proposed Revenue and Financing Policy is applied with a 3-year transition period.

The [assumptions](#) we have made in estimating future rates are detailed at the back of this section.

Residential rates, 2018-2021



Each of the tables on the next pages shows the individual district-wide rates that apply to the average value property. The bottom line in these tables has the expected overall impact of the proposed changes.

Wellington City Residential *average CV = \$553,202*

Wellington City Residential	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	228	191	208	201	-37	17	-7
Flood protection - catchment	0	51	43	35	51	-8	-8
Flood protection - regional	0	1	1	1	1	0	0
River rate	0	0	0	0	-0	0	0
PT	172	198	234	278	26	36	44
Stadium	5	0	0	0	-5	0	0
WRS	14	14	14	14	0	0	0
Total	419	454	500	528	35	45	29
Check	-	-	-	-			

Hutt City Residential *average CV = \$474,462*

Hutt City Residential	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	160	138	151	146	-21	13	-5
Flood protection - catchment	0	37	31	25	37	-6	-6
Flood protection - regional	0	115	145	177	115	30	32
River rate	82	0	0	0	-82	0	0
PT	260	238	219	202	-21	-20	-17
Stadium	4	0	0	0	-4	0	0
WRS	14	14	14	14	0	0	0
Total	519	542	559	564	23	17	5
Check	-	-	-	-			

Upper Hutt City Residential *average CV = \$413,369*

Upper Hutt City Residential	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	140	120	131	126	-20	11	-5
Flood protection - catchment	0	32	27	22	32	-5	-5
Flood protection - regional	0	45	61	77	45	16	16
River rate	35	0	0	0	-35	0	0
PT	256	226	200	176	-30	-26	-24
Stadium	3	0	0	0	-3	0	0
WRS	14	14	14	14	0	0	0
Total	449	437	433	415	-12	-4	-18
Check	-	-	-	-			

Porirua City Residential *average CV = \$492,556*

Porirua City Residential	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	164	142	155	150	-21	13	-6
Flood protection - catchment	0	38	32	26	38	-6	-6
Flood protection - regional	0	2	3	3	2	1	0
River rate	1	0	0	0	-1	0	0
PT	309	274	240	208	-35	-34	-32
Stadium	3	0	0	0	-3	0	0
WRS	14	14	14	14	0	0	0
Total	491	470	444	401	-21	-26	-43
Check	-	-	-	-			

Kapiti Coast Residential *average CV = \$534,845*

Kapiti Coast District Residential	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	154	138	151	146	-15	13	-5
Flood protection - catchment	0	37	31	25	37	-6	-6
Flood protection - regional	0	59	69	82	59	10	13
River rate	49	0	0	0	-49	0	0
PT	124	149	173	202	26	23	29
Stadium	2	0	0	0	-2	0	0
WRS	14	14	14	14	0	0	0
Total	342	398	438	469	56	40	31
Check	-	-	-	-			

Masterton Residential *average CV = \$343,459*

Masterton District Residential	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	89	88	96	93	-1	8	-3
Flood protection - catchment	0	24	20	16	24	-4	-4
Flood protection - regional	0	16	28	42	16	12	15
River rate	0	0	0	0	0	0	0
PT	25	39	51	64	14	11	14
Stadium	2	0	0	0	-2	0	0
WRS	14	14	14	14	0	0	0
Total	130	181	209	230	51	28	21
Check	-	-	-	-			

