

13 October 2023



Dear 

Official information Request: Rating Review Proposed Rates Equation

I am writing to you in response to your request received 12 October for the following information.

Is the general rate calculated against the land value or capital value? What is the equation being used to calculate the proposed rates figures?

We have assessed your request under the Local Government Official Information and Meetings Act 1987 (LGOIMA). I have received information to provide the following response:

The General Rate in the Rating Review examples in the Statement of Proposal has been calculated based on capital value, which is the Council's proposed basis currently being consulted on.

To calculate the rate, the total district's amount (to be collected) from that rate is divided by the total amount of rateable capital value in the district. The method is the same as the current model, but currently the total to be collected is divided by the total land value in the district.

For the examples included on our website, the following formula was applied:

$$\text{Rate to apply to each \$ of capital value} = \frac{\text{Total amount required from General Rate}}{\text{Total rateable capital value in district}}$$
$$\text{Rate to apply to each \$ of capital value} = \frac{\$9,576,618}{\$6,408,850,800} = 0.00149429$$

To calculate the example for your General Rate, you would multiply your capital value by 0.00149429

Please note that the examples are based on:

- all the proposed changes being accepted as they currently stand;
- using budgets from the 2023-24 Annual Plan; and
- current property values.

The examples do not represent future years rates, but rather what the current year's rates would have been if the proposed model had been used.

Property values in South Wairarapa are currently being revalued by Quoteable Value (QV) and will be sent to owners by QV approximately in February 2024.

For information relating to the Rating Review project please visit:

<https://swdc.govt.nz/wp-content/uploads/Final-SoP-and-Draft-Policies-for-Consultation.pdf>

<https://swdc.govt.nz/wp-content/uploads/FAQ-Rates-Examples.pdf>

<https://swdc.govt.nz/wp-content/uploads/FAQs-Consultation-Sep-to-Oct-2023.pdf>

We acknowledge this response has taken time due to our current volume of work, if you have further questions, you are welcome to raise them in your submission or at the hearing.

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

You have a right to request a review by the Ombudsman on this response. Further information about this process can be found on <https://www.ombudsman.parliament.nz/what-ombudsman-can-help/complaints-about-government-agencies/how-make-complaint> or email info@ombudsman.parliament.nz

Kind Regards

A handwritten signature in black ink, appearing to read 'Amanda Bradley', written in a cursive style.

Amanda Bradley
General Manager, Policy and Governance Team