

29 January 2014

Independent Pricing and Regulatory Tribunal
PO Box Q290
QVB POST OFFICE NSW 1230



Dear Sir/Madam

Re: Review of prices for land valuation services provided by the Valuer General

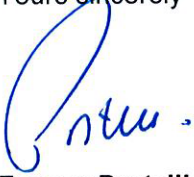
Reference is made to the review of prices for land valuation services provided to Council by the Valuer General. Council wishes to make the following submission for IPART's consideration:

1. IPART undertake multiple periodic determinations as opposed to one five year determination.
2. In setting the valuation fees, IPART should limit increases to a maximum not greater than the CPI. Liverpool City Council has seen an increase in payments to the Valuer General of 59% over the past five years (\$199,600 in 2008/2009 to \$317,700 in 2013/2014). Any significant increase in the cost of this service is not sustainable having regard to Local Government's ability to pay where the main source of revenue (rate income) is capped at 2.3% for the 2014/2015 year.
3. Any increase in proposed fees should be linked with productivity gains and demonstrated efficiencies within the Valuer General's department. This would assist in ensuring a reasonable level of cost recovery and that the service remains cost effective. Considering the monopoly that currently exists over the provision of land valuation services, Council does not have the option of securing valuation services direct from the market.
4. A review on how fees are recovered from Councils and the Office of State Revenue (OSR) should be undertaken. As valuations are provided each year to the OSR for land tax purposes as opposed to every three - four years for Councils, it could be argued that the OSR should contribute more than they currently do under the current pricing structure.
5. Consideration should be given to exemptions in valuation fees for non-rateable properties where Councils do not receive any rating income.

Liverpool City Council requests that this submission be considered by the Tribunal when determining any new price determinations under section 12 of the IPART Act.

Should you require any further information on this matter, please do not hesitate to contact Mr Mathew Walker, Group Manager Business Excellence

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Portelli', with a large, stylized initial 'P'.

Farooq Portelli
Chief Executive Officer