

Author name: Name suppressed

Date of submission: Wednesday, 13 March 2024

Your submission for this review:

There is a significant and growing revenue issue for all councils caused by the proliferation of over 50s lifestyle accommodation set ups. These places typically advertise no council rates and no stamp duty. (So the government is also missing out). Because of a clause in the land act the council can only rate the entire block, not each residence. Therefore in many cases the proprietor pays a standard rate on a value assessed as rural or caravan park camping ground etc on which there may be 200 dwellings accommodating typically a couple. Net result the rate paid per unit is perhaps only \$200 pa. If rated the same as every other residential block the council would get perhaps ten times that amount. In short there are a growing number of free riders consuming council services but making no contribution and very little contribution by the proprietors of the development. These places are popular with the customers because of no rates or stamp duty and popular with government because it encourages movement out of the cities, but is putting a burden on regular ratepayers. One stated reason for government support is provision of low cost housing for the growing elderly market, but now that new (and existing) places are often being sold for over \$1 million this reasoning seems flawed. At last count in Port Stephens there were 30 of these places with perhaps 5000 residents. The negative effect on council finances is considerable. If the government is unwilling to change the land act it could perhaps begin to compensate councils for this revenue shortfall.