

Submission on the Review of the Occupational Regulation of Valuers

Summary of Questions with my responses in line and in *italics*

Proposals to address problems and concerns

- . Q1 Do you agree that there is a lack of accountability and transparency in relation to the VRB's operations?

Yes

- . Q2 Do you agree that the composition of the Valuers Registration Board is problematic? If so, how?

Yes. It needs more non valuer members and not the same old faces all the time. Bit of an old boys club.

- . Q3 Do you agree with the proposal to constitute a new board which would include lay people with specialist expertise?

Yes

- . Q4 Do you agree that it should not be mandatory for registered valuers to join NZIV or any other professional association?

- . *Yes most definitely. The current NZIV PINZ model has failed miserably for its members and there are a large number who want freedom of association to belong to more relevant organisations. I personally belong to RICS and IAAO which are far more relevant and I get no value at all from NZIV membership.*

- . Q5 What if any issues do you think would need to be managed if professional association membership was voluntary?

- . *The new VRB should ensure you are a member of some organization. What organisation does not matter and the formation of new professional collectives should be encouraged.*

- . Q6 Do you think that a tiered complaints system could deliver the benefits outlined above? If not, why not and do you have any thoughts on how else those benefits might be realised?

- . *Yes, good idea*

- . Q7 Do you think it is possible to reduce the reliance on check valuations and, if so, how might this be done?

- . *The new VRB should not call evidence. Its roll is not a prosecuting body. It should be left to the complainant to prove the value is incorrect. Let the complainant get their own valuations done. Would save a lot of time and money.*

- . Q8 Is the range of sanctions proposed above adequate? If not, what other sanctions would be appropriate?

- . Yes
- . Q9 Is there a need for compliance monitoring and if so, by whom?
- . No.
- . Q10 Do you agree with the proposal for the VRB to undertake more analysis of complaints and outcomes? Why/why not?
- . *No. More analysis will not impact the number of future complaints. Waste of time and money. You are better off publishing all complaints and results so valuers can learn from others mistakes.*
- . Q11 Do you agree that "registered valuer" should be the only protected title? Why/why not?
- . *Yes. You only need one protected logo.*
- . Q12 Do you think it necessary or desirable to change the existing registration period and/or registration renewal requirements? Why/why not?
- . *Yes the whole process around degree qualification and then further testing by the NZIV needs a complete overhaul.*
- . Q13 If you have answered "yes" to the above question, please indicate whether you prefer one or other of the suggested approaches or another approach.
- . *If membership is deregulated NZIV will not be the home of the majority of practicing valuers. Its current membership has only around 50-60% of members practicing. And many only stay because it is compulsory. There is huge member dissatisfaction with PINZ and NZIV and I expect once the compulsory membership is stopped the combined organization will implode.*
- . *Given the RICS is a very strong international body they should be looked on as the one to set standards. I also think their valuation survey work where valuers look into the structural aspects of a building is the way of the future for the profession in NZ. We now have leaky homes and earthquake issues which are changing the publics need for property advice. The profession needs to move quickly to become full surveyors of property and for our teaching institutions to also change what they do. Major work is required in this area and a gutted PINZ is not going to achieve it given their past track record of not achieving anything of significance other than in fighting with members.*
- . Q14 Should CPD be mandatory? Why/ why not?
- . *Probably*
- . Q15 Do you agree with the proposal for setting practice standards? Why/why not?
- . *Not really. There are heaps of standards out there.*
- . Q16 Do you agree with the proposal for setting ethical standards? Why/why not?
- . *Yes. Some guidance around grey areas is always helpful. The PINZ model of 2 codes of ethics is a complete joke and shows the confusion and unprofessional nature of the organization. Needs cleaing up.*
- . Q17 Do you agree that the minimum age requirement should be removed?

. Yes

. Q18 What do you consider are the benefits and costs of implementing any or all of the proposals?

. *They will allow the valuation profession to adapt to a rapidly changing future.*

Other issues

. Q19 Do you think there are any aspects of the current occupational regulation scheme for valuers that impede competition in the supply of valuation services? Please specify which aspects and how they impede competition.

. *The Rating Valuations Act requires Registered Valuer input and control. The International Association of Assessing Officers qualifications are better for Rating Valuation than limiting it to NZ Registered Valuers. The Act should be changed to require a suitably qualified Valuer to have overall control.*

. Q20 Do you think the occupational regulation of valuers should be liberalised? If so, what aspects of the scheme should be liberalised and what benefits would this have?

. *No probably too difficult*

. Q21 Do you think the three year supervised experience period for New Zealand graduates is too long? If so, how long should the experience period be?

. *Yes, 18 months*

. Q22 Do you favour a tiered registration system that provides for provisional registration (with less experience and other requirements) as well as full registration?

. *No too complicated for public to understand.*

. Q23 Should the requirement for overseas valuers to have at least one year's practical experience in New Zealand be retained?

. *No*

. Q24 Do the existing degree courses and post-graduate training requirements provide registered valuers with the expertise required to do sum insured valuations?

. *Yes. What is missing is our professional body providing background factual information to support the valuations. Remember the statscom publications. How much info has been sent to members regarding costs out of the Christchurch earthquake? None.*

. Q25 Is there a need for practice standards covering sum insured valuations?

. *No*

. Q26 Could registration requirements be reduced for some types of valuation?

. *No*

- . Q27 Are the current registration requirements excessive for valuers who only carry out residential valuations? What would be the risks and benefits to consumers if the requirements were reduced?
- . *Residential valuations are some of the hardest to do and are getting harder with earthquake, flooding leaky building etc issues.*
- . Q28 Are there any risks in allowing registered valuers who have not passed degree courses in valuation to do rural valuations?
- . Q29 Are the valuation qualifications offered by the accredited universities fit for specialist purposes? If not, what are the problem areas?
- . *No there are serious shortcomings in computer assisted valuation and building survey areas.*
- . Q30 Do you think any changes are required to the existing professional indemnity insurance arrangements?
- . *No*
- . Q31 If so, do you favour either of the options outlined above or have an alternative suggestion?

SUMMARY

I am in favour of this review and hope that freedom of association with non compulsory membership of NZIV will be one of the major outcomes of all this. A strengthening of the Registration Board is also long overdue with streamlining of disciplinary process.

Regards

