

RESEARCH DIRECTIONS

Land Ahoy!

Associate Professor John MacFarlane from the School of Computing and Mathematics is collaborating with the Office of the NSW Valuer General to explore the development and evaluation of the NSW Mass Valuation System.

'In NSW, most land values are determined using a mass valuation system that involves grouping properties based on similar features such as geographical location or how the land is used, then assessing the value of the properties, and the movement in values, as a group, rather than as individual land sites' says Associate Professor MacFarlane. 'The current NSW Mass Valuation system has operated for a number of years, with values being assigned annually to all land parcels in NSW (over 2.4 million individual valuations). In 2002/03 a system of quality assurance was implemented to monitor outcomes from the system, and this project aims to assess the performance of this quality assurance regime across all geographical and land-use zones to improve integration of quality assurance mechanisms into the mass valuation process.'

Working closely with valuers and other staff at the Office of the NSW Valuer General, Associate Professor MacFarlane will analyse current components and practices for the mass valuation system such as property size, and criteria for selection into specific mass valuation groups. This analysis will allow for a comparison between different valuation systems and will provide data to assess the current quality of the state-wide land values from one year to the next. Associate Professor MacFarlane will also use this information to develop and test alternative mass valuation models as part of this project.



Since land values are used as the basis to determine land-taxes and Council Rates in NSW (which together total more than \$4 billion annually), by improving quality control measures in the mass valuation system, NSW property owners can be confident that the assessment of their land value is as accurate and effective as possible. In conjunction with other developments such as greater on-line access to property information, this is expected to reduce the likelihood of complaints and objections to land valuations issued by the NSW Valuer General.

Project Title: Ongoing Development of the NSW Mass Valuation System – Phase 3

Funding has been set at: \$84,705

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