

Council Chair and Councillors
Greater Wellington Regional Council

Via email:
info@gw.govt.nz

24 April 2026

Re. Greater Wellington Regional Council – Annual Plan 2026/27.

Dear Council Chair Daran Ponter and Greater Wellington Regional Councillors,

As you may know, Property Council is the leading not-for-profit advocate for New Zealand's most significant industry, property. Property is New Zealand's largest industry with a direct contribution to GDP of \$50.2 billion (15 percent). Property is Wellington's third largest industry. There are around \$223.6 billion in property assets across Wellington, with property providing a direct contribution to GDP of \$3.6 billion and employment for 24,820 Wellington residents.

Transparency of process

We are writing to you today in relation to Greater Wellington Regional Council's draft Annual Plan 2026/27. Property Council is disappointed that a full submission process is not being undertaken this year, as transparency is critical for ratepayers, particularly given the widespread impact of the proposed changes.

Rates increase

We are concerned about the proposed 9.7% rates increase for the 2026/27 year. While this is lower than the 13.3% projected in the 2024–34 Long Term Plan, it comes at a time when businesses in Wellington are already facing a range of cost pressures. The cumulative impact of ongoing costs on businesses and developers is a significant concern. Sustained increases risk undermining business viability and do little to position Wellington as an attractive place to invest and develop.

The below list is an example of some proposed costs, increases and fees in Wellington:

- Greater Wellington Regional Council's average proposed rates increase of 9.7%;
- Targeted rates for Wellington CBD businesses increase of 9.1%;
- Wellington City Council general rates expected to increase 7.4%;
- Wellington City Council's current business rating differential at 3.7:1;
- Tiaki Wai indicative water rates increase of 14.7%;

- Costs of insurance, rents, seismic upgrades, employment, transport and other supplier-driven costs passed through; and
- Wellington City Council's vacant site differential of 5:1.

The cumulative effect this will have on the commercial sector throughout Wellington will be significant. The combined Wellington City Council and Greater Wellington Regional Council's rates increase will see feasibility of development in Wellington reduce. The impact on many building owners is twofold, pressure on cashflow, particularly for those with gross rather than net leases and/or vacant buildings, and a reduction in capital through declining underlying asset values. Overall, this will not see Wellington's built environment flourish, discouraging the investment Wellington needs.

These proposed increases will have an effect on all members of the community, not only the commercial sector. Property owners will be forced to recover these costs through increased rental pricing, while business owners will have no choice but to recover these costs through increased costs for products and services. Furthermore, any exponential increase in rates will mean that building owners may not be able to invest in improving their business, carrying out maintenance and upgrades.

Transparency of costs and a user-pays system

It is also unclear what the additional rates are funding and whether it is beneficial to business needs. As outlined in the 2024-2034 Long Term Plan, Wellington CBD businesses pay a public transport differential of 7 regardless of CBD zone access/distance to stations and actual usage. We note the public transport Wellington CBD targeted rate has nearly doubled over the last decade. We recommend the 9.1% rates increase in the annual plan 2026/27 transparently explains the drivers of the proposed cost increase and the breakdown between public transport, flood protection, general rate and any other targeted rates.

We thank you for the opportunity to submit on Greater Wellington Regional Council's Annual Plan 2026/27. While we understand the need to increase rates, the cost of doing business in Wellington is already extremely high when compared to other cities in New Zealand. We therefore oppose the 9.7% rates increase.

Any further enquiries, please do not hesitate to contact Bella Leddy, Senior Advocacy Advisor
via email: bella@propertynz.co.nz or cell: 029 778 6114

Yours sincerely,



Melissa McGhie
Wellington Regional Committee Chair
Property Council New Zealand