

SHOPPING CENTRE

COUNCIL OF AUSTRALIA

17 February 2014

Dr Peter Boxall AO
Chair
Independent Pricing and Regulatory Tribunal (IPART)
PO Box Q290
QVB POST OFFICE NSW 1230

Dear Dr Boxall

Review of land valuation services by the V-G to councils

Thank you for the opportunity to comment on IPART's review to determine prices for the Valuer-General's land valuation services to local councils for the period 2014/15 to 2018/19.

We represent major owners, managers and developers of shopping centres.

Land valuation is an important area of public policy as it is used principally for taxation purposes including land tax and council rates. This will likely extend to the *Emergency Services Levy* which is proposed to be extended to a property-based levy from the current insurance-based approach. Like going-concern market valuations, which are undertaken on an ongoing basis for asset and portfolio management, statutory land valuation is a critical aspect of our members' businesses. The land valuation system overseen by the Valuer-General is therefore an important issue for us.

While we are not directly impacted by the Valuer-General's pricing of services to local councils, we are indirectly impacted through the valuation of our members' assets as part of this process.

In reviewing the Issues Paper, we are mindful of the Government's response to the *Joint Standing Committee on the Office of the Valuer-General's* final report, released in November 2013, which both endorses and agrees to further consider various 'integrity', 'valuation review' and 'dispute resolution' recommendations to improve the valuation system. We made a detailed submission to the Committee and also appeared before the Committee, with a focus on the approach to valuation and the objection process for our members' assets.

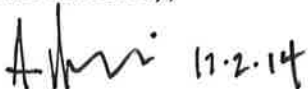
IPART has noted the Joint Committee's report as a 'key development' since the 2009 Determination. The Government's response could impact the scope, nature and cost of the Valuer-General's service provision to local councils.

The Government is currently consulting in further detail on some of the Committee's findings and are currently preparing a submission and seeking discussions as part of this process. While it is difficult to make a clear decision on the broader scope and cost of services until this work is completed and the Government implements relevant changes, we believe the Government's implementation of such changes is a relevant circumstance whereby IPART should consider making a new determination (refer to 'Issue 2'). We understand IPART is able to undertake periodic determinations over the 5-year referral period.

We note and indicate our support for the Valuer-General's submission to IPART that the determination be revisited in the event that there are significant additional service and/or cost implications.

Please do not hesitate to contact me if needed

Yours sincerely,



Angus Nardi
Deputy Director

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