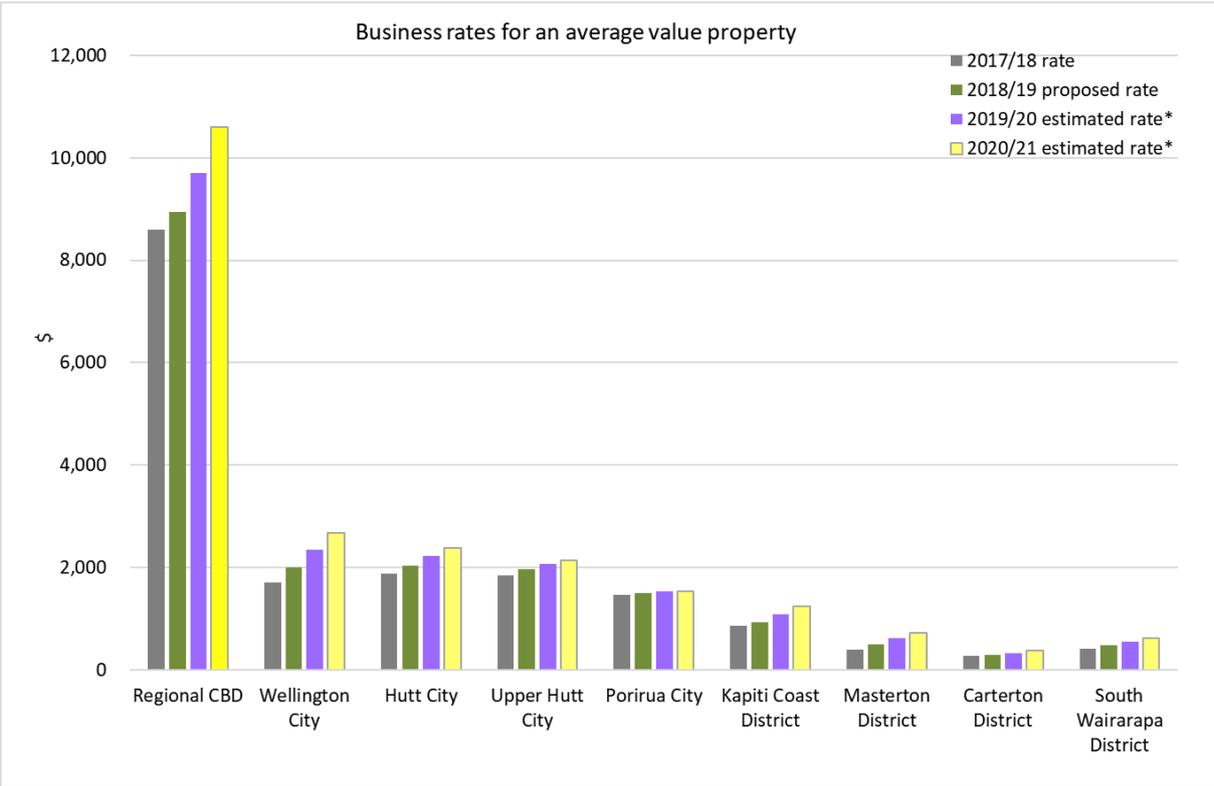
Carterton Residential *average CV = \$351,266*

Carterton District Residential	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	94	91	99	96	-3	8	-4
Flood protection - catchment	0	24	20	17	24	-4	-4
Flood protection - regional	0	19	28	44	19	10	15
River rate	3	0	0	0	-3	0	0
PT	48	57	61	66	9	4	6
Stadium	1	0	0	0	-1	0	0
WRS	14	14	14	14	0	0	0
Total	160	204	222	236	45	18	14
Check	-	-	-	-			

South Wairarapa Residential *average CV = \$405,194*

South Wairarapa District Residential	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	97	106	115	111	8	10	-4
Flood protection - catchment	0	28	24	19	28	-5	-4
Flood protection - regional	0	18	33	51	18	15	18
River rate	0	0	0	0	0	0	0
PT	66	80	78	77	14	-2	-0
Stadium	2	0	0	0	-2	0	0
WRS	14	14	14	14	0	0	0
Total	179	246	264	272	67	18	9
Check	-	-	-	-			

Business rates 2018-21



Wellington City Regional CBD average CV = 2,311,957

Wellington CityRegional CBD	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	954	796	869	838	-157	73	-31
Flood protection - catchment	0	213	179	145	213	-34	-34
Flood protection - regional	0	2	3	4	2	1	1
River rate	2	0	0	0	-2	0	0
PT	7,356	7,671	8,368	9,307	315	696	939
Stadium	40	0	0	0	-40	0	0
WRS	254	263	277	304	9	14	26
Total	8,606	8,946	9,696	10,597	340	750	902
Check	-	-	-	-			

Wellington City Business average CV = \$2,033,088

Wellington CityBusiness	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	827	700	764	737	-127	64	-27
Flood protection - catchment	0	187	157	128	187	-30	-30
Flood protection - regional	0	2	3	3	2	0	1
River rate	2	0	0	0	-2	0	0
PT	625	886	1,185	1,535	261	298	350
Stadium	34	0	0	0	-34	0	0
WRS	221	231	244	267	11	13	23
Total	1,709	2,007	2,352	2,669	298	345	317
Check	-	-	-	-			

