

**Submission
No 86**

INQUIRY INTO LAND VALUATION SYSTEM

Organisation: Local Government Managers Australia
Name: Mr Tony Pizzuto
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11 March 2012

Mr Matt Keen MP
Committee Chair
Joint Standing Committee on the Office of the Valuer General
Macquarie Street
SYDNEY NSW 2000

Dear Mr Keen,

Re: Inquiry into the Land Valuation System

Apologies for the brevity of the submission, but the time allowed has been insufficient to obtain feedback on the proposals from the many regional groups.

Generally local government works well with the VG and is comfortable with the cycle of general re-valuations and services. Supplementary valuations on the other hand can take many months for the valuations to issue.

The Industry is aware of valuation objections that have resulted in revenue shortfalls for some councils and requests the Committee to ensure as much as possible that any objections are resolved prior to issue to councils.

Just terms valuations by the VG in cases of land resumption by the State have been notoriously low. This has led to costly court proceedings for the State authority and council and in many cases the final valuation has been many times the original value provided by the VG.

Comments on Terms of Reference:-

- ***Complexity in the valuation system*** -in favour of retention of the LAND VALUE concept where the value is the unimproved site valuation. This should assist in achieving less complexity.
- ***Changes consistent with best practice in comparable jurisdictions*** – the Industry in NSW prefers the current model of valuation services provided by the VG rather than the system in other States where the valuers are employed by Councils.

Comments on the Issues Paper:-

- ***Strata title*** - Minimum rates apply in NSW and for most councils, low land values resulting from strata subdivisions is not an issue.

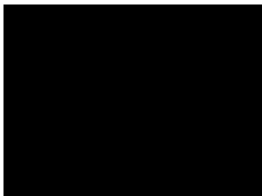
Willoughby City Council

Comments on Focus of the Enquiry:-

- **Predictability** – objections to valuations should be finalised prior to issue of general valuations to council. This may involve VG moving their date for issue to land owners much earlier than is the case currently to allow for objections and errors to be resolved. As noted this situation can result in revenue shortfalls for councils which may need to be addressed in the review of the Local Government Act.

I trust the Committee finds the above information valuable. If you require further information on any of the points above, please feel free to contact me on 02 9777 7505.

Yours faithfully,



Tony Pizzuto
Financial Services Director
Willoughby City Council

For Local Government Managers Australia, NSW