Valuers Registration Regulation 2024

Explanatory notes for SL 2024 No. 154

made under the

Valuers Registration Act 1992

General Outline

Short title

Valuers Registration Regulation 2024

Authorising law

Section 66 of the *Valuers Registration Act 1992* (the Act).

Policy objectives and the reasons for them

The *Valuers Registration Regulation 2024* (the Regulation) is being made to replace the expiring *Valuers Registration Regulation 2013* (the 2013 Regulation) pursuant to the *Statutory Instruments Act 1992*.

Before a regulation is remade, the administering department is required to undertake a sunset review. The review, undertaken by the Department of Resources (the department), confirmed that the Regulation is critical for the proper administration of the Act by the Valuers Registration Board of Queensland (the Board) and should be remade with minor amendments to provide clarity and improve its operation.

The Regulation is subordinate legislation to the Act. The Act continues the existence of the Board and provides the administrative framework for the Board's role to register and regulate valuers in Queensland.

The objectives of the Regulation are to:

- Continue the key operational arrangements related to the renewal of Registration and the regulation of the conduct of registered valuers.
- Implement the outcomes of the sunset review of the expiring 2013 Regulation to provide clarity and improve implementation.
- Modernise concepts and remove provisions that are no longer required.
- Update the drafting in accordance with current drafting practices.

Achievement of policy objectives

The Regulation continues to provide for the following operational arrangements, subject to minor administrative amendments:

- The Continuing Professional Development (CPD) requirements for renewal of registration; and
- a code of professional conduct.

The amendments, as described below, will provide clarity to registered valuers and improve implementation by the Board; modernise concepts and drafting; and remove redundant provisions.

Notice of the type of CPD considered suitable

The mandatory requirement on the Board to provide written notice to registered valuers of the type of CPD activities considered suitable for the renewal of the valuer's registration has been removed. The notice has not been utilised consistently in practice.

This provision has been redrafted to retain the ability of the Board to give a notice about the types of suitable CPD activities but on a discretionary basis. This retains the ability for the Board to issue a CPD notice to registered valuers, should there be a need to inform valuers to undertake specific CPD activities.

In effect, the Board may give written notice requiring valuers to undertake specific CPD activities for the satisfaction of the CPD requirement for registration renewal under section 36B(1)(a) of the Valuers Registration Act. The notice must be issued before the start of the financial year. The specific CPD activity will be included in the 10 hours of CPD, it will not be additional.

The Board has also been included as an entity which may provide CPD. This is to allow the Board, as part of providing a written notice, to prescribe a specific CPD activity. For example, the Board will be able to direct a valuer to complete a webinar on safe valuation practices during a pandemic.

Exemption from CPD

The exemption for a registered valuer from providing a statement about the CPD activities the valuer has undertaken during the previous 12 months, if the valuer provides the exemption information to the Board – that is, at least 2 valuation reports completed during the previous 12 months and the reasons for not undertaking the CPD in those months, has been removed. This provision has not been used in practice for some time.

The concept of exemption information was first included in the *Valuers Registration Regulation 2003* to assist rural and regional valuers who had difficulty accessing appropriate CPD activities. With the increased access to technology, valuers are not experiencing difficulties in completing the CPD activities. These valuers are now able to attend professional industry seminars and obtain educational material with relative ease. This has alleviated the need for a separate and distinct method for those valuers to demonstrate professional competence to the Board for continued registration.

Should a registered valuer require an exemption from undertaking CPD, the Board may exempt a registered valuer under section 36C of the Act in special circumstances.

Code of professional conduct

The Regulation continues to provide for a code of professional conduct that registered valuers must comply with. The code consists of the provisions in Schedule 1 of the Regulation together with either the Board's own approved document or the Australian Property Institute's (API) Code of Professional Conduct.

The reference to the API's Code of Conduct has been updated to the most recent version to ensure currency. The most recent version of the API's Rules of Professional Conduct came into effect on 31 March 2024. The API's Rules have been the default code of conduct for over 20 years. The API remains the most dominant professional body for valuers in Queensland.