Hutt Business average CV = \$1,599,514

Hutt CityBusiness	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	546	466	509	491	-80	43	-18
Flood protection - catchment	0	125	105	85	125	-20	-20
Flood protection - regional	0	388	488	598	388	101	109
River rate	280	0	0	0	-280	0	0
PT	888	907	952	1,022	20	45	70
Stadium	21	0	0	0	-21	0	0
WRS	146	154	162	178	8	8	15
Total	1,881	2,040	2,217	2,373	159	176	156
Check	-	-	-	-			

Upper Hutt Business average CV = \$1,652,081

Upper Hutt CityBusiness	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	550	480	524	505	-70	44	-19
Flood protection - catchment	0	128	108	87	128	-21	-20
Flood protection - regional	0	179	244	309	179	65	64
River rate	137	0	0	0	-137	0	0
PT	1,005	1,011	1,020	1,052	6	9	32
Stadium	11	0	0	0	-11	0	0
WRS	147	159	167	183	12	9	16
Total	1,849	1,957	2,063	2,137	107	106	74
Check	-	-	-	-			

Porirua Business

average CV = \$1,380,177

Porirua CityBusiness	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	461	399	435	419	-63	36	-15
Flood protection - catchment	0	106	89	73	106	-17	-17
Flood protection - regional	0	6	9	10	6	2	1
River rate	4	0	0	0	-4	0	0
PT	869	857	856	873	-12	-1	18
Stadium	15	0	0	0	-15	0	0
WRS	123	132	139	152	9	7	13
Total	1,473	1,500	1,528	1,527	27	28	-1
Check	-	-	-	-			

Kāpiti Coast Business

average CV = \$1,085,173

Kapiti Coast DistrictBusiness	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	360	281	306	296	-80	26	-11
Flood protection - catchment	0	75	63	51	75	-12	-12
Flood protection - regional	0	120	140	167	120	20	27
River rate	114	0	0	0	-114	0	0
PT	290	366	481	615	76	114	135
Stadium	4	0	0	0	-4	0	0
WRS	96	93	98	107	-3	5	9
Total	865	935	1,088	1,236	70	153	148
Check	-	-	-	-			

Masterton Business

average CV = \$792,535

Masterton DistrictBusiness	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	248	203	222	214	-44	19	-8
Flood protection - catchment	0	54	46	37	54	-9	-9
Flood protection - regional	0	36	64	98	36	27	34
River rate	0	0	0	0	0	0	0
PT	71	137	211	297	66	75	86
Stadium	4	0	0	0	-4	0	0
WRS	66	67	71	78	1	4	7
Total	388	498	614	724	110	116	110
Check	-	-	-	-			

