

LAND VALUES RESEARCH GROUP STUDY

BOROUGH OF BENALLA

Copies of valuation details and comparative rates payable under the Unimproved Capital Value (Site-Value) and Nett Annual Value Rating systems as supplied from Benalla Borough Council have been analysed and classified and the results are set out below.

The valuation conducted by Mr. G. Steele in 1955 covered 2,063 assessments with total unimproved capital value of £1,535,087 and Net Annual Value £258,181. Of these details were received for 2,018 assessments covering 98 per cent of the total value. The rate of 6.05d in £ of unimproved value will be yield the same total revenue to the Borough as the current rate of 3/6 in £ of N.A.V.

OVERALL RESULTS

	GROUP A Rates Least Under U.C.V.	GROUP B Rates Least Under N.A.V.
Number of Assessments	1,269	749
Per cent of total	63	37
Total Site-Value	£ 548,479	£966,732
Total Value of Improvements	£2,829,456	£686,739
Total Nett Annual Values	£ 171,307	£ 82,805
Rates payable under U.C.V.	£ 13,825	£ 24,369
Rates payable under N.A.V.	£ 25,695	£ 12,420

Of the 749 carrying lower rates under N.A.V. 242 are of vacant land. Excluding these and confine comparison only to holdings with buildings of some kind upon them 71% of the total would benefit in lower rates under site-value rating.

In Group A the value of improvements made by holders on their sites in more than five times the value of the sites themselves. Degree of development is high. In Group B degree of development is low, value of improvements being little more than half the value of the sites.

HOUSES

Of the total 1,572 houses 1,211 (77%) would carry lower rates under site-value rating and only 361 would carry increased rates. The reductions would total £10,516. The average rates would be reduced from £18.16.0 under N.A.V. to £10.4.0 under site-value rating.

For the minority which would carry increases the total extra amount would be £2,825. The average rates would be increased from £13.16.0 under N.A.V. to £21.12.0 under site-value rating.

Those which would pay more have average site-values of £865 compared to the average of £400 for those in the majority group. The average value of the houses with rate increases also only averages £1,000 compared to the average of £2,100 in the group benefitting under site-value rating.

The number of houses which would receive rate reductions and those which would carry increases under site-value rating are tabulated below for all streets having a total of more than 20 houses.

Street	Number of Houses Which Under Site-Value Rating Would Carry:	
	Reduced Rates	Increased Rates
Arundel	53	15
Barkly	32	15
Benalla	41	18
Benson	14	8
Bridge	59	45
Byrne	29	8
Carrier	11	25
Cecil	16	13
Charles	34	8
Church	22	4
Crofton	13	7

	Number of Houses Which Under Site-Value Rating Would Carry:	
	Reduced Rates	Increased Rates
Deas	26	4
Egmont	20	1
Goemallibee	26	5
Mackellar	35	4
Nixon	19	10
Numn	27	16
Riverview	24	2
Ryan	29	-
Salisbury	45	11
Smythe	37	27
Thomas	20	5
Wedge	24	3
Housing Commission	156	7

Only in Carrier Street would a majority not benefit in lower rates under the site-value basis.

VACANT LAND

Vacant subdivisional land is the only group which in all cases will pay increased rates under site-value rating. There are in Benalla 242 assessments of vacant land with total site-value of £170,924. Under N.A.V. these contribute a total £1,397 in rates. Under site-value rating they would pay a total of £4,309.

SHOPS AND OFFICES

35 shops and offices would receive rate-reduction totalling £213 under site-value rating.

109 shops and offices would carry rate increases totalling 4,890 under site-value rating, i.e. a doubling of present rates.

The reason most Benalla shops would carry increases is that there are very few substantial modern shops in Benalla. Almost all are single storey shells. Of those on the main street only 40 are fully modernized with metal-framed windows and cantilever verandahs; 58 have had modern windows put in but verandahs are still old type supported by posts; 19 are completely obsolete buildings. Average value of the buildings over all shop and office assessments is only £1,980. This is less than the average value of normal houses in Group A and quite disproportionate to the value of the sites in the business centre. Under site-value rating the proportion of shops benefited in rates will rise as more are modernized. Expenditure on modernisation will not bring rate increases as it would under N.A.V. rating.

Site-value rating would benefit business operators in increased turnover to many times the amount of the rate increases or decreases. The retail shopping centre would benefit immediately with the spending in their shops of the rate savings made by householders as a group. These total £1,693 part of which would be recirculated in the district. They would also gain in far greater by the stimulation to building construction, related industries and population which have invariably followed adoption of site-value rating. It has been found elsewhere the dwelling construction is doubled within the first two years of making such change. Approximately £200,000 is now spend annually in housing construction in Benalla and redistributed through the business centre in purchase of materials and spending of wages. Increased turnover with step up in this building activity and other local industries would benefit the retail business community substantially.

OTHER BUSINESS PROPERTIES

23 other business assessments with buildings valued at £237,824 would carry rate reductions totalling £1,140 under U.C.V. rating.

37 other business assessments with buildings valued at £83,580 would carry rate increases totalling £1,324 under U.C.V. rating.

The increases in the one group nearly balance the reductions in the other. Again, it is the well developed properties which would carry lower rates and the poorly developed ones which would contribute more under the site-value basis.

The main types of these miscellaneous business properties are summarized in the following table.