

The Valuer-General is now the sole valuation authority for the delivery of annual valuations for the purposes of council rates, land tax, and the fire services property levy.

Transitional arrangements allow councils to opt out of the centralised arrangements until 2022.

Valuations now and in the future

Up until now and including the 2018 revaluation, property valuations occurred every two years and were carried out by a valuation authority (a municipal council or the Valuer-General). From 2019, valuations will be conducted annually and the Valuer-General will be the sole valuation authority. The Valuer-General will also provide valuations to councils and the State Revenue Office.

To allow for the change, the *Valuation of Land Act 1960* includes a transition period for councils. This means a council can choose to opt out each year until 2022.

No council will be financially disadvantaged

State Government is committed to ensuring no council is financially worse off because of the changes.

- State Government will pay the full costs of revaluations each year (unless a council opts out, in which case existing funding arrangements will continue until it opts in).
- State Government will pay reimbursement, retraining, redeployment and staff redundancy costs to councils with in-house and hybrid valuation staff (until 30 June 2022).
- The VG will be responsible for the costs of any IT system changes for both valuations and any consequential changes for councils' systems (through to 30 June 2022);
- State Government will pay councils for additional costs of in-house rates staff that result from increased workload related to rates modelling and data input required for annual valuations, regardless of when they transition to centralised valuations.
- Councils that can demonstrate they are financially worse off because of the valuation changes in the *State Taxation Acts Further Amendment Bill 2017* will receive additional compensation.
- There are no changes to any council's ability to on-sell valuation data to third parties.

Funding under the principles will be available until 2022. For example, councils can keep in-house valuation staff until their 2018 valuation obligations are concluded and then apply for reimbursement funding.

Financially worse refers to the costs of making annual as opposed to biennial rating and taxation valuations. It does not refer to situations where a council has revenue changes for example, due to changes in supplementary valuations rate income.

Finalising the arrangements

Valuation contracts

A valuation contract any council entered into after 2 May 2017 (when the changes were announced) should not extend beyond 31 December 2018.

The VG will be required to give preferential consideration to competitive local suppliers, when awarding valuation contracts.

Note:

- Councils are still responsible for the 2018 general revaluation and consequential supplementary valuations and objections.
- Councils remain responsible for outstanding objections and appeals arising from previous objections and appeals.
- Any contract entered into by a council after 2 May 2017 will be subject to individual consideration,
- VGV will be assigned responsibility for existing contracts councils have in place and that extend beyond the 2018 revaluation.

Supplementary valuations

The Valuer-General must cause a supplementary valuation to be made if a council requests it. The Valuer-General must also give the supplementary valuation to council within 10 business days of its return to him.

Councils will pay VGV for supplementary valuations; however, the State Revenue Office receives supplementary valuations at no cost.

Annual rate and valuation notice

Council is still responsible for issuing rate and valuation notices per section 15 of the *Valuation of Land Act 1960*.

Customer service

Councils will be consulted on customer service requirements. As is the case with current councils that had transferred their valuation responsibility to the Valuer-General for the 2018 revaluation, councils filter rate enquiries and refer valuation matters to the responsible valuer contracted to the Valuer-General.

Other valuations needs

The Valuer-General does not provide ancillary valuation services as part of the rating valuation contracts. Councils' needs however can be raised during future contract arrangements, as is currently done with councils that had transferred their valuation responsibility to the Valuer-General for the 2018 revaluation.