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BECOME A PROSPECTIVE TENDERER ONLY**

Note: This file may contain a brief scope statement, or an extract from the RFT documents, or a full exhibited copy – depending on the specific circumstances.

To participate in this tender process you **MUST** first download or order a full copy of the Request for Tender (RFT) documents, including the responsible components, and any addenda issued to date.

To do this return to the RFT web page on this web site and copy the RFT documents to your own computer or network – the blue “**DOWNLOAD A SOFT COPY**” link at the bottom provides access to the page from which you can do this.



NSW Procurement - Contracting Services is a Business Unit of the NSW Department of Commerce

NSW Procurement - Contracting Services invites this tender for and on behalf of the NSW Government State Contracts Control Board

PART A

Request for Tender 0601231 – Land Valuation Services for Government Taxing and Rating for the Valuer-General

Period: 3 Years commencing 1 March 2007

Tender Issue Date: 21 August 2006

Closing Date: Wednesday 4 October 2006

Closing Time: 9:30 am Sydney Time

Tenderers should note that Pre-Tender Briefings shall be held as detailed in Clause 4.4, Part A

Note: Tenderers must submit their Tender by hard copy. The original Tender plus five (5) copies of the Tender are required. Tenders are to be marked "Original", "Copy 1", "Copy 2", "Copy 3", "Copy 4" and "Copy 5".

Non-Refundable Hard Copy Document Fee \$110.00 (includes GST). Note: There is no charge for downloading an electronic copy from <https://tenders.nsw.gov.au/commerce>. Payment for a hard copy is to be made by either a cheque drawn in favour of the NSW Department of Commerce or by credit card (MasterCard, Visa and Bankcard). Cash will not be accepted.

This publication is available on request via email in large print and/or on computer disk for people with a disability. To obtain copies of this publication in either of these formats, please contact the Contact Officer identified in this RFT.

Other formats, such as Braille and audio (cassette tape), will be considered on a case-by-case basis.

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Land Valuation Services for Government Taxing and Rating for the Valuer-General

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PART A THE REQUIREMENT AND CONDITIONS OF TENDER

1. DEFINITIONS OF TERMS USED IN PARTS A AND C

- 1.1 Unless the context indicates otherwise, the following terms, where used in Parts A and C of this RFT, shall have the meanings set out below.

“ABN” means an Australian Business Number as provided in the GST Law.

“Addendum” means an addendum or addition to this RFT made by the Board before the Closing Date and Time.

“Alternative Tender” means a Non-Conforming Tender that is intended to offer a different method of meeting the object and intent of the Requirement.

“Board” or **“SCCB”** means the State Contracts Control Board established under the Public Sector Employment and Management Act 2002 whose responsibilities include:

- Inviting and accepting tenders;
- Determining the conditions under which tenders are invited or accepted;
- Entering into contracts on behalf of the Crown in right of the State of New South Wales; and
- On-going contract administration and management,

and includes the duly authorised delegates of the Board, including officers of NSW Procurement, Contracting Services .

“Closing Date and Time” means the Closing Date and Time for receipt of Tenders, specified on the cover sheet to this RFT.

“Code” means the NSW Government Code of Practice for Procurement, as amended from time to time, together with any other codes of practice relating to procurement, including any amendments to such codes, that may be applicable to the particular RFT. The aforementioned code can be viewed and downloaded from:

http://www.treasury.nsw.gov.au/procurement/pdf/code_of_prac-curr.pdf

“Commerce” means the NSW Department of Commerce.

“Conforming Tender” means a Tender that:

- (a) conforms to the Requirement;
- (b) is in the prescribed form;
- (c) conforms to the terms and conditions contained in Part B; and
- (d) conforms to all of the other requirements of this RFT.

“Contractor” means the tenderer as a party to the proposed contract.

“General Valuations” means valuations in all local government areas will be valued on an annual basis as at 1 July each year. All valuations prepared under the contract each year will be of an equivalent standard and accuracy that is able to be adequately defended on objection and appeal.

“Late Tender” means a Tender received after the Closing Date and Time for tenders and includes a Tender which is only partly received by the Closing Date and Time.

“LPI” means Land and Property Information, Department of Lands.

“Non-Conforming Tender” means a Tender that:

- (a) does not conform to the Requirement;
- (b) is not in the prescribed form;
- (c) does not conform to any one or more of the terms of the Contract in Part B, including a Tender which seeks to qualify or amend these terms; or
- (d) does not conform to any of the other requirements of this RFT.

“NSW Procurement - Contracting Services” means a business unit of the NSW Department of Commerce representing the Board and authorised to arrange and administer contracts on behalf of the Board.

“OHS&R” means occupational health, safety and rehabilitation.

“Price Schedule” means the list of Services offered by the tenderer, together with the corresponding pricing information.

“Principal” means General Manager, Land and Property Information, Department of Lands.

“Requirement” means the detailed description of the required Services to be met by the tenderers and detailed in the Specification.

“RFT” means this Request for Tender.

“Services” means the services sought under this RFT, as detailed in the Specification at Part B.

“Specification” means the detailed description of the required Services contained in Part B.

“Tender” means the offer to supply the Services submitted in response to the RFT.

“Tender Price” means, in respect of each Service offered, the price nominated in the Price Schedule for that Service.

2. OUTLINE DESCRIPTION OF THE REQUIREMENT

2.1 Scope

- 2.1.1 This Request For Tender (“RFT”) covers the provision of valuation services in selected areas of New South Wales for a 3 year period. The areas/districts are Deniliquin, Griffith, Wagga Wagga, Taree, Coffs Harbour, New England, Tweed/Byron, Bathurst, Queanbeyan, Bega, Shoalhaven, Muswellbrook, Maitland, Wollondilly, Penrith, Campbelltown, Sydney East, Burwood, Parramatta and Sydney City. Valuations for all the above areas are to be conducted in accordance with the Valuation of Land Act 1916 as amended.
- 2.1.2 The tender process aims to assist tenderers in preparing their Tender. The process will involve tenderers undertaking due diligence with the use of facilities of the appropriate local office of NSW Department of Lands. Access to the resources of NSW Department of Lands will cease at the Tender Closing Time.
- 2.1.3 As a pre-condition of access to Department of Lands records, tenderers must sign and deliver to Department of Lands a confidentiality undertaking.
- 2.1.4 Statistical information in relation to the total number of valuations per annum, supplementary valuations, active components, benchmark properties, residential and non-residential properties, etc are provided in Schedule 2 to Part B for information purposes. The statistics are provided as a guide only to assist tenderers to prepare their Tender and are not to be taken as a guarantee of work.

2.2 Tender Process

- 2.2.1 The Board is responsible for the conduct of the tender process, assisted by NSW Procurement, Contracting Services.

3. SUMMARY INFORMATION FOR TENDERERS

3.1 Structure of Request for Tender

- 3.1.1 This RFT is made up of Parts A to C. If submitting a Tender, retain Parts A and B. The completed Part C forms the Tender.
- 3.1.2 Part C must be submitted in accordance with the instructions in this Part A.

3.2 Contact Officer

- 3.2.1 Refer requests for information or advice regarding this RFT to:

For Contractual Enquiries

Name: Mark Van Epen
Phone: (02) 9372 7530
Fax: (02) 9372 7799
Email: mark.vanepen@commerce.nsw.gov.au

For Technical Enquiries

Name: Simon Gilkes, Department of Lands
Phone: (02) 8258 7457
Fax: (02) 8258 7435
Email: simon.gilkes@lands.nsw.gov.au

- 3.2.2 Any information given to a tenderer to clarify any aspect of this RFT will also be given to all other tenderers if in the Board's opinion the information would unfairly favour the inquiring tenderer.

3.3 Nature of Contract

- 3.3.1 The Requirement is to be met by a Contract between the Principal and the successful tenderer on the terms and conditions of Part B. In Part C tenderers are required to state whether their Tender complies with the conditions of the Contract. Tenderers should note that their statement of compliance will be final and any conditions of the Contract agreed to will not be further negotiated should they be successful.
- 3.3.2 The Contracts will be for a term of 3 years and may be extended by up to 2 years (two 1 year periods). Any such extensions shall be solely at the discretion of the Principal.

3.4 Eligibility to Tender

- 3.4.1 Tenders must be submitted by a legal entity or, if a joint Tender, by legal entities, with the capacity to contract. The Principal will only contract with the relevant legal entity or entities.
- 3.4.2 The Board may ask a tenderer to provide evidence of its legal status or capacity to contract. If Tenders from trustees are permitted this may include a copy of the relevant trust deed. Any evidence requested is to be provided within 3 working days of the request.
- 3.4.3 The Board may submit any financial information provided by the tenderer for independent financial assessment of the tenderer's business. The Board reserves the right to make acceptance of any Tender conditional upon the tenderer entering into a bank or parent company guarantee, or an unconditional performance bond in a form satisfactory to the Board.

- 3.4.4 The Board reserves the right to reject any tender if it judges the tenderer not to have appropriate financial assets.
- 3.4.5 Tenderers must read, understand and comply with the requirements of the Commerce Business Ethics Statement, which is available at the link below. Tenderers must disclose any potential conflict of interests (including any relevant relationships) in the Tender. The Board will consider any disclosure and will only award a contract to tenderers that do not have improper conflict of interests. If the Principal becomes aware of improper conflict of interests by a successful tenderer after a contract has been executed then the Principal reserves the right to terminate the contract.
- <http://www.commerce.nsw.gov.au/About+Commerce/Business+ethics+statement/Business+ethics+statement.htm#commerce>
- 3.4.6 The Board will not award a contract to an organisation that does not have an Australian Business Number and is not registered for GST. Normally, tenderers must be registered for GST and state their ABN in their Tender.
- 3.4.7 Tenders from tenderers that do not have an ABN and/or are not registered for GST, such as tenderers commencing business in Australia, may be considered at the Board's discretion if the tenderer demonstrates that it will obtain an ABN and GST registration before entering into a Contract with the Principal. Such tenderers must state how and when they intend to obtain an ABN and register for GST in their Tender.
- 3.4.8 Tenderers may submit offers for one or more valuation area(s) comprising all of the services specified in this RFT. Tenderers must submit offers that cover the entire valuation area. Tenders for a portion of the Services or for a part of the valuation area, will not be considered. Tenderers may choose to submit separate Tenders for each of the valuation areas for which they are tendering for, or a combined Tender for all valuation areas with sufficient details for the individual valuation areas, or both. In each case, separate Tender Prices will be required for each valuation area along with any other details (eg personnel) that may vary between valuation areas.

4. PREPARATION OF TENDER - GENERAL

4.1 Conformity of Tenders

- 4.1.1 The Board seeks Conforming Tenders.
- 4.1.2 Tenders that do not include a fully completed Part C, in particular those Tenders which do not contain sufficient information to permit a proper evaluation to be conducted, may be excluded from the tender process without further consideration at the Board's discretion.
- 4.1.3 The Board will consider Alternative Tenders, provided the Alternative Tender meets the scope and functional intent expressed in the RFT. Where such Alternative Tender is proposed, a detailed description of the alternative must be submitted, stating clearly the manner in which it does not conform to the requirements of the RFT.
- 4.1.4 The Board may assess an Alternative Tender against the selection criteria.
- 4.1.5 An Alternative Tender must be clearly marked "Alternative Tender".

4.1.6 The Board expressly reserves the right to accept, in its discretion, either or both of the following:

- (a) Any Alternative Tender or part of an Alternative Tender, which meets the scope and functional intent expressed in the RFT, and
- (b) Any other Non-Conforming Tender or part of a Non-Conforming Tender that, in the Board's opinion, is substantially a Conforming Tender.

4.2 General Instructions for Completion of Tenders

4.2.1 Prices, responses and other information provided in the Tender are to be in writing and in English.

4.2.2 Tenderers must initial and date any alterations to, and deletions from, a hard copy Tender.

4.2.3 Tenderers must complete ALL of Part C of this RFT, as directed.

4.2.4 Tenderers should notify the Contact Officer in writing on or before the Closing Date and Time if they find any discrepancy, error or omission in this RFT.

4.2.5 A Tenderer must satisfy itself that the Tender, including the Tender Price is correct and that it is financially and practically viable for it to enter into and perform the proposed Contract.

4.3 Addenda to this RFT Before Close of Tenders

4.3.1 A tenderer may ask the Contact Officer for clarification of anything in the RFT before the Closing Date and Time. The Board may issue any instruction resulting from such request in writing to all tenderers in the form of an Addendum.

4.3.2 If for any other reason the Board requires the RFT to be amended an Addendum will be issued.

4.3.3 In each case, an Addendum becomes part of the RFT.

4.3.4 It is the obligation of the tenderer to verify if any addenda were issued prior to closing date, even if a tender has already been submitted. They must obtain a copy of all addenda and confirm in Part C that all addenda have been obtained and taken into consideration.

4.4 Pre-Tender Briefings

4.4.1 Briefings will be held at venues to be advised, and at the times nominated, as follows:

Venue	Date and Time
Sydney	9.30 am Friday, 25 August 2006
Bathurst	11.00 am Monday, 28 August 2006
Wollongong	9.00 am Tuesday, 29 August 2006
Batemans Bay	3.30 pm Tuesday, 29 August 2006

Venue	Date and Time
Coffs Harbour	9.30 am Wednesday, 30 August 2006
Ballina	2.30 pm Wednesday, 30 August 2006
Wagga Wagga	11.00 am Thursday, 31 August 2006
Singleton	9.30 am Monday, 4 September 2006
Tamworth	3.30 pm Monday, 4 September 2006
Taree	11.00 am Tuesday, 5 September 2006

- 4.4.2 These briefings will discuss all aspects of this tender. It is highly desirable that all prospective tenderers attend a briefing in order that they fully acquaint themselves with the tender requirements. It is also expected that all tenderers will have thoroughly read this document prior to the briefing.
- 4.4.3 Tenderers should notify Peter Perkins on telephone (02) 8258 7583 or facsimile (02) 8258 7475 by no later than the working day prior to the briefing they intend to attend.

5. PREPARATION OF TENDER - PRICE SCHEDULE AND PROJECT PLAN

5.1 Price Schedule

- 5.1.1 Tenderers must complete the Price Schedule at Part C1.

5.2 Calculating the Tender Price

5.2.1 General

- 5.2.1.1 The Tender Price must:

- (a) be in Australian dollars;
- (b) cover all costs of performing the Contract;
- (c) include Goods and Services Tax if it is payable and all other applicable taxes, duties and charges at the rates applicable at the Closing Date and Time for Tenders; and
- (d) include all costs associated with the preparation and submission of the Tender.

5.3 Price Basis

5.3.1 Years 1, 2 and 3

- 5.3.1.1 Tendered Prices are to be firm for the duration of the Contract.

5.3.2 Optional Years 4 and 5

- 5.3.2.1 Tendered Prices shall be variable with the Sydney CPI in accordance with clause (c), Schedule 3, Part B.

5.4 GST Free or Input Taxed Supplies

- 5.4.1 Tenderers must identify and state the value of any GST Free or Input Taxed Supplies to be made under the Contract.

5.5 Minimum Tender Validity Period

- 5.5.1 Tenders must remain open for acceptance for a period of at least six (6) months from the Closing Date and Time for Tenders. Tenderers must state in Part C if their Tenders will remain open for any longer period.

6. PREPARATION OF TENDER – POLICY REQUIREMENTS

6.1 Procurement Policy – Introduction

- 6.1.1 Tenderers should read the main policy document listed below. Other relevant policies and particular policy objectives to be implemented through this procurement are drawn to tenderers' attention in this cl.6. Their requirements are reflected in the selection criteria listed in cl.8.2 and in the responses required from tenderers in Part C.

NSW Government Procurement: Policy

<http://www.treasury.nsw.gov.au/pubs/tpp2004/tpp04-1.pdf>

6.2 Code of Practice for Procurement

- 6.2.1 Tenderers must comply with the NSW Government Code of Practice for Procurement, which is available at:

http://www.treasury.nsw.gov.au/procurement/pdf/code_of_prac-curr.pdf

- 6.2.2 Lodgement of a tender will itself be an acknowledgement and representation by the tenderer that it is aware of the requirements of the Code, that the tenderer will comply with the Code and that the tenderer agrees to provide periodic evidence of compliance with the Code and access to all relevant information to demonstrate compliance for the duration of any agreement that may be awarded.
- 6.2.3 If a tenderer has failed to comply with the Code, this failure will be taken into account by the Board when considering its tender or any subsequent tender and may result in this or any subsequent tender being passed over without prejudice to any other rights or action or remedies available to the Board.

