

LAND VALUES RESEARCH GROUP STUDY

HOW RECENTLY BUILT SINGLE HOUSES ARE PENALISED BY THE NET ANNUAL VALUE RATING BASIS

DEMONSTRATED BY ACTUAL EXAMPLES OF NEW HOUSES FOR WHICH THE VALUATION DATA WAS SUPPLIED BY MUNICIPAL COUNCILS
CO-OPERATING IN THE SURVEY MADE IN 1971/72.

Municipality (1)	Nos. of new single houses in sample averaged (2)	Rate basis compared (3)	Valuation of average single house (4)		Equivalent rate in \$ leviable (5)		Rates payable (6)		Rate difference (7)	
			\$	X	c	=	\$ ¢		\$ ¢	(%)
<u>CITIES</u>										
BRIGHTON	20	(U.C.V. (N.A.V.	14255 2865	x	1.49 12.4	=	210.20 355.26		- 142.86	(67%)
BROADMEADOWS	12	(U.C.V. (N.A.V.	3060 568	x	1.72 13.8	=	52.63 78.38		- 25.75	(49%)
CAMBERWELL	22	(U.C.V. (N.A.V.	8013 1600	x	1.38 13.2	=	110.57 211.20		- 100.63	(91%)
CHELSEA	18	(U.C.V. (N.A.V.	3460 595	x	1.66 13.7	=	57.44 81.52		- 24.08	(42%)
COBURG	19	(U.C.V. (N.A.V.	5270 903	x	1.36 10.8	=	71.67 97.52		- 25.85	(36%)
COLLINGWOOD	14	(U.C.V. (N.A.V.	2732 498	x	2.09 16.25	=	57.10 80.92		- 23.82	(42%)
CROYDON	19	(U.C.V. (N.A.V.	2684 668	x	3.10 18.3	=	83.20 122.24		- 39.04	(47%)
DANDENONG	15	(U.C.V. (N.A.V.	2478 526	x	2.30 16.6	=	56.99 87.32		- 30.33	(53%)
DONCASTER/TEMPLESTOWE	22	(U.C.V. (N.A.V.	3810 770	x	2.27 17.8	=	86.48 137.06		- 50.58	(58%)
FOOTSCRAY	16	(U.C.V. (N.A.V.	3830 657	x	2.42 17.0	=	92.69 111.69		- 19.00	(20%)

MUNICIPALITY (1)	Nos. of new single houses in sample ₂ averaged	Rate basis compared ₃	Valuation of average single house ₄		Equivalent rate in \$ leviable ₅	=	Rates Payable 6	Rate difference 7	(%)
			\$	x	c		\$ c	\$ c	
<u>CITIES (Cont.)</u>									
HAWTHORN	13	(U.C.V. (N.A.V.	10160 1777	x	1.63 11.9	=	165.61 211.46	- 45.85	(28%)
KEILOR	23	(U.C.V. (N.A.V.	2733 613	x	2.03 16.5	=	55.48 101.15	- 45.67	(82%)
KNOX	12	(U.C.V. (N.A.V.	2298 513	x	3.11 20.5	=	71.46 105.16	- 33.70	(47%)
MOORABBIN	10	(U.C.V. (N.A.V.	3595 650	x	1.28 9.06	=	46.02 58.89	- 12.87	(28%)
MOORDIALLOC	17	(U.C.V. (N.A.V.	4500 840	x	1.66 12.1	=	74.70 101.64	- 26.94	(36%)
NUNAWADING	19	(U.C.V. (N.A.V.	3278 683	x	2.00 13.6	=	65.56 92.89	- 27.33	(42%)
OAKLEIGH	14	(U.C.V. (N.A.V.	3220 620	x	1.84 13.0	=	59.25 80.60	- 21.35	(36%)
PRAHRAN	10	(U.C.V. (N.A.V.	9516 1403	x	1.71 10.5	=	162.72 147.31	15.41 -	(10%)
RINGWOOD	12	(U.C.V. (N.A.V.	3063 629	x	2.33 16.0	=	71.37 100.64	- 29.27	(41%)
SOUTH MELBOURNE	19	(U.C.V. (N.A.V.	3892 572	x	2.20 17.7	=	85.62 101.24	- 15.62	(18%)
SPRINGVALE	18	(U.C.V. (N.A.V.	2588 622	x	2.43 16.4	=	62.89 102.13	- 39.24	(62%)
ST. KILDA	1	(U.C.V. (N.A.V.	5790 1495	x	2.21 11.01	=	127.08 164.45	- 37.37	(29%)
WAVERLEY	21	(U.C.V. (N.A.V.	6870 1405	x	1.65 12.7	=	113.35 178.44	- 65.09	(57%)
<u>SHIRES</u>									
BERWICK	14	(U.C.V. (N.A.V.	2485 665	x	1.77 14.5	=	43.98 96.42	- 52.44	(119%)

MUNICIPALITY	Nos. of new single houses in sample averaged	Rate basis compared	Valuation of average single house		Equivalent rate in \$ leviable		Rates payable		Rate difference
(1)	(2)	(3)	(4)		(5)		(6)		(7)
			\$	x	c	=	\$ ¢		\$ ¢ (%)
<u>SHIRES (CONTD.)</u>									
BULLA	17	(U.C.V. (N.A.V.	2035 576	x	1.39 10.5	=	28.29 60.48		- 32.19 (113%)
CRANBOURNE	19	(U.C.V. (N.A.V.	1673 604	x	1.03 9.3	=	17.23 56.17		- 38.94 (226%)
DIAMOND VALLEY	18	(U.C.V. (N.A.V.	3315 743	x	2.08 14.4	=	68.95 112.93		- 43.98 (64%)
ELTHAM	12	(U.C.V. (N.A.V.	3500 522	x	2.11 19.2	=	73.85 100.22		- 26.37 (36%)
FLINDERS	18	(U.C.V. (N.A.V.	4831 1159	x	1.39 12.7	=	67.15 147.19		- 80.04 (119%)
LILYDALE	15	(U.C.V. (N.A.V.	2766 617	x	2.33 16.3	=	64.45 100.57		- 36.12 (56%)
MELTON	17	(U.C.V. (N.A.V.	1870 610	x	1.45 14.6	=	27.12 89.06		- 61.94 (228%)
WHITTLESEA	16	(U.C.V. (N.A.V.	3070 560	x	1.47 11.1	=	45.13 62.16		- 17.03 (38%)

The 32 municipalities listed as co-operating in this study made by the Land Values Research Group supplied the valuations currently used for their 1971/72 municipal year for each of the new houses, of which the averages for the unimproved capital value (UCV) and net annual value (NAV) respectively are shown in column (4) above. With the single exception of Prahran the new houses would be penalised in higher rates by the NAV as compared with the UCV rating basis to the extent shown in the final column (7).

Equivalent rates in the \$ column (5) have been computed from the data published in "Victorian Local Government Finance Statistics" by the Commonwealth Bureau of Census and Statistics.

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