

## **INQUIRY INTO THE PROVISIONS OF THE VALUATION OF LAND ACT 1916**

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## Royal Institution of Chartered Surveyors (RICS) Overview

The Royal Institution of Chartered Surveyors ("RICS") is an independent, standards and membership organisation committed to acting in the public interest and providing impartial, authoritative advice on major issues affecting business and society. Our mandate is to maintain and improve standards in the property professions. RICS has 140,000 members globally and represents, regulates and promotes the work of land, property and construction professionals throughout 120 countries.

RICS members have the highest education, training and professional standards. Our members will have undertaken degree level study, continuing professional development and a minimum two year period of assessed professional experience in valuation.

RICS is obliged under its Charter to act in the public interest at all times. As such RICS sets and regulates education and training standards for its members through the accreditation of degrees, the assessment of graduate trainees, professional guidance notes, mandatory valuation practices and standards (the red book) and we provide and monitor continuing professional development (life long learning).

In Australia RICS;

- is an Australian professional body, registered as 'RICS Australasia'
- has 1,500+ fully qualified Chartered Surveyor Members and 3,000+ Student and graduate trainee members
- accredits 15 university degree programmes
- runs over 80 CPD events nationally per year

The RICS members are governed by a strict code of conduct and disciplinary requirements. RICS Regulation is responsible for taking appropriate action in cases where RICS members or firms fall short of the standard expected of them.

Additionally, RICS members and firms are required by regulation to hold professional indemnity insurance for the protection of clients and the public.

## TERMS OF REFERENCE

That the Committee inquire into the provisions of the Valuation of Lands Act 1916 with particular reference to:

- (1) The efficiency and effectiveness of the current provisions of the Act;
- (2) Its application to stakeholders; and
- (3) Any related matter

## RICS RESPONSES TO TERMS OF REFERENCE

### *(1) The efficiency and effectiveness of the current provisions of the Act*

RICS has examined the Valuation of Lands Act 1916 and finds that at the present the Act works in an efficient and effective manner with no immediate need for major alterations of the Act.

RICS finds that the requirement that the Office of the Valuer General is enshrined within the Act with specified responsibilities allows for effective transparency and acts in the best interest of the public.

Similarly the Act ensures that there is a robustness to the appeals process, this is an important factor in public surety in the Act.

### *(2) Its application to stakeholders*

RICS sees the current Act has having an effective application to stakeholders.

The provisions within the Act to ensure that all relevant parties have access to rights of reply are an effective mechanism.

By virtue of the length of the Act demonstrates to RICS that the application of the Act is operating well.

### *(3) Any related matter*

RICS sees the Valuation of Lands Act 1916 as a robust document that ensures a level of public security in the process. RICS sees this is a vital mechanism in ensuring the public good.

RICS notes within the Act the provisions of the power of the Valuer General to determine the qualifications of the contract valuer in providing service contracts.

RICS sees qualifications and competency as a cornerstone in the transparency process. Solid competency in practice that leads to a recognised qualification, backed by strong codes of conduct, codes of ethics and disciplinary processes gives confidence to the public that the valuation undertaken has been performed by a valuer of standing.

RICS solidly believes in a competency based qualification as it demonstrates an effective understanding of the valuation process which, in the specific cases of statutory valuations, is vitally important.

RICS looks forward to working with the NSW Valuer General on qualifications, competencies and standards under the Act to ensure that all valuers have the correct standards to undertake valuations in land.