



**The Hon. Kevin Anderson MP**  
Minister for Lands and Water  
Minister for Hospitality and Racing

PAG22/00005-021

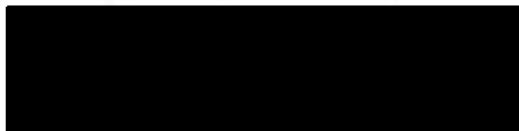
Ms Helen Minnican  
Clerk of the Legislative Assembly  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

Dear Ms Minnican

**Government response to the Joint Standing Committee on the Office of the Valuer General – Report on the Fourteenth General Meeting with the Valuer General**

Please find enclosed for tabling in both Houses of Parliament, the NSW Government's response to the Joint Standing Committee on the Office of the Valuer General – Report on the Fourteenth General Meeting with the Valuer General.

Yours sincerely



**The Hon. Kevin Anderson MP**  
Minister for Lands and Water  
Minister for Hospitality and Racing

Date: 23.05.2022

Encl.

NSW GOVERNMENT RESPONSE TO THE RECOMMENDATIONS IN REPORT No. 2/57  
OF THE JOINT STANDING COMMITTEE ON THE OFFICE OF THE VALUER GENERAL

Recommendation	Response
<p><b>Recommendation 1</b> The Committee recommends that the Valuer General and the Department of Planning, Industry and Environment consult with the relevant VG NSW stakeholders, including the executive officers and the valuation and compensation staff, before determining the final operational arrangements.</p>	<p><b>Supported.</b> The Valuer General (VG) and the Department of Planning and Environment (DPE) are currently working on the development of the operational arrangements and structure for Valuer General NSW (VGNSW). VGNSW has engaged a consultant to develop a strategic plan and operational arrangement; and undertake staff consultation in relation to that plan.</p>
<p><b>Recommendation 2</b> The Committee recommends that the Minister for Water, Property and Housing and the Minister for Local Government require local councils to reimburse the Valuer General for the provision of a determination.</p>	<p><b>Supported.</b> The government is considering amendments to the <i>Land Acquisition (Just Terms Compensation) Act 1991</i> (the Act) to include a provision that will expressly allow the VG to recover costs from acquiring authorities when determining compensation payable in land acquisition matters.</p> <p>This and other amendments will be consulted on and considered as part of a detailed review of the Act. This review is on hold pending the outcomes of the current parliamentary inquiry into the acquisition of land in relation to major transport projects.</p>
<p><b>Recommendation 3</b> The Committee recommends that the Valuer General continues to monitor and improve the performance management system of VG NSW and ensure the objection management and compensation determination processes are continuously reviewed and restructured as required, in order to achieve greater efficiencies and timeliness.</p>	<p><b>Supported.</b> VGNSW will continue to work collaboratively with the VG to monitor and improve the performance management system of VGNSW.</p> <p>VGNSW has already implemented a number of initiatives which has led to greater output in the compensation determination process. As outlined recently in the <i>Inquiry into the acquisition of land for major transport projects</i>, in the 12-week period from 13 September 2021 to 3 December 2021, VGNSW were able to issue 47 reports (preliminary or final). Following business improvements and realignment of resources, as well as other factors, in the subsequent 12-week period from 6 December 2021 to 11 March 2022, VGNSW were able to issue 129 reports (preliminary or final).</p> <p>It should be noted that whilst greater output is being achieved, the number of overall gazetted</p>

