

Submission: Occupational Regulation of Valuers

By: Patricia (Trish) Lowe, Registered Valuer, Christchurch
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I have reviewed the LINZ discussion document (1 July 2014), attended a NZIV branch consultation meeting and reviewed the NZIV submission on the Occupational Regulation of Valuers. I am compelled to make my own submission on issues where I hold a different opinion to the NZIV submission as follows:

1. Mandatory Membership (Q4, Q5)

I agree with the Government's proposal to make professional association membership voluntary.

The valuation profession should not fear fragmentation but rather embrace an environment of change where valuers create an organization that we want to be part of rather than 'have' to belong.

There is a strong will for the valuation profession to retain a professional organization that specializes in representing the valuation sector. Market forces will naturally determine which organization the majority of valuers will choose to belong.

The development of Standards is an area which will need to be managed. While consultation between other industry bodies will make the process more complex, it is not considered a barrier to non-compulsory membership.

Valuers will join the organization that gives them the best educational materials for valuation specific issues. It is considered non-compulsory membership will not result in a lack of quality educational materials but rather a focus of excellent resources being developed for valuers.

While advocating voluntary professional association membership, I also support a regime where valuers are required to be a member of an approved professional body, though not any one in particular.

2. Compliance Monitoring (Q9)

I believe there is a need for compliance monitoring in the valuation profession.

The Property Institute of New Zealand operates a quality assurance scheme which audits firms to ensure compliance with professional standards. This is a profession lead initiative which was created to fill the void where Standards are being enforced solely by the complaints and discipline process.

All valuation firms should be encouraged to participate in such a scheme although participation in a quality assurance system should not be mandatory. The public will be protected when it becomes widely known that it is important to select a Quality Assured valuation firm.

Such schemes require support and endorsement from the Government rather than mandating.


3. Indemnity Insurance (Q30, Q31)

I agree with the discussion document that Government intervention in professional indemnity insurance is not required.

I'd be very concerned that compulsory indemnity insurance would increase premiums. My experience has shown that premiums have dropped when there is competition in the professional indemnity insurance market. Premiums also fall when the risk of insurance claims decreases. This can be achieved by firms participating in a quality assurance scheme. For instance, my business's professional indemnity insurance is discounted because of its Quality Assurance Accreditation.

Patricia Joy Lowe (Trish Lowe), Senior Member of the Property Institute of New Zealand (SPINZ) and Associate Member of the New Zealand Institute of Valuers (ANZIV). Trish holds a current Annual Practising Certificate as per the Valuers Act 1948. Trish Lowe Limited has accreditation under the Quality Assurance and Accreditation Scheme (QAAS) for Real Property Valuation from the Property Institute of New Zealand.

Trish provides professional valuation services to a wide range of clients in the Canterbury area. This is a sole practitioner business with valuations undertaken mainly in urban and lifestyle property. In addition, Trish contracts to the Office of the Valuer General, Land Information New Zealand and undertakes auditing of rating valuations throughout the country. She is appointed to the Accreditation Committee of the Quality Assurance and Accreditation Scheme operated by the Property Institute of New Zealand. In this role, she reviews firm's valuation processes and valuation reports for compliance with Valuation Standards.


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