Carterton Business

average CV = \$412,029

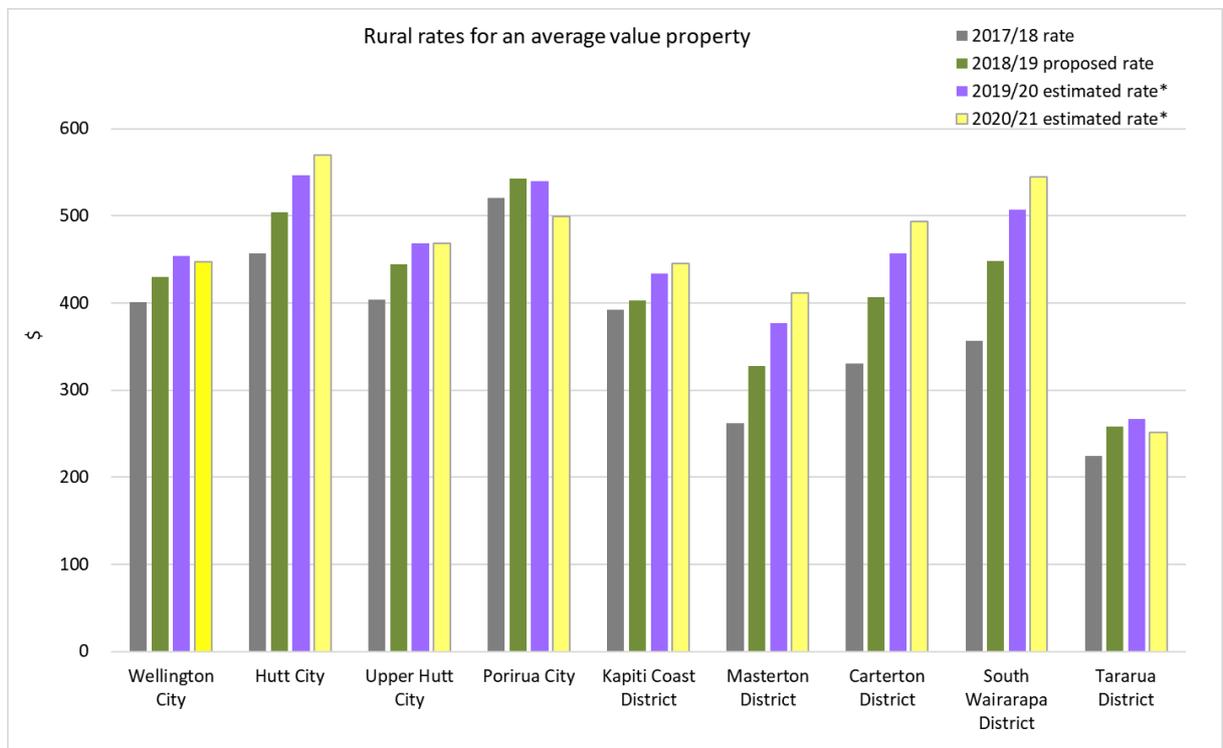
Carterton DistrictBusiness	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	146	106	116	112	-40	10	-4
Flood protection - catchment	0	28	24	19	28	-5	-4
Flood protection - regional	0	22	33	51	22	11	18
River rate	4	0	0	0	-4	0	0
PT	75	90	120	156	16	30	35
Stadium	2	0	0	0	-2	0	0
WRS	39	35	37	41	-4	2	4
Total	267	282	331	379	16	48	48
Check	-	-	-	-			

South Wairarapa Business

average CV = \$668,521

South Wairarapa District Business	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	210	174	190	183	-36	16	-7
Flood protection - catchment	0	47	39	32	47	-7	-7
Flood protection - regional	0	30	55	84	30	24	29
River rate	0	0	0	0	0	0	0
PT	142	170	209	255	28	38	46
Stadium	4	0	0	0	-4	0	0
WRS	56	58	61	66	1	3	6
Total	413	479	553	620	66	74	67
Check	-	-	-	-			

Rural rates 2018-21



Wellington City Rural

average CV = \$759,576

Wellington CityRural	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	309	262	285	275	-47	24	-10
Flood protection - catchment	0	70	59	48	70	-11	-11
Flood protection - regional	0	1	1	1	1	0	0
River rate	1	0	0	0	-1	0	0
PT	60	69	81	96	9	12	15
Stadium	4	0	0	0	-4	0	0
WRS	28	28	28	28	0	0	0
Total	401	429	454	448	28	25	-6
Check	-	-	-	-			

Hutt Rural

average CV = \$644,661

Hutt CityRural	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	220	188	205	198	-32	17	-7
Flood protection - catchment	0	50	42	34	50	-8	-8
Flood protection - regional	0	156	197	241	156	41	44
River rate	113	0	0	0	-113	0	0
PT	91	82	75	69	-9	-7	-6
Stadium	5	0	0	0	-5	0	0
WRS	28	28	28	28	0	0	0
Total	457	505	547	570	48	42	23
Check	-	-	-	-			

Upper Hutt Rural

average CV = \$676,085

Upper Hutt CityRural	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	218	197	214	207	-22	18	-8
Flood protection - catchment	0	52	44	36	52	-8	-8
Flood protection - regional	0	73	100	126	73	27	26
River rate	54	0	0	0	-54	0	0
PT	102	94	82	72	-8	-11	-11
Stadium	2	0	0	0	-2	0	0
WRS	28	28	28	28	0	0	0
Total	404	444	469	469	40	25	-0
Check	-	-	-	-			

Porirua Rural

average CV = \$1,005,537

Porirua CityRural	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	329	290	317	306	-39	26	-11
Flood protection - catchment	0	78	65	53	78	-12	-12
Flood protection - regional	0	4	6	7	4	2	1
River rate	3	0	0	0	-3	0	0
PT	158	142	123	106	-16	-18	-17
Stadium	2	0	0	0	-2	0	0
WRS	28	28	28	28	0	0	0
Total	520	542	540	500	22	-3	-40
Check	-	-	-	-			

