

**Submission
No 32**

INQUIRY INTO LAND VALUATION SYSTEM

Name: Mr Michael Newton

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Submission to the parliamentary Committee inquiring into the Land Valuation System of NSW

The Land valuation system fails to achieve its objectives for the following reasons:

- The system is not transparent, the land valuer is not accountable. From sales of properties, a split of the land value is made and this is taken as gospel, the valuer is not accountable for its accuracy. In all other subsequent calculations, submissions and for objection purposes, this value is accepted as correct. But there is not accountability in the first instance that it is correct. If this split of the land portion of a property sale price is not fair or equitable, it has major impact later through values of other properties, land tax and rates.
- There are large differences in values in the same street – does each valuer go to see the properties sold to ascertain the appropriate split of land value from total sale price – I think not.
- Values across a suburb seem to change inconsistently. I would have thought that land across a suburb would have changed value at roughly the same rate, (apart from changes in amenity of individual properties, or views blocked etc. My experience across a number of properties is that values change at very inconsistent rates over the period of valuations. Properties in [REDACTED] Glebe have increased over the 3 years by 16%, 33% and 13%. This seems crazy as these properties are within 80 metres of one another.
- The system of objections is made to be difficult to make any case as they require detailed technical information which is not available to the ordinary landholder, such as comparable properties. Of these comparable properties, comparison with land values of other properties is flawed as these values have already been assessed by the valuer in determining the split of land value from total sales price. The individual might have a good case to say that increases in individual properties is excessive, but the detailed technical data is very difficult to get and most of it is the valuer's figures anyway. A bit like being judge and jury.
- It is very hard to get information for an objection as the valuer will only accept detailed technical information, which is not available to landholders. Then the valuer sends graphs of median land prices and says these are steady, and when it is inconsistent with the valuations increases (see above), the valuer says do not use median values in your objection. He seems to say that I am right but you can't use my figures to object.

As each sale of property is used as the basis of all other land values, and this goes to be used for land tax, rates etc, there should be detailed critique of the basis for which a particular value is determined for that land and the valuer should be accountable for it, not hidden away in their office and not be accountable.

Thank you for your time and opportunity to put forward these points,

Michael Newton

[REDACTED] Glebe [REDACTED]