THORNDON
RESIDENTS' ASSOCIATION

15 November 2026

The Thorndon Residents' Association has considered Key Proposal 1: changing the rating base from Capital Value (CV) to Land Value (LV).

1. The Association is not persuaded that Wellington City Council has yet established a sufficiently strong evidential, economic, equity, or strategic case to justify a significant redistribution of residential rating liability through adoption of a land-value-based rating system.

2. We acknowledge that some residential ratepayers may benefit from the proposal while others may be disadvantaged. The Association is not seeking to advocate for particular categories of property owner. Rather, we question whether the case for change has been adequately demonstrated.

3. Council has stated that the proposal is intended to redistribute rates liability rather than increase overall rates revenue. In our view, any proposal that deliberately changes who pays should be supported by a particularly clear explanation of the problem being addressed, the benefits expected to arise, the evidence supporting those benefits, and the potential unintended consequences.

4. The Association remains unconvinced that these matters have been sufficiently explained. In particular, it is unclear why assessed land value should become a substantially more important determinant of rates liability, whether this approach is the most effective means of achieving Council's stated objectives, and whether alternative and more targeted policy mechanisms have been adequately considered.

5. We are also concerned that the wider distributional impacts of the proposal, including impacts on established inner-suburbs such as Thorndon, have not been sufficiently communicated or understood. A significant redistribution of rates burdens warrants a high standard of transparency and public understanding.

6. Finally, the Association questions whether this proposal should be a priority at this time, given continuing household affordability pressures, Council's own financial challenges, active discussion regarding the future shape of local government, and the absence of any additional revenue benefit to the city.

7. Accordingly, the Thorndon Residents' Association does not presently support progression of this proposal without a substantially stronger evidential basis, clearer articulation of benefits, fuller analysis of impacts, and a more comprehensive examination of potential unintended consequences and alternative policy approaches.