Kapiti Coast Rural

average CV = \$735,445

Kapiti Coast DistrictRural	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	238	190	208	200	-48	17	-7
Flood protection - catchment	0	51	43	35	51	-8	-8
Flood protection - regional	0	82	95	113	82	14	18
River rate	75	0	0	0	-75	0	0
PT	50	52	60	70	3	8	10
Stadium	2	0	0	0	-2	0	0
WRS	28	28	28	28	0	0	0
Total	392	403	433	446	11	30	12
Check	-	-	-	-			

Masterton Rural

average CV = \$ 718,164

Masterton DistrictRural	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	215	184	201	194	-30	17	-7
Flood protection - catchment	0	49	41	34	49	-8	-8
Flood protection - regional	0	33	58	89	33	25	31
River rate	0	0	0	0	0	0	0
PT	18	32	49	67	15	16	19
Stadium	1	0	0	0	-1	0	0
WRS	28	28	28	28	0	0	0
Total	262	327	377	412	65	50	35
Check	-	-	-	-			

Carterton Rural

average CV = \$ 866,562

Carterton DistrictRural	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	258	224	244	236	-34	20	-9
Flood protection - catchment	0	60	50	41	60	-10	-9
Flood protection - regional	0	46	70	108	46	24	38
River rate	8	0	0	0	-8	0	0
PT	35	49	64	82	14	15	18
Stadium	1	0	0	0	-1	0	0
WRS	28	28	28	28	0	0	0
Total	331	407	457	494	76	50	37
Check	-	-	-	-			

South Wairarapa Rural

average CV = \$ 952,552

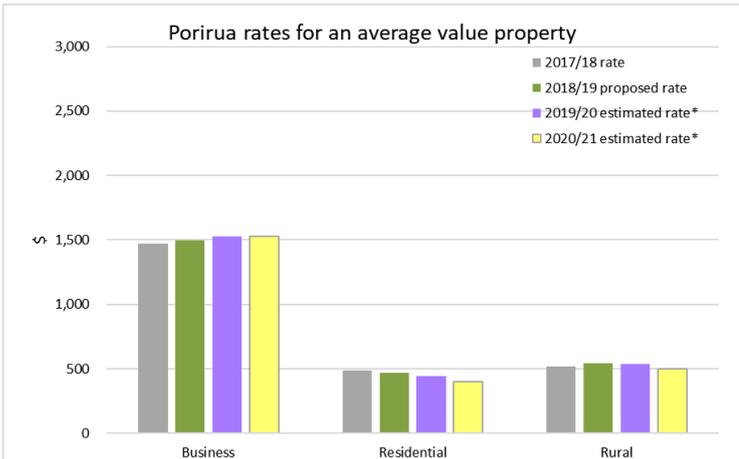
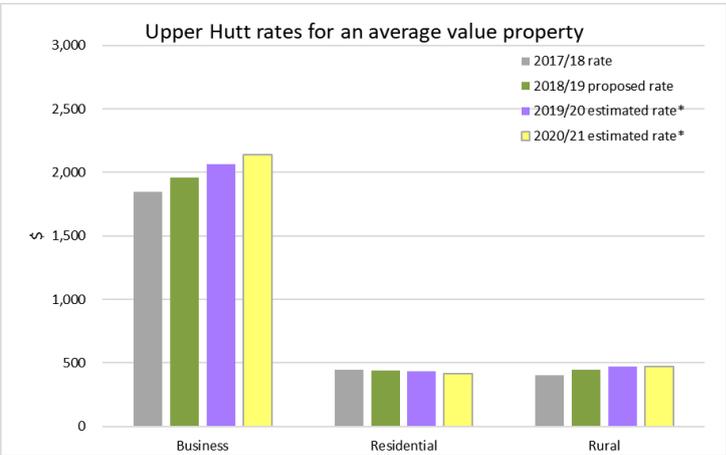
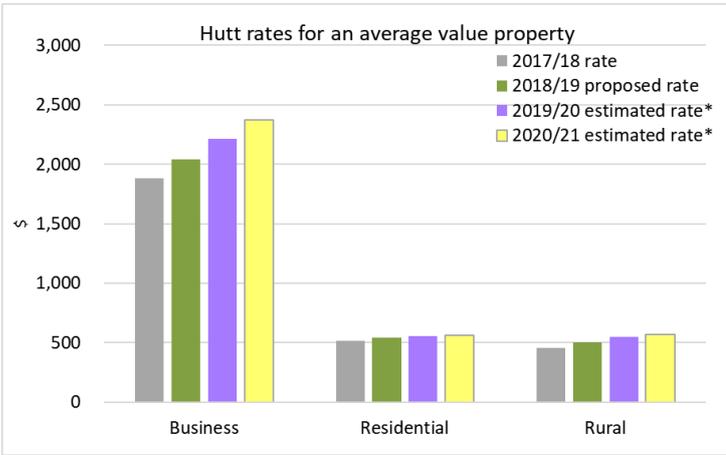
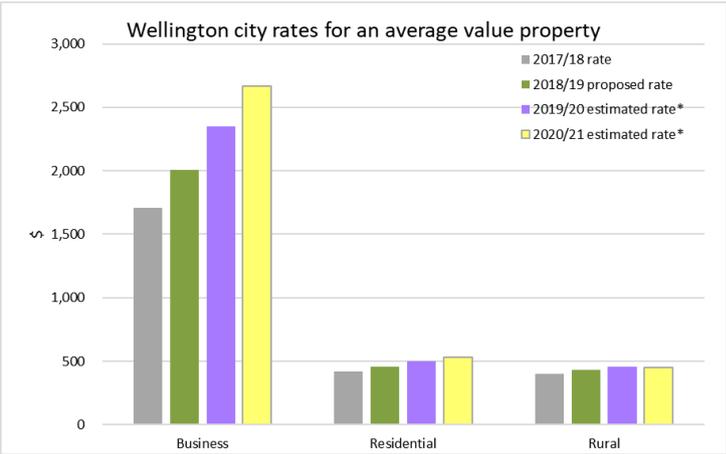
South Wairarapa DistrictRural	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	278	248	271	261	-30	23	-10
Flood protection - catchment	0	66	56	45	66	-11	-10
Flood protection - regional	0	43	78	120	43	35	42
River rate	0	0	0	0	0	0	0
PT	49	62	75	91	13	13	16
Stadium	1	0	0	0	-1	0	0
WRS	28	28	28	28	0	0	0
Total	356	448	507	545	91	60	37
Check	-	-	-	-			

