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Ethan Manera  
Newstalk ZB  
[ethan.manera@nzme.co.nz](mailto:ethan.manera@nzme.co.nz)

Tēnā koe Ethan

Thank you for your email of 23 September 2024 to Te Kaunihera o Pōneke | Wellington City Council (the Council) requesting the following information:

- *How many Wellington ratepayers have advised WCC they are refusing to pay rates / rates increases?*
- *What has WCC said to these ratepayers in response?*
- *There have been reports that the council have advised residents it will be sending notifications to the mortgagee / bank, is this true and what measures can the council take to combat refusal to pay?*
- *What is currently the largest outstanding residential rates bill in Wellington?*
- *How much is currently owed to WCC in overdue / unpaid residential rates?*
- *How many residential properties has WCC put caveats on titles for unpaid / overdue rates?*
- *If you're also able to provide a general statement on how it is possible for people for people to be refusing to pay i.e. how the rates payment system works, how people can choose what amount to pay.*

Your request has been considered under the Local Government Official Information and Meetings Act 1987 (LGOIMA).

The [Local Government \(Rating\) Act 2002](#) sets out the ability of councils to set rates and the requirement for ratepayers to pay rates. Procedures and penalties for non-payments are covered in Part 3 of this Act.

Answers to your specific questions are provided below.

*How many Wellington ratepayers have advised WCC they are refusing to pay rates / rates increases?*

There are approximately 30 ratepayers who are currently refusing to pay rates as part of the 'Rates Revolt group'.

*What has WCC said to these ratepayers in response?*

Correspondence to ratepayers in the Rates Revolt group has been consistent with that provided to other ratepayers who aren't paying rates, i.e. non-payment of rates will result in penalties.

First Notices are sent for those accounts that are arrears as of 30 June each year. The ratepayer is given 90 days from the First Notice to either make a full payment or setup a payment arrangement. If there is a mortgage on the property, the ratepayer is also informed that the mortgagee will be notified of the debt through the following statement “Under section 62(1)(c) of the Local Government (Rating) Act 2002, we are obliged to inform the Mortgagee if any rates are unpaid as at 30 June.”

*There have been reports that the council has advised residents it will be sending notifications to the mortgagee / bank. Is this true and what measures can the council take to combat refusal to pay?*

First Notices are sent for those accounts that are arrears as of 30 June each year. If, after a further 90 days, there is still a balance owing or the payment arrangement has been breached, and the property has a mortgage on it, then a final demand notice is sent to mortgagee pursuant to section 62(1)(c) of the Local Government (Rating) Act 2002. In these instances the mortgagee is required to make payment on behalf of the ratepayer, which would have implications on ratepayers’ credit scores and future financing.

Because a refusal to pay rates can result in legal action under the Local Government (Rating) Act 2002, ultimately culminating in the property undergoing a rating sale, ratepayers are encouraged to engage with the council to find an appropriate solution in times of financial stress. Options that we encourage ratepayers to consider include:

- Direct Debit - Ratepayers can set up a direct debit to pay rates weekly, fortnightly, or monthly. This can help spread the cost over the rating year rather than paying the full amount each quarter. See [Rates and water Easipay direct debit form - Rates - Wellington City Council](#) .
- Setting up payment arrangements – this is available for ratepayers who choose to make automated payments through their banking platforms.
- Rates Rebates – Low income ratepayers might be eligible for a rates rebate of up to \$790. This scheme is run by the Department of Internal Affairs. More information about eligibility and the application form can be found here: [Get a rates rebate | New Zealand Government \(www.govt.nz\)](#). Wellington City Council will also apply a Low-Income Remission of up to \$800 to those who have received the rates rebate.
- Postponement of Rates Payments - In cases of hardship, ratepayers may be able to postpone rates payments. This option is available if ratepayers are unable to pay due to personal circumstances and have explored all other avenues. More information can be found here: [Postponement of rates payments - Rates - Wellington City Council](#).

The council has recently noticed an increase in the number of requests being made for payment plans and for rates rebates. This could be indicative that some ratepayers are experiencing financial stress. The situation causing this stress varies between ratepayers and, by working cooperatively with the council, ratepayers can work out a resolution that is best for their individual situation.

*What is currently the largest outstanding residential rates bill in Wellington?*

The largest outstanding residential rates amount on a single ratepayer is \$162,749.64. This debt has accumulated over many years.

*How much is currently owed to the council in overdue / unpaid residential rates?*

The total owed to the Council in outstanding rates is \$8,679,153.28 as of 30 September 2024 for residential rates only. This is made up from 2,025 different ratepayer accounts.

*How many residential properties has the council put caveats on titles for unpaid / overdue rates?*

The council's interest has not been recorded on any property title in either the 2023/24 or 2024/25 financial years because of outstanding rates. Final Demands will be sent out to ratepayers in November 2024, for any rates accounts that are in arrears at that time.

We trust this response provides you with the information you require. You have the right, by way of complaint under section 28(1) of the LGOIMA, to request an investigation and review of the Council's response to your information request by the Ombudsman. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone 0800 802 602.

Nāku noa, nā

Susan Sales  
Senior Advisor Official Information  
Risk & Assurance