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Committee Policy, Finance and Strategy
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Rating equalisation

1. Purpose

To report the receipt of a valuation equalisation certificate from Quotable Value New Zealand.

2. Background

Greater Wellington Regional Council's general rate is set on the capital values of properties in the Region. However, because each territorial authority has a different cycle of revaluation, adjustments are made to take into account the changes in values within districts since the last valuation exercise for that district. In particular, Wellington City Council revalues annually whereas all other councils are on a three year cycle. The projected valuations will be applied through setting differential categories of land based on where the land is situated.

3. Equalisation certificate

Quotable Value New Zealand was commissioned to provide an equalisation certificate showing projected valuations as at 1 September 2003. A copy of the certificate is included as **Attachment 1** to this Report, together with comparative information from 2002.

The first table in Attachment 1 shows that the greatest difference between the net roll capital values and the net equalised capital values are for those councils who last revalued in 2001. Conversely, the smallest changes are for those councils who revalue in 2003. The equalisation process effectively smoothes values between revaluation dates.

The 2003 net equalised capital values will be used to differentiate the general rate. This information will be used in the rating projections included in the Proposed Annual Plan 2004/05 which will be considered by the Committee on 18 March 2004.

4. Communication

Communication of the projected valuation information will occur through the Annual Plan processes.

5. Recommendation

*That the Committee recommends to Council that it **receives** the report and notes its contents.*

Report prepared by:

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Attachment 1: Equalisation Certificate