Certificate of Registration

The requirement on registered valuers to always display their certificate of registration at the valuer's place of business, has been amended.

As with most professions, the valuation profession has increased the amount of remote work. This is reflective of the fluidity of contemporary flexible work practices and places. Accordingly, it may not be feasible for a valuer to have their certificate displayed in an office.

To address this change in work practices, the Regulation provides that a valuer must produce their certificate of registration for inspection when requested. This amendment reflects the increase in flexible work arrangements of valuers.

These amendments will enhance the operation of the Regulation by aligning with current practice.

There are also several updates to the Regulation to align it with current drafting protocols. These amendments are not intended to change the operation of those sections.

Consistency with policy objectives of authorising law

The Regulation is consistent with the main objectives of the *Valuers Registration Act 1992,* which is to provide a measure of protection for the public through the registration of valuers of land and to improve the standard of valuers in Queensland.

Inconsistency with policy objectives of other legislation

No inconsistencies with the policy objectives of other legislation have been identified.

Alternative ways of achieving policy objectives

During the sunset review, the department considered a number of alternative ways of achieving the policy objectives. This included:

- Allowing the 2013 Regulation to expire without replacement.
- Remaking the 2013 Regulation ‘as is’.
- Remaking the 2013 Regulation with minor administrative amendments.

Allowing the 2013 Regulation to expire without replacement was not considered a reasonable alternative because the Regulation provides a framework that supports the operation and administration of particular sections of the Act. Particular decisions by the Board, as the administrator of the Act, require consideration of matters prescribed in the Regulation, to effectively register and regulate valuers. Not remaking the 2013 Regulation would render the Board’s administration of the Act ineffective, threatening business continuity and certainty for a wide range of sectors that utilise valuation services.

Similarly, remaking the Regulation ‘as is’ was not considered a feasible alternative. Amendments are required to the Regulation to improve clarity and align with current practices.

There are no alternative and reasonable ways of achieving the policy objectives.

Benefits and costs of implementation

The Regulation will facilitate the Board’s administration of the Act. The Board is a self-funded statutory body responsible for the administration of the Act and the Regulation. The Regulation will not incur any additional implementation costs to government.

The Regulation also:

- Retains provisions that prescribe matters necessary for efficiently and effectively administering the Act by the Board.
- Provides clear requirements for valuers relating to matters prescribed in the Regulation.
- Updates requirements to align with current practice.
- Removes redundant provisions.
- Modernises concepts and drafting to improve clarity.

As the Regulation continues existing regulatory provisions from the 2013 Regulation with minor administrative amendments, there are no additional implementation costs associated with implementation of the Regulation.

The regulatory impact of the making of the new Regulation is considered to be excluded from further assessment. A summary Impact Analysis Statement was prepared and it was determined that the proposal does not require further impact analysis under *The Queensland Government Better Regulation Policy* as it is unlikely to have significant adverse impacts.

Consistency with fundamental legislative principles

The Regulation is consistent with fundamental legislative principles.

Consultation

In 2023, the department met with the Valuers Registration Board, as the administrator of the Act, which informed the sunset review.

Non-government stakeholders, including the prescribed institutes and the Property Council of Australia, were consulted through the sunset review.

The Valuer-General was also consulted.

The outcomes of the preliminary sunset review were released to stakeholders on 30 April 2024 for consultation. Four submissions were received. Most submissions showed in-principle support for the proposed administrative changes to the Board's CPD notice and removal of the redundant exemption from undertaking CPD activities for rural / regional valuers.

A consultation draft of the Regulation was released to stakeholders for comment on 21 June 2024. Four submissions were received. The majority of submissions related to the policy and operation of the Act and could not be addressed through changes to the Regulation. Other matters were outside the scope of the review.

The changes to the Regulation are administrative in nature to clarify and modernise the provisions but do not change the application or effect of the provisions.