

The Valuer General

The Valuer General, Dr David Parker was appointed by the Governor of NSW in January 2020 to lead the NSW valuation system. He has extensive experience in land valuation systems and compulsory acquisition, having been an Acting Commissioner of the Land and Environment Court and Professor of Property at the University of South Australia.

The Valuer General's primary responsibilities are set out in the Valuation of Land Act 1916 and the Land Acquisition (Just Terms Compensation) Act 1991.

Dr Parker's focus for 2021 continues to be an emphasis on transparency, quality, ensuring alignment with the Acts, meeting NSW Government Customer Service commitments and maintaining the independence of the role of the Valuer General.

Independence of the Valuer General

The Valuer General is independent of the NSW Government, which sets land tax, and councils, which set rates.

This independence is important as it clearly separates the determination of land values from their use by the NSW Government and councils for taxing and rating.

The Valuer General ensures land values are determined impartially and are evidence based, using property sales information.

Impacts on rating and taxing are not considered during the determination of land values.

Valuation contractors

Valuer General NSW outsources valuation services to contract valuers. NSW is divided into 18 contract regions that include one or more local government areas.

Contractors are selected by an open-market tender process that follows strict procurement guidelines for NSW public-sector agencies. You can see a list of the contractors providing land values at valuergeneral.nsw.gov.au.

Changes to the objection process

Valuer General NSW have introduced a number of customer service improvements, including system and process changes to improve customer access to information, procedural fairness and timeliness for objections.

The changes include an enhanced online objection form that is more structured and allows landholders to provide valid information at the time of lodgment. Sales information can also be selected and automatically included in the objection form from other VG NSW online sources.

We've also enhanced our valuation objection report to better address the matters raised and sales provided.

These improvements follow the Valuer General's review of the objections process in 2019-20 and subsequent amendments which require landholders to include their opinion of the value of their landholding and sales evidence to support that opinion when lodging an objection.

Land values and rates

Councils use land values to distribute rates across their local government areas.

The Valuer General issues new land values to councils for rating every three years in accordance with the Valuation of Land Act 1916.

Valuer General NSW does not set rates for councils.

Rates are set in accordance with the Local Government Act 1993, which provides flexibility for a council to provide a rating structure that distributes rates between its ratepayers.

A council can choose the combination of rates, charges and fees and pricing policies that are appropriate for its area and community. As such, a change in land value does not necessarily lead to a change in rates.

The Valuer General issued the 1 July 2019 land values to councils for rating.

To learn more about how your rates are calculated, please contact your council.

Dedicated Assistance Line

If you believe your land value has been impacted by COVID-19 and is incorrect, or you have received a letter from us regarding a substratum acquisition, please contact our dedicated assistance line on 1800 458 884.

Land values for NSW

The Valuer General determines land values annually for over 2.6 million properties across NSW.

Property sales are the most important factor considered in determining land values. Over 48,000 sales were analysed to determine the 1 July 2020 land values.

Valuer General NSW are now busy preparing the 1 July 2021 land values, which will be provided to Revenue NSW for calculating land tax.

1 July 2020 Land Values Recap

Overall, land values increased across NSW by 3.6% from \$1.74 trillion to \$1.80 trillion in the 12 months to 1 July 2020.

- Residential land values across the state increased by 4.0% overall, rebounding following reductions in 2019.
- Commercial land values had an overall decrease of 6.6%, largely due to the impact of the COVID-19 pandemic.
- The industrial market remained generally strong with land values increasing by 5.5% overall across the state.
- Rural land values increased by 4.8%.
- You can find more information on land values in our land value summaries and media releases available at www.valuergeneral.nsw.gov.au.

Need more information?

Visit www.valuergeneral.nsw.gov.au to find:

- land values and property sales
- policies explaining how valuations are made
- land value summaries for trends and value movements
- media releases explaining land value movement drivers

COVID-19 impact on land values

In March 2020, a worldwide pandemic was declared, called COVID-19. Australia was locked down to limit the spread resulting in disruption to individuals' lifestyles, the working environment and disrupting businesses.

In response, the Valuer General reviewed the impact of COVID-19 on the NSW property market in preparation for the 1 July 2020 valuations. The review found that sales activity continued, and the residential sector had generally remained steady or increased in value.

The non-residential sector, however, experienced greater disruption and the review outlined the Valuer General's approach to reducing land values in the absence of comparable sales. The review is available at www.valuergeneral.nsw.gov.au.

Valuer General NSW have undertaken further analysis of state-wide sales data in preparation for the 1 July 2021 valuations. The findings conclude that the property market has remained sufficiently active across all sectors. Therefore, the 1 July 2021 valuations for rating and taxing, for all property uses, will be applied by principal reference to comparable sales.

Rezoning Potentiality Review

The Valuer General has undertaken the *Review of the impact of rezoning potentiality on land values*.

The objective of the review was to develop a framework whereby land values may be determined for rating, taxing and compulsory acquisition to fairly reflect the potentiality for rezoning over an extended period leading to the rezoning.

The review was informed by recent Land and Environment Court cases and used the Western Sydney Aerotropolis as a case study.

The review concludes that it is possible to have sufficient and consistent evidence to support upward trends in the assessment of land values reflecting potentiality prior to a rezoning occurring.

The review forms the basis for the Valuer General NSW *Valuation of land with rezoning potential* Policy.

A copy of the review and policy are available at www.valuergeneral.nsw.gov.au.

Contact us

☎ 1800 110 038
Mon - Fri 8:30am - 5:00pm

✉ Valuer General NSW
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@ valuationenquiry@property.nsw.gov.au

Update your information

Visit valuergeneral.nsw.gov.au:

- for information on how to receive your Notice of Valuation by email
- to update your postal address to receive your Notice of Valuation.

We value your feedback

Your feedback helps us improve the valuation system.

@ valuergeneral@ovg.nsw.gov.au

Do you need an interpreter?

Please call TIS National on 131 450 and ask them to call us on 1800 110 038.

Translated newsletters are available at valuergeneral.nsw.gov.au



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