6.3 Occupational Health Safety & Rehabilitation

- 6.3.1 Tenderers must comply with the following OHS&R requirements in the performance of any contract awarded:
- (a) The *Occupational Health and Safety Act 2000* (NSW) and any regulation made under this Act, including the OHS Regulation 2001, and
 - (b) Codes of Practice, approved and issued pursuant to the above Act and or regulations made under the Act
- 6.3.2 Tenderers must ensure that the tenderer's Sub-Contractors will comply with the OHS&R requirements listed in clause 6.3.1 in the performance of any contract awarded.
- 6.3.3 Tenderers must indicate compliance with OHS&R requirements in Part C.

6.4 Competitive Neutrality

- 6.4.1 In this RFT, a reference to “**Government Businesses**” means in general, entities which: a) have some form of public sector ownership; b) are engaged in trading goods and/or services; c) have a large measure of self sufficiency; and d) are subject to Executive control. In this context, the term Government business includes Public Trading Enterprises, State Owned Corporations and General Government Businesses.
- 6.4.2 The objective of NSW Government Policy on the application of competitive neutrality is to ensure that Government Businesses, whether they are Commonwealth, State or Local, do not have any net advantage over their competitors as a result of their public sector ownership. It requires that comparisons between public and private sector bids be made on a similar basis. It means, amongst other things, that in-house bids should reflect adjustments that offset the effects of taxation exemptions, where it is feasible to do so, and be accurately costed.
- 6.4.3 A tenderer who is a Government Business is referred to the NSW Government Policy Statement on the Application of Competitive Neutrality, January 2002, available from the Cabinet Office at Level 37, Governor Macquarie Tower, 1 Farrer Place, Sydney 2000.
- 6.4.4 The principal or other appropriate senior officer of a tenderer who constitutes Government Business is required to affirm, in Part C, that the tenderer complies with this policy.

7. SUBMISSION OF TENDERS

7.1 General Instructions for Submission of Tenders

- 7.1.1 A Tender must be received by the Closing Date and Time.
- 7.1.2 A Tender may be submitted by any of the following methods:
- (a) by delivery into the Tender Box:
 - (1) It must be marked:

Tender Box
NSW Department of Commerce
Level 3, McKell Building (Ground Floor)
2-24 Rawson Place
Sydney, NSW 2000
 - (2) If delivery personnel require a signature as evidence of delivery the Tender must be delivered between 8:30 am and 4:30 pm, Mondays to Fridays (except public holidays);
 - (b) by post, addressed to

Tender Box
NSW Department of Commerce
Level 3, McKell Building (Ground Floor)
2-24 Rawson Place
Sydney, NSW 2000;
 - (c) by facsimile to (02) 9372 8974.
- 7.1.3 A tenderer must not change pre-existing text in the RFT other than to insert the required information.

7.1.4 If a tenderer intends to submit electronically by facsimile, the following must be considered:

- (a) The facsimile machine is at peak use on the morning when Tenders close.
 - 1) Due to the limitations of this means of communication it may take longer to lodge a Tender near Closing Date and Time than at other times.
 - 2) It is recommended that a Tender be lodged well in advance of the Closing Date and Time.
 - 3) A tenderer must determine whether lodgement of a Tender by facsimile is appropriate.
- (b) The facsimile machine may experience difficulties in accepting a large Tender.
- (c) A Tender lodged by facsimile must be confirmed by the tenderer by no later than close of business on the day following the closing date, by the submission of the original hard copy Tender (marked "Original") plus five hard copies marked "Copy 1", "Copy 2", "Copy 3", "Copy 4" and "Copy 5".

7.2 Late Tenders

7.2.1 Late Tenders will not be considered except when the Board is satisfied that the integrity and competitiveness of the tendering process will not be compromised.

7.3 Extension of the Closing Date and Time

7.3.1 The Board may, in its discretion, extend the Closing Date and Time.

8. EVALUATION OF TENDERS

8.1 General

- 8.1.1 Tenders will be assessed against the selection criteria listed below, which are not necessarily exhaustive, in order of significance or to be given equal weight.
- 8.1.2 The selection criteria for this Request for Tender that do not relate to price will account for 75% of the total evaluation score. The selection criteria for this Request for Tender that relate to price will account for 25% of the total evaluation score.
- 8.1.3 Information supplied by the tenderer in Part C will contribute to the assessment against each criterion. Tenderers are advised to respond clearly to all the selection criteria listed in this RFT.
- 8.1.4 As part of the evaluation process, tenderers may be interviewed and/or called upon to make a presentation of their proposal to the evaluation committee.
- 8.1.5 At the Board's discretion any omitted detail or variation and/or qualification of any requirement may be either evaluated and/or scored in accordance with the tenderers statement (or lack thereof) or clarified by the Board as to the intention of the tenderer.

8.2 Selection Criteria and Weightings

Non Price Criteria – 75 points

- (a) Suitability of employment management plan as well as quality and availability of staff (and/or sub-contractors) proposed to conduct the work. Note that preference will be given to tenderers offering current Department of Commerce, Property Valuation Services' staff. – weighting 22 points.

- (b) Valuation Methodology – weighting 13 points.
- (c) Contract management plan – weighting 17 points.
- (d) Experience and ability of the tenderer to complete the contract satisfactorily, including performance against existing or recent public or private sector contracts – weighting 15 points.
- (e) The tenderer's capacity, including application of information technology and ability to take on additional work – weighting 20 points.
- (f) Quality assurance, including any innovations that would improve the quality of the valuation service and outcomes – weighting 13 points.
- (g) Degree of compliance with the technical and contractual requirements of this tender – no weighting but overall compliance to be assessed.
- (h) Compliance with NSW Government procurement policy – no weighting but overall compliance to be assessed.

Price Criterion – 25 points

- (i) Cost effectiveness and value for money of the proposed service.

8.3 Variation of Tenders

8.3.1 At any time before the Board accepts any Tender received in response to this RFT, a tenderer may vary its Tender:

- (a) by providing the Board with further information by way of explanation or clarification ("provide an explanation");
- (b) by correcting a mistake or anomaly ("correct a mistake"), or
- (c) by documenting agreed changes to the Tender negotiated under this Part A.

8.3.2 Such a variation may be made either:

- (a) at the request of the Board, or
- (b) with the consent of the Board at the request of the tenderer

but only if,

- (c) in the case of variation requested by the tenderer to provide an explanation or correct a mistake, it appears to the Board reasonable in the circumstances to allow the tenderer to provide the explanation or correct the mistake or anomaly, or
- (d) in the case of variation to document agreed changes, the Board has confirmed that the draft documented changes reflect what has been agreed.

8.3.3 If a Tender is varied to provide an explanation or correct a mistake, the Board will provide all other tenderers whose Tenders have similar characteristics with the opportunity of varying their Tenders in a similar way.

8.3.4 A variation of a Tender will not be permitted if in the Board's view:

- (a) it would substantially alter the original Tender; or
- (b) in the case of variation to provide an explanation or correct a mistake, it would result in the revising or expanding of a Tender in a way which would give a tenderer an unfair advantage over other tenderers.

8.4 Exchange of Information Between Government Agencies

8.4.1. By tendering for this Contract, the tenderer authorises the Board to collect, or exchange with other public bodies, information and opinions about the tenderer's performance or financial position (that may identify the tenderer by name) for any purpose related to the performance by the tenderer of NSW public sector contracts. In particular, any such information and opinions about the tenderer may be used in considering whether to offer the tenderer opportunities for NSW public sector work.

8.4.2 The tenderer agrees that it will make no claim against the State, the Board, the Principal, or any other NSW public body in respect of information or opinions about the tenderer collected, exchanged and used for the above-stated purposes. The tenderer may have rights under the *Freedom of Information Act 1989* to access, and to require the correction of, information held by certain agencies.

8.4.3 The tenderer agrees that information which may be collected, exchanged and used in accordance with this provision includes "personal information" about the tenderer for the purposes of the Privacy and Personal Information Protection Act 1998. Lodgement of a Tender will be an authorisation by the tenderer to the Board to collect such information from third parties in accordance with this clause.

8.5 Corrupt or Unethical Conduct

8.5.1 If a tenderer, or any of its officers, employees, agents or sub-contractors is found to have:

- (a) offered any inducement or reward to any public servant or employee, agent or sub-contractor of the Board, the Client Agency, or the NSW Government in connection with this RFT or the submitted Tender;
- (b) engaged in corrupt conduct within the meaning of the *Independent Commission Against Corruption Act 1988*, or
- (c) a record (including through an agency report) of unethical behaviour,

this may result in the Tender not receiving further consideration.

8.5.2 The Board is under no obligation to do so, but may in its discretion invite a relevant tenderer to provide written comments within a specified time before the Board excludes the tenderer on this basis.

9. OUTCOMES

9.1 Negotiations Before Determination of Outcome

9.1.1 Before making any determination as to acceptance or rejection of Tenders the Board may, at its discretion, elect to conduct limited negotiation with preferred tenderers or a preferred tenderer, including those who have submitted Alternative Tenders or who have submitted substantially Conforming Tenders, to mutually improve outcomes.

9.1.2 The Board will generally not enter into negotiations on the standard conditions of contract contained in Part B.

9.2 Acceptance or Rejection of Tenders

- 9.2.1 The Board may accept all or any part or parts of any Tender or Tenders, including, in accordance with this Part A, any Alternative Tender or other Non-Conforming Tender.
- 9.2.2 The Board is not bound to accept the lowest or any Tender.
- 9.2.3 If the Board rejects all the Tenders received it may:
- (a) invite fresh Tenders based on the same or different criteria (specifications and details contained in Alternative Tenders will not be used as the basis for the calling of new Tenders), or
 - (b) conduct post tender negotiations in accordance with this Part A.
- 9.2.4 The Board will accept a Tender by letter of acceptance or by execution of a formal contract, at the Board's discretion. No Tender may be verbally accepted.

9.3 Discontinuance of the Tender Process

- 9.3.1 The Board reserves the right to discontinue the tender process at any point, without making a determination regarding acceptance or rejection of Tenders.
- 9.3.2 The Board will not be liable for any losses suffered by a tenderer as a result of discontinuance of the tender process, including costs of tendering.

9.4 Post Tender Negotiations in the Event all Tenders Are Rejected

- 9.4.1 If there are no acceptable Tenders the Board may negotiate with the tenderers which are closest to conforming with the tender requirements and provide best value for money.

9.5 Complaints

- 9.5.1 It is the NSW Government's objective to ensure that industry is given every opportunity to win Government contracts. Should any entity feel that it has been unfairly excluded from tendering or unfairly disadvantaged by the Conditions in Part B or the Requirement, it is invited to write to:

Chairman, State Contracts Control Board
 Level 22, McKell Building
 2-24 Rawson Place
 SYDNEY NSW 2000

9.6 Disclosure of Information Concerning Successful and Unsuccessful Tenders

- 9.6.1 In accordance with NSW Government Policy, the Board may publish information relating to the contract awarded under the RFT, including the identity of the successful tenderer, the price payable by the agency and the significant selection criteria used in Tender assessment plus their weightings.
- 9.6.2 Unless the successful tenderer agrees or release is legally required, the Board will not disclose the successful tenderer's financing arrangements, cost structure or profit margins, significant intellectual property or any other information that in the Board's view would put the successful tenderer at a substantial commercial disadvantage.
- 9.6.3 A tenderer may request that the Board not disclose particular information included in its Tender, giving reasons. The Board will consider any such request before disclosure of information under this clause, but the Board's decision is final and at its absolute discretion.

- 9.6.4 The Board may publish the identities of all tenderers, but will not disclose other information included in an unsuccessful Tender unless the tenderer agrees, or release is determined under the *Freedom of Information Act 1989* or is otherwise legally required.
- 9.6.5 For contracts valued over \$150,000, the Board will normally publish the names of tenderers when Tenders close, and the other public information about the contract on the internet, within 90 days after award of the contract. For other contracts the Board will disclose the public information on request.

9.7 Ownership of Tenders

- 9.7.1 All Tenders become the property of the Board on submission.
- 9.7.2 The Board may make copies of the Tenders for any purpose related to this RFT.



**NSW Procurement - Contracting Services is a Business Unit of the NSW
Department of Commerce**

**NSW Procurement - Contracting Services invites this tender for and on behalf of, the
NSW Government State Contracts Control Board**

PART B - CONDITIONS OF CONTRACT

**CONTRACT 0601231 – PROVISION OF LAND
VALUATION SERVICES FOR GOVERNMENT
TAXING AND RATING FOR THE VALUER-
GENERAL**

PERIOD: 3 Year Period Commencing 1 March 2007

Land Valuation Services for Government Taxing and Rating for the Valuer-General

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PART B CONDITIONS OF CONTRACT

1. DEFINITIONS AND INTERPRETATIONS

1.1 DEFINITIONS

1.1.1 In the Contract, unless the context otherwise requires:

“Act” means the Valuation of Land Act, 1916 (as amended).

“API” means Australian Property Institute.

“Appeals Services” means the services specified as such in Schedule 1.

“Appeals Service Fee” means the fee specified as such in part (b) of Schedule 3.

“Base Date” means a date specified as such in Schedule 1.

“Benchmarking Services” means the services specified in Schedule 1.

“Business Day” means a day on which trading banks are open for general banking business in Sydney.

“Coding Services” means the services specified in Schedule 1.

“Commencement Date” means 1 March 2007.

“Confidential Information” means information of every kind concerning or in any way relating to the business transactions, methods, records, forms, charges, financial affairs, employee data, financial and business data, technical data, intellectual property and trade secrets of the Valuer-General and specifically includes the Property Information, the Procedures Manual, the Methodology, the terms and conditions of this Contract and all methods and processes used by the Valuer-General in making a Valuation.

“Contract” means the agreement concluded between the General Manager, Land and Property Information and the Contractor, including all special conditions, specifications, annexures and appendices and other documents incorporated with and forming part of the Contract.

“Contract Manager” means the person appointed by the General Manager, Land and Property Information pursuant to clause 7.6.

“Contract Services Manager” means the person appointed as such by the Contractor pursuant to clause 6.10 of this Part.

“Contractor” means the organisation who by the Contract undertakes to supply valuation services in the valuation areas required by the Contract and, where the Contractor is an individual or a partnership, the expression shall include the personal representatives of that individual or of the partners as the case may be and the expression shall also include any person to whom the benefit of the Contract may be assigned by the Contractor with the consent of the General Manager, Land and Property Information.

“Country Areas” means the areas of Deniliquin, Griffith, Wagga Wagga, Taree, Coffs Harbour, New England, Tweed/Byron, Bathurst, Queanbeyan, Bega, Shoalhaven and Muswellbrook.

“Delegate” means the person for the time being holding or performing the duties of Valuer-General, and includes an officer of the Valuer-General who is authorised by the said person to perform the functions of the Delegate.

“Fee” or “Fees” means the Contract prices referred to in clause (a) and/or (b) of Schedule 3, as applicable.

“General Valuations” means valuations in all local government areas will be valued on an annual basis as at 1 July each year. All valuations prepared under the contract each year will be of an equivalent standard and accuracy that is able to be adequately defended on objection and appeal.

“GST” means any tax on goods and/or services, including any value added tax, broadbased consumption tax or other similar tax introduced in Australia. In respect only of GST the expressions “adjustment note”, “consideration”, “GST”, “input tax credit”, “recipient”, “supply”, and “tax invoice” have the meanings given to those expressions in the A New Tax System (Goods and Services Tax) Act 1999 and the expression “net dollar margin” has the meaning given to that expression in the guidelines in force under Section 75AV of the Trade Practices Act 1974 of the Commonwealth.

“Individually Verified Valuation” means a valuation made using the methodology which has been individually determined or verified without the benefit of an inspection.

