

SUBMISSION

OCCUPATIONAL REGULATION OF VALUERS

25 August 2014

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Submission on Review of Occupational Regulation of Valuers

Mandatory Membership

Q4 Concern here is that if have more than one body that the membership will become very fragmented, and any issues going forward will be difficult to get agreement. We feel there needs to be one “Institute” going forward. If a valuer chooses not to be part of that body – need good systems in place to be able to monitor their CPD. Ultimately if they choose not to be member of a body they run the risk themselves of not being able to do work in some areas. In short we do not support voluntary membership.

Q5. See above

Valuers Registration Board

Q1. Agree- Internally transparent/ Externally not

Q2. Agree. Takes too long to hear cases and decisions not transparent or publicised

Q3 Agree

Q10 Agree. Will help to identify common problem areas that could then be addressed at a CPD level for all valuers.

Discipline - Overview

Q6 Agree

Discipline – Check Valuations

Q7 Suggest Peer Review Process may be better in the first instance, rather than check valuations as this may highlight areas of concern. Suggest complainant fill out document as to why they object to Valuation.

Discipline – Tiered Systems and Costs

Q6 Agree

Q18 Increased cost of administrating the costs which has a flow of the fees we pay as valuers to our membership body. Valuers need to clearly see the benefits ie CPD events

Discipline - Sanctions

Q8 Agree

Discipline – Compliance Monitoring

Q9 VRB

Title Protection

Q11 Agree. The public don't understand the difference so make it more transparent.

Ongoing Competency

Q12 Agree. Registration for life does not guarantee that some valuers will not turn "rouge" Suggest that a five year registration period is feasible, any shorter time would prove costly and run the risk of having time delays of registration being confirmed. The new registration process need to have a good system set in place, so that the requirements of registration are clearly defined.

Q13 Needs to tied to CPD as well as any red flags raised at VRB level.

CPD Requirements

Q14 Yes. But need to make sure that what valuer is submitting for CDP is relevant and contain a % of mandatory CPD – APC should not be issued if CPD has not been completed.

Practice Standards

Q15 All bodies should be working to the same practice standards

Code of Ethics

Q16 Agree

Minimum Age

Q17 Agree

Q20 No we need regulation – need to remember that we are independent, and have no financial interest in the property or the transaction

Registration Tiers

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Q21 Depends on the competence level of the individual. For some, three years is needed, but others may be ready sooner.

Perhaps need to establish a Mentor System with in branches who can advise when they think that an individual is ready to go for registration.



We think that a minimum of two years before an individual can inspect a property themselves , without supervision. This need to be discussed at length with professional indemnity insurance providers In the end they may well dictate the outcome. This paper clearly state the most complaints arise from residential valuations – shortening this may see this level rise further.

Q22 See above

Q26 No. (underlying this is reduced fees)

Q27 Why are residential valuers targeted as being the inferior class of valuer? The discussion document has stated that VRB complaints are greatest from residential valuers. Risk here is these complaints increase significantly. At the end of the day

Registration – Experience

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Gaining Registration - Overseas

Q23 Yes should stay the same. Also states in this paper that there are higher VRB complaints from overseas valuers. Reporosity arrangements need to be looked at and systems put in place to make sure that the immigrating valuer understands the market/standards and ethics that they are operating under.

Sum Insured Valuations

Q24 No more training is required.

Q25 Yes

University Education

Q28 Yes very much so.

Q29 We consider that there are major problems with university valuation teaching. We have graduating valuers who cannot write a report, measure a building or even understand the standards and code of ethics. More input need to be put into university courses by the profession.

Indemnity Insurance

Q30 Should not hold an APC without professional indemnity cover

Q31 Disclosure of amount of cover should not be given rather we should state that we hold adequate cover for the type of work being carried out.

Valuation Ordering House Comment

Q19 Valuation ordering houses have changed the face of the valuation profession (in particular Residential). It seems that the profession continually is being bullied to work in a certain way. We need to establish our professional integrity of independence, if we in fact want the profession to survive. Fees are being driven down through clearing houses if valuers work through them, do not have the right to set our own fee for the job.(we are letting bank clerks set our fee – is this right, we after all are the ones with the professional qualifications). Sole practitioners may well struggle to stay in business if they are not accepted onto the clearing house arenas. What right do these clearing houses have to affect an individual's business?

The valuation profession is under threat of not having enough valuers – alright to say that it isn't, but need to look regionally at age groups. Its easy to get valuers in Auckland – but try to get them to move south.

At the end of the day Valuers should be working within the areas they are competent to work in.