

22 April 2025

Review of prices for the Valuer General prices to Local Government 2025
Independent Pricing and Regulatory Tribunal
PO Box K35
HAYMARKET POST-SHOP NSW 1240

Dear Tribunal

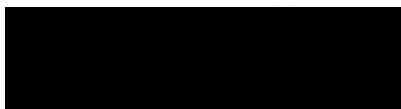
Submission: Draft Report, review of prices for the Valuer General prices to local government 2025

Thank you for the opportunity to comment on the draft report on behalf of Campbelltown City Council.

Campbelltown City Centre is identified in the Greater Sydney Region Plan as a Metropolitan Cluster Centre that, together with the centres of Liverpool, Penrith and the emerging Aerotropolis, will support the growth of the Western Parkland City to a region that will be home to in excess of 1.5 million people by 2036.

Campbelltown City Centre is in a unique position as a Metropolitan Cluster Centre at the 'Southern Gateway to Sydney' serving regional and metropolitan communities that often extend outside our rate base.

Yours sincerely



Jai Rowell
Executive General Manager City Planning and Corporate Services

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EXECUTIVE SUMMARY

The current land valuation provision through the three-year mass valuation cycle followed by regular updates through the supplementary valuation roll updates works well and is timely for our organisation.

The IPART's efforts in reducing the price increase proposed by the Valuer-General is appreciated, the recommendation to change the determination period from six to four years and the postage stamp pricing methodology with cpi in subsequent years are all agreeable.

In essence we would like see improvements in:

- efficiencies by increasing innovation and technology
- continuous quality assurance and pricing efficiencies through competitive tendering
- funding and/or distribution methodology, primarily in the 50:50 allocation of costs for objections

In this submission we have responded to each of the 4 items on which you are seeking feedback. The responses are provided below.

RESPONSE TO ITEMS PRESENTED IN THE DRAFT PAPER

1. Should IPART change the way it allocates costs to other users of land valuation data?

We do not believe the cost allocation is fairly distributed between councils, and other users. We agree that 'minor users' have little impact on the costs of providing information and access to land valuation data is important and a healthy outcome, however we do not believe that ratepayers are aware that they are burdened with the costs in providing this information so broadly.

Data published by the Valuer General Yearly Insights¹ 2023-24 identified the number of objections received relating to land rates was 1,336 and for land tax 3,567 representing 27.25 and 72.75 per cent of the total respectively.

Item	2020-21 count	2021-22 count	2022-23 count	2023-24 count	Average
Council rates	2,330	345	5,083	1,336	2,274
Land Tax	3,093	1,981	5,561	3,567	3,551
Total	5,423	2,326	10,644	4,903	5,824

Item	2020-21 %	2021-22 %	2022-23 %	2023-24 %	Average
Council rates	43%	14.9%	47.9%	27.2%	33%
Land Tax	57%	85.1%	52.1%	72.8%	67%
Total	100%	100%	100%	100%	

Source: 2020-21, 2021-22, 2022-23 and 2023-24 Yearly Insights Report

Based on the average number of objections relating to land tax over the last 4 years the allocation of costs from 50:50 to at least 33% for councils and 67% for Revenue NSW appears to be more appropriate.

In 2023-24 the number of valuations used for council rates is approximately 2.65million² and the number used by Revenue NSW for land tax was 237,285. The number of objections to land tax was 3,567 representing 1.5 per cent. However, for council rates the number of valuations is approximately 2.65million and only 1,336 objections were received, representing objections of 0.05 per cent of all values.

Additionally, we presume that objectors have contacted the Valuer Generals customer service team prior to lodging their objection which defies the 50 per cent allocation of customer experience costs.

The Valuer General's website and information provided to the community is continually improving and information regarding the implications of land values on both land tax and council rates is available, this also defies 100 percent allocation of graphic costs to local councils.

2. Implementing a risk-based pricing structure in a future determination would require the Valuer General to take steps to capture unit mass valuation costs by risk rating. Would you support this and what are the advantages and disadvantages of this approach?

We agree with the IPART's pricing principles leading to the investigation into a risk-based structure.

In the absence of contrary evidence, the postage stamp model with a flat price across the state is currently considered the best approach. Implementing or seeking any additional effort in collection supporting data should be considered in any future determinations.

3. We invite councils to provide information on their experiences with recent changes to services provided for Commonwealth land valuations.

The removal of Commonwealth Land valuations has not had an impact on Campbelltown City Council, we are aware that it has had significant impacts on our neighbours and at this time would prefer to reserve comment.

4. Given the rising cost of objections, which flows through to prices paid by councils, should the Valuer General investigate ways to reduce the number of objections?

The rising costs of objections is concerning, and our organisation is committed to supporting our community and the Valuer-General wherever we are able.

Campbelltown City Council staff evaluate land valuations supplied and seek further information from Value NSW on any outlying values prior to calculating and levying land rates. The feedback on these occasions enables our staff to provide information to our ratepayers and assist in next steps should they be necessary.

Generally, landowners see an increase in land value as a positive and think little of it, until they receive their land rates and charges notice. We will give preliminary advice on the process and options, reminding them that the effect on their rate notice is not grounds for an objection, however they should be able to legitimately request a review if they meet the relevant criteria.

Primarily the cost split for dealing with objections and customer experience appears high at 50:50 per cent.