[00:00:36.10] - Mark Reynolds

Tena koutou, everyone. I can see the few people still joining the call, so we'll just give them a moment and then we'll get started. Just a little bit longer, and we'll get started on this webinar. We have got quite a few people joining. It's just taking the system a little bit of time to let them into the webinar, but it won't be too long before we can go. So kia ora tātou. My name is Mark Reynolds. I'm the Manager of Financial Stakeholder Relations at Auckland Council. Welcome to this webinar. On behalf of my colleagues at Auckland Council, I just want to thank you for taking the time to tune in this morning (sic). I know there are a number of members of our governing body and local board members online as well, as well as some people who are going to stand as candidates in the upcoming election for Auckland Council and our local boards. So, I just want to acknowledge those people who are here, and also that we're in an official pre-election election period, and that puts some limits or restrictions on elected members being able to give their views tonight. But I know there's a keen interest from elected members and candidates on the issue we're here to hear about, which is rates, tonight.

[00:02:49.15] - Mark Reynolds

So, I want to acknowledge that, and that there are people who want to know more about rates, how they work, and that's why we're holding this information event. So, while this isn't a forum for discussion with elected members or candidates in the upcoming election, Councillor Greg Sayers, who's the Chair of our Budget Committee, is just going to say a few words about why we're having this event. So over to you, Councillor Sayers.

[00:03:27.02] - Greg Sayers

Great. Thank you very much, Mark. I'm just so pleased that an elected member can have the opportunity to front up and be present tonight in person with everybody. So, look, welcome to everybody who's online. Yes, my name's Greg Sayers. I'm actually the councillor for the Rodney Ward, which is the northern part of Auckland City, which is mostly rural, extends from Kumu up to Wellsford. Now, this meeting has been organised because there is a lot of hurt, a lot of confusion, a lot of anger about why rate increases were so much higher than the expected figure that we were told of an average of 5. 8 %. So very upset rate payers have rightly been contacting their elected members asking, what's happened and why weren't we forewarned that we're going to be so much higher than 5. 8%? And what can the public do about it? And the Council's closed the opportunity to contest the CVs. And where's the transparency? Where's the accountability? Those type of questions. Those are the key questions that we've been asked as elected members, and we want to support our residents and rate payers to get those answered tonight. On that note, just picking up from Mark said, I want to acknowledge that there are other councils online, as well as elected members from the local boards and election candidates, including those from the rural areas of Rodney, Franklin, Waitakari, and also the Gulf Islands.

[00:05:00.00] - Greg Sayers

They wanted me to mention that they are as equally interested in Council's answers and explanations tonight since they didn't know about the size of the rate increases that were happening until rate bills started to arrive in people's letter boxes and in boxes. So again, rightfully, even though that seems rather odd to rate payers that elected members didn't know, the fact is local board members and Council had no idea that rates could be as high as 20%, 30%, or even higher. So, you're very welcome to ask any questions around that. Also, we have the press online, so thank you for the press for joining tonight as well. To the council staff that will be presenting tonight. Look, I just wanted to say look we appreciate you fronting up to the public, especially when so many people are upset with the council about these issues. So, thank you for being here and being willing to answer those questions. I guess just a reminder to everybody as Mark mentioned, the facilitator, that this is being recorded and will be available on the Council website, so you'll be able to relook at it or share it with your family and with your neighbours so you can rewatch it.

[00:06:16.19] - Greg Sayers

Again, thank you for being here and for participating. Mark, I'll pass back to you now to take us to the next segment. But again, thank you for being here.

[00:06:30.00] - Mark Reynolds

Thank you, Councillor Sayers. So just a few housekeeping notes on tonight and some Zoom etiquette. So, as Councillor Sayers mentioned, the session is being recorded. It'll be online in the next few days on the Our Auckland site, which is OurAuckland.Aucklandcouncil.Govt.Nz. So the purpose of this evening is an information session. There are opportunities to ask questions. If you're on Zoom, you'll do that through the little Q&A button, which has a question mark above the box at the bottom of your screen there. So, all members of the audience, you've got your cameras turned off. And in fact, I think mine might be turned off at the moment. There it is. It's back on. So, you can ask your questions there. I expect that we'll have a lot of people expressing concern, maybe some dissatisfaction tonight. And that's okay. Humour is okay, too. But any comments or questions that are disrespectful or way off topic, well, we'll get our Council Waste Disposal experts to deal with that. So as I said, tonight's session is about Auckland Council rates and how they work and I want to acknowledge that we're having this session, as councillor Sayers has mentioned, because some people have expressed surprise at the level of rates change, even shock at the level of rates change, especially if there are changes that were well above that 5..8%.

[00:08:22.09] - Mark Reynolds

which is what we said would be the change for an average value residential property. So, throughout the process of our setting rates through the annual plan, and we consulted with the public on that, we've been saying that the three-yearly revaluation that we have, that was not yet complete. And we didn't yet know what the property values would be, and that would determine exactly how each individual rate power would know what they'd be paying. We did say that those valuations valuation changes meant that if a value of a property moved up or down, then the change, if it moved up or down more or less than the average change in values, then the change in your rates might be more or less than that. And we'll talk a little bit further about how that works. It's not unusual for valuations to cause significant rates changes for, generally, a minority of properties. I know it's still very upsetting when it happens. In fact, when we last had revaluations in 2021, I think about 10% of rate payers experienced an increase of 20%, and actually 27% had a decrease in their rates. But as I said, we know it can be a shock when those valuations changes make a difference.

[00:09:57.15] - Mark Reynolds

One difference that occurred this year was that the revaluations were agreed by the Value General a little later than usually occurs. So, we weren't able to put out an online calculator that we usually have in the past so that individual ratepayers could look and see what the impact might be on them. But what we do know is that the actual revaluations were confirmed in June. It meant that about 3% of properties had an increase in their rates bills for the current financial year of more than 20%. Actually, 15% of properties saw their rates actually decrease. Now, we've not heard much from those who had a decrease, but many of the increases are in those rural rates for Rodney and Franklin, and people have understandably been upset about that. So, we thought it important to give you the opportunity this evening to explain why rates have changed and give you, more importantly, an opportunity to ask questions. If we could just flip to the next slide. Okay, so we're going to give you a fairly brief presentation. It might take 10 to 15 minutes. Then we'll be open for questions. So, as I said, feel free to type your question using that Q&A button, and we'll come to them once we've gone through the presentation about how rates work.

