

Waterfront Action Group (WAG)

- a subcommittee of the Boat Owners Association of NSW -
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Subject: Escalating Department of Lands Residential Licence Fees

ARE YOU FED UP WITH BEING OVERCHARGED ??

OVERCHARGING

Department of Lands' Licencees throughout NSW have recently been unfairly and incorrectly overcharged for rental on average by about 80% per annum. If that does not concern you, then read no further.

WHY ??

Department of Lands has incorrectly applied the 2004 IPART – (Independent Pricing and Regulatory Tribunal) formula, the aim of which was “for rental returns to reflect market value at each rental review” (i.e. for rents to be aligned with market rents and move accordingly).

IPART has recommended that the net RATE OF RETURN (ROR) and Statutory Land Values (SLVs – more commonly referred to as “Valuer General's Valuation”) “be reviewed regularly”. ROR has never been reviewed since 2004, but SLVs have been reviewed annually. By updating one input annually, but not the other, rents have increased alarmingly, in line with the increase in SLVs, which was not IPART's intention.

FAILURE

Department of Lands has not carried out a review of the Net Rate of Return despite receiving requests from aggrieved licencees since at least 2006. The latest request to review the Net Rate of Return (ROR) by The Waterfront Action Group was our letters to both the Director-General, Department of Lands and Minister Kelly dated 27th January 2009.

NSW AUDITOR-GENERAL INVESTIGATION

As a result of representations made by WAG, the NSW Auditor-General is currently investigating Department of Lands' application and administration of the 2004 IPART formula.

ACT NOW

- Join - Waterfront Action Group (WAG) immediately.
- Receive - A full briefing document, containing copies of letters, documents and, in particular, a summary of the independent report by **Egan National Valuers** of their assessment of the Net Rate of Return for Sydney precincts.
- Send - The suggested Form Letter to Mr Warwick Watkins, Director-General, Department of Lands to express objections, and to query your invoice. (This will be supplied immediately following your membership registration).
- Receive ongoing “Defence Pack” documentation to assist you in protecting your rights.

PROPOSED CLASS ACTION - REFUNDS FOR OVERCHARGING

For 2005, 2006,
2007, 2008, and
2009 (if you have already paid your invoice)

We are aware that a number of lessees have already queried their invoices and are refusing to pay until a review of the Net Rate of Return is completed.

LAWYERS APPOINTED

The Waterfront Action Group has retained external lawyers to represent all waterfront licencees (who are also members of the Waterfront Action Group) in a possible **CLASS ACTION** to recover all overcharged rentals for the years 2005 – 2009 inclusive. This will involve no up-front cost to you. The lawyers will be paid on a success basis only.

YOUR FIRST & LAST OPPORTUNITY

This will be the only “Mail Box Drop” communication to Waterfront Licencees. All future communications will be only to WAG Members.

Folks, we understand that sometimes some people are happy to ride on the coat-tails of others and obtain benefit, for no cost and no effort, but in this case, WAG members will receive substantial benefits, not available to others.

Well folks, now is the time to act decisively, in your own interests, and get behind WAG, to allow us to finish the job, on your behalf.

CLASS ACTION FOR REFUNDS

Only WAG Members will have the opportunity to be part of this class action. As a WAG Member you will of course have the option to “opt in” or “opt out” of the process.

UNITED WE CONQUER, DIVIDED WE FALL

As a united front, we are confident Department of Lands & NSW Maritime’s position on Net Rate of Return is indefensible, and we can rectify this wrong. BUT to achieve this end, we need your generous support.

The minimum subscription (which includes 1 year’s membership of the Boat Owners Association) is \$150. But, we ask you give generously to the WAG Fighting Fund.

Several members have donated up to \$500 each.

Attached: WAG Application Form
Copy Letter to Warwick Watkins, Director-General, Department of Lands,
dated 20th Jan. 2009

MORE INFORMATION ?

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