“Insolvency Event” means:

- (a) in respect of a corporation:
 - (i) where a summons is presented, an order made or an effective resolution is passed (and such summons, order or resolution is not withdrawn, dismissed or rescinded within five (5) Business Days of its presentation or creation) for the winding up, insolvency, administration, reorganisation, reconstruction or dissolution of that corporation;
 - (ii) where a liquidator, provisional liquidator, controller or managing controller, trustee, agent for a mortgagee in possession or similar officer is appointed in respect of all or any part of the assets or undertaking of that corporation and such appointment is not rescinded or revoked within five (5) Business Days;
 - (iii) where pursuant to the provisions of the Corporations Law, that corporation enters or executes a deed of company arrangement or an inspector is appointed to investigate the affairs of that corporation; or
 - (iv) where that corporation stops or suspends payments to its creditors generally or is unable, or admits its inability to pay its debts as they fall due or enters into or seeks to enter into any composition or other arrangements with its creditors; and
- (b) in respect of a natural person:
 - (i) where that person is declared bankrupt; or
 - (ii) where that person enters a scheme of arrangement with its creditors; or
 - (iii) where that person makes any assignment for the benefit of its creditors.

“Inspection” means that the inspection was undertaken for the purpose of the valuation being made.

“Intellectual Property” means all copyright, patents, registered and unregistered trademarks, registered designs, trade secrets and know-how and all other intellectual property as defined in Article 2 of the Convention Establishing the World Intellectual Property Organisation of January 1996.

“Interest” means unit which captures any forms of equity, management and control of the Contractor.

“Key Personnel” means those persons specified in Schedule 6 and such other persons as the General Manager, Land and Property Information and the Contractor may agree in writing will be Key Personnel for the purposes of this Contract.

“Land and Property Information” means Land and Property Information, a business unit of Department of Lands.

“Licences” means every licence, permit, registration or other authority whatsoever necessary to properly and efficiently provide the Services.

“Local Government Area” means a part of the Valuation Area and is each local government area (whether or not constituted as a city) as constituted under Division 1 of Part 1 of Chapter 9 of the Local Government Act 1993 or as taken to be constituted under the Local Government Act pursuant to Schedule 6 (21) of the Local Government Act and having boundaries as at the date of this Contract as determined and altered under Division 1 of Part 1 of Chapter 9 of the Local Government Act and named as at the date of this Contract as specified in Schedule 2.

“Market Analysis Services” means the services specified in Schedule 1.

“Methodology” means the method of making a valuation or a Valuation Recommendation as set out in Schedule 4 and, if the component method is nominated, it means the method of valuing Property whereby Properties to be valued are attributed to components and the valuation of Properties with the same component are varied by the same proportion or amount (as the case may be) unless otherwise determined by the party performing the valuation or Valuation Recommendation and at all times such methods will be formulated and used in accordance with this Contract. The valuation methodology is established to value an estate or interest in land pursuant to the Valuation of Land Act 1916.

“Metropolitan Areas” means the areas of Maitland, Wollondilly, Penrith, Campbelltown, Sydney East, Burwood, Parramatta and Sydney City.

“Migration Plan” means the plan referred to in clause 14 of this part.

“OVG” means the Office of the Valuer-General.

“Personal Information” means any information about a person whose identity is apparent, or can be reasonably ascertained, from the information or opinion.

“Proceeding” includes any claim, suit or litigation whether:

- (a) criminal, administrative or by way of arbitration; or
- (b) before any court, tribunal, governmental board, commission, authority, agency, department or officer.

“Procedures Manual” means the draft manual appearing in Schedule 10 which will be implemented on 1 March 2007, and which has been devised by the General Manager, Land and Property Information containing specifications and procedures relating to the Services, as altered from time to time by the General Manager, Land and Property Information by notice to the Contractor.

“Property” means an estate or interest in land in New South Wales.

“Property Information” means the information maintained and supplied by the General Manager, Land and Property Information, whether stored on Valnet 2 or another medium concerning real property in New South Wales including, but not limited to:

- (a) property descriptions and addresses;
- (b) ownership of Property;
- (c) zoning of Property;
- (d) values of Property; and
- (e) sales records including prices of Property.

“Reascertainment” means a valuation made in accordance with Section 14A(6) of the Valuation of Land Act, 1916.

“Relevant Persons” means all Representatives of the Contractor and professional advisers of such persons including the legal personal representatives, successors and permitted assigns to whom the Contractor discloses or proposes to disclose the Confidential Information, each of whom shall have first executed an acknowledgment in the form set out in Schedule 8.

“Representative” means any officer, employee, agent, contractor or sub-contractor of a party but in the case of the Valuer-General and the General Manager, Land and Property Information, does not include the Contractor.

“Services” means, without limiting the generality of the expression, the provision of land valuation including the following:

- (a) Coding Services;
- (b) Market Analysis and Benchmarking Services;
- (c) Valuation Recommendation Services;
- (d) Provisional Component Update Factor Report;
- (e) Valuation Inquiry and Appeals Services;
- (f) Supplementary Valuation Services; and
- (g) All other services (if any) specified in the Contract;

as detailed in Schedule 1.

“Specifications” means the Services, and the performance levels and standards in respect of the Services, as specified in Schedules 1 and 10.

“State” means state of New South Wales.

“Sub-Contractor” means a person who furnishes equipment or Services to the Contractor either directly or through another Sub-Contractor for use under the Contract.

“Supplementary Valuation” means any valuation (other than a General Valuation) made or required to be made by the Valuer-General pursuant to the Act, the Tax Acts, the Local Government Act, the Heritage Act or any other statute.

“Supplementary Valuation Recommendation” means a Valuation Recommendation (other than a General Valuation Recommendation) provided by the Contractor to the General Manager, Land and Property Information for the purpose of the Valuer-General making a Supplementary Valuation.

“Supplementary Valuation Services” means the provision of Supplementary Valuation Recommendation by the Contractor as specified in Schedule 1.

“System Enhancements” means the system enhancements referred to in Schedule 5.

“Tax Acts” means the Land Tax Management Act, 1956 (as amended) and the Land Tax Act 1956 (as amended).

“Term” means the period of the Contract from 1 March 2007 to 28 February 2010 and includes any extension of this period in accordance with clause 4.2.2.

“Transition Plan” means the plan referred to in clause 3 complying with the requirements set out in Schedule 7.

“Valnet 2” means the computer application used by the General Manager, Land and Property Information and his Representatives to maintain property and valuation data including contractor recommendations, changes of address, ownerships and property descriptions.

“ValMap” means the computer application used by the General Manager, Land and Property Information and his Representatives to search and display linked valuation and spatial data.

“Valuation” means a valuation made by the Valuer-General for the purpose of the furnishing valuation list pursuant to Section 48 of the Act.

“Valuations” means Valuations and Supplementary Valuations made by the Valuer-General.

“Valuation Area” means an area for which the Contractor will provide valuation services to the General Manager, Land and Property Information.

“Valuation Inquiry Services” means the services specified as such in Schedule 1.

“Valuation Recommendation” means the provision of a Valuation Recommendation by the Contractor to the General Manager, Land and Property Information for the purpose of the Valuer-General making a Valuation.

“Valuation Recommendation Services” means the provision of Valuation Recommendations and Supplementary Valuation Recommendations by the Contractor to the General Manager, Land and Property Information.

“Valuer-General” means the person appointed as such pursuant to the Valuation of Land Act 1916.

“Warranties” means the representations on the part of the Contractor set out in this Contract.

“**Year**” means each calendar year during the Term commencing on 1 March and expiring on 28 February (or 29 February in a leap year).

1.2 INTERPRETATIONS

1.2.1 In the Contract, unless the context otherwise requires:

- monetary references shall be references to Australian currency;
- the clause headings or sub-headings and the index to this Contract are for convenience only and shall not be used in the interpretation or construction of the Contract;
- a cross-reference to a clause number shall be a reference to all of its sub-clauses;
- words importing the singular shall be deemed to include the plural and vice versa;
- words importing the masculine gender shall be deemed to include the feminine or neuter gender;
- a reference to a person shall include a body corporate or corporation as well as an individual;
- a person includes its legal personal representatives, successors and assigns;
- a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- a right includes a benefit, remedy, discretion, authority or power;
- an obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation;
- provision or terms of this contract or another document, contract, understanding or arrangement include a reference to both express and implied provision and terms;
- time is local time in Sydney;
- writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes facsimile transmissions and e-mails; and
- any thing (including, with limitation, any amount) is a reference to the whole or any part of it and reference to a group of things or persons is a reference to any one or more of them.

2. OBJECTIVES

2.1 The Contractor agrees to cooperate with the General Manager, Land and Property Information to ensure that the Services are provided in accordance with the Contract in a manner which is designed to achieve the objectives of the Valuer-General, namely:

- (a) the competitive and commercial supply of valuations to public including lowering the cost of services to end users;
- (b) to make accurate and complete Valuations;
- (c) a high level of probity and quality control to support the continuing use of mass valuation as a tax base of the New South Wales Government;
- (d) the ongoing improvement in the quality of rating and taxing valuations and property data; and
- (e) to improve public confidence in the valuation system.

3. TRANSITION PLAN

- 3.1 The Contractor, in consultation with and subject to the approval of the General Manager, Land and Property Information, (which approval will not be unreasonably withheld) will develop and the parties will implement a Transition Plan in order to facilitate the orderly and efficient transition of the Services to the Contractor at the Commencement Date (refer Schedule 7).

4. COMMENCEMENT AND TERM

4.1 Commencement

- 4.1.1 Unless the parties otherwise agree, the Contractor shall commence provision of the Services on the Commencement Date.

4.2 Term

- 4.2.1 The duration of the Contract shall be three years unless terminated earlier or extended in accordance with the provisions of this Contract.
- 4.2.2 Upon satisfactory performance of the Services required in the Contract, and at the sole discretion of General Manager, Land and Property Information, the Contractor may be offered an option to extend the Contract by up to two one year periods.

5. SERVICES

5.1 Provision of Services

- 5.1.1 Except as provided for in clause 5.4.1, the Contractor agrees to provide the General Manager, Land and Property Information with all of the Services within the Valuation Area.
- 5.1.2 All valuations prepared under the Contract each year will be of an equivalent standard and accuracy that is able to be adequately defended on objection and appeal.

5.2 Specifications

- 5.2.1 The Contractor will provide the Services in accordance with the Specifications and otherwise in accordance with the provisions of the Contract. The Contractor acknowledges that the provision of the Services in accordance with the Specifications is an essential term of this Contract. Compliance by the Contractor with the Specifications shall not relieve the Contractor from any of its other obligations or liabilities pursuant to this Contract.

5.3 Rectification

- 5.3.1 The Contractor shall rectify without cost to the General Manager, Land and Property Information any failure by it to comply with its obligations to perform Services in accordance with this Contract as soon as practicable after becoming aware of that failure and shall notify the General Manager, Land and Property Information of any such failure at the time it becomes aware of it (unless the General Manager, Land and Property Information made the Contractor aware of its failure). The correction of any failure by the Contractor shall not limit other obligations or liabilities pursuant to this Contract.

5.4 Non-exclusivity

- 5.4.1 The Contractor is not appointed the exclusive provider of the Services in the Valuation Area or elsewhere nor is it the exclusive provider of any other services to the General Manager, Land and Property Information. The General Manager, Land and Property Information may acquire the Services or any other services from any other source or perform such services (including the Services) himself, as the General Manager, Land and Property Information sees fit.

5.5 Co-operation

- 5.5.1 The Contractor will co-operate with any other person appointed by the General Manager, Land and Property Information to perform any Services to ensure the efficient performance by the Valuer-General of his functions. The Contractor shall co-operate with the General Manager, Land and Property Information or other service providers in such manner as may be required by the General Manager, Land and Property Information from time to time to ensure that Valuation Recommendations in relation to parts of the Valuation Area proximate to any other land in New South Wales are consistent with the Valuation Recommendations or the valuations made for such proximate land.

5.6 Variation of Scope

- 5.6.1 The General Manager, Land and Property Information may on the recommendation of the Contractor or otherwise by notice in writing to the Contractor vary the Services provided pursuant to this Contract provided that any such variation is limited to alteration of the scope, timing or nature of the Services to be provided and does not require the provision of any additional services.
- 5.6.2 Where the General Manager, Land and Property Information varies the Services then the Contractor may propose to the General Manager, Land and Property Information in writing an alteration to the Fees payable. If the parties have not resolved the Contractor's proposal within twenty one days of the date of its notice to the General Manager, Land and Property Information, then either party may seek to have the Contractor's proposal mediated by following the procedures set out in clause 17.3 of this section.
- 5.6.3 A change to the boundaries of the Local Government Areas in the Valuation Area shall not constitute a variation to the scope of Services unless the number of properties in the Valuation Area changes by more than $\pm 5\%$ from the number of properties specified in Schedule 2.

5.7 Complying Valuations

- 5.7.1 The Contractor shall:
- (a) provide Valuation Recommendations which comply with the requirements of the Act and any other applicable law when General Valuations are made pursuant to the Act; and

- (b) provide Supplementary Valuation Recommendations which comply with the requirements of the Act or of the legislation pursuant to which a Supplementary Valuation is required to be made and any other applicable law when Supplementary Valuations are made.

5.8 Service Obligations

5.8.1 The Contractor must, during the Term:

- (a) maintain appropriate facilities, staff and other resources necessary to perform its obligations pursuant to this Contract;
- (b) provide the Services diligently, efficiently and professionally and to the standard of care and skill of a person experienced in the provision of valuation services;
- (c) ensure that all of its Representatives engaged in the provision of the Services are suitably qualified and experienced and act with appropriate skills and ability in accordance with accepted professional standards for persons acting in that capacity and at least one of its Representatives at all times during the Term shall be a practising real estate valuer within the meaning of the Valuer Registration Act 1975;
- (d) comply with the provisions of the Procedures Manual and otherwise follow all orders and instructions of the General Manager, Land and Property Information in respect of the performance by the Contractor of its obligations pursuant to this Contract;
- (e) act lawfully and in good faith to the General Manager, Land and Property Information, at all times upholding and enhancing the reputation of the Valuer-General and the Government of New South Wales;
- (f) furnish to the General Manager, Land and Property Information, upon request, such reports as the General Manager, Land and Property Information reasonably requires in connection to this Contract;
- (g) immediately notify the General Manager, Land and Property Information of any circumstance of which the Contractor becomes aware which has or is likely to affect the Contractor's ability to perform its obligations pursuant to this Contract and the proposed steps to be taken by the Contractor to remedy this circumstance;
- (h) use any facilities or equipment provided by the General Manager, Land and Property Information only for the purpose of providing the Services and as efficiently as possible so as to minimise the cost of such use; and
- (i) keep complete, true and accurate records in such detail and format as the General Manager, Land and Property Information may reasonably require from time to time relating to the provision of the Services and retain such records for a period of seven (7) years and allow the General Manager, Land and Property Information on reasonable notice to the Contractor to examine and make copies of any and all such records.

5.9 Methodology

5.9.1 The Contractor shall provide the Coding Services, Market Analysis Services, Benchmarking Services, Provisional Valuation Recommendation Services, Valuation Inquiry and Appeals Services and the Valuation Recommendation Services using the Methodology to provide accurate and complete Valuation Recommendations to enable the Valuer-General to make accurate Valuations.

5.10 Alterations to Methodology

- 5.10.1 The Contractor shall, if it considers it will enhance the provision of the Services to the General Manager, Land and Property Information, propose any alterations or additions to the Methodology for consideration by the General Manager, Land and Property Information.

6. CONTRACTOR'S OBLIGATIONS**6.1 To be Informed**

- 6.1.1 The Contractor must use all reasonable endeavours to inform itself and keep informed of all factors affecting the value of land within its Valuation Area, including, but not limited to, sales of land and property, changes to land uses and land use controls and demonstrated changes in market preferences. In addition, the Contractor must use all reasonable endeavours to inform itself and keep informed of the requirements of the General Manager, Land and Property Information and must regularly consult with the General Manager, Land and Property Information in accordance with the Procedures Manual. The General Manager, Land and Property Information will consult with the Contractor and notify the Contractor of any changes made to the Procedures Manual.

6.2 Representative

- 6.2.1 If the General Manager, Land and Property Information is of the reasonable opinion that any Representative of the Contractor is not providing the Services in a satisfactory manner the General Manager, Land and Property Information may require the Contractor to do anything required to rectify that situation including replacing any Representative with a person approved by the General Manager, Land and Property Information (such approval will not be unreasonably withheld).

6.3 Data Discrepancies

- 6.3.1 Where the Contractor believes there are any errors or omission in the Property Information it shall as soon as reasonably practical notify the General Manager, Land and Property Information of those errors and omission providing where possible the information it believes to be correct.