[00:11:47.09] - Mark Reynolds

So, it's about helping you understand rates changes. You know the old adage, there's no such thing as a stupid question, so please ask your questions there, and we'll try to get to them all this evening. If we don't get to them, we'll post them up on Our Auckland site with answers, along with the recording of this webinar. So please note your name and your question when you post it, it won't appear to the rest of the audience, but we will put the question up as we answer it. Right. So, leading the discussion tonight is Ross Tucker, our Group Financial Officer. Ross, perhaps you'd just like to say hello.

[00:12:45.06] - Ross Tucker

Hello, everyone. I'm Ross Tucker. I'm Auckland Council's Group Chief Financial Officer. So, I presume we're going into the slides.

[00:12:54.21] - Mark Reynolds

Actually, Ross, I just wanted to do the introductions (*laughs)

[00:12:58.23] - Ross Tucker

Okay. Hello, I'll just introduce a couple of other people.

[00:13:01.17] - Mark Reynolds

Thank you. So, Ross will be supported by Rhonwen Heath and Rhonwen is our Head of Evaluations and Data Management. If you'd just like to say, Hi, Rhonwen.

[00:13:15.10] - Rhonwen Heath

Hello, everybody.

[00:13:21.19] - Mark Reynolds

Thanks, Rhonwen. Sorry, I've just got a slight delay on my camera here. And the third speaker will be Andrew Duncan, who's our manager of financial policy.

[00:13:34.05] - Andrew Duncan

Good evening.

[00:13:37.06] - Mark Reynolds

Thanks, Andrew. So, again, a reminder, get the questions in through the Q&A. So now Ross, I just invite you to give us a talk about council rates and how they work.

[00:13:55.07] - Ross Tucker

Great. Thanks, Mark. If we can just go to the next slide. Thank you. So Yeah, Marks, I guess, covered some of the key highlights, but we will step you through this. Yes, as Mark and Greg, Greg Sayers have said, we do acknowledge the concern that people are worried, concerned, upset. Anytime anyone gets a large bill in the mail out of the blue, it can be very upsetting, particularly at the moment with all of the cost-of-living pressures as well. We will talk a bit tonight about how that's happened, what are the factors is how rates are set. I'll talk about it at a high level, and my two colleagues will elaborate a bit more, and we'll talk about what are some of the support options available. As Mark said, the large movements are part of the normal three-year revaluation cycle. This is a normal process. It does happen every three years. There are some large impacts for some people. That is a system that councils or New Zealand councils have to operate within. But we will explain a bit of how that If we can go to the next slide. So, firstly, what are rates funding?

[00:15:05.10] - Ross Tucker

So, rates fund a wide range of council services. It doesn't fund water supply and wastewater. So, whether people are in the urban areas, and they connect to the town supply, that's covered through Watercare charges. If people have got their own septic tanks and rainwater systems and the like, water tanks in the rural area, there’s no water or wastewater that's part of us, but it does fund transport. It does fund public transport, buses and ferries, funds things like road resealing programmes, it funds a whole range of parks, art galleries, museums, rubbish services, community facilities, environment services, you name it, a whole bunch of different things. So, every year, what we do through annual budget is we consult on what are all the things we need to spend money on, what's the total amount of rates we need to help pay for those and then that determines an average rates increase, which this year was 5. 8 %. So that is an average rates increase. It's not what every individual pays, and we're very clear in our consultation to say individual rates will vary by property values. As Mark indicated, when we did the consultation, we didn't have the valuation information that wasn't certified by the Valur General at that point.

[00:16:25.20] - Ross Tucker

We didn't have the data. So, we talked about broad averages. All of the information we had was based off existing 2021 valuations. And all we could do was say things will move depending on how property values have moved over that three-year period. If we go into the next slide, please. So, we set the total quantum of rates and the average through the budget process. But then how that's shared up between different properties is based off the property value. So more expensive properties will pay more rates and lower value properties will pay less rates. That is a system. That's the essence of how rates work. The problem is if you just do that once, then over time, values move and vary across regions and even property by property. So, the three yearly cycle is designed to reset things and make sure that a similar value property pays a similar amount of rates no matter where it is in offering. So, say a million-dollar property in Kumu would pay the same rates as a million-dollar property in, say, Mount Eden. That said, there are some discounts that apply for rural properties and farm and lifestyle properties.

[00:17:40.00] - Ross Tucker

My colleague, Andrew Duncan, we'll talk about that shortly. But essentially, it is about doing adjustments once every three years to make sure similar value properties pay a similar amount of rates. And what that does mean, though, is there are plusses and minuses, there are increases and decreases to get to that point, and it is, in some cases, a short Southern adjustment. That is a key feature of the system that the government mandates that all councils must use. If we go to the next slide, please. How do we calculate those property values? It is based off market information. So, your properties go up and down. There’re cycles. We did the last valuations in 2021. The current ones are in, So the last ones are close to the peak of the property cycle. Things have generally come off, particularly in urban areas. But we've seen rural areas hold up a bit better. So, the way that it works, and my colleague, Rhonwen, will talk about it a bit later, and better, is that we look at market information. So, it's at a point in time, so around about May 2024, what did things sell for?

[00:18:55.12] - Ross Tucker

We look at different value properties, look at that data, look at the characteristics of different property, and our valuers determine what the values are. So, we use two independent valuation partners, go and do that work. They value all 630,000 properties. We then do layers of quality assurance and then the final step is the Value General reviews, audits, all that, and either certifies it or doesn't certify it. What we had hoped is that we would get that certification late last year. So, by the time we got the consultation in February, March, this year, we'd be able to tell people, do some online calculations, a whole lot of analysis around what an updated property values would mean, area by area, probably by property. But unfortunately, that wasn't the case. The Valuer General required us to do more work with our valuation partners, and we got that certification on the sixth of June this year. So, it was very late in the piece, and we shared as much information we could as soon as soon after that on the ninth of June, and then quickly worked through getting valuation notices out, getting rates calculated, and 630,000 rates notices out the door as soon as possible.

[00:20:07.02] - Ross Tucker

If we go to the next slide, please. So, this slide just tries to explain how the rates move. So, a lot of people, we've got a lot of people who have called up and go, why have my rates gone up when my property value has gone down? So, it's not a simple direct relationship that if your property value goes up by X %, then your rates go up by X %. What matters is it's all about the averages. How did your property move compared to the average movement across the Auckland region? So, for residential properties, what we saw was an average fall in property values of 9 % between 2021 and 2024. And so, if your property had a 9% fall over that period, you could expect to get rates increase around 5. 8%. If your property value had held up better than that, or if it had stayed flat or it increased, you could expect higher rates increase than 5.8%. And the bigger the increase or the better it held up, then the higher that would be. And what we've seen in the rural areas, we've seen an average of a 4% increase in rural properties compared to a 9% for the average residential property across Auckland.

