

12 June 2008

The Independent Pricing and Regulatory Tribunal of NSW
PO Box Q290
QVB Post Office NSW 1230

By email: ipart@ipart.nsw.gov.au

Dear Sir

Submission to the Review of prices for valuation services provided by the Office of the Valuer General for local councils

Council has reviewed the draft report from IPART issued in May 2008 and offers the following comments in respect to the major issues raised within that report.

The Valuer General has proposed an annual increase for valuation fees of 9.3% each year for five years commencing in 2009/2010. That increase represents a significant cost imposition for Council and would have a considerable negative affect on Council's ability to provide service to the community and may also affect staffing levels. The issue of cost shifting from the State Government to Local Government in New South Wales has been the subject of a recent report, but, continues unabated.

Council has recently been provided with advice from the NSW Electoral Commission that the charges for the 2008 Election will increase by 320% over the last General Election in its charges from the NSW Electoral Commission. The NSW Rural Fire Service has recently increased its fees from \$184,000 per annum to \$260,000 per annum. Again, Council's income is limited to an average of 3.5% per annum and is unable to absorb these continuing price increases.

Council has set its Management Plan for the 2008/2009 year and the ensuing two years and has, at this stage, made no provision for a 9.3% increase in valuation fees in that period.

Unless a review of the rate pegging requirements for Local Government in New South Wales is undertaken the financial sustainability of all New South Wales Councils continues to be jeopardised by the cost shifting undertaken by the State Government. Further, the valuation services are now only applicable to Council's general rate revenue raising function as the State Government has imposed user pays water and user pays sewerage charging within the last five years. Therefore, the information provided by the Valuer General is now only being used in a smaller part of the Council's operation and the price should be reflected accordingly.

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Council looks forward to hearing the outcome of this submission.

Should you require any further information, please contact Councils, Manager Corporate Governance, Tony Burgoyne, on the number below.

Yours faithfully



Bob Roach
DIRECTOR
CORPORATE SERVICES & FINANCE