

Impact of proposed new rates on properties

Meeting: Council Briefing
Date of meeting: 10 February 2021
Reporting officer: Sue Davidson, GM Sustainable Growth & Investment

Purpose/Ngā whāinga

Elected members will get an overview of the impact of the changes to individual properties in the District.

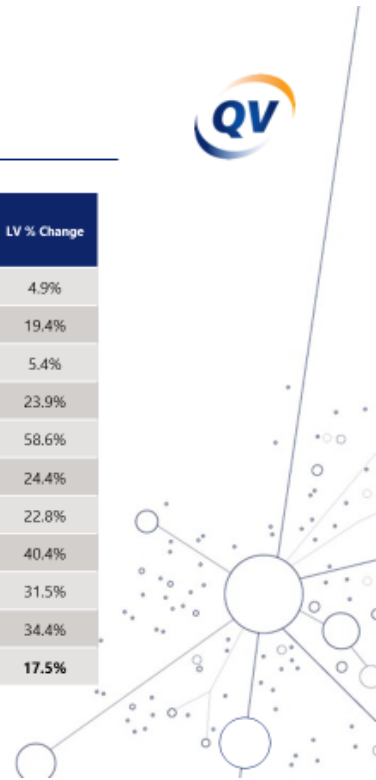
Context/Horopaki

Councillors recently had Quotable Value present to them on the impact of valuation increases to properties over Kaipara District. This briefing is to give Elected Members the opportunity to understand how the impact of the budget changes impacts on properties along with the impact of the valuations.

Revaluation overview

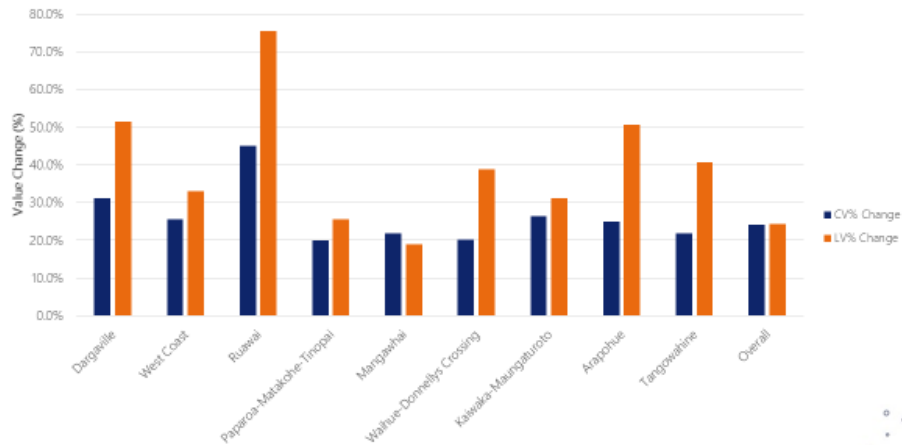


Sector	No. Assets	2020 CV (\$000)	CV % Change	2020 LV (\$000)	LV % Change
Dairy & Pastoral	1,609	\$2,396,132	4.0%	\$1,848,113	4.9%
Arable, Horticultural & Specialist	128	\$127,293	16.5%	\$76,081	19.4%
Forestry	158	\$95,231	5.4%	\$85,531	5.4%
Lifestyle	5,026	\$3,114,329	20.7%	\$1,688,169	23.9%
Mining	15	\$3,974	38.4%	\$2,978	58.6%
Residential	7,228	\$4,220,868	24.2%	\$2,124,678	24.4%
Commercial	288	\$210,005	19.0%	\$80,557	22.8%
Industrial	201	\$131,701	17.6%	\$43,152	40.4%
Other	1,097	\$276,875	14.8%	\$138,359	31.5%
Utilities	44	\$207,842	9.5%	\$3,873	34.4%
TOTAL	15,794	\$10,784,249	17.2%	\$6,091,490	17.5%



Quotable Value discussed the large variations between land value in the various centres. Land value is the methodology that we use as our key rating basis for the general rate.

Residential dwelling values change 2017-2020



Discussion/Ngā kōrerorero

So that Elected members can understand the changes that will occur to the rating base there have been some properties selected to demonstrate the changes and how our ratepayers will be impacted. (Attachment A)

The assumption is made that the equalisation of water and wastewater as proposed in these papers is the proposal put in the draft CD for consultation.

Elected members increased the Uniform Annual General Charge (UAGC) in 2020 to spread costs more evenly. No provision has been made this year to alter the UAGC. Section 21 of the Local Government (Rating) Act provides that certain rates must not exceed 30% of total rates revenue. These rates are the UAGC plus targeted rates that are set on a uniform basis (excluding water and wastewater rates). This is currently at 24.24%.

Policy and planning implications

The Local Government Act 2002 provides that the Revenue and Financing Policy is required to be reviewed as part of the Long Term Plan process.

Financial implications

The changes to the Revenue and Financing policy impact the distribution of rates across the community.

Risks and mitigations

Council must ensure it follows the Local Government Act 2002 when completing the analysis of the Revenue and Financing policy.

Significance and engagement/Hirahira me ngā whakapapa

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda on the website.

Consultation will occur as part of the draft Long Term Plan consultation.

Next steps/E whaiake nei

These figures and specific consultation issues will be included in the consultation document.

Attachments/Ngā tapiritanga

	Title
A	Demonstrating the change that the revaluation has on rates for the 2021-22 year