

Valuer General

The Hon. Emily Jane Suvaal MLC

Chair

Inquiry into the ability of local governments to fund infrastructure and services

Parliament of NSW

Macquarie Street

SYDNEY NSW 2000

Via email: state.development@parliament.nsw.gov.au

31 May 2024

Subject: Question on Notice taken during the inquiry into the ability of local governments to fund infrastructure and services.

Dear Chair,

Question

CHAIR: Are you aware of any other States where they do that differently, for example, say, apply a volumetric method and rate into the sky, if you like?

SALLY DALE: I'd have to take that on notice. As I said, the States that use capital improved value, they would actually look at that individual unit value. But I would have to take that on notice in regard to the States that just use land value.

Response

I am not aware of how states that utilise land values determine rates for unit allocation. It's important to note that each state in Australia underpins Local Government rates in different ways, with different applications of the valuation system (as outlined in the submission made by the former Valuer General in 2016 to the Independent Pricing and Regulatory Tribunal). For NSW, land values are provided for strata units, and allocated as per the schedule of unit entitlement. In some circumstances strata units may pay less in terms of rates, than a single dwelling utilising similar services. Whilst acknowledging rating is not my area of expertise, I would suggest that this can readily be remedied via a provision of a different rate category for strata units, with unit entitlements readily available in the Register of Land Values.

Valuer General

Yours sincerely,

Sally Dale

NSW Valuer General