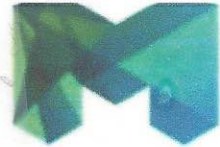


27 November 2019

Ms Susan Henderson
East Melbourne Group
Via email: sjhenderson52@icloud.com



CITY OF MELBOURNE

GPO Box 1603
Melbourne VIC 3001
Telephone (03) 9658 9658
Facsimile (03) 9654 4854
DX210487

ABN 55 370 219 287

Dear Ms Henderson,

Rates and Valuations in East Melbourne

Thank you for your letter dated 18 November 2019. The CEO has asked me to respond on his behalf.

Valuations are conducted in accordance with the *Valuation of Land Act 1960* and with reference to the Valuer General published "Valuation Best Practice Specifications Guidelines" (VBPSG). Valuation principles are well-established, and the system is largely non-obtrusive for property owners who also have the right to object to and (ultimately) appeal their assessed rating valuation.

There have been a number of changes to the rating and valuation systems in recent years. The "Fair Go" rate cap was introduced in 2016/17. The cap limits the increase in total revenue a council can collect through general rates and municipal charges. It does not, however, limit or restrict increases in rates which occur when properties are revalued. Due to changes in relative property values, some ratepayers' bills will increase by less than the cap and some by more.

From the year 2000/01 to 2018/19 revaluations were undertaken by Council's bi-annually. However, revaluations are now undertaken annually and have been centralised under the office of the Valuer General. Revaluations are not a statistical exercise – valuations are based on sales evidence and the levels of value are applied to all properties in the suburb.

Many City of Melbourne ratepayers have already discussed changes to their property valuation with our State Government appointed Contract Valuers in the period after the rate notices were issued. The Contract Valuers are happy to provide further information in relation to East Melbourne more specifically. If you would like to speak to a representative please contact Council on 9658 8749 and ask for Ms Sarah Morrissy

For any queries contact Mr Jeremy McCartin, Valuation Program Manager on 9658 9181.

Yours sincerely

Joanne Wandel
Director Property

Telephone 9658 7385
Facsimile 9658 8764
Email joanne.wandel@melbourne.vic.gov.au
DM Ref. 13060179

EMG Rates Survey

Susan Henderson <sjhenderson52@icloud.com>

Fri 18/10/2019 10:15 AM

To: Susan Henderson <sjhenderson52@icloud.com>

Cc: 'Stuart Hamilton' <stuarth138@gmail.com>; John Gurrieri <johngurrieri@hotmail.com>

Dear Members,

Re: Council rates.

Thank you for responding to the EMG Rate survey.

We have collated 28 responses from members and summarise them as follows:

The table below shows the % increase (**decrease**) in NAV and Rates charged, compared with last year. As you can see, there is an enormous variance in the figures across the suburb. Rates charged vary from a REDUCTION of **17.25%** to an INCREASE of 70%, with the average of our sample being 17.5%.

	NAV	Rates
Mean	14.2%	17.5%
Median	10.3%	13.3%
Lowest	(13.2)%	(17.2)%
Highest	69%	70%
Majority Range	5 to 15%	8 to 28%

According to the Valuer General annual property values have decreased by 29% across the board.

Council response questions included the following:

- **Valuer General valuations** have resulted in average net annual **increase for EM of 4.62%**, the biggest in any suburb.
- Council figures show that EM had the highest **increase in Rates** for the municipality of **7.3%**. Our sample was mainly from those concerned about the high increases; therefore, it is higher than the overall average.
- VG reports that **EM property is not declining**, and individual properties can be revalued to changes well above or below the average. We would like to understand the reasoning for such revaluations and will follow up with Council as transparency of the process is important for residents.

It is also important to note that the **closing date for Objections** is two months after issue, that means **October 22nd**.

Residents with unusually high increases in Rates compared to the average stated by Council (7.3%) should lodge and Objection directly with CoM ASAP. The above table should give you an indication as to how your Rates compare with others within EM. Responses to our survey are probably weighted by those who had higher than expected increases, which explains why our average figure is 17.5%.

EMG is not able to object on behalf of individuals.

Susan Henderson

Amenities Convenor, East Melbourne Group

Email: sjhenderson52@icloud.com Mob: 0402 356 533