

8 July 2024

Callum Taylor
Deputy Valuer-General
Taitū Te Whenua / Land Information New Zealand

By email: ctaylor@linz.govt.nz

Dear Callum

Rating valuations rules review

Thank you for the opportunity to comment on this review. The comments below relate to the appendices in the discussion paper.

Access to the Valuation Standards is limited to subscribers which means there is no immediate context to the focus questions. This access restriction will need to be relaxed during the period of public consultation so that there is clarity about what the rules require.

We saw the draft submission from Taituarā – Local Government Professionals Aotearoa, and support its view that workforce supply of valuers is the fundamental issue, that care is needed over privacy implications in some of the proposals, and its recommendation for greater collaboration between the OVG, the Institute of Valuers and the local government sector.

Appendix A: Registered valuers to undertake valuations

We *support* the proposal for registered valuers resident in the region to undertake the revaluation. Local knowledge is crucial. However, we doubt that this requirement should apply to all valuers undertaking a particular revaluation for two reasons: first, it is useful to have a comparative view from other places, and secondly, it may not be feasible to find sufficient registered valuers in a particular area. A registered valuer resident in the region should lead the revaluation.

At least to begin with, we suggest using the current regional council boundaries as the 'region' combining Gisborne with Hawkes Bay, and Tasman, Nelson and Marlborough, and determining the numbers of registered valuers living in each of these areas.

Appendix B: District valuation roll maintenance

We *support* adding requirements to the rules to capture photographs and review and validate existing DVR property records and data points when completing an objection on-site

inspection. However, the owner's permission for the photographs should be sought to ensure that no sensitive or private details are evident.

We *support* requiring inspections of new subdivisions when they are entered into the DVR, but consideration will be needed to whether this is limited to subdivisions having a minimum number of allotments. We think this objective view is preferable to specifying a number of attributes which are likely to be more subjective (and this inconsistently applied across New Zealand).

We *suggest* you check with the Office of the Privacy Commissioner about your proposed requirement that all territorial authorities provide the OVG with unrestricted real-time access to databases holding their DVR and Registers. If the Privacy Commissioner agrees to such data sharing (with any conditions), it will be necessary to consult with every territorial authority so that can consider how this access can be provided, and any related cost in doing do.

Appendix C: General revaluations requirements

We are unable to comment on the increasing trend of revaluations not meeting the minimum standards as the review discussion paper suggests. Rangitikei did not encounter this issue in its last revaluation.

We *suggest* you undertake such an analysis and clarify whether there have been any increased requirements from the Valuation Standards which apply.

We *suggest* you survey all territorial authorities before making a rule requiring them all to ensure that revaluation differences files can be provided electronically and to specify the relevant information fields to be entered in them. There may be a substantial cost involved, with which the OVG is unlikely to be able to assist.

Appendix D: Objections requirements

We *do not support* requiring councils to maintain a new register to highlight instances where an objection review results in land value relativity issues with similar properties. We think that should be the responsibility of Quotable Value (or other equivalent providers). Councils need to be at arm's length from such assessments. Because Quotable Value is subject to the Official Information Act, it will still be feasible for a person to request details of these assessments.

We *support* adding requirements to the rules to capture photographs and review and validate existing DVR property records and data points when completing an objection on-site inspection. However, as noted above in the comment to Appendix B, the owner's permission for the photographs should be sought to ensure that no sensitive or private details are evident.

We *suggest* consideration is given to the approach taken by the State Government of South Australia, which extends the proposal in Appendix A. In South Australia, a person seeking a review of a valuation may select a valuer from a list of the land valuers appointed to the appropriate panel. Nominations to the panel are made by the Real Estate Institute of South

Australia Incorporated or the Australian Property Institute. A fee is charged for undertaking such reviews, which might be a useful revenue supplement for the OVG if implemented. Also worth consideration is the approach taken by the Queensland State Government where objectors may be invited to participate in a panel discussion and must be invited when the property value exceeds \$5 million. Such approaches have the potential to increase confidence in the review process.

Appendix E: Other proposed changes

Rule 2.9: We are uncertain about removing the prescribed valuation notice. That ensures consistency across all councils.

Rule 7: We suggest you provide greater clarity on what update you are providing and the implications of incorporating the valuation of utilities within the overall revaluation for each local authority area.

I hope these comments are helpful.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Carol Gordon', with a stylized flourish at the end.

Carol Gordon
Deputy Chief Executive