

**Submission
No 34**

INQUIRY INTO LAND VALUATION SYSTEM

Name: Mr Peter Heywood

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ElectorateOffice Hornsby - Land valuations

From: Peter Heywood [REDACTED]
To: <hornsby@parliament.nsw.gov.au>
Date: 3/30/2012 8:23 PM
Subject: Land valuations
CC: Heywood Ian <[REDACTED]>

We write to you in your capacity as Chair, Joint Standing Committee on the Office of the Valuer-General and following the article on the front page of the Sydney Morning Herald of 28 March 2012 about problems with the land valuation system in NSW. Our family own a 1000 ha property in NW NSW on which the valuation has increased from \$31,200 in 2007 to \$164,000 in 2011. (One of us, Ian, lives in NW NSW and the other, Peter, lives in Manly). The property is in rough, rocky, inaccessible country which is basically an extension of the Kelvin Range. It has no permanent water, is not accessible by road, has no areas suitable for pasture and is basically of no agricultural value. We have tried to sell the land on a number of occasions over the last 40 years but have not been able to find a buyer. The country is so isolated that valuers acting on behalf of the NSW Valuer-General have not been able to locate it without assistance. Much of the comparable land in this area is owned by the Crown.

Despite the isolation and minimal agricultural value of the land the valuation increased five-fold between 2007 and 2011. When we questioned this increase the department sent a list of what it considers comparable properties in areas as diverse and far apart as Quirindi, Narrabri, Warialda and Bingara. As far as we can tell (we were not provided with the actual addresses) these properties are not comparable as they are arable land whereas ours is not arable. Further, these "comparison" properties are in areas with different climate and soil type. In our view, they are not comparable.

There are three aspects of this experience which we wish to draw to your attention. First, the process is not transparent – properties are asserted by the Valuer-General to be "comparable" without indicating the criteria used to determine comparability. This allows the department to change valuations without detailed justification of their decision. Second, the onus is then placed on the landowner to justify their objection rather than for the valuer to give detailed justification of the change. Third, and as a consequence of the second point, considerable inequity is introduced into the system. The costs of objecting to a valuation are considerable, particularly for smaller property holders such as ourselves – we cannot afford appeals in the same way as those publicised in the SMH article on 28 March 2012 can. And none of this is made easier by the closure of the Tamworth office of the Valuer-General.

We look forward to the report of your committee and the introduction of greater transparency and equity into the land valuation system in NSW.

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Peter Heywood (Manly).
Ian Heywood (Manilla)

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Peter.