

Casey City Council special charges “unfair”: Ombudsman

Wednesday 22 June 2016

Ratepayers hit with extra interest charges by Casey City Council in a decision made in a closed meeting were the victims of an unfair process, says Victorian Ombudsman Deborah Glass.

Tabling an investigation into Casey City Council’s Special Charge Scheme for Market Lane, Ms Glass said the case demonstrated the importance of people complaining about unfair and unjust government actions.

In 2013, 37 ratepayers were levied with a special charge for the cost of sealing an unmade road called Market Lane adjacent to their properties. This was despite many of the property owners indicating they did not wish to pay for the works.

Under the terms set by the council, each owner was liable for between \$15,000 and \$20,00 plus interest if paid in instalments over 15 years. Ratepayers were initially told the interest rate would be approximately 4.25 per cent. But in a closed council session, the rate was increased to 7.5 per cent, by which time the owners’ right to object to the scheme had expired.

“We concluded that the council had acted in a way that was wrong, unreasonable, unjust and in two respects, contrary to law. In short, the council’s actions were unfair.

“This case illustrates some overarching themes of confused or arbitrary process and poor communication with ratepayers. These undermine public trust in the level of government closest to most: their local council,” said Ms Glass.

The investigation recommended that Casey City Council consider refunding residents for the interest charged over and above 4.25 per cent.

This complaint was one of tens of thousands the Ombudsman receives every year.

“Each complaint is a small cog in the big wheel of public opinion about how the public sector is doing its job. Some complaints are resolved in a day, others can take many months.

“But in all cases where we can help, we ask: is this fair? And if not, how can it be fixed? This investigation was triggered by a complaint about an interest charge levied by a local council. A single complaint, but it revealed much about council practice.”

The wider issue of transparency in council decision making is being addressed in a separate Victorian Ombudsman own motion investigation.

“This very important decision directly affecting ratepayers was made at a closed council meeting. My officers started looking at how widespread this practice was, and as a result, in March I announced a separate investigation into transparency in local government,” said Ms Glass.

[Report: Investigation into Casey City Council’s Special Charge Scheme for Market Lane](#)

[Media Release: Investigation into transparency of local government decision making](#)

Media contact: Ben Calder Tel 03 9613 6234 | Mob 0409 936 235
ben.calder@ombudsman.vic.gov.au

Further information: Tel 03 9613 6222 | Regional 1800 806 314
ombudvic@ombudsman.vic.gov.au | Follow [@VicOmbudsman](#)