

Hurunui / Kaikōura Earthquakes Recovery Review Panel

6 June 2017

Hon Mark Mitchell
Minister for Land Information New Zealand
Executive Wing
Parliament Buildings
WELLINGTON 6011

Hon Nathan Guy
Minister of Civil Defence
Executive Wing
Parliament Buildings
WELLINGTON 6011

via email


Dear Ministers

HURUNUI / KAIKŌURA EARTHQUAKES RECOVERY (RATING VALUATIONS ACT – KAIKŌURA DISTRICT COUNCIL) ORDER 2017

On 6 June 2017 the Hurunui / Kaikōura Earthquakes Recovery Review Panel (the Review Panel) considered the above draft Order.

As required under section 14 of the Hurunui / Kaikōura Earthquakes Recovery Act 2016, please find attached the Review Panel's report on this draft Order, including our recommendations and brief comments.

Yours sincerely



The Honourable Sir John Hansen

Convenor, Hurunui / Kaikōura Earthquakes Recovery Review Panel

cc Chief Executive, Ministry for Land Information New Zealand
Director, Ministry of Civil Defence & Emergency Management

Hurunui / Kaikōura Earthquakes Recovery Review Panel

IN THE MATTER

of the Hurunui / Kaikōura Earthquakes Recovery Act 2016

AND

IN THE MATTER

of the Hurunui / Kaikōura Earthquakes Recovery Review Panel appointed under section 12 of the Hurunui / Kaikōura Earthquakes Recovery Act 2016 to provide advice for Orders in Council that may be required for the purpose of the Act

THE REVIEW PANEL

The Honourable Sir John Hansen (Convenor)

Mr James Gardner-Hopkins

Ms Yvette Couch-Lewis

Mr Basil Morrison

REPORT AND RECOMMENDATION OF THE REVIEW PANEL

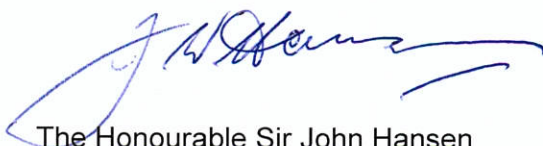
HURUNUI / KAIKŌURA EARTHQUAKES RECOVERY (RATING VALUATIONS ACT – KAIKŌURA DISTRICT COUNCIL) ORDER 2017

1. On 6 June 2017, the Hurunui / Kaikōura Earthquakes Recovery Review Panel (Review Panel) considered the above draft Order.
2. Having considered the reasons advanced by the relevant Minister and supporting documents from the Ministry for Land Information New Zealand, which we accept, we are satisfied that the Order in Council is necessary as it is not currently practicable for the Council to accurately assess the impact of the earthquake damage on property values.

3. Whilst it is not anticipated that any changes will be made to the Order, our decision is predicated that any such changes are not substantive. If the changes are substantive we will have to review this decision.
4. The Review Panel is of the view that the draft Order is necessary, expedient and meets the purpose of the Hurunui / Kaikōura Earthquakes Recovery Act 2016 (the Act).

Reasons Recommendations and Brief Comments

5. Following the Hurunui / Kaikōura earthquake sequence, the Kaikōura district suffered considerable damage to property. The district valuation roll is required to be updated every three years through a general revaluation. Between this period, the Council has discretion to reassess the rating valuations of any property where an “extraordinary event affecting property values” such as the Hurunui/Kaikōura earthquake sequence has occurred.
6. A large portion of the Kaikōura district suffered damage and property owners may be eligible for a rating reassessment. Due to incomplete data currently available regarding the extent of damage and the associated cost of any repairs required to individual properties, combined with limitations on physical access to properties, we agree that it would not be practicable for the Council to accurately reassess the impact of earthquake damage on property values within its district at this time. Reassessment of the district valuation roll at this time would also be a resource intensive and costly process for the Council and would likely divert financial resources from the earthquake recovery work being undertaken.
7. The draft Order ensures that the Council’s district valuation roll remains credible, and that it has a workable property taxation system in place as it recovers from the recent earthquake events. The Minister and the Ministry for Land Information New Zealand have provided compelling reasons for this need in the reasons for recommending the Order.
8. We are satisfied that the Order has properly balanced the interests of the community, iwi and environmental matters, and will aid the economic recovery of Kaikōura by giving the Council a high degree of certainty over the rating values used to calculate rates whilst the Order is in force.



The Honourable Sir John Hansen

Date: 6 June 2017

Convenor, Hurunui / Kaikōura Earthquakes Recovery Review Panel