

## VALUER-GENERAL'S LAND VALUATION SERVICES TO COUNCILS - FINAL PRICES

**30 May 2014**

The prices councils are charged for land valuation services provided by the Valuer-General will increase by 2.3% in 2014/15, under the determination released today by the Independent Pricing and Regulatory Tribunal (IPART). This is less than the rate of inflation, which IPART estimates to be 2.9% for 2014/15.

Under the determination, councils will pay \$5.50 per residential valuation in 2014/15, up from \$5.37. Non-residential valuations will increase from \$11.81 to \$12.09 per property. The final prices are slightly higher than the draft prices, released in April 2014, due to IPART's decision to reinstate some operating costs and update the rate of return. The prices will increase by inflation each year thereafter until 30 June 2019.

IPART Chairman Peter Boxall said the small increase in prices is due to IPART's assessment of the Valuer-General's efficient costs and how these costs should be split between councils, who require the data for rating purposes, and the Office of State Revenue, which uses the data for taxing purposes.

"We allocated costs based on how much and how frequently the Valuer-General's services are used by councils," Dr Boxall said.

"We also note our price rises in 2014/15 are comparable to the 2.3% rate peg set for councils."

Dr Boxall said the determination allocates 34% of the Valuer-General's costs to councils, with the balance to be funded by the Office of State Revenue, which is in turn funded by NSW Treasury.

Over the 5-year price period, about \$13.7 million of the revenue originally proposed by the Valuer-General to be recovered from councils will need to be recovered from the Office of State Revenue.

The final report, *Review of prices for land valuation services provided by the Valuer-General to councils*, is available on IPART's website. A fact sheet is also available on IPART's website.

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**Valuer-General's prices for land valuation services provided to councils from 1 July 2014 to 30 June 2019 (\$/per valuation)**

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>IPART's decision</b>						
<b>\$2012/13 – we have set prices in real terms</b>						
Residential	5.37	5.34	5.34	5.34	5.34	5.34
Non-Residential	11.81	11.75	11.75	11.75	11.75	11.75
% change <sup>a</sup>		-0.5%	0%	0%	0%	0%
<b>\$ nominal - prices in nominal terms for comparison<sup>b</sup></b>						
Residential	5.37	5.50	5.63	5.77	5.92	6.07
Non-Residential	11.81	12.09	12.39	12.70	13.02	13.34
% change <sup>a</sup>		2.3%	2.5%	2.5%	2.5%	2.5%

**a** Based on pre-rounded results.

**b** Prices for 2014/15 are based on CPI of 2.9%, as per March14/March13 indices for 8 capital cities as published by the ABS. CPI of 2.5% is assumed for following years.