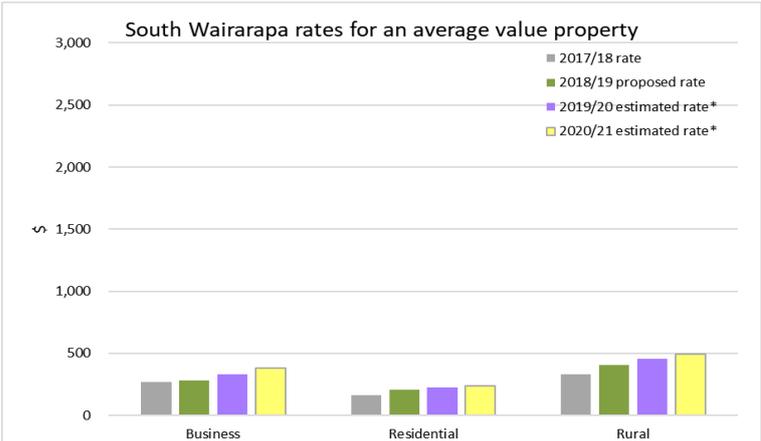
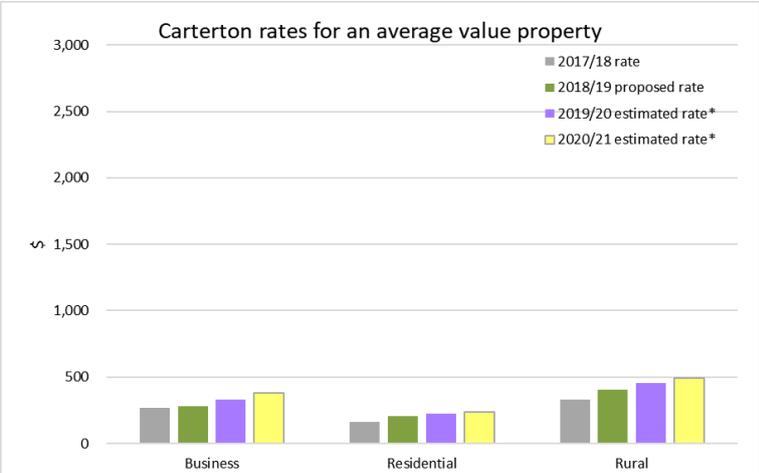
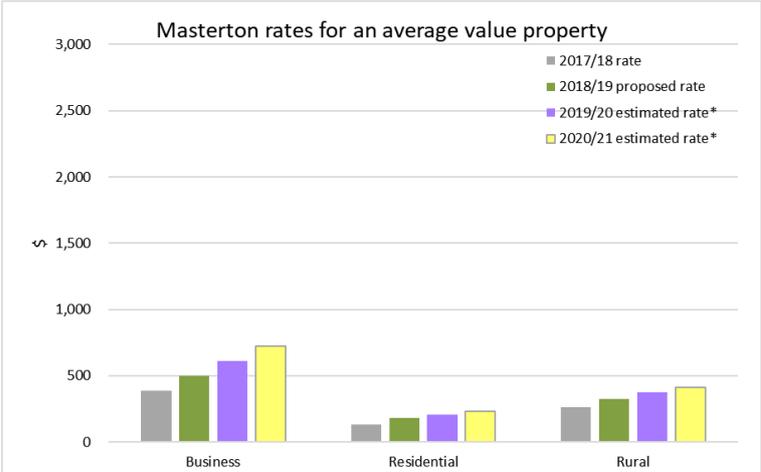
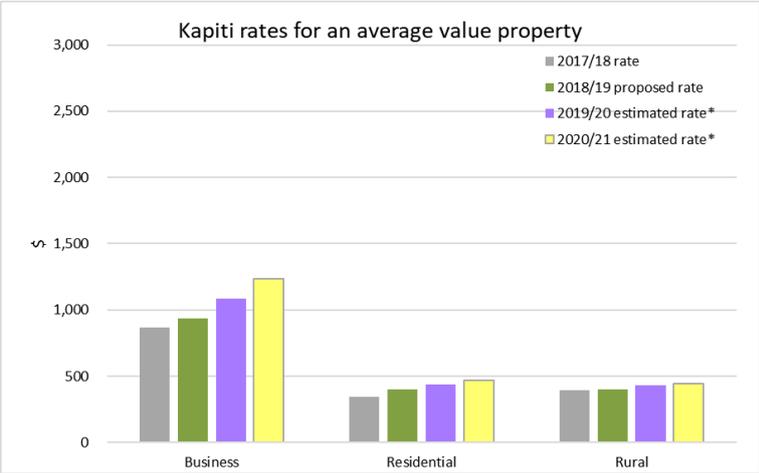
Tararua Rural