[00:21:23.04] - Ross Tucker

And then what we've seen, conversely, is we've seen other parts closer to the centre of Auckland, places like, Puketāpapa, Waitematā and other areas like that. We've seen Albert Eden; we've seen property value reductions around 13 to 14%. And so that means that they will have rates increases of less than 5. 8% In some extreme cases where property values have fallen quite a lot, they could even have rates decreases. And so, what we've seen, I think Mark indicated it earlier, we've seen this time around, we've seen about 3% of properties across Auckland, 3% of residential properties have had a rates increase above 20%, because they've had quite high increases in property value compared to most residential properties falling. And then we've seen about 15% of properties across Auckland having a rates decrease. So not just a low rates increase, but the rates have fallen because they've seen quite a sharp fall in their property values. So that's how the maths works. It's all about how has your property moved compared to that 9% overall average for Auckland? If we go to the next slide, please. So, assistance available. So, there are a range of things that we can do.

[00:22:42.12] - Ross Tucker

If anyone is struggling with paying their rates, we do encourage you to get in touch with the Council as soon as possible, and we'll talk about options on how and where to do that. But the best thing to do is not ignore the problem. That's where people can get into trouble and make the problem worse. So please get in touch as early as possible if you're concerned, you can't pay your rates that you're going to be unable to manage. There are a range of things we can do. There is a government-funded Rates Rebate scheme. You can get some money from the government that will help pay a share of your rates. And there's been some changes there through the central government's budget that made it a bit easier for Super Gold card holders. So, in particular, people that are receiving that New Zealand Super may not have been that eligible for it, and they can Actually, the thresholds have changed, and people that haven't been eligible in the past may be eligible this time around. So please do check that out. There's a rates postponement option. So, if people are struggling, if they've seen a big increase in the value of their property, maybe they're struggling to pay rates now, you can defer some of that.

[00:23:50.23] - Ross Tucker

Basically, you pay less rates now, pay more rates in the future, potentially when you sell the property. So, you can delay some of that impact or all of your rates if you choose. There are some interest costs, supply and some costs associated with that, but it can be a good option for some people. They've got a lot of equity, increased equity in their property, but are struggling in terms of the cash flow situation. And in terms of managing cash flow, we can also be flexible on payment. We do send out the bills every quarter, but there are options to pay that weekly, fortnightly, monthly, or annually, if you so choose. So, we can be flexible about how and when people pay. So, if you're concerned, you can go to Auckland Council website, look at Contact Us, and there's information there about these support options. There's also information on the rates notices about these different support options and where to get help. If we go to the next slide, here is where you can find further information. You can, AucklandCouncil.Govt.Nz. Go there, look at Contact Us. There's lots of different ways to get in touch, and it's got information around rates on there.

[00:25:00.06] - Ross Tucker

And we've set up a special email address just for this webinar. So, if you've got any queries, if you don't, if we can't get to your questions today, there's further concerns or things come to you later, you can send an email to rateswebinar25@AucklandCouncil.Govt.Nz, and our rates team will direct that question to wherever it needs to go. If that's about an information, a question about how rates work, we can make that available on our website after this, if we can't get to it today. If it's a query about your rates, we can direct that to the right channel. So hopefully that helps get some of the queries to the right place where they need to go. So, if we go to the next slide, and I think at this point, I'll hand across to Rhonwen Heath to explain a little bit more about the revaluation process and impacts. Thank you, Rhonwen.

[00:25:50.06] - Rhonwen Heath

Thank you, Kia Ora and thank you, Ross. Revaluation 2024 was very different to the last revaluation we had in June 2021 in a rising market, where residential properties increased by an average of 32%. In May, the average residential, as Ross has said, went down by 9%. So, the first slide... Oh, sorry, please go to the first slide. The first slide shows the move by local board in the 2024 reval, and you can see that most of the areas went down. However, there were a few that held the ground, and Waiheke, not so bad. Rodney, Great Barrier, did extremely well, but otherwise, for residential, it was a falling market. You could also notice that commercial didn't do that well either. However, industrial, lifestyle, and rural all went up by at least 4-5 %. Can we go to the next slide, please? Okay, and so this is reval 2021, which shows an extremely different picture. So, what does these revaluations mean, well, basically revaluations are driven by sales. Legislation requires rating valuations to be based on market value, which is best evidenced by sales. Council and valuation providers must demonstrate that their values are supported by robust sales evidence.

[00:27:16.21] - Rhonwen Heath

Why? Because they are direct and their objective indicators of what buyers are willing to pay for a property. So, it's essential to establish fair and accurate values that can be used for rating purposes. These sales are then used to benchmark other properties that haven't sold. So, understanding buyer behaviour, farm lifestyle and rural residential held up much better. The outer areas were said to have rural charm with urban access. There's a strong community feel in outer areas. However, both south and north had different attractions that buyers were willing to pay for. Firstly, the south: fastest growing area in Auckland, renovated houses on lifestyle blocks, a key food production hub, proximity to the airport and to export markets, and also planned railway stations and improved road networks will enhance connectivity and support future population growth. While the north, new houses with good amenities, easy commutable to the city and Albany, access to beaches at Gulf Harbour and Whangaparāoa, coastal areas have been traditionally more affordable than places like Takapuna. Big sections are still available. And development. We had anecdotal evidence that Costco, Bunnings, and Westfield were great drivers, and not too far from West Coast beaches, i.e. Bethells. Could you please go to the next slide? Okay, so the next slide has a few notes which you're more than welcome to read for yourself. But ultimately, the sales evidence shows what buyers are willing to pay to own properties in these areas. And also in closing, before I hand over to Andrew Duncan, I just like to mention that we are required by legislation to revalue all properties in our region every three years. So, the landscape could be completely different when we revalue or relook at market sales in 2027. Thank you very much. And I'll now hand up to Andrew Duncan.

