

**Submission
No 115**

INQUIRY INTO LAND VALUATION SYSTEM

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THE LAW SOCIETY
OF NEW SOUTH WALES

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13 March 2013

Mr Matt Kean MP
The Chair
Joint Standing Committee on the Office of the Valuer General
Parliament House
Macquarie Street
SYDNEY NSW 2000

Email: jscovg@parliament.nsw.gov.au

Dear Mr Kean,

Inquiry into the Land Valuation System

I am writing to you at the request of the Law Society's Environmental Planning and Development Committee (Committee).

The Committee represents the Law Society and its members in relation to all aspects of environmental and planning law and practice. The Committee includes experienced practitioners whose expertise has been developed in representing a wide spectrum of stakeholder interests.

The Committee has considered the *Issues Paper: Inquiry into the Land Valuation System* (Issues Paper) and applauds the decision to conduct a broad based review of the valuation system to test the integrity of land valuations and to ensure the system maintains public confidence.

Review of the *Valuation of Land Act 1916*

It is acknowledged that since the establishment of the current regime in 1916, the Act has undergone significant ad hoc amendment leading to unnecessarily complex legislation. The Issues Paper notes that the language and structure of the Act has been criticised as outdated and cites a number of Court decisions highlighting concerns regarding the construction of the Act. These concerns led the Parliamentary Committee to undertake a full review of the valuation system.

The Committee agrees that the objective of transparency would be greatly enhanced if the Act was rewritten to be concise, consistent and in accord with the myriad of other pieces of legislation to which it is closely tied e.g. *Local Government Act 1993*, *Land Tax Management Act 1956*, *Heritage Act 1977* and many others.

The release of an Exposure Draft Bill with a reasonable consultation period would allow stakeholders, including committee members, to identify any provisions that are unclear or unduly complex and to ensure that the proposed provisions do not lead to unintended consequences. It would also allow the Committee the opportunity to seek to address a range of practical issues that have arisen under the current system e.g. how overpaid rates can be returned to an applicant after a successful appeal.

Quality control and consistency

Committee members have identified a public perception that the system lacks quality control and consistency as the greatest drawbacks of the current system resulting in a failure to deliver transparent, efficient, equitable and consistent outcomes for stakeholders.

The Committee endorses a proposal to investigate the various service delivery methods employed in other States leading to the adoption of best practice in New South Wales. One solution may be to allocate a particular area to a team of valuers to ensure consistency.

In any event it is imperative that the legislative framework is robust enough to ensure that valuations meet rigorous objective tests.

Any queries in relation to this letter may be directed to Liza Booth, Policy Lawyer for the Committee on [REDACTED] or via email on [REDACTED]

Yours sincerely

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John Dobson
President