average CV = \$1,076,050

Tararua District Rural	\$				Change		
	2017/18	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
General rate	196	181	198	191	-15	17	-7
Flood protection - catchment	0	48	41	33	48	-8	-8
Flood protection - regional	0	0	0	0	0	0	0
River rate	0	0	0	0	0	0	0
PT	0	0	0	0	0	0	0
Stadium	0	0	0	0	0	0	0
WRS	28	28	28	28	0	0	0
Total	224	258	267	252	34	9	-15
Check	-	-	-	-			

Rates for each category, by district, 2018-21





Modelling assumptions

Two main factors have influenced the modelling above:

1. Districtwide rates - whether a rate is applied to an entire district (PT), or just one part of it (pest management, for example)
2. The assumptions we have applied

District-wide rates

The modelling only applies to rates that are applied to every rating unit within each district, unless we explicitly state otherwise in some of the Flood Protection modelling. This means that the current rates for pest management, drainage, and river management schemes are not included. These rates only apply to a relatively small number of properties within each district and would seriously misrepresent the impacts if they were included.

Assumptions about the future

We have had to make some assumptions in order to create these estimates of future rates. For the purpose of modelling these rate impacts, our main assumptions are that-

- The valuation of every rating unit throughout the region will stay constant for the next three years, so that
 - There will be no changes in the relative valuations between residential, business, and rural categories
 - There will be no change in the relative valuations between districts.
- All GWRC expenditure will proceed as planned for the next three years in the Council's draft LTP.

The regional modelling is developed on the basis of the current number of rating units, although we expect there will be growth in rating units each year.