[00:29:25.20] - Andrew Duncan

Good evening. Can we go to the next slide, please? The Council's rating policy provides that we will recover 31% of the general rates revenue requirement, the general rate funding, many of those key services Ross referred to earlier; recover 31 % from business properties, and that's rural and urban business; and 69 % from non-business properties, rural, urban, and farm lifestyle. Now, with each of those groups, we charge a fixed charge of $600 for each separately used part of a rating unit. So that would be a couple of different separate shops in a shopping wall or a house in a granny flat. The remainder and the bulk of the general rates revenue requirement within each of those subgroups is shared between the properties based on their capital value. You can see I refer to rural, urban, and farm lifestyle properties, both business and residential. The council's established these rating differential categories after considering the extent to which the different types and location of properties had access to or benefited from council services and their affordability, their ability to pay the rates at a broad level. And accordingly, rural businesses pay 90% of the urban business rate in the dollar, Rural residential pays 90 % of the urban rates in the dollar of capital value, and farm lifestyle properties pays 73.8% of the capital value of the property, that other urban residential properties pay. Now, in addition to the general rate, we have a number of other key rates. We have our waste management targeted rates that pay for the refuse and food scraps and recycling services. The costs of these rates only rose 3% for the coming year. We also have some region-wide value-based targeted rates that provide additional funding for investment in water quality, water quality targeted rate, the natural environment targeted rate, additional investment in the natural environment, and the climate action transport targeted rate. These are rates funded by a cents in the dollar of capital value, and the money raised by the rates can only be spent on the activities that the Council consulted with the community on securing this funding for, and they apply region-wide. I'd note that this year, the council is rolling out the rates funded refuse service to the Rodney and Franklin areas for the first time. This will be a new charge for those areas, but rate partners will no longer have to pay for a private service. And in the North Shore and Waitākere areas, there'll be a full year of this service being provided for the first time, and there'll be no more need to buy bin tags or bags, and there'll be a small increase, additional increase in those areas as a result.

[00:32:54.16] - Andrew Duncan

Next slide, please. Now, as Rhonwen would mention, over time, property values move across the region, and that's reflected in the revaluations, and we can look back at how previous revaluations have impacted rates, and Ross also mentioned this. At this revaluation, there's a number of properties that are having slightly higher rates increases, 3%, but there are also a number of properties in both the residential and farm lifestyle categories that are having rates decreases. While these changes are material and a concern of many of you who are here today, broadly, the scale of change is much lower at the extremes than it was in 2021. And there were still, in the 2017 valuation, similar levels of change. So, the revaluations, the changes in rates are following the changes in the values of properties across the region, as Ross and Rhonwen would have explained to you. And this does change over time. The areas that it is impacting reflects the areas that have moved quicker or slower in terms of their value changes. Next slide, please. So, here's just a refresher of some of the broad changes to rates in the Rodney and Franklin area as a result of the revaluation.

[00:34:40.00] - Andrew Duncan

And you can see here that the average capital value change for farm and lifestyle and residential properties, that's both urban and rural residential in these areas, has held up much better than the 9 % fall that Rhonwen referred to more broadly across the region. And as a result, the increases in rates higher than 5. 8 %. A component of that for these areas is the roll out of the rates funded refuse, which is replacing the need to provide those services for those ratepayers themselves. However, even if we take that impact out, it's still the case that for the average value properties, the increase in these areas is higher than the 5. 8%. Next slide, please. But despite these movements, there are still some properties in the Franklin Rodney areas where there have been both decreases and increases, and we've just chucked a couple of examples in here for you. You can see there are some bigger decreases in the area, although in these areas, because the values have held up overall, there are more properties facing a higher level of increase. Nevertheless, some have had decreases. Thank you very much. I think we have time for some questions now And I'll hand back over to Mark.

[00:36:22.07] - Mark Reynolds

Thanks, Andrew, and thank you, Rhonwen and Ross. So, yeah, that's how Council rates and the impact of revaluations on them. It's more than a little bit complex, but it has a big impact on Aucklanders, and we're seeing that from the feedback we're getting. So, this is an information evening, but as I said, opportunity to ask some questions. Just keep them coming in on the Q&A question bar. But, Ross, I'm going to start with you with some of the questions we've been getting Ross, why didn't we know sooner about the range of rates increases above that 5. 8% mark for the average value property?

[00:37:13.11] - Ross Tucker

Yes, as I said earlier, ideally, we would like to have had all the value information completed and certified before Christmas last year so that we could do all that analysis. We could include that in the consultation materials. We could provide an online rate calculator. So, people could see trends by area and put their address in and see exactly what different average rates movements might mean for their properties. But unfortunately, the Valuer General didn't sign off the value, so at that point, required us to go and do more work with the valuation partners. And so, what happened is our annual budget process had to happen in parallel with all that work doing the property valuations. And it wasn't until the sixth of June this year when we had certified values that we can share with people. We had preliminary data all the way through, but we can't share that. We couldn't rely on it. We couldn't speculate or make statements around trends, movements until the Valuer General had certified a lot, all 630,000 properties. The way it works, it's an all or nothing kind of game. We can't release any information until we have that certification. So, the best we could do was in the consultation material, just try to be as clear as possible that the 5.8% was an average, but individual properties would depend on property value variations and be different property by property.

[00:38:41.06] - Mark Reynolds

Thanks for that, Ross. Another question for you. Why do we even have rates increases above the level of inflation?

[00:38:51.18] - Ross Tucker

I guess two parts to that question. One is the average rates increase, or why is the 5. 8 % above CPI inflation, which is only 2. 7? And that is a function of our budget process. The cost of what it takes to provide all of the services, all the public transport services, stormwater services, fund parks, museums, all those things. So, we look at the costs of those things. We try to get the costs, keep the costs as low as possible. A big chunk of the increases and probably the key driver around why things can't just stay at the level of inflation is the impact of our capital programme. Last year, we invested close to $4 billion in new roading projects, new stormwater projects, and that adds operating costs, maintenance costs, interest costs, depreciation costs. So, the fact that we're investing in a city and part of that catching up on previous underinvestment. Part of that is leaning into some of the challenges we have around a growing city and dealing with transport issues and climate change in terms of dealing floods. So, because we're investing, that means that a lot of those asset-based costs are rising pretty rapidly.

[00:40:07.07] - Ross Tucker

So, if we kept rates just to the same cost as last year, we would really struggle with those investments. We've got some big things like the City Rail link, for example, which will transform things across Auckland. And next year, that's going to lead into quite a sizable rates increase. So that's one part of it. The other part is individual properties. Why can't we just cap it at the 5. 8 % or have some kind of threshold. I guess, as we've explained, that variability is about us complying with that government mandated system, that if we don't increase rates when properties move, then we won't have a million-dollar property in Rodney paying similar rates to a million-dollar property at Mount Eden. So, things will get out of balance if we don't make those adjustments. Going forward, we can look at options to change that, phase some things in, but it does mean someone else has to pay. It means everyone else across Auckland would have to pay more rates in order to support that transition. We looked at that in the past and our members have considered that. It is a tricky one. In previous valuations, other parts of Auckland have suffered this particular pain, and they haven't been supported in that way.

[00:41:36.05] - Ross Tucker

So, it is tricky. There's no easy way. One thing we can't do is we can't just net out the big decreases and the big increases. We were able to do that when the Supercity was first formed, there's special legislation to do that. But under current legislation, the only way to do a transition would be everyone else across the rest of the region pay more in rates, and that would distort things in terms of the same value property paying the same amount of rates wherever it's located.

