Rating Policies Review consultation Key questions and answers

We know that Council finances and rates can be complicated, so this section provides some answers that have cropped up as we have planned and drafted these proposals.

If you have any questions on the proposals, please ask at **wcc.nz/rating-policies-review** or email **ratingpoliciesreview@wcc.govt.nz**

When is the consultation happening?

From Monday 19 October to Sunday 15 November 2026.

Where is the information about the proposals?

It is online at **wcc.nz/rating-policies-review**.

Printed copies of the consultation document and submission forms are available at all our libraries.

What is a rating policies review?

A rating policies review is a process through which elected members and the community can consider what allocation of rates would be reasonable and appropriate. No decisions have been made at this stage.

The review looks at how the total rates bill is divided up – the proportion each property owner pays in rates. The review will not decide the total amount of rates to be collected or any proposed rates increases.

When was the last rating policies review completed?

The last full rating policies review was completed as part of the 2024–34 LTP. Every so often, the Council has reviewed aspects of the rating system, for example, the differential between commercial and residential rates.

Why are you completing a rating policies review now?

It is appropriate to conduct a comprehensive rating policy review ahead of the 2027–37 LTP to understand what Wellingtonians feel about potential changes to the rating system.

Why can't I find the Council's current rates policy?

The Council's "rates policy" is not a single document but is drawn from the Council's revenue and financing policy, remissions and postponements policies, funding impact statements, and the rates resolution. The

current Wellington City policies can be viewed here **https://wellington.govt.nz/your-council/plans-policies-and-bylaws**

When do you decide how much the rates will be?

The Council has not yet made any decisions about future rates increases. We are currently developing our 2027 LTP and this includes the budgets for delivering our services and investing in our city. We will be asking for feedback on the future rates next year during our next LTP public consultation.

Before adopting the LTP, the Council will publish its proposals, invite and consider your feedback, and then make its decision. Public consultation is expected to take place next year. You can sign up for updates at **https://www.letstalk.wellington.govt.nz/letstalk-newsletter**.

What are general rates?

The general rate is paid by all ratepayers where:

- the whole community benefits from a service
- there is little or no benefit, or it costs too much to pay for the activity separately from other ones.

Local authorities can use two types of general rates:

- a value-based general rate: a rate that is calculated based on the value of your property.
- a uniform annual general charge: a fixed dollar amount irrespective of property value.

Wellington City Council does not charge any uniform annual general charge.

What are targeted rates?

A targeted rate pays for a particular activity or group of activities. It is charged only to a group of properties for a particular service, or to all properties for a set period of time and reason, or to a mix of these.

Targeted rates are generally set when a council believes:

- there is some benefit to paying for the service separately from others, and paying for it separately in this way carries little or no transaction costs.
- some categories of ratepayer should not pay the rate or that some categories should pay a different amount to others.

What is the difference between a rates postponement and a rates remission?

A rates remission involves the Council permanently foregoing payment of all or part of any rates that is lawfully owed by a ratepayer.

A postponement of rates involves the delaying or deferral of payment of rates until either a specified time or a specified event occurs, such as the death of the ratepayer. All councils must have a policy on the remission and postponement of rates on Māori freehold land.

If you want the Council to remit or postpone rates there must be a policy in place. The current Wellington City policies can be viewed here **https://wellington.govt.nz/your-council/plans-policies-and-bylaws**

Is this review likely to lead to using land value instead of capital value for the rating base?

This review is considering whether land value, rather than capital value, should be used as the basis for setting rates. No decision has yet been made to change the rating basis.

Feedback received through this review will help inform whether the Council wishes to give further consideration to that option. If the Council resolves to progress the option, further detailed work would be undertaken on the potential rating impacts, design and implementation options as part of the development of the 2027-37 LTP. This more detailed work will be consulted on next year.

What is the cost of moving to a land value system?

The level of work required to support a potential change to the rating base—including modelling, research, and engagement—is significant. A rough estimate of cost ranges between $600,000 to $2 million, excluding business as usual implications. Changing the rating system would require additional resources and result in increased costs for the Council.

This is a preliminary estimate only. The final cost would depend on the option considered, the scope of any further work and the approach to engagement and implementation. Further work, including more detailed cost estimates, would be required before any proposal could be progressed through the 2027–37 LTP process.

Is this review likely to lead to a different allocation between commercial and residential ratepayers?

This is a comprehensive review, and we'll be looking into a wide variety of matters relevant to how rates are allocated. However, **no decisions have been made yet** – we want to have an open conversation with Wellingtonians about what a fair and reasonable allocation of rates should look like in the future.

How can I be involved?

We have already engaged with some stakeholders and will continue to do so throughout the duration of the rating policies review.

If you would like us to engage with you or your community group, please email us at **ratingpoliciesreview@wcc.govt.nz**.

Otherwise please have your say via:

- **An online submission** – via the form at **wcc.nz/rating-policies-review**. You can upload supporting documents with your submission.
- **By email** – send your submission using the form downloadable at **wcc.nz/rating-policies-review** or send your thoughts to **ratingpoliciesreview@wcc.govt.nz**
- **Hard copy form** – print a form at **wcc.nz/rating-policies-review** or pick one up from any of our libraries. Completed forms can be returned by free post or dropped into our offices at 2 Harris St.
- **Oral submission** – Everyone making a submission has an opportunity to speak to that submission at Oral Hearings in November. Please indicate this preference clearly when you make your submission.
- **Note:** you can make an oral submission without providing a written submission first. Please email **ratingpoliciesreview@wcc.govt.nz** or call our contact centre on 04 499 4444 by 15 November 2026 to let us know if you want to do this.

When will this have an impact on the rates I pay?

The outcome of the review will inform the direction of the 2027–37 LTP, the results of which will implemented from the commencement of the 1 July 2027 to 30 June 2028 financial year.