



8.3 **2018 GENERAL VALUATION**
WARD: **WHOLE OF MUNICIPALITY**
GENERAL MANAGER: **CHRIS CARROLL, ORGANISATIONAL PERFORMANCE**
PREPARED BY: **DENNIS O'KEEFFE, INTERIM CHIEF FINANCIAL OFFICER**
YASMIN SANFORD, COORDINATOR REVENUE VALUATIONS & ACCOUNTING SERVICES
TRIM FILE NO: **90/02/21**
ATTACHMENTS: **1. Declarations of Impartiality**

PURPOSE

To seek Council's adoption of the legislated formal resolutions, in order to undertake the 2018 General Valuation.

I. RECOMMENDATION

That Council:

- 1.1 Causes a General Valuation of all rateable and non-rateable properties within the municipal boundaries of City of Port Phillip (CoPP) to be undertaken pursuant to *Section 6 (1) of the Valuation of Land Act 1960*, as at 1 January 2018 being the relevant date prescribed by the Valuer-General Victoria and to be returned no later than 30 April 2018.
- 1.2 Appoints Matheson Stephen Valuations Australia Pty Ltd (MSV) to make and return the 2018 General Valuation pursuant to *Section 13DA of the Valuation of Land Act 1960*, and in particular to appoint Nick Haines, Briony Stephen, Elise Monahan, Frank Carbone, Florianna Khait, Angela Passaro, Layla Bray, Dennis O'Keeffe (CoPP) and Yasmin Sanford (CoPP) to serve this purpose.
- 1.3 Authorises officers to advise the Valuer-General and other relevant rating authorities of the resolution to 'cause' the 2018 General Valuation to be undertaken pursuant to *Section 6(1) of the Valuation of Land Act 1960*.
- 1.4 Notes the Declarations of Impartiality (copies attached) made by Nick Haines, Briony Stephen, Elise Monahan, Frank Carbone, Florianna Khait, Angela Passaro, Layla Bray, Dennis O'Keeffe and Yasmin Sanford in compliance with *Section 13DH of the Valuation of Land Act 1960*.



2. BACKGROUND

- 2.1 The General Valuation is a legislative requirement of State Government under the *Valuation of Land Act 1960* which applies to all councils. A General Valuation must be undertaken every two years in the even years. The next General Valuation is known as the 2018 General Valuation. In this valuation, all properties within the municipality must be valued as at the relevant date (1 January 2018) to become effective on 1 July 2018.
- 2.2 Information from the General Valuation is used to distribute the municipal rates and charges (including the Fire Services Property), according to the relative values of properties and State Land Tax charges according to site values.

3. KEY INFORMATION

- 3.1 The *Valuation of Land Act 1960 (Section 11 and 13H)* States that – ‘General valuation to be made every two years;
 - a) For the purposes of the *Local Government Act 1989*, a valuation authority must – cause a general valuation of rateable land within the relevant municipal district to be made as at 1 January in every even calendar year; and
 - b) For the purposes of the *Fire Services Property Levy Act 2012*, a valuation authority must – cause a general valuation of non-rateable land within the relevant municipal district to be made as at 1 January in every even calendar year; and
 - c) before 30 April that year, cause a general valuation made in accordance with paragraph (a) - (i) to be returned to it.’
- 3.2 It is a legal requirement for Council to adopt the following formal resolutions, in order to undertake the 2018 General Valuation ;
 - a) Adopt a resolution to ‘cause’ a General Valuation to be made
 - b) Appoint valuer(s) for this purpose
 - c) Give notice of the resolution to the Valuer-General and other authorities.
- 3.3 Council appointed Matheson Stephen Valuations Australia Pty Ltd (MSV) to carry out the previous (2016) General Valuation at a Council meeting on 9 December 2014. MSV were awarded the Municipal Valuation Contract after submitting the best value tender. Council has exercised the extension option of the above contract to allow MSV to carry out the 2018 General Valuation.
- 3.4 The contract was publicly tendered as required by *Section 186 of the Local Government Act 1989*.
- 3.5 The contract requires a General Valuation to be undertaken for all rateable and non-rateable properties within the City of Port Phillip in accordance with the Valuer General Victoria’s best practice guidelines.



FURTHER SUPPORTING INFORMATION

4. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 4.1 The municipal valuations service supports and enables Council to deliver the following key priority in the Council Plan 2013-17.
Engaged – A Well Governed City – (1.2) Value transparent processes in Council decision making.
- 4.2 The General Valuation also forms the basis of Council’s rate assessments. There are currently just over 70,000 rateable assessments which provide approximately 59% of Council’s total revenue.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 Consultation with respect to the planning for the 2018 General Valuation was undertaken as part of extending the Municipal Valuation Contract No 1910 to 31 January 2019.
- 5.2 The Valuer General’s Department nominates a supervisor for each municipality who regularly monitors the progress of the General Valuation to ultimately determine whether a generally true and correct Certificate may be issued to enable Council and other authorities to use the valuation for rating purposes. The Valuer-General representative has been consulted in regard to this initial phase of the 2018 General Valuation.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 Council is required to adopt formal resolutions to ‘cause’ the 2018 General Valuation to be made, appoint valuers for this purpose and advise the Valuer-General and other relevant rating authorities of the resolution. A summary of the relevant legislation follows;

Resolution	Valuation of Land Act 1960
To cause the 2018 General Valuation to be made	Section 6 (1)
To appoint valuers and other personnel to undertake and return the General Valuation	Section 13 DA
To authorise notification of the above resolutions to the Valuer General and rating authorities	Section 6 (1)
To note declarations of impartiality provided by the appointed valuers and personnel	Section 13 DH

- 6.2 Council’s Valuation Contract No 1910, ensures that the General Valuation will be performed in accordance with all relevant legislation in particular the *Valuation of Land Act 1960*, the *Local Government Act 1989*, the *Fire Services Property Levy Act 2012* and the Valuer-General’s Best Practice Specifications.



- 6.3 Councils are required to maintain the currency of property valuations that are used for rating purposes and a biennial General Valuation is a statutory requirement of the *Valuation of Land Act 1960*.

7. SUSTAINABILITY – Triple Bottom Line

7.1 ENVIRONMENTAL IMPLICATIONS

- 7.1.1 There is no direct environmental implication

7.2 SOCIAL & CULTURAL IMPLICATIONS

- 7.2.1 There is no direct social & cultural implication

7.3 ECONOMIC IMPLICATIONS

- 7.3.1 There is no direct economic implication

7.4 FINANCIAL IMPLICATIONS

- 7.4.1 A budget allocation of \$ 443,951 inclusive of GST together with payments based on an agreed schedule of rates for other valuation services (supplementary valuations, inquiries, objections and appeals, asset valuations for financial reporting), has been made for the extension of Contract No 1910. The extended contract provides a further two year term for the purpose of undertaking the 2018 General Valuation.

8. IMPLEMENTATION STRATEGY

8.1 TIMELINE

- 8.1.1 Council's Municipal Valuation Contract No 1910 contains an agreed timetable to ensure the return of the 2018 General Valuation will occur no later than 30 April 2018. The timetable is compliant with the Valuer-Generals Best Practice Specifications.

8.2 COMMUNICATION

- 8.2.1 Council's decision will be communicated in writing to MSV, the Valuer-General and relevant rating authorities.

9. OFFICER DIRECT OR INDIRECT INTEREST

- 9.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter. Information relating to the statutory requirements of a return of a General Valuation has been referred to the external contractor (MSV) for confirmation.