[00:42:07.04] - Mark Reynolds

Thanks for that, Ross. I happen to know there's some fairly big numbers involved here that you didn't mention in terms of the amount of money that is required to run Auckland Council each year. I mean, it's about $9.3 billion, isn't it? And roughly a half and a half split between the day-to-day operational stuff that keeps the lights on and that spending for growth as well. So, there are big numbers that we're talking about here. Just on the valuation piece and you mentioned the smoothing and the changes there. And this is probably a question for you, Rhonwen, and I know a lot of people are looking at these valuations and they're wondering, can they actually challenge these rating values? And if so, how might they be able to do that?

[00:43:07.15] - Rhonwen Heath

Thanks, Mark. Well, yes, people can challenge the rating valuations. The objection period, however, has closed. If we have got it wrong with somebody's valuation, we will absolutely correct it because we want to work on correct data. However, and as Ross says, we want to make sure that the same value property pays the same amount of rates. There needs to be a reason that they wouldn't want to challenge our data. Did we miss a bedroom? Have we got the floor area wrong? Absolutely. If there is something wrong with a valuation where we have made a mistake, we'll look at it. If we cannot see that, we cannot see that there's something obviously wrong, there is another avenue that people could have a look at, and this is called a Section 16, which there is a cost involved, and there what that would mean was one of our valuation providers, depending on where you are located, would do a full review of your valuation. And just to double check, make sure, and that could result in the value going up and down, but it also could result in the value staying the same. And as I mentioned, there is a cost involved in that exercise.

[00:44:21.18] - Rhonwen Heath

Also, that exercise would mean that the value for rating purposes would be only used from the first of July 2026. Thank you, Mark.

[00:44:34.24] - Mark Reynolds

Thanks for that, Rhonwen. So, there are some options there in terms of just what you said there. That information, this video will be posted on Our Auckland. You can look at that. But also, if you go to the council website, which is AucklandCouncil.Govt.Nz, that information on the first page, There's some information there about rates and valuations. You can find out the further details on that. Now Andrew, a question for you, and it's been covered off to some extent, but we are getting lots of questions around it, and so I think it's worth looking at it again. People saying, look, my property value went down by so much. Why didn't my rates fall? And people are saying, look, my property value went down 7,8,9%. Why didn't my rates fall? Can you just take us through that again, Andrew?

[00:45:41.18] - Andrew Duncan

So, the council shares its general rates revenue requirement. After that, accounted for those charges per separately used part of the unit, the granny flat, etc. The remainder of the requirement is shared between the properties in the city based on their capital value. Excuse me. When we come to a revaluation, the capital values of properties will change relative to each other. So, if my value rises faster than someone else's, I'll pay a bigger share of the rates revenue requirement, whereas if my property value decreases or doesn't rise as fast as my neighbours, Then I'll pay a slightly smaller share than I would have previously. And we do the revaluations so that as property values move over time, if my value gradually catches up over time with my neighbours, that we're both paying the same amount of rates, but my rates increases will be higher than my neighbours as I catch up with them.

[00:47:00.00] - Mark Reynolds

Thanks for that, Andrew, for taking us through that. I'm sure we'll get more and similar questions from lots of people, as the night goes on, but also, we're seeing those sorts of questions come into our call centre and through various email inboxes all the time. So hopefully, those who are listening, hopefully you can begin to see how that works. And if you've got other people asking, they'll be able to look at the recording of this and hopefully understand it a little better as well. Ross, I have a question for you, and I suspect it could be one of our elected members asking this. Were Councillors shown in some form the effect of property valuations on rates such as graph showing what the range of minus 20% and plus 20% valuation changes might have been, and was that overlaid with the rates change? So, were elected members shown that? And I guess also, when were they shown that?

[00:48:24.09] - Ross Tucker

So yes, elected members were showing that as soon as we possibly could. So, as I said, the value of general We've certified the Auckland's property values on Friday, the sixth of June this year. On the ninth of June, we sent out a memo which had those impacts in terms of what are the property distributions, like those charts that Rhonwen has shown. And in terms of buckets, local board by local board, what are the property movements and what are the average movements? So, for residential properties in Rodney, a 15% increase. Obviously, it’s not a list of every single property and what those movements are, but an indication of we had 3% of rate payers across Auckland with a rate increase above 20 % and 15 % of rate payers with a decrease in rates. So, we had that information, but the earliest we could produce and share that stuff was after we had the values certified. So it was that early June period. That was as early as we could do it; we shared all the content with the media. We released that information. We briefed journalists as well at that roughly the same time.

[00:49:41.17] - Ross Tucker

So, we got as much information as we could out there once the values were certified. If we'd had the values certified much earlier, which was our original plan, we would have been in a better position to do that earlier. But we, by law, cannot share any of that information, do any analysis, until we have that value general certification, which wasn't until the sixth of June this year.

[00:50:03.12] - Mark Reynolds

Cool. Don't go away, Ross. Thank you for that. But this is a question that's coming up from a lot of people. We've seen a lot of talk, probably at a national level, about the prospect of putting a cap on rates. So, this is actually on the rates taken, and a cap on rate so that they can't move by more than the level of inflation. What are Council's views on a cap on rates?

[00:50:36.18] - Ross Tucker

I guess in terms of the council's view on that, I think that the council is yet to take a position as far as I'm aware We're still waiting to see a proposal from government about what that actually means. They've referred to the Australian example, but what we've heard across the sector, and I guess from my perspective, in terms of the advice I'd have to give mayor and councillors on what that might mean, is there's a direct trade-off between the investment and the services that can be delivered if rates are capped. So, as I said, we've got a growing city over the coming decades.

We'll see another million Aucklanders come to Auckland. Development contributions and things like that will help with part of it, but it won't cover all of it. We know there are, often there's prone to some pretty severe flooding impacts. There's a huge amount of transport investment, stormwater investment, growth investment. We need to support all the houses for another million Aucklanders over time. So, all those things adds up to a significant amount of investment. If we are constrained and capped by how much the Council can invest, then what will happen is investment will be curtailed, delayed, and you'll see underinvestment and infrastructure.

