

To: localgovernment@esc.vic.gov.au
From: Lou Baxter
Date: 26/08/2015 04:31:18 PM
Subject: Rates capping and differential rates

Dear Essential Services Commission

I support rates capping and also oppose differential rates (at least for single vacant house blocks).

Rates are supposed to pay for essential services but, because the political parties often use local government as a 'proving ground' for parliamentary candidates, councils often spend on projects which would not come under this heading. The local councillors are often more interested in their potential careers than in the community they are supposed to serve so will spend on what they think will make them look good. For example, Darebin has had free 'ride your bike' sessions for adults - yet I learn to ride a bike as an adult all by myself as it isn't that difficult. They have also run workshops on topics like cooking with superfoods or how to compost and I do not regard such workshops as essential services, especially in these days of fact-finding via the internet (in fact I regard them as examples of the poorer people in a suburb being used to finance the interests of the better-off people via their rates). I would also be interested in the hospitality costs of council run functions, including council meetings, as I believe from what I have seen that these would be excessive.

Councils should be encouraged to behave in a more fiscally responsible way than to simply raise rates excessively the way they have been doing. Many people blame their higher rates on the housing boom, not realising rates are primarily determined by the council's budget, so they do not query the higher rates. Council information is not always clear. Information should be written more simply and to the point, using English more in the way of George Orwell than in the way of an academic or a bureaucrat. It should be made totally apparent that rates are determined by council budgets first, with the value of one's property only determining what proportion of that budget you pay. Unfortunately councillors often have quite good jobs and do not seem to consider how many Australian households are not well off.

Furthermore I have an additional complaint, relating to my ownership of a vacant block of land in Darebin. I bought this block about 15-20 years ago, paying it off by not eating out or having holidays etc. I did this because a major development was proposed opposite where I currently live and I thought that this development would make living in my house intolerable. Unfortunately I then found out that my new neighbours in Darebin were not very nice people and I decided I would not move there unless I had to. I kept the block of land whilst I waited to see what would happen opposite my current house, not realising that the latter process would take over 15 years (bankruptcy, ongoing VCAT visits, continual increases in unit numbers etc). The development is being built now but the process has taken so long that I retired some years ago, still waiting to see what would happen. However, after my retirement, and without prior notice, some years ago Darebin begun charging me 3x normal residential rates for a block of land without services (they won't even give me a rubbish bin). I pay state land tax and sewerage charges (despite no house being on the site) and my retirement 'discretionary spending' goes in all these charges and my excessive rates. This is unjust and unfair and I have lost all respect for governance in Australia (unfortunately easy to do these days at all levels).

Indeed I find it outrageous that I pay more in rates for a vacant block than fast foods or gambling establishments, that make money out of exploiting vulnerable people, pay. Darebin can't even argue that it is to prevent under-utilised land banks as it is a single house block with numerous section 73 charges on it (I don't think even dual occupancy is allowed). I go without heating in winter (not nice) and was so harassed by the council (succulent wandering jew is not a fire hazard) that I put the block up for sale some years ago (I was also extremely stressed emotionally as well as financially by my situation, as anyone would be). It did not sell and the real estate agent (who used the council valuation for the sale price) took it off his books about 2 years ago as it was so over-valued. I then had to pay the advertising costs. Darebin council were charging me over \$6000 a year in rates - without even a bin being supplied. Luckily I have managed to get a job for about 5 weeks each year so my situation has changed but I resent having to have so far given Darebin more \$10,000 over and above the normal residential rates I expected to pay. I would rather have spent that money on a holiday (first in 20 odd years) or the occasional dinner out, or even on a charity of my choice or in not working at the age of 67 on the night shift with a bunch of kids (although it is amazing how earning even a couple of thousand a year can reduce council-made stress).

Worst of all - I really resent being bullied by local governance. Knowing the community would not accept the forced sale of a land block simply for a whim rather than a specific infrastructure process, Darebin have simply used financial bullying and pressure because they know legislation forcing land sales for a whim will continue to be unavailable. The end does not justify the means - I now know our politicians are unethical scum. I used to be proud of being Australian but realise now our governance processes are morally corrupt. Furthermore council expenditure appears to be wasteful and often unnecessary and, although I have asked to see detailed accounts, I have been told this is not possible, despite it being difficult to evaluate un-detailed financial information for wasteful spending.

L Baxter