

Dear Andrew,

I have looked at the Terms of Reference and note, in my opinion, some omissions.

As I understand it the Valuer General's office provides the sales data from which properties are valued generally across Victoria. As properties increase in value so do our rates. Little or no consideration is given as to whether a property owner can afford to pay. In the post GFC period to date wages growth has and continues to remain subdued but not so the unsustainable impost of rate increases by Councils (2 or 3 times the annual inflation rate). I hold the view that the responsibility for delivering infrastructure has been subtly shifted over time from the State to the Local level where generally a handful of people, usually considered well off financially, often with personal agendas, make decisions which impact harshly on the finances of the citizens they represent. The State needs to deliver on the infrastructure. And you can't get rid of councillors quite the same as you can politicians because you don't have one or more "opposing" parties. Many older people have had to consider selling up in order to cope financially simply because of rate increases. Payment strategies offered by Councils are in my view all but useless. You still have to pay. The Valuer General's involvement in the whole rates process is now antiquated and over reaching into the pockets of citizens and needs to be part of your terms of reference.

The notion that rates should be levied against the value of a property as determined by the Valuer General's office is in my opinion outdated. My rate notice includes a determination of value known as Net Annual Value (NAV) and this cannot be less than 5% of the Capital Improved Value (CIV). NAV is the rent at which a property is expected to let from year to year. In the State of Victoria the NAV of properties is grossly overstated on the rate notice, bears no relationship to the market value or CIV and for that reason alone, in my opinion, nullifies the rate notice entirely. So I ask myself why am I paying rates on a faulty notice. This needs to be included in your terms of reference.

I appreciate your work on this subject to date but I think the terms need to be expanded or more far reaching to cover the whole of the subject matter rather than part of it. When will there be another time to deal with it? There is a fast growing movement from the community itself that will soon put together a class action to determine the legality of Local Government. By expanding your terms of reference you may well answer many questions being raised and save the time and cost of the class action.

Good luck with it all.

Andre Bokos