[00:51:54.07] - Ross Tucker

And to some extent, Auckland has been subject to that in the past, and so you might see repeat of that. The other bit is we might have to cut back on certain services if things are capped and things like rolling out new bus services or more money to support local boards and community. So, all the important things to the community. It's the government said we need to stick to basics and core services. The views on exactly what those things are, what the priorities are is a very political view, and lots of different people have different views about what is most important to the community. So, to me, it's a bit of a trade-off. You can cap rates and keep rates low, but it's a trade-off in terms of investments and services for the community. That's the choice. But that is a separate issue in terms of these movements and capping individual movements around that average. That's a different thing. What that means is if you don't move for some people, then someone else has to bear that cost. And the principle here is really the same value property pays, the same amount of rates, regardless of where they're located in Thanks for that.

[00:53:02.07] - Mark Reynolds

I just want to want to note because you mentioned some of the politics of this, and people who are just joining or who joined a little late that might be wondering, why aren't there some councillors or elected members here answering some of these questions. The reason for that is that we're in what's called a pre-election period. And so, sessions like this, they're information sessions for the public. They're not opportunities for electioneering in their pre-election period. So that's why we don't have councillors on the call this evening. Ross, just to follow up on that cap of rate situation, I think some people have also talked about a cap in terms of for the valuation changes we're seeing and the impact of those, is there not a way that we could have capped the impact or spread the impact of that over a period of time? Rather than you've got a new CV coming in, you bear all of the impact of that on your rates in one year, could that not have been spread with some a cap on the impact of those changes?

[00:54:30.00] - Ross Tucker

There are some options that can be considered in the future. Some of them require government legislation change. When Auckland Council was first formed, amalgamated from the legacy councils, there was some special legislation because you had everyone moving from seven systems into one system. And if you just did that immediately, you'd have many winners and losers in quite a sudden shock. So, the government enabled a three-year transition to one unified rating system. And what that does is it cap the increases and the decreases. And it meant those with a reduction in rates, they would give up that benefit in order to support the ones would otherwise face big increases. And so that was many, many people, tens and tens of thousands of people would have had severe increases if that legislation hadn't been in place. The government decided not to change and make that permanent. The other view was, I believe, the system needs to work to enable this rebalancing. So, properties of similar values pay similar rates. The council could in future look to have a rating policy cap, but it would have to fund that. And that would have meant the average, most people would have to have a higher increase that it would drag up the average people in the middle ground.

[00:55:52.22] - Ross Tucker

Everyone across often would have to pay higher rates to support those that have got the big sharp sudden increase, and some people might support that. For Rodney, that would be really beneficial this time. But in many previous revaluations, it would have gone the other way, and people in Rodney and Franklin and other areas would have supported people in Orakei, Remuera, who had the biggest increases. So, things move around. Those are political policy choices. What is really helpful, I guess, is having valuation data to make, form those things. This time around, because the valuations happened in parallel with the annual budget, and it was so late in the piece, it was really difficult for us to give advice, do analysis for our members to make choices around that this time around. But we've been through this many times before. And as I said, the last revaluations of 2021, we had more extremes. We had more people with big increases. And we've had various ups and downs in previous revaluations. When our I think the members have considered in the past that the call has been made not to do that transition because there's always movements. If you do that for three years, you're always every year there's big movements.

[00:57:13.18] - Ross Tucker

You're always transitioning, because by the time you do a three-year move, then you start again and it keeps moving, it keeps moving. So, there's pros and cons. Those are choices. The incoming council next term could make some different calls about that going forward, about how they want to approach these things. But there's no simple answers. Sharing rates is tricky. What is a fair system?

[00:57:42.14] - Mark Reynolds

It is tricky. On behalf of the rate pairs of Onehunga, by the way. I'm keenly aware that the last rating valuation impacted on a different part of the city. I might have been in a different position last time around as an Onehunga rate pair, noticing those changes there and the impact on them. So yes, every time we revalue, there are impacts on people often in different parts of the city. So, yet there's a lot to continue to debate there. Ross, I see you hydrating there, so I'm going to give you a little bit of a break. Andrew, question for you, and I love I know you love these sorts of detailed rating questions. This question is the urban residential rate on the dollar has increased by 16.7 %. Can you explain how that has gone up by that amount when the increase we were promised was 5.8%?

[00:58:54.19] - Andrew Duncan

So, the council establishes the rates revenue requirement, and that's unrelated to the property values. So, the property valuations don't affect the total amount of rates the council collects. They're about how we share that, mainly, between ratepayers. So, if the city's values rise or fall as a whole, our rates revenue doesn't rise or fall.

[00:59:23.06] - Andrew Duncan

But what if we've set a rates revenue requirement, and as has happened in this revaluation, the total value of the rates of the properties in the cities fall, then when we set the cents in the dollar, the cents in the dollar has to be higher than it was at the previous revaluation because we're sharing it across a smaller total value. So, to get the same amount of money, we have to have a slightly higher cents in the dollar. So, the cents in the dollar is higher, but because the total capital value we're multiplying that by has fallen, we're not actually collecting necessarily more money except for that 5. 8 % increase. So that's why the cents in the dollar has gone up to allow us to collect that revenue requirement we consulted on at that price increase level. You're on mute, Mark.

[01:00:29.03] - Mark Reynolds

There we go. Sorry about that. There's another question that keeps popping up as well, Andrew, that I think you could have a go at answering. And it's rural ratepayers saying, look, out in our area, there's a number of services that we're not getting. Some of our roads aren't as good as some of the roads elsewhere in the region. Why are our rates essentially with this increase, subsidising those areas of the city that are getting more and they would argue better services?

[01:01:16.00] - Andrew Duncan

So, the council has set rural and farm lifestyle rates differentials to reflect that to some extent. So, a million-dollar property in Rodney, a rural residential property would only pay 90 % of the value-based general rate that a million-dollar property more in central Auckland would pay. And a farm and lifestyle property of similar value to a property in the urban area of Auckland, would only pay 73. 8 % of the cents of the dollar. So that reflects the council acknowledging, to some degree, the different nature of services immediately available to those properties, but also recognising they are part of the greater Auckland community and move around and connect to the city as well. The values in those parts of in the rural and farm lifestyle areas of Auckland, will also reflect the nature of the services, will reflect what people prepare to pay for the properties in those area. They'll take that into account. And so, there's a balance there with some of the desirability of living in those areas, the nature of the immediate services that Rhonwen spoke to earlier. I know there are many, many things that affect the property's value. But if I've got a big section with a big house in perhaps in Rodney, in a rural area, I might pay.

[01:02:49.07] - Andrew Duncan

Its value might be a bit less than if I had the same thing in Mount Albert. In Mount Albert, one would pay more rates. There's more to it than that. But those are some of the dimensions that the council's weighed up We're looking at these rating policies.