6.4 Conflict of Interest

- 6.4.1 The Contractor shall not have any actual or potential conflict of interest which will arise in relation to its provision of the Services. Where the Contractor believes any potential or actual conflict of interest has arisen or is likely to arise then, without limiting its obligations or liabilities pursuant to this Contract, it shall promptly notify the General Manager, Land and Property Information accordingly and shall comply with any directions of the General Manager, Land and Property Information.

6.5 Access to Premises

- 6.5.1 The Contractor must at all times allow the General Manager, Land and Property Information or his Representatives access to the Contractor's premises upon reasonable notice to the Contractor and permit the General Manager, Land and Property Information or his Representatives to inspect such premises and interview Representatives of the Contractor in relation to the provision of the Services.

6.6 Entry to Official Establishments

- 6.6.1 All persons entering official establishments are required to be approved and conform with the regulations regarding security and discipline within the area as may be laid down by the Government.

6.7 Damage to Property

- 6.7.1 If, in the performance of the Contractor's obligations herein, the Contractor or any servant or agent of the Contractor by any act or omission damages or causes to be damaged any property of the Office of the General Manager, Land and Property Information, then the Contractor shall pay the costs of repairing and making good such damage which may be suffered or incurred by reason of such property having been so damaged.

6.8 Workers' Compensation, Public Liability and Indemnity Insurances

- 6.8.1 The Contractor shall insure itself and keep itself insured during the period of the Contract with an approved insurance office to the full extent against its liability to its employees employed in the performance of the Contract under the laws in force in the State or Valuation Area in which the Contract is being performed relating to Workers' Compensation.
- 6.8.2 The Contractor shall effect and maintain at its own expense for the Term, public liability insurance for an amount not less than \$5,000,000 and professional indemnity insurance for an amount not less than \$1,000,000, with an insurer approved by the General Manager, Land and Property Information in writing and otherwise on such terms and conditions required by the General Manager, Land and Property Information.
- 6.8.3 The Contractor shall release and indemnify the Valuer-General and the General Manager, Land and Property Information and all officers, servants, agents and employees of the Valuer-General and the General Manager, Land and Property Information against all payments which may be made jointly or severally for any loss, injury or damage which may in any way be sustained by the Contractor or the Contractor's servants, employees, or agents.

6.9 Evidence of Insurance

- 6.9.1 The Contractor will provide to the General Manager, Land and Property Information, when requested, evidence that all insurances to be effected by the Contractor pursuant to this Contract are current and comply with the provisions of this Contract and will provide the General Manager, Land and Property Information with at least 30 days notice in writing prior to any cancellation or lapsing of such insurances.

6.10 Contract Services Manager

- 6.10.1 Before the Commencement Date the Contractor shall designate a person to be the Contract Services Manager and may replace the person so designated by notice in writing to the General Manager, Land and Property Information at any time (except with a person already removed as Contract Services Manager at the request of the Valuer-General or the General Manager, Land and Property Information).
- 6.10.2 Any information, instruction or other communication given or made to the Contract Services Manager by the General Manager, Land and Property Information will be deemed to have been given to the Contractor.
- 6.10.3 The Contract Services Manager shall be the representative of the Contractor responsible to ensure that the Contractor provides the Services in accordance with the provisions of this Contract and the Contractor warrants that the Contract Services Manager has the appropriate competence and ability to do so. The General Manager, Land and Property Information shall have the right to demand the replacement of the Contract Services Manager if he considers the Contract Services Manager is not capable of undertaking the tasks required of him and, if such demand is made, the Contractor will as soon as practicable replace the Contract Services Manager with another person approved by the General Manager, Land and Property Information; such approval will not be unreasonably withheld.

- 6.10.4 The Contractor shall ensure that the Contract Services Manager is available for consultation with the General Manager, Land and Property Information at all reasonable times.
- 6.10.5 The Contract Services Manager shall consult with the Contract Manager and with Representatives of the General Manager, Land and Property Information as often as may be reasonably necessary to ensure the efficient provision of the Services in accordance with this Contract.
- 6.10.6 If the Contractor at any time becomes aware of any act or omission or any proposed act or omission by the General Manager, Land and Property Information or his Representatives which hinders or prevents, or may hinder or prevent, the Contractor from providing the Services in accordance with the terms of this Contract, the Contract Services Manager shall immediately so inform the Contract Manager. The provision of information under this clause shall not in any way release the Contractor from any of the Contractor's obligations or liabilities pursuant to this Contract.

6.11 Intellectual Property Rights To Be Obtained

- 6.11.1 The Contractor shall:
- (a) at its own cost, ensure that it has all necessary rights and Licences to intellectual property subsisting in any matter, thing or process (including but not limited to, hardware and software) used or to be used by it in providing Services to the General Manager, Land and Property Information and Valuer-General under this Contract; and
 - (b) indemnify the Valuer-General and the General Manager, Land and Property Information and their Representatives against all losses, damages, liabilities, claims and expenses reasonably incurred by any of them arising out of any breach by the Contractor of sub-clause 6.11.1 (a) or any claim, action or proceedings by a person ("third party claim") alleging that any matter, thing or process (including, but not limited to, hardware and software) used or to be used by it in providing Services to the General Manager, Land and Property Information under this Contract infringes the intellectual property of that third party.

6.12 Key Personnel

- 6.12.1 The Contractor will ensure that only Key Personnel formulate Valuation Recommendations to be provided by it to the General Manager, Land and Property Information. The Contractor shall also ensure that all Key Personnel perform their duties in accordance with the terms and conditions of this Contract, which includes provision of their services in line with the times allocated in Schedule 6.
- 6.12.2 Any new valuation staff proposed by the Contractor to deliver the Services from the Commencement Date are to be appointed by the Contractor within 4 weeks of formal notification of award of a Contract, unless otherwise agreed with the General Manager, Land and Property Information.
- 6.12.3 Any proposed changes to Key Personnel, including any changes required under Clause 6.2.1, require the agreement of the General Manager, Land and Property Information.

6.13 Government Taxes, Duties and Charges

- 6.13.1 Subject to the provisions of this clause, all taxes, duties and charges imposed or levied in Australia or overseas in connection with the performance of this Contract shall be borne by the Contractor or its Sub-Contractor, as the case requires.

6.14 Compliance With Statutory Obligations

- 6.14.1 The Contractor warrants, in relation to any services that may be provided in pursuance of the Contract, that the Contractor, and any person associated with the Contractor and involved in the provision of those services, shall have complied with any requirement imposed upon the Contractor or that person or both, as the case may be, by or under any Act of New South Wales or of any other part of the Commonwealth in relation to the provision of services of that kind.
- 6.14.2 Without limiting the generality of Clause 6.14.1, the warranty described in that paragraph shall extend to compliance with the provisions of the Occupational Health and Safety Act, 2000 (NSW), as amended, and any regulation made under this Act including the OHS Regulation 2001.
- 6.14.3 In Clause 6.14.1, reference to a person associated with the Contractor is a reference to -
- (i) any person who was, at the time of involvement in the provision of the services, a partner of the Contractor;
 - (ii) a company that was, at that time, one in respect of which the Contractor controlled the composition of the Board of directors, or was in a position to cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the company, or held more than one-half of the issued share capital of the company (excluding any part of that issued share capital that carried no right to participate beyond a specified amount in a distribution of either profits or capital);
 - (iii) a company that, at that time, was (where the Contractor is a corporation) a subsidiary or the holding company of the Contractor within the meaning of the Corporations Law 1989; or
 - (iv) an agent of, or Sub-Contractor to, the Contractor.
- 6.14.4 In Clause 6.14.2 expressions that are defined in the Occupational Health and Safety Act for the purposes of the provisions referred to in that paragraph shall have that defined meaning.

6.15 Mistakes In Information

- 6.15.1 The Contractor will remain responsible and will reimburse the General Manager, Land and Property Information for all costs, expenses, losses or damage incurred by the General Manager, Land and Property Information (including, without limitation, staff time, travel expenses, printing costs, contractor and third party valuation costs) arising in connection with any discrepancies, errors or omissions in data, documentation or other information supplied in writing by the Contractor, whether they have been approved by the General Manager, Land and Property Information or not, provided that such discrepancies, errors or omissions are not due to inaccurate data or information supplied in writing to the Contractor by the General Manager, Land and Property Information. The Contractor will reimburse the General Manager, Land and Property Information within 14 days of the General Manager, Land and Property Information providing notice of the amount to be reimbursed.
- 6.15.2 The General Manager, Land and Property Information shall be responsible for and shall pay any extra cost directly occasioned by any inaccurate data or information supplied in writing to the Contractor by the General Manager, Land and Property Information.

6.16 Negation of Employment

- 6.16.1 The Contractor shall not represent itself, and ensure that its employees do not represent themselves, as being employees or agents of the Office of the Valuer-General or the General Manager, Land and Property Information.

6.17 Payment of Wages and Allowances

- 6.17.1 The Contractor shall ensure that all persons employed by it in or in connection with the services are paid wages and allowances of every kind required to be paid by or under any relevant award, determination or order of the State or Valuation Area in which the Services are being provided or by or under any industrial agreement that is in force in the State or Valuation Area of the Commonwealth in which the Services are being provided and that all such persons are employed under the conditions contained in any such award, judgement, order or industrial agreement.

- 6.17.2 It shall be a precondition, notwithstanding any other provision of this Contract, that wherever requested by the Valuer-General, the General Manager, Land and Property Information or the Government, that the Contractor shall give the Valuer-General, the General Manager, Land and Property Information or their nominated representative, as appropriate, a statutory declaration to the effect that no wages are due and owing by the Contractor in respect of work undertaken pursuant to this Contract.

6.18 Performance Monitoring

- 6.18.1 The General Manager, Land and Property Information requires the Contractor to undertake appropriate quality control processes, including statistical tests and analyses designed to measure the accuracy and quality of recommended valuations, in accordance with the Procedures Manual.

7. GENERAL MANAGER, LAND AND PROPERTY INFORMATION'S OBLIGATIONS

7.1 Payment

- 7.1.1 Provided that at all times the Contractor complies with its obligations pursuant to this Contract, the General Manager, Land and Property Information must pay the Contractor the Fees specified in Schedule 3 on a monthly basis in equal instalments i.e. annual price divided by 12.

7.2 Property Information

- 7.2.1 The General Manager, Land and Property Information shall within four (4) weeks of the Commencement Date and also within two (2) weeks after each anniversary of the Contract during the Term, provide the Contractor with the Property Information for the Valuation Area in the extract file format specified in Schedule 5.

7.3 Regular Provision of Property Information

- 7.3.1 The General Manager, Land and Property Information shall provide on a monthly basis during the Term all alterations to the Property Information in the Valuation Area recorded on Valnet 2 in the preceding month.

7.4 Sales Code Information

- 7.4.1 For the purpose of the Contractor providing the Coding Services, the General Manager, Land and Property Information shall provide relevant details of all changes to Property Information in the Valuation Area, including purchaser, sale price, Contract date, and transfer date, within fourteen (14) days of the end of the calendar month in which such information was received in the extract file format specified in Schedule 5.

7.5 Provision of Other Information

- 7.5.1 In addition, the General Manager, Land and Property Information may provide the Contractor access to systems to enable searches of land titles, sales, spatial data and images. The General Manager, Land and Property Information may also provide spatial data in a form determined by the General Manager, Land and Property Information to enable the Contractor to establish and maintain spatial systems for the purpose of this Contract. This additional data forms part of the Confidential Information. Provision of this access and data is at the discretion of the General Manager, Land and Property Information and is subject to system availability.
- 7.5.2 The General Manager, Land and Property Information will provide to the Contractor copies of relevant planning instruments for the purposes of this Contract. Where the Contractor identifies the need for additional or updated planning information, the Contractor may request the General Manager, Land and Property Information to obtain that information. Planning information provided pursuant to this clause will remain the property of the Valuer-General.
- 7.5.3 The provisions of Clauses 7.5.1 and 7.5.2 in no way limits the requirement for the Contractor to keep itself informed as required by Clause 6.1.1 of this Contract.

7.6 Contract Manager

- 7.6.1 The General Manager, Land and Property Information will provide a Contract Manager. The Contract Manager will liaise between the General Manager, Land and Property Information and the Contractor. The General Manager, Land and Property Information may remove and appoint a replacement person to be Contract Manager from time to time at their discretion.

7.7 Property Access

- 7.7.1 The Valuer-General may, at his discretion, authorise the Contractor or a director, employee or agent of the Contractor to exercise the powers set out in Section 74 of the Act. Any authorisation so given by the Valuer-General shall be in writing and may be revoked by the Valuer-General at any time by giving notice to the Contractor and, in any event, all authorisations pursuant to this clause are deemed revoked upon the termination of this Contract or at the end of the Term (whichever first occurs) without the Valuer-General being required to give notice.

7.8 Protection from Liability

- 7.8.1 The Valuer-General may, at his discretion, by notice to the Contractor provide that the Contractor or any representative of the Contractor is performing a function pursuant to the Act as a delegate of, or under the direction of the Valuer-General for the purpose of clause 9 of Schedule 1 of the Act. Except in relation to any notice so given, the Contractor and any Representative of the Contractor is taken not to be exercising functions under the Act as a delegate of, or under the direction of, the Valuer-General. The Valuer-General may at any time revoke any notice so given and any notice given shall automatically terminate without the Valuer-General being required to give notice upon the termination of this Contract or at the end of the Term (whichever first occurs).

7.9 Step-In Rights

- 7.9.1 If the Contractor fails to provide any Services in accordance with this Contract the General Manager, Land and Property Information may by notice to the Contractor elect to perform or have performed such Services and should the service be of a higher cost than that stipulated in the Contract, the Contractor will pay the General Manager, Land and Property Information all the General Manager, Land and Property Information's additional costs incurred in providing the Services or in having them provided.

- 7.9.2 The Contractor agrees that where the General Manager, Land and Property Information elects to perform or have performed such services pursuant to this clause, the Contractor shall provide all necessary support to allow the Services to be efficiently performed.

7.10 Contractor's System

- 7.10.1 If, in the opinion of the General Manager, Land and Property Information, the systems (computer or otherwise) that are used by the Contractor to perform the Services are not of such quality as to allow the Services to be properly performed, this shall be regarded as a material breach of the Contract and will be dealt with in accordance with Clause 13.
- 7.10.2 The General Manager, Land and Property Information may, upon reasonable notice to the Contractor, have access to the systems (computer or otherwise) that are used by the Contractor to perform the Services for the purposes of reviewing compliance by the Contractor with the terms of this Contract and to assess the quality of such systems.

7.11 Performance Monitoring

- 7.11.1 The General Manager, Land and Property Information will employ a performance scorecard during the term of this Contract. This is designed to objectively evaluate the Contractor's performance over the duration of the Contract.

8. INTELLECTUAL PROPERTY

- 8.1 Except as expressly provided for in this Contract, nothing in this Contract shall create or transfer any of the Valuer-General's intellectual property rights in:
- (a) the Confidential Information;
 - (b) Valnet 2, ValMap or any other Department of Lands system; and
 - (c) any modification, adaptation or development of any matter, thing, process (including hardware and software) undertaken by the Contractor at the request and cost of the General Manager, Land and Property Information or otherwise in connection with the provision of Services pursuant to this Contract.

9. CONFIDENTIALITY

9.1 Disclosure to Relevant Persons

- 9.1.1 The Contractor shall not disclose or provide, or allow to be disclosed or provided, the Confidential Information to any person at any time other than a Relevant Person, to the extent that the Relevant Person has a need to know such information and to whom such disclosure is strictly necessary to enable the Relevant Person to perform its duties for the purpose of providing the Services. In connection with this undertaking the Contractor shall:
- (a) not permit any Relevant Person to whom the Confidential Information is disclosed to disclose the Confidential Information to any person, firm or company other than in accordance with the terms on which such Confidential Information is disclosed by the General Manager, Land and Property Information.
 - (b) ensure that each Relevant Person to whom the Confidential Information is disclosed uses all reasonable endeavours to protect and preserve the confidential nature and secrecy of the Confidential Information; and

- (c) keep the General Manager, Land and Property Information informed of the names of the Relevant Persons who may have access to the Confidential Information and, upon request by the General Manager, Land and Property Information, provide the General Manager, Land and Property Information with a certified list of the name of the Relevant Persons who have or may have access to the Confidential Information.

