

2019 PROPERTY REVALUATION – FAQS



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What do Capital Value, Land Value and Improvement Value mean?

The Capital Value of a property is the likely price your property would sell for as at the time of valuation (Sunday 1 September 2019). This includes the land value and the improvements on the land, like a house, building or structure. It does not include the value of chattels.

The Land Value of a property is the likely price the land would sell for at the time of valuation. Hutt City Council has chosen to rate based on capital value that means we use the capital value to calculate what amount of general rates a property pays.

Improvement Value is the difference between the Capital Value and the Land Value. It reflects the value that the buildings and improvements (like landscaping) add to the bare land.

Why are there new property valuations?

Every three years Quotable Value sets a new valuation for residential and commercial properties on behalf of Hutt City Council. The new valuations have been set based on property values as at Sunday 1 September 2019.

Council uses the property valuations, along with other information like the amount of income needed to run the city and to provide services, when setting rates.

What do these new valuations mean for me?

New property values will be sent to owners from Monday 11 November.

A change in the rateable capital value of a property does not mean property rates will change by a similar percentage. Ratepayers might get bigger or smaller rates charges depending on how their property value has changed in relation to the average change across the whole city.

Early next year we will be in a position to see what the impact to individual property owners will be and this will be used to assist with setting our Annual Plan.

Council rates will not be updated based on the new 2019 rating valuations until Friday 1 July 2020.

What are the trends from the latest revaluations?

The actual change in valuation will vary for every property; however, the overall trends from the revaluations were:

- An average increase for residential properties of 31.8%
- An average increase for commercial properties of 16.9%
- An average increase for industrial properties of 38.5%
- An average increase for lifestyle properties of 30.6%
- The total value of properties across Lower Hutt has increased from \$22.7 billion to \$29.6 billion.

How is your rating value calculated?

QV analyses all property sales that occurred in your area to identify market trends, and then apply those trends to similar properties (e.g. residential values are based on residential sales, commercial values are based commercial sales etc). QV also assesses a number of individual properties each year (e.g. due to building consents); the information from these assessments help with the mass-appraisal process. The entire process is also independently audited by the Valuer-General.

If you don't look inside my house, how do you know what it's worth?

Councils store details on every property in New Zealand, including yours. Properties with similar features such as land area, and age of building, condition and location are grouped together. A value trend (determined by relevant sales) will then be applied to the group in which your property sits. A significant number of internal and roadside inspections are undertaken prior to the revaluation and in the three years prior to the revaluation, for example when you take out a building consent for work to your property, QV will generally complete an internal or roadside inspection. QV also know and understand our local market conditions.

How do I object?

You have the opportunity to object to the valuation for your property and this may be done free of charge as long as you submit your request before Monday 23 December 2019.

Objections are part of the valuation process because they give property valuers the opportunity to assess individual factors that they may not have been aware of and therefore had not been considered as part of the value assessment i.e. work on property not requiring a building consent such as kitchen or bathroom renovations.

As part of this process, a QV staff member will physically inspect your property and you'll receive an owners notice shortly after to inform you of the decision made regarding your property's Rating Valuation.

If you wish to discuss your valuation please call QV on 0800 787 284 or to make an objection visit the link below. You can also pick up an objection form from your nearest QV or Council office.

<http://ratingobjection.qv.co.nz>

What ways can I pay my rates?

We have a few options for you to pay your rates; direct debit, online banking, via NZ Post or at our front counter Council Administration Building Laings Road. Council's preferred option is by direct debit and this can help spread the cost weekly, fortnightly, monthly or on the due date.

For more information visit huttcity.govt.nz/rates

What's a rates rebate?

Hutt City Council and the government offer help to ratepayers to subsidise the cost of rates or to get short term relief if you have financial hardship.

More information about this can be found on the Hutt City Council website here: huttcity.govt.nz/rates.

You are also welcome to visit our Council Administration Building on Laings Road in Lower Hutt where our staff can explain the schemes available to you.

Can I get any help with my rates other than a rebate?

If you're facing financial hardship and are having difficulty paying your rates or you are 65 years of age and older we may be able to help out with one of our rates policies. We also have a range of payment options available to you.

More information can be found on huttcity.govt.nz/rates

When do other councils have revaluations?

All councils around New Zealand complete property revaluations once every three years. The exact timing of this varies from council to council.