[01:03:03.24] - Mark Reynolds

There is indeed more to it than that. And if you're a person on this webinar who's interested in detail, A, Andrew's your man, but B, you can go on to our website, AucklandCouncil.Govt.Nz. and our Annual Plan has a lot of this detail as well. Looking at the differentials that we have, so how we categorise properties as well. You can go on, look at that information through our Annual Plan on the website there as well. And speaking of detail and some technical questions, I've got one for you Rhonwen, I'll read it out. "My property is categorised 2P and work has nearly been completed on site. A huge retaining wall. But my latest land valuation has plummeted. Will my property be revalued and will my land value be more realistically aligned with the recent property valuations, Auckland-wide? And maybe in answering that, Rhonwen, you can just explain what a 2P property might be.

[01:04:27.22] - Rhonwen Heath

Okay, well, thank you for that, Mark. Basically, a 2P property would be a property that has had some storm damage and will be recently affected by the weather impacts. What we would do is, you have mentioned that the retaining wall is about to be completed. What would happen is that I'm assuming that there would be a code of compliance or there would be a sign-off that the retaining wall had been constructed up to a certain standard. Of course, once that is signed off by the council, we will know, and that will be a trigger for our valuers to go out and to assess how much additional value that has been added to the property by the retaining wall and the new protection. What that means is, although our values were current, that we're using now for rating purposes, at the first of May 2024, this retaining wall, it sounds like it's happened after that date. What would happen is we would, of course, update our valuation data, and you would receive an amended valuation notice, which would have what the new value is, and then you would be able to have a look at it, and you are also able to object to that new valuation notice.

[01:05:44.09] - Rhonwen Heath

If you don't feel that that is correct, there's a stipulated time period, 20 working days. If you let us know within that 20 working days that either you are happy with that new valuation or you're unhappy, then we take the next steps. But it's called maintenance. And basically, when rate payers make additions or change their property in any way which adds value, of course, we want to realise that, and that value should be reflected in an amended notice. Thank you.

[01:06:13.21] - Mark Reynolds

Thanks, Rhonwen. We'll just have time for a couple more questions. I know there have been a lot more questions lodged on the Q&A. We'll post responses to those on Our Auckland. But, Ross, if I could just call you back because there are a couple of other questions, I think we should cover off on. Firstly, the double-digit hit on rates that some people are seeing. It's a big impact on households. So, the question is, does the council understand the impact that some of these double-digit rates increases are having on households?

[01:07:01.16] - Ross Tucker

Yes, we understand it. It's a big change for many households. People have seen their property values increase. Maybe they feel wealthier, but they struggle. They've got to pay the bills. They've got to make ends meet each week, and particularly the time when the cost of living is biting, that can be really tough for a lot of people. So, we certainly understand that concern. In terms of the average rates increase, the Council is trying to do everything it can to find savings and keep that over as low as possible. But the Council can't really control those property value movements. What we can do, though, is point people to some of the support things that are available for support options. As I said, people should get in touch if they're concerned about the ability to pay those rates bills, to get in touch sooner rather than later. And there are a range of those different options. There are some rates, government-funded rates, rebates that can help a bit. There are people who can postpone their rates until circumstances are better or if they might sell their property at some point in the future. And then there are different payment plans that people don't have to pay it each quarter.

[01:08:12.23] - Ross Tucker

They can pay it monthly, weekly, whatever frequency suits them. And we can work with people to figure out what's a doable, manageable payment plan over the year. So, the best way is go online, have a look at those options, or look at... They're on your rates notice. Look at those options, go to the website, and if in doubt, or if you want to do... If you want to see one of those options, call us or contact us via the proper emails by going to our website and looking at the Contact Us section.

[01:08:43.20] - Mark Reynolds

Yeah. And I just reinforce the email that we've set up, which is ratewebinar25@Aucklandcouncil.Govt.Nz. Just on the objections to valuations. A number of people have looked at and lodged those, and they're wondering, why can't they pay at the old rate until their objection is heard? Ross, could you just, can you just answer that one for us?

[01:09:22.23] - Ross Tucker

Okay, sorry. I saw Rhonwen n pop up there. I thought you were ready to answer that one. But I'll have a go. Rhonwen can jump in and add if she wants to. So, we set the rates in accordance with the rating legislation. So, by law, we have to follow that. There's a whole statutory process around valuations and objections. It is important that people pay the rates as they're invoiced. They might get penalties if they withhold or pay the wrong amount. And we don't want to add to people's cash flow issues and concerns, stress levels, by adding the penalties unnecessarily. So, people should pay the rates of an invoice. But don't worry if there is a successful objection or it's wrong instead of people, if people think there's a mistake, an error, and we resolve that, we will absolutely refund people. If values rates are adjusted, it will be backdated, it will be fully refunded or given as a credit against future rate payments. So, people won't be short-changed, but there are close to 11,000 objections. It will take some time to work through it. So, people should be paying the rates, rates and notices that are there now.

[01:10:39.01] - Ross Tucker

Don't delay, don't just ignore it. That will create more problems down the track. But rest assured, we will refund or provide credits for anything that is overpaid.

[01:10:52.18] - Mark Reynolds

So, thanks for that, Ross. The number of people on the webinar are starting to fall off a bit. I don't know if that's because we've answered all the questions. I don't know if it's because they're frustrated still and have gone elsewhere or if their family's hungry for dinner. So, we will close off shortly. But there's one more question for you, Ross. So, beyond this webinar, what formal systems does Council have for ratepayers that enable them to hold Council accountable for its spending and to show ratepayers that they're getting value for the money that they're spending on rates?

[01:11:38.06] - Ross Tucker

So, the Council's finances are very transparent. There's lots of information and data out there. We will soon be publishing our annual results that will come out in late September. But even ahead of that, there is information on the Council's governing body agenda. So, the monthly Council meetings, in every quarter, there's more information. So, there is lots of information around the financials, the performance, where the money goes. There's constantly good information coming through. The Council has got a Revenue, Expenditure, and Value Committee, which is their role is to oversee the organisation, to hold staff to account, and to find and drive opportunities for savings. We had a report to our committee just this week. It was looking back at this term of Council. There were savings targets over the three years, $374 million dollars in total over three years. That was a target set for us through our budgets and long-term plans. Given it through the political direction and public input. And the report, the committee showed that we would overachieve that. We'd achieve $414 million, I think it was. So more than $40 million more savings than planned. So, a lot of procurement savings, back-office savings, looking at rates, non-rates, revenue, a whole range of different things.