9.2 Retrieval from Relevant Persons

9.2.1 The Contractor shall:

- (a) notify the General Manager, Land and Property Information immediately if any Relevant Person who has had access to any Confidential Information:
 - (i) leaves the employ or service of the Contractor, or
 - (ii) no longer has a need to know the Confidential Information to enable them to perform their duties; and
- (b) immediately retrieve from the Relevant Person mentioned in clause 9.2.1 (a) any Confidential Information received by that Relevant Person including any and all copies.

9.3 Return of Confidential Information

9.3.1 At any time at the request of the General Manager, Land and Property Information the Contractor shall at the cost of the Contractor deliver all Confidential Information and any and all derivatives of the Confidential Information to the General Manager, Land and Property Information.

9.3.2 If requested by the General Manager, Land and Property Information, the Contractor shall, instead of delivering the Confidential Information to the General Manager, Land and Property Information according to clause 9.3.1, immediately destroy the Confidential Information and erase all electronic databases and computer records comprising the Confidential Information and (in the case of destruction or erasure) certify to the General Manager, Land and Property Information that:

- (a) the Confidential Information has been destroyed or erased and the date of destruction or erasure; and
- (b) no written or other record of the Confidential information has been retained by the Contractor except for copies that are required by law to be retained by the Contractor.

9.4 Reservation of Rights by General Manager, Land and Property Information

9.4.1 The General Manager, Land and Property Information may:

- (a) require the Contractor to:
 - (i) deny access to or refuse to grant consent for the disclosure of Confidential Information to any Relevant Person; and
 - (ii) retrieve from such Relevant Person any Confidential Information received, provided written notification has been given by the General Manager, Land and Property Information to the Contractor that the Relevant Person is to be denied access to any Confidential Information; and
- (b) supply the Confidential Information to third parties.

9.5 Confidentiality

- 9.5.1 The Contractor shall keep the Confidential Information confidential at all times and except as provided in this Contract, shall not allow the Confidential Information to be used for any purpose other than the purpose of providing the Services.

9.6 Removal of the Confidential Information

- 9.6.1 The Contractor shall not at any time, without the General Manager, Land and Property Information's prior written consent, copy or take extracts from the Confidential Information except for the purpose of providing the Services.

9.7 Storage of the Confidential Information.

- 9.7.1 The Contractor shall
- (a) adopt and maintain all precautions that are specified in writing by the General Manager, Land and Property Information from time to time in the Procedures Manual and as are prudent or in order to safeguard the confidentiality of the Confidential Information and to prevent the disclosure of Confidential Information to persons other than those to whom such disclosure is permitted by this Contract and, where no such precautions are specified by the General Manager, Land and Property Information, clearly mark all Confidential Information as "confidential" and that it is contrary to this Contract to disclose or use the Confidential Information without the prior written consent of the General Manager, Land and Property Information unless such disclosure or use is in accordance with this Contract; and
 - (b) ensure that the Confidential Information is safely and securely stored having regard to its extraordinary sensitivity and actual or potential value.

9.8 Non-Conferral of Other Rights

- 9.8.1 The Contractor acknowledges that:
- (a) the Confidential Information remains at all times the exclusive property of the Valuer-General; and
 - (b) nothing in this Contract is to be construed as granting to the contractor any:
 - (i) rights to have Confidential Information (other than Property Information) disclosed or provided to it by the Valuer-General; or
 - (ii) rights other than those expressly provided in this Contract including, without limitation, any proprietary interest in any property relating to the Confidential Information.

9.9 Breach and Mandatory Disclosure

- 9.9.1 The Contractor shall notify the General Manager, Land and Property Information immediately:
- (a) the Contractor becomes aware of a suspected or actual breach of this clause by any person and shall take all reasonable steps, at its own expense, required to prevent or stop the suspected or actual breach; or
 - (b) if the Contractor is compelled by law to disclose any of the Confidential Information, in which case the Contractor shall:

- (i) where reasonable, assist and permit the General Manager, Land and Property Information to oppose or restrict disclosure of the Confidential Information; and
- (ii) to the extent practicable, make disclosure on terms which preserve the strictest confidentiality of the Confidential Information.

9.10 Continuing Obligations of the Contractor

- 9.10.1 Each obligation of the Contractor contained in this clause is a continuing obligation, separate and independent from the other obligations of the Contractor and applies at all times and survives any termination or expiration of this Contract. All the rights for the benefit and in favour of the General Manager, Land and Property Information confirmed by this Contract apply at all times and survive any termination or expiration of this Contract. The return to the General Manager, Land and Property Information, destruction or erasure of the Confidential Information does not release the Contractor and the Relevant Persons from their obligations under this Contract and, in the case of Relevant Persons, their undertakings.

9.11 Damages Not Sufficient

- 9.11.1 The Contractor acknowledges that:
- (a) any breach of this Contract may result in the General Manager, Land and Property Information suffering substantial loss and that damages are not necessarily a sufficient remedy for the General Manager, Land and Property Information; and
 - (b) if a threatened or actual breach of this clause occurs by the Contractor, the General Manager, Land and Property Information is entitled, without prejudice, to seek an injunction restraining the Contractor from committing any breach or further breach of this clause, without showing or proving any actual loss sustained by the General Manager, Land and Property Information.

9.12 Appointment and Powers

- 9.12.1 The Contractor irrevocably appoints the General Manager, Land and Property Information its attorney with the right:
- (a) at any time to:
 - (i) perform and observe the obligations of the Contractor under this clause;
 - (ii) do everything which in the attorney's reasonable opinion is necessary or expedient to enable the exercise of any right of the General Manager, Land and Property Information in relation to this clause; and
 - (iii) appoint, substitute and otherwise delegate its powers (including this power of delegation).
 - (b) to do everything that the Contractor may lawfully authorise an agent to do in relation to this clause.
- 9.12.2 Any attorney may exercise its power notwithstanding that the exercise of the power constitutes a conflict of interest or duty. The Contractor ratifies any exercise of a power by an attorney. This power of attorney is granted to secure the performance of the obligations of the Contractor owed to the General Manager, Land and Property Information under this clause.

9.13 Publicity

9.13.1 The Contractor may not make any public statement in connection with any of the contents of this Contract or any other agreement collateral to this Contract, or any of the commercial bases thereof, or any information relating to the negotiations concerning this Contract, the execution of this Contract and the performance of this Contract or the internal affairs of the Valuer-General and the General Manager, Land and Property Information or any other information which may have come to the Contractor's knowledge in the course of such negotiations, or otherwise concerning the operations, dealings, transactions, contracts, commercial or financial arrangements or affairs of the Valuer-General and the General Manager, Land and Property Information.

9.13.2 The Valuer-General reserves the right to publish such information as he sees fit including but not limited to project plans, Contractor reports, Contractor performance scorecards and data analysis.

10. PRIVACY**10.1 Personal Information**

10.1.1 Without limiting the Contractor's obligations pursuant to clause 9 the Contractor:

- (a) acknowledges that Personal Information held or learnt by the Contractor or any of its Representatives or other persons under its control or direction in connection with this Contract is of particular sensitivity to the General Manager, Land and Property Information;
- (b) acknowledges that it has read and understood the Privacy and Personal Information Protection Act 1998;
- (c) must ensure that it and any of its Representatives or other persons under its control or direction comply with the Information Privacy Principles and Part IIIA of the Privacy Act 1988 (Cth);
- (d) acknowledges that the General Manager, Land and Property Information may, from time to time, direct the Contractor to implement security procedures regarding the acquisition, use and storage of Personal Information and inspect the security procedures implemented by the Contractor;
- (e) must ensure that it and any of its Representatives or other persons under its control or direction having access to or possession of Personal Information complies with the security procedures as determined by the General Manager, Land and Property Information from time to time or as set out in the Procedures Manual; and
- (f) must immediately notify the General Manager, Land and Property Information if the Contractor becomes aware of any breach of this clause by it or any of its Representatives and other persons under its control or direction.

10.2 Obligations Survive

10.2.1 The obligations under this clause 10 survive termination of this Contract.

11. ACKNOWLEDGMENT AND WARRANTIES**11.1 Acknowledgments**

11.1.1 The Contractor acknowledges that:

- (a) it has relied on its own independent review and appraisal of the subject matter of this Contract;
- (b) the General Manager, Land and Property Information makes no warranties or representations with respect to the subject matter of this Contract;
- (c) the Contractor is solely responsible for ensuring:
 - (i) that all staff, premises, equipment and software used by the Contractor are suitable and capable of delivering the Services; and
 - (ii) that all ancillary services and equipment necessary for the proper provision of Services are available and that the Contractor has legal and physical control over them in order to ensure that it can deliver the Services.
- (d) it shall be deemed to have satisfied itself and to have made its own independent enquiries and investigations as to all matters disclosed, referred to, or arising from any information received by it from the General Manager, Land and Property Information or his representatives and shall not make any claim or demand with respect to such matters;
- (e) it does not rely on any inference that may be drawn from any record or statement as to the affairs of the General Manager, Land and Property Information;
- (f) it does not rely on any account, letter, document, correspondence or arrangements whether oral or in writing as adding to or amending the terms and arrangements set out in this Contract and that the conditions and stipulations in this Contract constitute the only Contract between the parties;
- (g) it is fully aware of the contents of this Contract and the documents referred to in this Contract and has read and fully understood all such documents; and
- (h) to the fullest extent possible the Contractor waives any possible cause of action or rights it may have under or in respect of Part V of the Trade Practices Act 1974 or Part 5 of the Fair Trading Act 1987 or any other legislation which is to any extent similar to such Part V or Part 5 or any portion of such legislation touching or concerning anything subject or incidental to this Contract and releases and indemnifies to the fullest extent possible the General Manager, Land and Property Information and all persons or entities associated with the General Manager, Land and Property Information from and against any claim or liability arising out of or incidental to any such cause of action or right or any like cause of action or right of any other person or entity whatsoever.

11.2 Warranties by the Contractor

11.2.1 The Contractor warrants that:

- (a) it is legally established and validly existing under the laws of a jurisdiction within Australia and has corporate power to own property, enter into contracts and is duly qualified and authorised to carry on business in New South Wales, and in so far as is relevant in any other State or Valuation Area of the Commonwealth of Australia;
- (b) the Contractor is empowered by its memorandum and articles of association or by appropriate statutory authorisation to enter into a Contract and to do all things which it can reasonably contemplate will be required of it under the Contract;

- (c) all such things have been done or will be done as may be necessary to render the Contract legally enforceable in accordance with its terms and fully valid and binding on the Contractor;
- (d) all authorisations, registrations, consents, approvals, licences or permits required by any governmental body or under any government legislation or regulations which are or will be required in connection with the execution and delivery of, performance of obligations under or validity or enforceability of the Contract, have been or will be obtained or effected and are or will be in force and effect and true copies thereof (where applicable) have been delivered to the General Manager, Land and Property Information;
- (e) no proceeding is presently taking place, pending, or to the knowledge of the Contractor threatened against the Contractor which could have an adverse affect on the business, assets or financial condition of the Contractor;
- (f) the Contractor will immediately notify the General Manager, Land and Property Information of the occurrence of, or a pending or threatened occurrence of, any event which may cause or constitute a breach of any of the representations, warranties, or covenants contained or made in connection with this Contract, including, without limiting the generality thereof, any event which may result in material adverse change in the business of the Contractor;
- (g) all accounts, balance sheets and other accounting and financial information furnished or to be furnished to the General Manager, Land and Property Information are true and correct in every material particular as at the date to which they respectively relate and are not misleading or deceptive in any respect. Further, the Contractor has disclosed to the General Manager, Land and Property Information details of material, conditional or contingent liabilities of the Contractor existing or arising at the date of its Contract;
- (h) all financial projections and information insofar as such information may be expressed as a matter of opinion in relation to the financial position and prospects of the Contractor whether given before or subsequent to the date of this Contract will be given after diligent inquiry and investigation on the part of the Contractor and there will be no material adverse change in the financial position or prospects of the Contractor subsequent to the date to which the relevant financial projections and information relate;
- (i) the Contractor is not in default under any agreement, undertaking or instrument to which it is a party or by which it may be bound, such default being material in the context of this Contract, and no event has occurred which with the giving of notice or lapse of time would constitute such a material default under or in respect of any such agreement, undertaking or instrument and to the best of its knowledge and belief the Contractor is not in default in any material respect under any statute, regulation, decree, order, rule or legislation of any jurisdiction or any governmental body or authority or instrumentality having jurisdiction over the Contractor, the consequences of which in any such case could affect the ability of the Contractor to comply with or perform its obligations under this Contract;
- (j) the Contractor is not aware of any act, matter or thing or circumstance by reason of which the Contractor will not be able to perform any obligations arising out of this Contract;
- (k) the Services will be rendered with due care and skill, and in a proper and workmanlike manner, and any materials supplied in connection with the Services will be reasonably fit for the purpose for which they are supplied; and

- (l) it has the level of skill, knowledge, resources and ability which may be expected of a person experienced in the provision of services of the same complexity on the same scale as the Services.

12. INDEMNITY

12.1 Indemnity

12.1.1 The Contractor will indemnify the General Manager, Land and Property Information and its representatives against all losses, damages, liabilities, claims and expenses (including but not limited to legal costs) incurred by the General Manager, Land and Property Information arising out of or in connection with:

- (a) any breach by the Contractor or any of its Representatives of any of the Warranties;
- (b) any other breach of this Contract by the Contractor or any of its Representatives; and
- (c) any injury to persons and any loss or damage to the General Manager, Land and Property Information or a third party's property, real or personal, caused by any act or omission of the Contractor or its Representatives, except to the extent that the Contractor establishes that the loss, damage, liability, claim or expense is directly attributable to the negligent or wrongful act of the General Manager, Land and Property Information or his Representatives.

12.1.2 The Contractor's liability under this clause is limited to losses that are directly attributable to the Contractor's breach.

12.2 Survival of Indemnities

12.2.1 Each indemnity in this Contract is a continuing obligation, separate and independent from the other obligations of the parties and survives termination of this Contract.

13. DEFAULT AND TERMINATION

13.1 Right to Terminate

13.1.1 The General Manager, Land and Property Information may at any time terminate this Contract with immediate effect by giving notice in writing to the Contractor if:

- (a) unless otherwise agreed in writing, the Contractor fails to commence provision of services on the Commencement Date;
- (b) the Contractor breaches any of its material obligations under this Contract (which includes, but is not limited to, clauses 5.2, 5.3, 5.7, 5.8, 5.9, 6.4, 6.5, 6.9, 6.10, 7.8, 7.9, 7.10.1, 9, 10, 15 and 16) and fails to remedy such breach within five (5) Business Days of service of a notice from the General Manager, Land and Property Information specifying such breach;
- (c) an Insolvency Event occurs in relation to the Contractor;
- (d) the General Manager, Land and Property Information terminates any of the ancillary contracts (if any);
- (e) there is a material adverse change in the financial capability of the Contractor; or

- (f) there is a change in control of the Contractor without the prior written approval of the General Manager, Land and Property Information.

13.1.2 The Contractor may terminate this Contract with immediate effect by giving notice in writing to the General Manager, Land and Property Information if:

- (a) the General Manager, Land and Property Information fails to pay any part of the Fees within 21 days of the due date for payment; or
- (b) the General Manager, Land and Property Information commits any substantial breach of its obligations (other than non-payment of Fees) under this Contract.

13.2 Termination for Alteration to System

13.2.1 The General Manager, Land and Property Information may, after the first anniversary of the date of this Contract if he forms the opinion, acting reasonably, that the provision of valuations for the rating and taxing of land in New South Wales has materially altered, terminate this Contract by giving twelve months notice to the Contractor.

13.3 Preservation of Rights

13.3.1 Termination of this Contract for any reason shall not extinguish or otherwise affect:

- (a) any rights of either party against the other which:
 - (i) accrued prior to the time of the termination; or
 - (ii) otherwise relate to or may arise at any future time from any breach or non-observance of obligations under this Contract which arose prior to the time of the termination; or
- (b) the provision of this Contract which by their nature survive termination.

