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Feature

Wrong Town Rates

We all know the pain of readjusting our household budgets to pay town/city rates when the New Year begins. Like thousands of ratepayers, 62-year-old Shanti Devi, had also been saving every cent by selling vegetables from her backyard gardening to meet her financial commitments, ensuring she had enough to clear her town rates.

While, she was prompt with her payments, little did she know that she was paying incorrect amount billed to her by the Municipal Council.

For ten long years (2004 to 2014), Shanti, who had absolutely no commercial operations on her property, was being charged commercial rate.

Sometime in 2010, Shanti found out from her neighbours that they were paying less in town rate despite owning nice building as compared to her tin and wood shack. She queried at the municipal council as to why she was being charged a hefty amount while others in the same locality were paying as low as \$200 to \$300 per annum. She also questioned why her town rate jumped from \$500 per year to \$1500 whereas town rates for other ratepayers in her street showed slight increase from \$200 to \$300 per year?

It is then, the officials at the municipal council advised her that she was charged a commercial rate for residing in a commercial zone. Her explanation to the officials that she was not engaged in any kind of commercial activity and that her property was residential seemed to have fallen on deaf ears.

Frustrated and disappointed with the system, Shanti decided not to pay \$1500 which was the highest town rate billed to her but to lodge a formal complaint with the Consumer Council.

What the Council finds appalling is the fact that illiterate Shanti had raised her concerns with the municipal council about the incorrect rates charged to her property on a number of occasions, however, her call to the authority for rectification was ignored.

Our investigations showed that Shanti's property was a *Residential* property as per the lease agreement provided by the I-taukei Land Trust Board (TLTB), but the municipal council kept charging her *Commercial B* town rate. The municipal council's report showed that their valuer had zoned Shanti's property as commercial instead of residential.

The Council also found the residential town rates provided by the municipal council for the year 2006, 2007 and 2008 was same as Commercial B rates. No explanation was given as to why the commercial and residential rates for these years were same?

However, upon Council's intervention, the municipal council accepted the fact that Shanti was charged wrongly. As such, the Council demanded for a full refund of the difference in rates paid to the municipal council since 2004.

The municipal council also accepted in writing that they had erred in calculating the rate charged to Shanti's property and they rezoned the said property to residential. They offered a credit note to Shanti but the consumer watchdog sternly called for a cash refund of the adjusted amount given that Shanti had used her hard earned money to make payments to the municipal council.

Shanti was finally paid a sum of \$2,402.47 in April this year. It was indeed, a long wait for her to get redress for a decade long injustice and a nightmare for the Consumer Council to get a timely response.

This case is one among many and this is one of the reasons why the ratepayers must exercise vigilance when paying their town/city rates. They must not just pay their town/city rate blindly without checking every bit of the statement and cross checking with the municipal council if in doubt.

Also, the Council is requesting all special administrators in all municipal councils to train their staff so they are more accommodative to the query or advice that a ratepayer is seeking regarding his/her account.