[01:13:04.15] - Ross Tucker

So, the council staff, CCOs are working very hard to find savings wherever possible. And we've got a council committee dedicated to driving that. Another thing that committee has done this term is really look at the capital projects as well as just that operating spend. And we've initiated a thing called Better Value Projects, which looks at case studies, it looks at changing procurement systems, we are looking about 10 key principles and 10 key questions that are used to interrogate every capital project going forward to make sure we're spending the ratepayer money as efficiently as possible. So, there's a lot of pressure on there. There's a lot of focus on how do we get the best value for money. At that committee, we've had at the request of the mayor, a request that we go away and look at our procurement processes and can we change and improve how we procure things how we look at our supplier performance in particular, and how do we get more value for our procurement. Council buys a lot of things through contractors a huge amount of money, so there's lots of opportunities there. So, we will be looking to pursue those things as much as possible.

[01:14:16.16] - Ross Tucker

That will help keep the average rates down, but that doesn't necessarily help with these valuation movements where some individual rate payers, no matter how much efficiencies we save, there will still be these variations every three years, and someone somewhere will have larger movements than others.

[01:14:34.21] - Mark Reynolds

Ross, I thought I was going to let you go after that question, but another one's come up. Clearly, this has been a conversation about rates, which is on the funding and revenue side. But rates make up, I think, less than half of the revenue that council actually gets. Firstly, where does the rest come from? And can council actually look at getting revenue from elsewhere? And is it doing so?

[01:15:10.10] - Ross Tucker

Yes, we're looking to do that wherever we can. There's lots of work Partnership with central government and others. There's lots of grants, funding, there's transport subsidies. There's been a lot of funding from government in terms of storm response, property buyouts, repair and storm damage, etc. So, we work as closely as we can with central government on ways to share funding and do stuff in partnership. We get money from developers for development contributions to help cover some of the cost of growth investment. We get money from investments in the Port of Auckland. Previously, we had dividends from the airport shares. We've now moved that into a future fund, and that will give us enhanced returns compared to the airport share's dividend, which was around 1 to 2 % return, and that will increase It's doing a five and a quarter % distribution each year for council. So, there's lots of things we're doing to get money from other sources. Some of that is user charges, water charges, consent fees, and those things. So, we do what we can need to drive as efficient as possible, but we are conscious that it's still rate payers that are obviously using all those services and paying for it.

[01:16:25.09] - Ross Tucker

I think important to note that some of the services, the water services, people are only charged water rates by Watercare if they're connected to the network. People only pay for the waste management, the rubbish collection, food scrap target rates, if they receive those services. So, there are some elements that are more user pays or targeted rates that are for particular services.

So, people are only being charged for those sorts of things if they use it. But the rates, which is less than 40 % of our total revenue, is more of a broad-based charge that applies across Auckland, and it's really shared out. The whole mechanism is sharing out by property value.

[01:17:03.05] - Mark Reynolds

Ok, thank you. Just a reminder that we've had a lot of questions. A lot of them are very similar in nature. But what we're going to try to do is put all of the questions and answers up on Our Auckland website. You get to that through a Aucklandcouncil.Govt.nz. And we'll post those in the next few days, along with a video of this webinar as well. So, Ross, I just wonder if you'd like to make any final remarks.

[01:17:43.18] - Mark Reynolds

And I think we've had a lot of conversation about the timing of these rates changes, the size and enormity of them being a lot different to that expected 5. 8 % impacting in those rural and lifestyle areas. So just in your wrap up remarks, if maybe you reiterate the how and why of some of that timing and the differences.

[01:18:21.14] - Ross Tucker

Yes. So again, we understand the concern and that a lot of people are upset. They've received some very large rate spills, and a lot of people are struggling to understand, well, why? How did that happen? Were we targeted? How did that work? Was information withheld and all the rest? So that was not the case. We provided as much information about the property valuation as soon as we could. Ideally, our original plan was to have those property valuations before Christmas last year so that we could make that available. We could do all the analysis. We could make an online rates calculator available. So, we could look and see exactly what rates they would pay well in advance. But because of the valuation delays, the delay with the Valuer General signing off those values, which only occurred on sixth of June this year, it just wasn't possible for us to have that information or be allowed to share that information in a way that would have given people a lot more notice and be more informed. So, we did a lot of analysis and produced as much information as we could from the ninth of June onwards. It was challenging circumstances.

[01:19:43.23] - Ross Tucker

We understand the cost-of-living pressures. We do want to encourage people if they are struggling to reach out, they can get information through these sources that are on the screen. They can contact Council, go to the Council website, look at Contact Us, the email, call the Call Centre. If you're struggling with the rates, please get in touch and we'll see what we can do. But that said, we have to operate within the system that's in front of us. It's a three-year rebalancing. There are always people at the extremes of this. This time around, there's probably less extremes than there were previously. But who has impacted each time changes and unfortunately, this time, it has impacted some people in the rural areas. But not just them. We have had concerns from people across Auckland. People from Orakei, from Mount Eden, all over the place, Waiheke Island. There are people every week where individual property values have gone up or stayed high, and there are some large rates increases. As Andrew Duncan has explained, there is lower rates charged to rural properties and farmer lifestyle, which reflects the lower services. So that hasn't changed. There's been no proposal. There's been no council decision to change any of that, to target any particular part of the community. It is purely how those market valuation movements have played out. It's played out differently this time to last time. And in 2027, as Rhonwen says, it'll be different again. And it could well be quite a different set of circumstances and different people impacted by exactly the same problem.

[01:21:26.18] - Mark Reynolds

Yeah, I said before, it's not about me. But last time around, revals in 2021 hit me and my wife, this time around, Snell's Beach, my mother-in-law. So, you've managed to upset my wife and my mother-in-law. (*laughs) So it'd be good not to again, I'm sure.
I work at council. I know that we look at situations like this, we hear the feedback, and we look at whether we can improve for the future the way that we communicate some of these potential outcomes, and we try to communicate them as soon as possible. So, we will be looking at that as well for future times when we're talking about rates and the changes in them and valuations and the changes that those cause.

[01:22:21.02] - Mark Reynolds

I want to thank you, Ross. I want to thank you, Andrew and Rhonwen, for fronting up here this evening. Also, there are a number of people behind the scenes who make an event like this happen, so I want to thank them for that. I also want to acknowledge, again, the councillors and candidates who have attended this, and also for making us aware of the amount of feeling that is out there about the changes in rates that have occurred.

[01:23:00.04] - Mark Reynolds

Of course, for those of you who have taken the time, taken the trouble, and were with us here, both live and who might be watching the recording of this, thank you for attending this. And as I said, a recording of this, it's going to be up on Our Auckland. Get there through, Aucklandcouncil.Govt.NZ. And if you want to send us an email, if you've got any further questions, do that through, rateswebinar25@aucklandcouncil.Govt.Nz.

[01:23:38.18] - Mark Reynolds

Thank you for attending.