13.4 Obligations Upon Termination or Expiry

13.4.1 Upon termination (wholly or partly) of this Contract, whether arising from the exercise of rights pursuant to this clause or the expiration of the Term, the Contractor shall promptly:

- (a) do all things, execute all documents and provide the General Manager, Land and Property Information with all assistance, information, forms, templates and documents which the General Manager, Land and Property Information considers necessary or desirable to enable services similar to the Services to be performed in a manner which ensures orderly transition and continuity of service.
- (b) perform all obligations set out in the Migration Plan;
- (c) allow the General Manager, Land and Property Information to audit the Contractor's compliance with this clause and the Migration Plan;
- (d) take all steps necessary to transfer to the General Manager, Land and Property Information (or a nominee of the General Manager, Land and Property Information) any software licences required by the General Manager, Land and Property Information;
- (e) take all steps necessary to transfer to the Valuer-General and the General Manager, Land and Property Information (or a nominee of the General Manager, Land and Property Information) any software maintenance agreements required by the General Manager, Land and Property Information;

- (f) deliver (and not retain any copies) to the General Manager, Land and Property Information all material forms of:
 - (i) Confidential Information;
 - (ii) other property of the Valuer-General and the General Manager, Land and Property Information relating to the Services; and

in the possession, power or control of the Contractor or any of its Representatives including all backup copies thereof (whether or not those material forms were created by the Valuer-General and the General Manager, Land and Property Information or their Representatives); and
- (g) cease accessing any of the General Manager, Land and Property Information's systems, electronic or communication links.

- 13.4.2 Notwithstanding the provision of sub-clause 13.4.1 the Contractor shall if the General Manager, Land and Property Information requests, continue for a period not exceeding six (6) months to supply the Services to the General Manager, Land and Property Information after the termination or expiry of the Term on the terms and conditions of this Contract until such time as the General Manager, Land and Property Information advises the Contractor that it is no longer required to do so.
- 13.4.3 The Contractor shall bear the costs of the Contractor in connection with effecting the transition of the Services to the General Manager, Land and Property Information or its nominee pursuant to this provision.
- 13.4.4 If this Contract is terminated by the General Manager, Land and Property Information as a result of default by the Contractor, all costs, losses and expenses incurred by the General Manager, Land and Property Information as a result of the termination shall be borne by the Contractor. The General Manager, Land and Property Information shall take reasonable steps to mitigate such costs, losses and expenses.

14. MIGRATION PLAN

- 14.1 Not less than three (3) months before the expiration of the Term the parties shall develop and implement the Migration Plan to enable the orderly transfer of the Services at the end of the Term from the Contractor to the General Manager, Land and Property Information or another party designated by the General Manager, Land and Property Information. The Migration Plan shall comply with the requirements set out in Schedule 9.

15. PERFORMANCE AND FIDELITY BOND

- 15.1 The Contractor shall deliver to the General Manager, Land and Property Information within thirty (30) days of the date of this Contract either a first demand performance bond issued by a trading bank acceptable to the General Manager, Land and Property Information or a fidelity bond or both for an amount equal to 15% of the annual fee and otherwise on terms and conditions acceptable to the General Manager, Land and Property Information to secure the due and punctual performance by the Contractor of its obligations pursuant to this Contract. This bond is to remain in force for a period of six (6) months following the expiry or termination of this Contract.

16. ASSIGNMENT AND SUB-CONTRACT**16.1 Assignment**

- 16.1.1 The Contractor may not transfer, assign, charge, mortgage or encumber any of its rights pursuant to this Contract without the prior written consent of the General Manager, Land and Property Information, which may be granted or withheld at the General Manager, Land and Property Information's discretion.

16.2 Sub-Contracting

- 16.2.1 The Contractor may not sub-contract the provision of all or any part of the Services without the prior written approval of the General Manager, Land and Property Information, which may be granted or withheld at the General Manager, Land and Property Information's discretion.

- 16.2.2 If the Contractor proposes to enter into a sub-contract, it shall:

- (a) obtain from the Sub-Contractor, and provide to the General Manager, Land and Property Information an original signed confidentiality undertaking in a form required by the General Manager, Land and Property Information;
- (b) ensure that the sub-contract includes and is consistent with all relevant terms of this Contract including, but not limited to, those relating to sub-contracting and confidentiality; and
- (c) provide the General Manager, Land and Property Information with a copy of the proposed sub-contract.

- 16.2.3 Neither the approval by the General Manager, Land and Property Information of a sub-contract nor the entry by the Contractor into a sub-contract:

- (a) will create a contractual relationship between the General Manager, Land and Property Information and the Sub-Contractor; or
- (b) will relieve the Contractor from liability for the performance of any obligations under this Contract.

- 16.2.4 The Contractor will be responsible and liable for all acts and omission of the Sub-Contractor.

17. DISPUTES RESOLUTION**17.1 Efforts to Resolve Disputes**

- 17.1.1 The parties will use all reasonable efforts in good faith to resolve any dispute which arises between them in connection with this Contract.

17.2 Negotiation

- 17.2.1 In the event of a dispute arising either the Contract Services Manager or the Contract Manager may give to the other a notice providing details of the dispute. The Contract Services Manager and the Contract Manager will endeavour to resolve the dispute within five (5) Business Days of the notice being given.

- 17.2.2 If the Contract Services Manager or the Contract Manager do not resolve the dispute within that time, the dispute shall be referred to the General Manager, Land and Property Information and a senior representative of the Contractor, who will endeavour to resolve the dispute within five (5) Business Days or such other period as is agreed by the parties.
- 17.2.3 If after a period of five (5) Business Days or such longer period as the General Manager, Land and Property Information and the senior representative of the Contractor may have agreed, the parties have not been able to resolve the dispute, the dispute shall be referred to mediation in accordance with clause 17.3 of this section.

17.3 Mediation

- 17.3.1 Any dispute, difference or claim arising between the parties to this Contract as to the construction of this Contract or as to any matter or thing of whatsoever nature which has not been resolved pursuant to clause 17.2 of this section, shall be referred to mediation as follows:
- (a) either party shall give to the other notice in writing (“the Mediation Notice”) stating that the dispute will within ten (10) days from date of receipt of the Mediation Notice (unless the dispute is meanwhile resolved) be referred for mediation to the Australian Commercial Dispute Centre Limited (“ACDC”) at Sydney.
 - (b) if after the expiration of ten (10) days from the receipt of the Mediation Notice, the dispute has not been resolved, then the party giving the Mediation Notice shall:
 - (i) refer the dispute to ACDC requesting its assistance in the resolution of the dispute by:
 - (A) facilitating the appointment of a suitable Mediator who shall be agreed by the parties or, failing such agreement, the Mediator shall be appointed by the ACDC, and
 - (B) arranging a conference between the parties in the presence of that Mediator with a view to the resolution of the dispute;
 - (ii) notify the other party in writing that it has referred the dispute to ACDC, such notice requiring the party to nominate a representative who has the seniority and knowledge of the dispute which is necessary to reach a resolution; and
 - (iii) together with the notification referred to in clause 17.3.1(b)(ii) above, notify the other party of the representative which the party servicing the Mediation Notice has nominated and confirm that that representative has the seniority and knowledge of the dispute which is necessary to reach a resolution with the other party.
 - (c) The representatives nominated by the parties in accordance with clauses 17.3.1(b)(ii) and 17.3.1(b)(iii) shall attend at any conference arranged by ACDC for the purpose of the attempted resolution of the dispute.
 - (d) At any mediation conference arranged by ACDC in accordance with this clause:
 - (i) the mediation shall be conducted in accordance with such procedures and rules as may be agreed between the parties and,

failing agreement, in accordance with the Mediation Rules of the ACDC in force at the date of this Contract; and

- (ii) evidence of anything said, documents presented to, admissions made or matters raised in the course of any such conference shall be confidential to the parties and the Mediator and shall not, unless both parties consent, be admissible at any subsequent hearing, arbitration or litigation proceedings.
- (e) Failing any agreement to the contrary between the parties, the cost of the mediation, including any fees charged by ACDC, shall be shared equally between the parties.
- (f) In the event that the dispute has not been resolved within twenty eight (28) days (or such other period as is agreed in writing between the parties) after the appointment of the Mediator, either party may by written notice to the other party, terminate the mediation.

17.4 Proceeding with the Contract

- 17.4.1 Notwithstanding the reference of a dispute to mediation in accordance with clause 17.3, the parties shall continue to perform their obligations, and be entitled to exercise their rights, under this Contract. Such mediation shall not affect the availability to the General Manager, Land and Property Information of any security provided by the Contractor in terms of this Contract.

17.5 Legal Proceedings

- 17.5.1 A party may not commence legal proceedings (except proceedings seeking interlocutory relief) in respect of a dispute unless the dispute has first been referred to mediation in accordance with clause 17.3.

18. FORCE MAJEURE

18.1 Mitigation of Force Majeure

- 18.1.1 A party affected by an event of Force Majeure must give to the other party particulars of the event of Force Majeure within 24 hours of becoming aware of the occurrence of that event and take reasonable steps to remove or mitigate the effect of the relevant event of Force Majeure (including, in the case of the Contractor, allowing the General Manager, Land and Property Information to perform or arrange the performance of the affected Services at the cost of the Contractor).

18.2 Suspension of Obligations

- 18.2.1 An obligation of a party under this Contract shall be suspended during the time and to the extent that the party is prevented from or delayed in complying with that obligation by an event of Force Majeure.

18.3 Termination

- 18.3.1 If the Contractor's obligation to provide any Services to the General Manager, Land and Property Information is suspended for a period of more than fifteen (15) days, the General Manager, Land and Property Information may terminate this Contract by giving not less than fifteen (15) days notice to the Contractor.

19. MISCELLANEOUS

19.1 Contractor's On-Costs

- 19.1.1 The General Manager, Land and Property Information of NSW shall not be liable for any of the Contractor's employee "on-costs", such as, but not exclusively, wages, salaries, holiday pay or allowances, sick pay, Workers Compensation, PAYE tax, payroll tax, fringe benefits tax, training levy or any other tax or levy voluntarily undertaken by or imposed (either by statute or otherwise) on the Contractor.

19.2 Set Off

- 19.2.1 At the General Manager, Land and Property Information's discretion the General Manager, Land and Property Information may after giving notice to the Contractor set off or deduct from any amount payable by it to the Contractor or claim under any performance or fidelity bond provided by the Contractor, any amounts payable by the Contractor to the General Manager, Land and Property Information including any damages, costs and expenses recoverable by the General Manager, Land and Property Information from the Contractor in consequence of a breach by the Contractor including, without limitation, amounts payable by the Contractor pursuant to clause 6.15.1.
- 19.2.2 A certificate of the General Manager, Land and Property Information as to the amount for the time being due from the Contractor to the General Manager, Land and Property Information will be conclusive evidence for all purposes against the Contractor in the absence of the manifest error.

19.3 Stamp Duty

- 19.3.1 The Contractor shall, as between the parties, be liable for and duly pay all stamp duty (including any fine or penalty) on or relating to this Contract and any document executed under it.
- 19.3.2 If a party other than the Contractor pays any stamp duty (including any fine or penalty) on or relating to this Contract or any document executed under it, the Contractor shall pay that amount to that party upon demand.

19.4 Legal Costs

- 19.4.1 Subject to any express provision in this Contract to the contrary, each party shall bear its own legal and other costs and expenses relating directly or indirectly to the preparation of, and performance of its obligations under, this Contract.

19.5 Amendment

- 19.5.1 This Contract may only be varied or replaced by a document in writing duly executed by the parties.

19.6 Waiver and Exercise of Rights

- 19.6.1 A single or partial exercise or waiver of a right relating to this Contract does not prevent any other exercise of that right or the exercise of any other right.
- 19.6.2 A party is not liable for any loss, cost or expense of any other party caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.

19.7 Rights Cumulative

- 19.7.1 Subject to any express provision in this Contract to the Contrary, the rights of a party under this Contract are cumulative and are in addition to any other right of that party.

19.8 Approvals and Consent

- 19.8.1 Subject to any express provision in this Contract to the Contrary, a party may conditionally or unconditionally give or withhold any consent to be given under this Contract and is not obliged to give its reasons for doing so.

19.9 Further Assurance

- 19.9.1 Each party shall promptly execute all documents and do all things that any other party from time to time reasonably requires of it to effect, perfect or complete the provisions of the Contract and any transaction contemplated by it.

19.10 Governing Law

- 19.10.1 This Contract is governed by and is to be construed in accordance with the laws applicable in New South Wales.

19.11 Jurisdiction

- 19.11.1 Each party:
- (a) irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and any courts which have jurisdiction hear appeals from any of those courts; and
 - (b) waives any right to object to any proceedings being brought in those courts for any reason.

19.12 Assignment

- 19.12.1 No party may mortgage, charge or create any other security interest in relation to any right under this Contract without the prior written consent of the other parties.

19.13 Counterparts

- 19.13.1 This Contract may consist of a number of counterparts and if so the counterparts taken together constitute one and the same instrument.

19.14 Computation of Time

- 19.14.1 Except in relation to the provision of clause 20, where time is to be reckoned by reference to a day or event, that day or the day of that event is excluded.

19.15 Joint and Several Liability

- 19.15.1 An obligation of two or more persons binds them jointly and severally.

19.16 Effect of Execution

- 19.16.1 This Contract is not binding on any party unless it or a counterpart has been duly executed by, or on behalf of, each person named as a party to the Contract.

19.17 Time of the Essence

- 19.17.1 Time shall be of the essence in the performance by the Contractor of its obligations pursuant to this Contract.

19.18 Goods and Services Tax (GST)

- 19.18.1 In this clause the expression “adjustment note”, “consideration”, “GST”, “input tax credit”, “recipient”, “supply”, and “tax invoice” have the meanings given to those expressions in the A New Tax System (Goods and Services Tax) Act 1999 and the expression “net dollar margin” has the meaning given to that expression in the guidelines in force under Section 75AV of the Trade Practices Act 1974 of the Commonwealth.
- 19.18.2 Unless otherwise expressly stated, all prices or other sums payable or consideration to be provided in this Contract are inclusive of GST.
- 19.18.3 If there is any abolition or reduction of any tax or other statutory charge associated with the imposition of or any change in GST, or if there is a reduction in the rate of GST or the application of GST, which directly or indirectly affects the net dollar margin of the supplier or the amount payable by the recipient in respect of any supply made under this agreement, the consideration payable for the supply will be reduced so that the net dollar margin of the supplier in respect of the supply remains the same. If requested in writing, a supplier must provide reasonable evidence to demonstrate that it has complied with its obligations under this clause.
- 19.18.4 Where the recipient is required to pay for or reimburse an expense or outgoing of the supplier under this Contract, the amount to be paid by the recipient is the amount of the expense or outgoing less any input tax credit in respect of such expense or outgoing that the supplier is entitled to.
- 19.18.5 If a GST inclusive price is charged or varied, the supplier shall provide to the recipient a tax invoice or adjustment note as appropriate. The recipient is not required to make the relevant payment until this requirement has been met.

20. NOTICES

20.1 General

- 20.1.1 A notice, demand, certification or other communication under this Contract:

- (a) is to be given in writing and in the English language; and
- (b) may be given by an agent of the sender.

20.2 Method of Service

- 20.2.1 In addition to any means authorised by law a communication may be given by:

- (a) being delivered personally;
- (b) being left at the party's last known address for service;
- (c) being sent to the party's last known address for service by pre-paid ordinary mail or if the address is outside Australia, by pre-paid air mail;
- (d) facsimile to the party's last known facsimile number; or
- (e) an e-mail to the party's last known e-mail address.

20.3 Address for Service

- 20.3.1 The address, phone, facsimile numbers, and email address initially, in the case of the General Manager, Land and Property Information are:

Office of the General Manager, Land and Property Information
1 Prince Albert Road
Queens Square
SYDNEY NSW 2000

Tel: (02) 92367607
Fax: (02) 92367611

Attention: The General Manager, Land and Property Information

- 20.3.2 The address, phone, facsimile numbers, and email address initially, in the case of the Contractor are:

- 20.3.3 A party may from time to time change its address or numbers for service by notice to the other party.

20.4 Service by Post

- 20.4.1 A communication given by post is taken to be received:

- (a) if posted within Australia to an Australian address three Business Days after posting; and
- (b) in any other case, seven Business Days after posting.

20.5 Service by Facsimile or E-mail

- 20.5.1 A communication given by facsimile is taken to be received when the sender's facsimile machine produces a transmission report stating that the facsimile was successfully transmitted to the addressee's facsimile number. A communication given by e-mail is taken to be received at the time the e-mail message is first received by the other party in a complete, accessible and legible form.

