



File Ref:

1 May 2025

Independent Pricing and Regulatory Tribunal  
PO Box K35  
HAYMARKET POST SHOP NSW 1240

**RE: Submission – IPART Review of Valuer General prices to local government 2025**

Sutherland Shire Council thanks IPART for the opportunity to make this submission on its draft report on the review of Valuer General prices to local government.

Council's submission is set out below on the matters within the draft report.

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

Yes. The current cost allocation is not fairly distributed between councils and NSW Government agencies. In addition, it is important for 'minor users' to have access to land valuation data and results in a healthy outcome for those users. However, ratepayers should not be subsidising those users and costs should be allocated and recovered to avoid this.

**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?**

Council agrees with the concept of a risk-based pricing structure. However, in the absence of supporting evidence on the advantages and costs of a risk-based pricing structure, the 'postage stamp' model, with a flat price across the State, is currently still considered the best approach.

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

The *Valuation of Land Act 1916* provides that determined land values are to be provided for all rateable land, and Council's argument is that land subject to Ex Gratia Rates is rateable land, and therefore valuations should be supplied for Commonwealth land.

Sutherland Shire Council had a very poor experience with the recent removal of Commonwealth-owned land valuations from the valuation roll. Council received no advance notice of the removal of Commonwealth-owned land values until it received its weekly supplementary list. The land values for 21 properties were cancelled without Council receiving any correspondence as to why these were cancelled, forcing Council to deploy resources to ascertain the cause.

The eventual explanation provided to Council was that Value NSW does not have the legal authority to value Commonwealth-owned land, and the Valuer General was therefore not required to conduct the valuation of such properties.

Council currently uses the valuations of the Commonwealth-owned land to calculate Ex Gratia Rates and has previously been paying a unit rate of \$7.20 for the 21 land valuations for these. This price was based on the fact they were in scope for the mass valuation cycle. Following a request for a s9A valuation for these properties, Council received an estimate of \$7,000 for the valuations, with any additional work being charged at an hourly rate.

In addition to the new exorbitant valuation price, the valuation was a desktop valuation which took three (3) weeks to complete, and Council given only five business days to respond to this valuation prior to a final being issued.

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

Sutherland Shire Council is committed to working with the Valuer General to assist in efforts to reduce the number of objections and reassessments.

It is important for the Valuer General to communicate the process used to derive land valuations used by local councils. This will ensure a greater understanding by the sector and provide a more informed platform for the sector to identify opportunities for improvement.

One of the most common issues which objections arise from, is the timing of the Notice of Valuations and the communication and education that should accompany those.

Councils are provided the data relating to General Valuations between November and February (e.g. November 2024 - February 2025) and must use the valuations as the basis for their land rates for the next rating year (e.g. from 1 July 2025). The Valuer General advises landowners of their valuation through a Notice of Valuation, which is typically issued early in the new calendar year after the base date determination (e.g. March 2025). However, in the absence of any meaningful communication or education landowners may not understand the impact of their new land valuation.

The perception of the ordinary landowner, in relation to an increase in their land value, is often positive one. It is not until they receive their Council rates and charges notice, many months later, that any impact of the increase is realised. Examples of initiatives the Valuer General could champion is one Sutherland Shire Council has recently implemented. This year, to assist landowners, Sutherland Shire Council has introduced a rates calculator on its website so they can see the potential impact their new valuations have on their next year's rates. This website page has links to the Value NSW website providing information needed to object to the land value if they so wish.

From publicly available information it appears that there is an increase in the number of appeals made to the Land and Environment Court resulting in increasing costs. More information is needed on the costs associated with appeals originating from land tax objections versus those originating from council rate objections, however costs originating from land tax objections should be worn by the State Government rather than local government sector.

Thank you for providing Council with the opportunity to provide feedback on the discussion paper for the reform. For any further information or clarification please contact Tracey Walker, Financial Operations Manager on [REDACTED].

Yours sincerely,

[REDACTED]

Mitch Woods  
**Chief Financial Officer**