

The Secretary
Legal & Social Issues Committee
Parliament House
Spring Street
East Melbourne Vic 3002

31 May 2015

Dear Ms Topic,

Re Differential Rates for Retirement Villages

The State Government released new Ministerial Guidelines for the use of differential rates by the Victorian councils on April 9th 2013.

One of the key reforms contained in these new Guidelines is a revised definition of the types and classes of land open to consideration for the differential rates purpose, in total, nine categories were given State Government imprimatur with the creation of a new Retirement Village Land Category being a key element of the reforms.

My fellow residents agree that retirement village occupants bear an unfair rate burden.

Thousands of Vic retirement village's residents pay rates to their local government (in this case City of Casey) to help fund delivery of services and infrastructure maintenance in their local communities... As stated I am one of those residents.

In most/majority of the cases, local municipalities collect these rates from village residents on a par to the General Residential Rate.

I would like the State Government to reform this system.

Reasons are twofold.

First of all villages provide independent living accommodation for residents. Through the collection of monthly 'maintenance fees' retirement villages fund the provision of private services (e.g. waste disposal, village bus, 24 hour emergency care etc) and infrastructure maintenance (e.g. drainage, street lights road and footpath construction, landscaping and parking areas) Most provide a community centre and many provide recreational facilities such as bowling greens, swimming pools, tennis courts etc.

Unfortunately, due to imposition of full rates by local councils, we in the villages are being charged for the same service as the public sector. This is type of double taxation.

Second, retirement village residents are light users of these local councils facilities and services partly due to limited mobility and the provision of the services being self-funded in the village, so are paying for a service they do not use.

If residents from villages were to start relying more heavily on services provided by local government, these services would be overwhelmed. Given the red tape involved with local councils re planning permits etc. The current system causes “double dipping” by charging residents through their council rates and charges and service fees from the villages to cover costs of services provided. I.e. private contractors to collect rubbish, plus paying garbage charge to council as well.

Our Council (Casey) does NOT apply a differential rate although all the villages have been lobbying them for years.

With the new category now in place, we ask Legal & Social Issues Committee to recommend making a differential rate retirement villages compulsory.

A 25 per cent discount similar to what the City of Knox gives their villages would be a fair balance.

Please give this rating policy reform sympathetic consideration.

Should you have any queries regarding the matters raised above, please do not hesitate to contact me.

Yours faithfully,

Geraldine Vanderlinde

[REDACTED]

Phone

E mail

[REDACTED]