20.6 Form Received

- 20.6.1 A communication given by facsimile is taken to be given in the form transmitted unless the message is not fully received in legible form and the addressee immediately notifies the sender of that fact.

20.7 Process Service

- 20.7.1 Any process or other document relating to litigation, administrative or arbitral proceedings in relation to this Contract may be served by any method contemplated by this clause in addition to any means authorised by law.

20.8 Service After Hours

- 20.8.1 If a communication to a party is received by it:

- (a) after 5.00pm in the place of receipt; or
- (b) on a day which is not a Business Day,

it is taken to have been received at the commencement of the next Business Day.

SCHEDULE 1 SERVICES AND SPECIFICATIONS

(Refer Clause 1.1.1 of Part B)

(a) CODING SERVICES

The Contractor shall within 15 days of receipt of Property Information from the General Manager, Land and Property Information pursuant to Clause 7.4 of Part B, provide the General Manager, Land and Property Information with an updated copy of the Property Information containing the code for all those Properties in the upload file format specified in Schedule 5.

Where the Contractor subsequently analyses a sale for which Coding Services have previously been provided the Contractor is to review, and if necessary correct, the code for the sale as part of the analysis process.

(b) MARKET ANALYSIS AND BENCHMARKING SERVICES

The Contractor shall provide to the General Manager, Land and Property Information for each Local Government Area by the dates specified in this Schedule:

- (i) Project Plan;
- (ii) Component Valuation Report;
- (iii) Detailed Sales Reports;
- (iv) Valuation Analysis Report; and
- (v) Final Report;

in the format and containing the information specified in the Procedures Manual. The General Manager, Land and Property Information may request the delivery of this information in either hard copy or electronic form.

(c) PROVISIONAL VALUATION RECOMMENDATION SERVICES

During the month of September but no later than the date specified in this Schedule the Contractor shall prepare and deliver to the General Manager, Land and Property Information Provisional Valuation Recommendations for each Local Government Area in the values upload file format detailed in Schedule 5. The file is to contain a land value for each property in the Local Government Area. The Contractor shall also provide at this time a Provisional Component Factor report in the Market Data upload file format specified in Schedule 5. This report is not required to be complete at this stage but should contain what details are available at the time of delivery.

The Contractor will not be required to provide Provisional Valuation Recommendation Services for any Local Government Areas where Valuation Recommendations have previously been provided for that valuing year.

(d) TIMING OF DELIVERY OF SERVICES

Following consultation and with the agreement of the Contract Manager the Contractor will provide a schedule for the delivery of the Services in each Local Government area as set out below. This schedule shall be substantially in accordance with the draft project plan submitted in the tender response.

Where a Contractor has multiple Local Government Areas the reports are to be delivered progressively in a balanced program as determined between the Contractor and the Contract Manager. It will not be acceptable for the Contractor to provide all reports for a Valuation Area in a single week; however, the Contractor shall provide the Services for all Local Government Areas by not later than the dates shown below.

Approved Project Plan Due Date	Provisional Valuation Recommendations and Provisional Component Valuation Report	Valuation Recommendation File, Component Valuation and Valuation Analysis Reports	Final Amendments to Valuation Recommendations Due Date	Final Reports Due Date
No later than 15 March	No later than 15 September	No later than 15 October	No later than last working day of October	No later than 14 days after the agreed date for Final Amendments to Valuation Recommendations

The Contractor will, in consultation with the Contract Manager, develop a detailed Project Plan for the provision of the Services for the individual Local Government Areas comprising the Contract. This Project Plan shall not include dates later than those indicated in the above table. The Project Plan will be completed and agreed no later than 15 March each year.

This Schedule of Agreed Dates will be updated monthly and progress will be recorded and compared with the baseline schedule as a basis of status reporting on the Contract to the Contract Manager. The Contractor will work with the Contract Manager to revise the schedule to cater for changing circumstances, identify slippages and develop strategies to ensure accurate and timely completion of the Contract requirements.

(e) VALUATION RECOMMENDATION SERVICES

The Contractor shall prepare and deliver to the General Manager, Land and Property Information in the upload file format specified in Schedule 5, the Valuation Recommendations for a Local Government area as at the applicable Base Date, on a progressive basis but not later than the date specified in this Schedule, based on the market analysis and applying the methodology as approved by the General Manager, Land and Property Information.

The General Manager, Land and Property Information may request partial downloads for each Local Government Area during the Valuation Recommendation process.

The Contractor is responsible for the coordination of values across component, local government and Contract area boundaries. To facilitate this process, the General Manager, Land and Property Information may require the Contractor to attend market conferences and meetings to review and coordinate value levels. The General Manager, Land and Property Information may also require the Contractor to make presentations or conduct physical inspections with the Contract Manager to confirm that the value recommendations are soundly based. These services shall be at the cost of the Contractor.

The Valuer General may require valuation recommendations to be reviewed or amended. Where reviews or amendments are requested as part of the general valuation process, any amended valuations must be returned by the date specified in this schedule. At other times reviews or amendments are to be completed and returned in compliance with the time frame for Valuation Inquiry Services, unless otherwise agreed.

(f) VALUATION INQUIRY SERVICES

The Contractor shall provide, within 5 working days of the request, or such other time as may be agreed with the Contract Manager, all records or information required by the General Manager, Land and Property Information for the purpose of determining any objection or enquiry raised by any third party.

The Contractor may be requested to advise whether certain factors either have or have not been considered and provide advice as to what impact, if any, these factors would have on the valuation.

In addition, the Contractor may be required to attend public meetings and/or consultations with land holders to discuss valuation services provided by the Contractor to the extent of up to thirty-five hours per annum. Attendance at meetings beyond this time may be arranged by negotiation. In order to meet public and/or client needs these meetings may be held outside normal business hours. The Contractor is to meet its own costs for attendance at meetings within the Valuation Area. The Valuer General will meet reasonable additional travel expenses in the event of meetings being held outside the Valuation Area.

The Contractor will be responsible for the provision of appropriate materials, which may include maps, summaries, and other materials to describe the valuations and the evidence upon which they are based.

(g) APPEALS SERVICES

The Contractor shall prepare reports and make itself available to attend any proceedings in any tribunal or court as an expert witness in relation to a Valuation based upon the Contractor's Valuation Recommendation. The Contractor shall also provide all other assistance reasonably required by the General Manager, Land and Property Information in relation thereto.

(h) SUPPLEMENTARY VALUATION SERVICES

For Metropolitan Areas:

The Contractor will within 30 days (and at an average of 20 days or less) of notice from the General Manager, Land and Property Information in the form specified in the Procedures Manual requesting a Supplementary Valuation of a Property, provide a Supplementary Valuation Recommendation for that Property.

The Contractor will not be in breach of this Contract if in any year of the Term [commencing on the date or the anniversary of the date of this Contract (as the case may be)] it provides 10% of the Supplementary Valuation Recommendations for that year after their due date, provided that no Supplementary Valuation Recommendation is made later than 45 days after the date of the notice from the General Manager, Land and Property Information.

The General Manager, Land and Property Information may request up to 5% of supplementaries in a year to be given priority. These Supplementary Valuation Recommendations are to be completed within 10 days of notice from the General Manager, Land and Property Information.

Recommendations for new Mixed Use Apportionment Factors are to be completed within 15 days of notice from the General Manager, Land and Property Information.

The Contractor will be responsible for completing all Supplementary Valuations delivered via the normal mechanism prior to the end of the contract term.

For Country Areas:

The Contractor will within 45 days (and at an average of 30 days or less) of notice from the General Manager, Land and Property Information in the form specified in the Procedures Manual requesting a Supplementary Valuation of a Property, provide a Supplementary Valuation Recommendation for that Property.

The Contractor will not be in breach of this Contract if in any year of the Term [commencing on the date or the anniversary of the date of this Contract (as the case may be)] it provides 10% of the Supplementary Valuation Recommendations for that year after their due date, provided that no Supplementary Valuation Recommendation is made later than 60 days after the date of the notice from the General Manager, Land and Property Information.

The General Manager, Land and Property Information may request up to 5% of supplementaries in a year to be given priority. These Supplementary Valuation Recommendations are to be completed within 10 days of notice from the General Manager, Land and Property Information.

Recommendations for new Mixed Use Apportionment Factors are to be completed within 15 days of notice from the General Manager, Land and Property Information.

The Contractor will be responsible for completing all Supplementary Valuations delivered via the normal mechanism prior to the end of the contract term.

(i) COMPONENT REVIEW SERVICES

During the life of the Contract the Contractor is to review the structure of all components and the suitability of benchmarks within the components. Details of these reviews are to be reported to the Contract Manager.

(j) REVIEW OF LAND VALUES BY THE CONTRACTOR

As part of the Valuer General's ongoing commitment to improving the quality of valuations, the Contractor is required to 'inspect' and/or 'individually verify' all valuations within the Contract over a five year period commencing 1 March 2007. Therefore, for the fixed three year period of this Contract, 60% of valuations within the Contract shall be 'inspected' or 'individually verified'. This will involve confirming that the land value for each valuation assessment in the Contract is correct in relation to the comparable sales evidence available and is consistent with other land values in the locality. The Contractor must:

- (i) Establish a structured program to 'inspect' and/or 'individually verify' valuations for all properties over a five year period involving a review, each year, of 20% of the total number of valuation assessments in the Contract.
- (ii) Develop a project plan (as per section 1.3; Procedures Manual For Contract Valuers) for the carrying out of the inspection/verification program in consultation with the Contract Manager. This program is to be staggered across the life of the Contract and will plan the inspection on a component-by-component basis.
- (iii) Ensure that (depending on the stage of the annual revaluation program), values will be either verified to the "new" valuation year or reviewed at the previous valuation year. Where anomalies are identified in values at the previous valuation year properties will be flagged for realignment on the next annual valuation program. Significant anomalies will be drawn to the attention of the Contract Manager for possible re-ascertainment action.

- (iv) Undertake a detailed review of the structure of each component as it is 'inspected' or 'individually verified' including confirming the appropriateness of the benchmark property(s).

(k) NEW PLANNING INSTRUMENTS

The Contractor is required to establish the likelihood of further supplementary valuations being required as a result of new planning instruments.

The General Manager, Land and Property Information will prepare and forward to the Contractor, in the form specified in the Procedures Manual, Supplementary Valuation requests for properties subject to zoning changes. In the preparation of these Supplementary Valuation requests advice may be sought from the Contractor as to the likely impact upon current valuations.

(l) PROGRESS REPORTING

The Contractor and the Contract Manager will have regular contact, especially during the period May to October.

The Contractor shall provide a Progress Report and, where stipulated, a performance scorecard in the format and containing the information specified in the Procedures Manual by the 20th of each month. The General Manager, Land and Property Information may request the delivery of this information in either hard copy or electronic form.

(m) ADDITIONAL SPECIFICATIONS

The following valuations shall be provided by the Contractor.

- General Valuations for both residential and non-residential properties; and
- Supplementary Valuations for property subdivisions, amalgamations, boundary changes, etc., for both rating and taxing purposes.

The Contractor will provide Valuation Recommendations to the General Manager, Land and Property Information in the file format as contained in Schedule 5. The Valuer-General will continue to issue valuation lists to Councils, notices to owners in Council areas and provide valuations to the Office of State Revenue.

The Contractor is required to provide the specified valuation services in line with its proposed contract management plans and valuation approaches. Under the Contract the Contractor will have discretion as to the manner in which the valuation tasks are to be performed and the use of resources, including personnel, in performing such tasks. However, where delegation of power by the Valuer-General is required, the conduct of such valuation tasks will be as agreed with the Valuer-General.

The Contractor shall comply with relevant legislation when undertaking the mass valuation services including:

- Valuation of Land Act;
- Land Tax Management Act;
- Local Government Act;
- Heritage Act;
- Community Land Development Act;

- Community Land Management Act;
- Strata Titles Act;
- Strata Titles (Leasehold) Act; and
- Any relevant provisions which may be specified in other legislation.

The Contractor will comply with all relevant case law pertaining to rating and taxing valuations.

The Contractor shall have regard to any practice statements and standards endorsed by the Australian Property Institute (API).

In addition to the above requirements, the Contractor shall:

- comply with any standards or directions which may be agreed with the General Manager, Land and Property Information for the purpose of quality assurance of the valuation services provided; and
- provide relevant information and analysis that will be required by the General Manager, Land and Property Information in reviewing valuation notifications and/or handling valuation appeals at the Court where available.

The General Manager, Land and Property Information will assist the Contractor by providing it with valuation information, where available, including past valuations, matched property sales, lists of properties for supplementary valuation, property data files as contained in Schedule 5 and other materials owned by the Valuer-General that are relevant to the Contractor carrying out the valuation services. Notwithstanding this assistance, the Contractor will be responsible for ensuring the accuracy of the information provided and its relevance to the performance of the valuation services.

SCHEDULE 2 VALUATION AREAS AND NUMBER OF PROPERTIES

(Refer Clause 1.1.1 of Part B)

The Valuation Areas are comprised of the following Local Government Areas

Area/District	Local Government Areas
Deniliquin	Balranald, Berrigan, Conargo, Deniliquin, Jerilderie, Murray, Wakool, Wentworth
Griffith	Bland, Carrathool, Griffith, Hay, Leeton, Murrumbidgee
Wagga Wagga	Coolamon, Cootamundra, Junee, Narrandera, Temora, Wagga Wagga
Taree	Dungog, Gloucester, Great Lakes, Greater Taree, Port Macquarie-Hastings
Coffs Harbour	Bellingen, Coffs Harbour, Coffs Harbour (PW), Kempsey, Nambucca
New England	Armidale Dumaresq, Glenn Innes Severn, Guyra, Inverell, Tenterfield, Uralla, Walcha
Tweed/Byron	Byron, Tweed
Bathurst	Bathurst Regional, Greater Lithgow, Oberon
Queanbeyan	Cooma-Monaro, Palerang, Queanbeyan City, Snowy River, Yass Valley
Bega	Bega Valley, Bombala, Eurobodalla
Shoalhaven	Kiama, Shoalhaven
Muswellbrook	Muswellbrook, Singleton, Upper Hunter
Maitland	Cessnock, Maitland, Port Stephens
Wollondilly	Wingecaribee, Wollondilly
Penrith	Blue Mountains, Hawkesbury, Penrith
Campbelltown	Camden, Campbelltown, Liverpool
Sydney East	Botany Bay, Randwick, Waverley, Woollahra
Burwood	Ashfield, Burwood, Canada Bay, Hunters Hill, Leichhardt, Marrickville, Strathfield
Parramatta	Auburn, Baulkham Hills, Parramatta, Ryde
Sydney City	City of Sydney

The number of properties within the Valuation Areas as at the date of tender, are shown hereunder:

CONTRACT AREA STATISTICS

NOTES: The following statistics have been provided for guidance only. While they have been compiled with all due care the Valuer-General does not warrant that they are correct nor that they are an accurate representation of likely future workloads.

Valuation activity statistics are for the last three years.

All properties in each Local Government area are to be revalued each year.