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	<p>matters KPI delivery date is likely to increase as historic acquisition determinations are finalised, before a decrease will be evident.</p> <p>VGNSW also implemented Objections 2021 in collaboration with the VG in June 2021. Objection data demonstrates an overall reduction in objections and interim KPI data shows KPI's are now being met, suggesting that the process improvements have been successful.</p> <p>VGNSW will continue to monitor and review the relevant data and KPI's to assess the efficacy of business improvements and inform continuous improvements.</p>
<p><b>Recommendation 4</b> The Committee recommends that the NSW Government ensures that VG NSW has adequate resources to continue to develop and improve its public education about the land valuation system, including upgrading of the website and outreach to communities from non-english speaking backgrounds.</p>	<p><b>Supported.</b> VGNSW ensure landholders from non-english speaking backgrounds are able to access information and customer service utilising the Translating and Interpreting Service (TIS). VGNSW engage Multicultural NSW annually to translate key publications, including state-wide media releases and newsletters into the top ten most commonly spoken languages. This information is displayed prominently on <a href="http://www.valuergeneral.nsw.gov.au">www.valuergeneral.nsw.gov.au</a>.</p> <p>VGNSW, supported by the Department of Customer Service, are currently working on updates to the VGNSW website to ensure alignment with the NSW Government Branding Framework. VGNSW are also investigating the possibility of migrating and updating the VGNSW website under the NSW Government website consolidation program, OneCX, as well as the use of existing government social media channels to broadcast key information.</p>
<p><b>Recommendation 5</b> The Committee recommends that the NSW Government ensures that VG NSW has the necessary resources to explore, test and adopt new technologies to improve quality assurance, risk management, information security and greater efficiencies in the delivery of services in the land valuation system.</p>	<p><b>Supported.</b></p>
<p><b>Recommendation 6</b></p>	<p><b>Supported.</b></p>

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<p>The Committee recommends that the VG NSW provides updates on IT data security measures in future annual reports, in addition to reporting on privacy management and protection of personal information.</p>	
<p><b>Recommendation 7</b> The Committee recommends that the Valuer General continues to monitor the performance of rating and taxing valuers for determinations of compensation, including the adequacy and rigour of the quality assurance systems for checking and evaluating performance outcomes.</p>	<p><b>Supported.</b></p>
<p><b>Recommendation 8</b> The Committee recommends that the Valuer General takes account of the quality assurance recommendations of the International Property Tax Institute. In particular, the Valuer General should consider further use of external audits, explore artificial intelligence to improve QA processes and outcomes, and develop data analytics capability to strengthen the mechanisms for checking data quality.</p>	<p><b>Supported.</b></p>
<p><b>Recommendation 9</b> The Committee recommends that the Valuer General includes more prominent analysis and discussion of the role of objections and court appeals in identifying valuation errors, in future annual reports.</p>	<p><b>Supported.</b></p>
<p><b>Recommendation 10</b> The Committee recommends that the Valuer General continues to rigorously monitor the integrity, performance and quality of the work of contract valuers, most particularly the efficacy of measures to provide reliability in their valuations</p>	<p><b>Supported.</b></p>
<p><b>Recommendation 11</b> The Committee recommends that the Valuer General continues to prioritise audits and reviews of the efficacy of the conflict of interest management regime and provides comprehensive reports on all aspects of this matter in future annual reports.</p>	<p><b>Supported.</b></p>
<p><b>Recommendation 12</b> The Committee recommends that the Valuer General continuously evaluates and improves the conflict of interest component in the training program for valuation contractors.</p>	<p><b>Supported.</b></p>

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<p><b>Recommendation 13</b> The Committee recommends that the Valuer General continues to conduct research into emerging issues impacting the land valuation system, as well as new technologies which may improve the performance of land valuations, the quality assurance of the system, and the provision of accurate information to the public.</p>	<p><b>Supported.</b></p>
<p><b>Recommendation 14</b> The Committee recommends that the Valuer General develops monitoring and reporting procedures to enable more comprehensive information and analysis about the effectiveness of procedural fairness measures in the new processes for management of objections and determinations of compensation.</p>	<p><b>Supported.</b></p>
<p><b>Recommendation 15</b> The Committee recommends that the Treasurer ensures that the highest possible priority is given to the approval of the Valuer General's funding submission for Valnet III and that delivery and installation are expedited in order to ensure that the valuation system has the required technological capability to remain fit for purpose.</p>	<p><b>Supported.</b> Funding for Valnet 3 was approved in March 2022.</p>