Contract Areas	LGA's	Total No. of Entries	No. of Residential Entries	No. of Non-Residential Entries	No. of Active Component Codes	No. Current Benchmark Properties	No. of Land Tax Assessments	Statistics for Period 1/5/2003 - 30/4/2006			
								Supplementaries	No. of Notices of Valuation issued	L & E Court	No. of Sales
Deniliquin	Balranald	1,472	0	1,472	13	19	131	199	1,636	0	215
	Berrigan	4,569	0	4,569	23	27	706	547	520	0	1,231
	Conargo	1,120	66	1,054	8	16	75	99	76	0	188
	Deniliquin	3,808	3,177	631	26	27	827	158	3,917	0	878
	Jerilderie	1,114	0	1,114	12	13	34	54	51	0	160
	Murray	3,925	0	3,925	25	33	849	627	4,580	0	1,067
	Wakool	2,686	0	2,686	26	29	291	318	2,971	0	479
	Wentworth	3,473	1,736	1,737	28	40	467	549	3,959	0	762
		22,167	4,979	17,188	161	204	3,380	2,551	17,710	0	4,980

Contract Areas	LGA's	Total No. of Entries	No. of Residential Entries	No. of Non-Residential Entries	No. of Active Component Codes	No. Current Benchmark Properties	No. of Land Tax Assessments	Statistics for Period 1/5/2003 - 30/4/2006			
								Supplementaries	No. of Notices of Valuation issued	L & E Court	No. of Sales
Griffith	Bland	4,151	0	4,151	10	34	525	341	4,521	0	699
	Carrathool	2,026	0	2,026	20	30	202	227	2,127	0	266
	Griffith	9,883	6,664	3,219	31	72	2,305	766	827	0	1,839
	Hay	1,996	0	1,996	11	25	328	146	2,123	0	369
	Leeton	4,902	3,139	1,763	33	50	941	365	5,381	0	842
	Murrumbidgee	1,471	0	1,471	12	26	175	94	1,525	0	247
		24,429	9,803	14,626	117	237	4,476	1,939	16,504	0	4,262
Wagga Wagga	Coolamon	2,756	0	2,756	21	23	258	185	2,933	0	544
	Cootamundra	4,069	0	4,069	33	40	660	373	4,344	0	809
	Junee	2,861	0	2,861	24	35	281	240	3,078	0	550
	Narrandera	3,664	0	3,664	31	40	468	167	3,870	0	648
	Temora	3,784	1,690	2,094	26	37	606	329	5,237	0	775
	Wagga Wagga	23,628	17,285	6,343	116	183	5,022	1,749	1,656	0	5,719
		40,762	18,975	21,787	251	358	7,295	3,043	21,118	0	9,045

Contract Areas	LGA's	Total No. of Entries	No. of Residential Entries	No. of Non-Residential Entries	No. of Active Component Codes	No. Current Benchmark Properties	No. of Land Tax Assessments	Statistics for Period 1/5/2003 - 30/4/2006			
								Supplementaries	No. of Notices of Valuation issued	L & E Court	No. of Sales
Taree	Dungog	4,614	1,544	3,070	32	32	807	391	496	0	706
	Gloucester	3,052	1,108	1,944	28	26	661	504	3,620	1	724
	Great lakes	23,099	9,683	13,416	128	124	8,405	1,419	24,889	2	3,325
	Greater Taree	22,348	12,583	9,765	135	134	5,647	2,417	24,335	0	4,073
	Port Macquarie Hastings	28,156	20,609	7,547	132	132	6,615	3,031	30,019	12	5,389
		81,269	45,527	35,742	455	448	22,135	7,762	83,359	15	14,217
Coffs Harbour	Bellingen	5,917	2,046	3,871	32	32	1,344	460	6,442	1	941
	Coffs Harbour	24,186	18,050	6,136	123	123	5,374	2,068	26,188	0	4,350
	Coffs Harbour (pw)	1,040	0	1,040	11	10	421	128	2,085	0	244
	Kempsey	13,752	5,908	7,844	70	70	3,300	1,078	14,711	1	2,368
	Nambucca	8,719	4,425	4,294	49	49	2,036	778	9,420	1	1,588
		53,614	30,429	23,185	285	284	12,475	4,512	58,846	3	9,491

Contract Areas	LGA's	Total No. of Entries	No. of Residential Entries	No. of Non-Residential Entries	No. of Active Component Codes	No. Current Benchmark Properties	No. of Land Tax Assessments	Statistics for Period 1/5/2003 - 30/4/2006			
								Supplementaries	No. of Notices of Valuation issued	L & E Court	No. of Sales
New England	Armidale Dumaresq	9,784	6,850	2,934	48	46	2,118	641	10,243	0	2,207
	Glenn Innes Severn	4,998	2,225	2,773	46	45	486	484	5,427	0	1,168
	Guyra	2,465	1,011	1,454	22	22	120	287	297	0	429
	Inverell	7,720	4,404	3,316	48	49	1,071	710	8,417	0	1,966
	Tenterfield	4,773	0	4,773	22	22	400	643	5,222	0	1,100
	Uralla	2,887	903	1,984	24	24	231	278	3,120	0	629
	Walcha	1,884	0	1,884	24	22	118	307	2,251	0	343
		34,511	15,393	19,118	234	230	4,544	3,350	34,977	0	7,842
Byron / Tweed	Byron	12,626	7,618	5,008	100	101	3,565	564	13,193	2	2,162
	Tweed	28,571	20,922	7,649	158	156	5,650	2,460	31,177	77	5,761
		41,197	28,540	12,657	258	257	9,215	3,024	44,370	79	7,923
Bathurst	Bathurst Regional	16,473	10,631	5,842	61	60	3,917	2,180	18,381	0	3,845
	Greater Lithgow	11,228	5,304	5,924	55	51	2,454	1,077	11,922	0	1,930
	Oberon	3,547	0	3,547	53	49	602	536	4,589	0	726
		31,248	15,935	15,313	169	160	6,973	3,793	34,892	0	6,501

Contract Areas	LGA's	Total No. of Entries	No. of Residential Entries	No. of Non-Residential Entries	Component Codes	No. Current Benchmark Properties	No. of Land Tax Assessments	Statistics for Period 1/5/2003 - 30/4/2006			
								Supplementaries	of Valuation issued	L & E Court	No. of Sales
Queanbeyan	Cooma-Monaro	5,935	2,875	3,060	53	52	1,151	483	6,688	0	1,202
	Palerang	7,187	0	7,187	49	48	1,086	1,429	9,812	0	1,426
	Queanbeyan City	12,308	10,368	1,940	56	52	2,741	674	13,081	0	2,403
	Snowy River	4,872	2,079	2,793	75	68	1,549	411	5,215	0	917
	Yass Valley	6,490	2,019	4,471	61	60	1,032	908	2,013	0	1,358
		36,792	17,341	19,451	294	280	7,559	3,905	36,809	0	7,306
Bega	Bega Valley	17,452	10,351	7,101	102	100	4,764	1,937	18,775	1	3,096
	Bombala	2,021	921	1,100	44	44	160	295	2,321	0	354
	Eurobodalla	23,013	17,415	5,598	138	204	9,099	2,428	25,554	1	3,837
		42,486	28,687	13,799	284	348	14,023	4,660	46,650	2	7,287
Shoalhaven	Kiama	8,592	7,109	1,483	86	124	2,203	626	9,036	1	1,156
	Shoalhaven	54,155	36,267	17,888	219	186	20,528	3,144	58,005	6	8,542
		62,747	43,376	19,371	305	310	22,731	3,770	67,041	7	9,698

Contract Areas	LGA's	Total No. of Entries	No. of Residential Entries	No. of Non-Residential Entries	No. of Active Component Codes	No. Current Benchmark Properties	No. of Land Tax Assessments	Statistics for Period 1/5/2003 - 30/4/2006			
								Supplementaries	No. of Notices of Valuation issued	L & E Court	No. of Sales
Muswellbrook	Muswellbrook	6,677	4,564	2,113	56	54	1,489	601	687	0	1,552
	Singleton	9,626	4,648	4,978	51	48	1,832	1,408	10,609	0	2,257
	Upper Hunter	6,989	3,215	3,774	55	53	1,085	907	12,251	0	1,506
		23,292	12,427	10,865	162	155	4,406	2,916	23,547	0	5,315
Maitland	Cessnock	22,098	15,532	6,566	71	70	5,296	1,868	23,198	0	4,370
	Maitland	25,704	21,302	4,402	97	96	5,867	3,167	29,977	0	6,059
	Port Stephens	27,133	20,300	6,833	144	143	7,879	2,425	29,887	4	4,974
		74,935	57,134	17,801	312	309	19,042	7,460	83,062	4	15,403
Wollondilly	Wingecaribee	20,912	11,970	8,942	174	186	5,582	1,503	22,200	6	3,560
	Wollondilly	15,722	7,577	8,145	105	119	2,649	1,221	16,936	0	2,754
		36,634	19,547	17,087	279	305	8,231	2,724	39,136	6	6,314
Penrith	Blue Mountains	36,082	32,561	3,521	65	82	9,942	1,231	37,202	4	5,536
	Hawkesbury	22,897	11,579	11,318	118	141	4,915	1,296	24,241	5	3,523
	Penrith	57,895	50,152	7,743	104	102	10,948	1,592	59,083	0	8,975
		116,874	94,292	22,582	287	325	25,805	4,119	120,526	9	18,034

Contract Areas	LGA's	Total No. of Entries	No. of Residential Entries	No. of Non-Residential Entries	No. of Active Component Codes	No. Current Benchmark Properties	No. of Land Tax Assessments	Statistics for Period 1/5/2003 - 30/4/2006			
								Supplementaries	No. of Notices of Valuation issued	L & E Court	No. of Sales
Campbelltown	Camden	17,965	14,031	3,934	57	139	3,575	1,527	18,965	6	4,010
	Campbelltown	48,597	44,086	4,511	109	179	7,735	1,926	49,901	12	6,905
	Liverpool	49,398	43,616	5,782	118	195	8,988	2,253	51,642	1	7,595
		115,960	101,733	14,227	284	513	20,298	5,706	120,508	19	18,510
Sydney East	Botany Bay	9,228	7,757	1,471	24	19	2,189	180	9,458	0	895
	Randwick	26,007	24,703	1,304	33	33	5,233	512	26,422	2	2,558
	Waverley	13,164	12,232	932	26	26	3,177	222	13,538	0	1,599
	Woollahra	13,303	12,387	916	30	24	3,513	328	13,655	5	1,796
		61,702	57,079	4,623	113	102	14,112	1,242	63,073	7	6,848
Burwood	Ashfield	9,448	8,455	993	41	48	2,300	158	9,705	1	867
	Burwood	7,837	7,154	683	38	46	1,739	126	7,924	1	749
	Canada Bay	18,030	16,640	1,390	68	78	3,486	419	18,356	6	2,000
	Hunters Hill	3,663	3,395	268	19	32	536	83	3,745	2	461
	Leichhardt	17,725	15,983	1,742	51	80	5,371	499	18,190	1	2,744
	Marrickville	23,686	19,892	3,794	48	77	7,827	602	24,028	9	3,238
	Strathfield	7,407	6,703	704	51	53	1,474	177	7,627	0	879
		87,796	78,222	9,574	316	414	22,733	2,064	89,575	20	10,938

Contract Areas	LGA's	Total No. of Entries	No. of Residential Entries	No. of Non-Residential Entries	No. of Active Component Codes	No. Current Benchmark Properties	No. of Land Tax Assessments	Statistics for Period 1/5/2003 - 30/4/2006			
								Supplementaries	No. of Notices of Valuation issued	L & E Court	No. of Sales
Parramatta	Auburn	15,159	13,298	1,861	36	36	4,104	784	15,822	0	1,930
	Baulkham Hills	51,944	45,168	6,776	31	31	7,714	2,770	56,670	2	8,732
	Parramatta	39,782	35,991	3,791	46	46	8,529	1,115	40,943	1	4,801
	Ryde	25,956	24,260	1,696	43	43	4,381	639	26,577	2	2,738
		132,841	118,717	14,124	156	156	24,728	5,308	140,012	5	18,201
Sydney City	City of Sydney	27,559	18,582	8,977	137	167	11,025	1,070	28,695	31	3,508
		27,559	18,582	8,977	137	167	11,025	1,070	28,695	31	3,508

SCHEDULE 3 FEES

(Refer Clause 1.1.1 of Part B)

- (a) The Fees, as detailed in Clause 2.1 of Part C, shall commence and accrue from the Commencement Date.

The per annum Fees for item (a) of Clause 2 of Part C will be divided into twelve equal instalments and each instalment will be payable monthly in arrears, unless agreed otherwise with the General Manager, Land and Property Information.

- (b) The General Manager, Land and Property Information may pay the Contractor an Appeals Service Fee if the Contractor is required to prepare a statement of evidence and/or attend any proceedings in any Tribunal or Court as part of the Appeals Services. The Appeals Service Fee will be the agreed amount specified in Clause 2.1 of Part C {Item (b)} for every complete hour preparing a statement of evidence and/or attendance at a Court or Tribunal plus all reasonable and actual expenses incurred in relation to attendance at the Court or Tribunal. The hourly rate specified in Clause 2.1 of Part C (Item (b)) is limited to the valuer's time and is to include an allowance for any support/administration time involved in preparing a statement of evidence. For the avoidance of doubt, all other preparation or other time whether spent before or after attendance at Court or a Tribunal may not be charged as part of the Appeals Service Fee.

- (c) For Years 1, 2 and 3 of the Contract the Fees under (a) and (b) above shall be firm. In the event that the option/s to extend the Term in accordance with clause 4.2.2 of the Contract is/are exercised, the Fees shall be subject to adjustment by the variation in the Sydney CPI (September quarter 2006) and that applying in the last quarter of Years 3 or 4 of the Contract as appropriate, effective on Day 1 of the period of extension.

SCHEDULE 4 METHODOLOGY

(Refer Clause 1.1.1 of Part B)

To be completed when contract is formalised.

SCHEDULE 5 VALUATION CONTRACTOR DOWNLOAD FILES

(Refer Clause 7 and Schedules 1 & 2 of Part B - Data File Forms)

1. District Property Data File to Valuation Contractors			
EXTRACT FILE FORMAT			
<p>The Property Information shall be supplied to the Contractor by electronic delivery or on tape, disk or hard copy as agreed between the parties (and, if not agreed, as determined by the General Manager, Land and Property Information). The electronic information shall be in the format specified below.</p> <p>This file structure will be used to supply the Annual Download of all property records, and periodic "Supplementary" files comprising both Requests for Supplementary Valuations and Completed Supplementary Valuations. The 2 character "Supplementary Code" will identify the required action.</p> <p>The "Legislative Basis for Land Value" and Values fields in Record Types "D" and "E" will usually be Null in the case of Requests for Supplementary Valuations. The "Legislative Basis for Land Value" field will also be Null in the case of the initial Download as this data is not currently stored in Valnet.</p> <p>The General Manager, Land and Property Information may by giving notice to the Contractor alter the extract file format. Until the General Manager, Land and Property Information gives such notification, the extract file format is as follows.</p> <p>File Structure: File will be in Delimited flat ASCII. Record type 'A' is a header record and will be the first record in the file. It is to include date and time of lodgement and user id of lodgee. Record type 'B' will contain Property details. Record type 'C' will contain Property Description and Owner details. Record type 'D' will contain Local Government Valuation details. Values will generally be "Null" for Requests for Supplementary Valuations. Record type 'E' will contain Land Tax Valuation details. Values will generally be "Null" for Requests for Supplementary Valuations. Record type 'Z' will be a trailer record and is to be the last record in the file. It is to include a property count and a total record count. Records 'A' and 'Z' to be included in the total record count. Fields are to be returned in the same order as defined in the following pages. Each field is delimited by a semi-colon. Fields that do not contain data are represented by ; The last field for a record has a trailing delimiter (;).</p>			
Record Type	Field Type	Maximum Field Size	Comments
RECORD A			Header Record
Record Type	A	1	'A'
District Code	A	3	e.g. '077'
District Name	A	30	
Download Date / Time	Date	16	The Date / Time for the creation of this file. Format is CCYYMMDD HH24:MI
Submitter's Userid	A	35	
Sequence Number	N	8	Sequential Starting at 1000
RECORD B			Will contain Property details.
Record Type	A	1	'B'
District Code	A	3	e.g. '077'
Property Id.	N	10	
Unit Number	A	10	Concatenation of Unit Number and Unit Suffix, separated by a space.
Property Name	A	40	
House Number 1 Prefix	A	1	e.g. "A" in House No. A123

1. District Property Data File to Valuation Contractors (cont).			
Record Type	Field Type	Maximum Field Size	Comments
House Number 1	N	6	e.g. "123" in House No. 123 – 125
House Number 1 Suffix	A	1	e.g. "A" in House No. 123A
House Number 2 Prefix	A	1	e.g. "A" in House No. 123 – A125
House Number 2	N	6	e.g. "125" in House No. 123 – 125
House Number 2 Suffix	A	1	e.g. "A" in House No. 123 – 125A
Street Name	A	38	Concatenated Street Name, Street Type, Street Suffix and Location Descriptor e.g. Green Lane NW.
Suburb	A	30	
Postcode	N	4	
Current set of owners	A	250	First 250 characters only.
Area	N	7.3	e.g. 7777777.333
Area Units	A	1	'M' = [Square] Metres, 'H' = Hectares
Frontage	N	4.3	e.g. 4444.333
Frontage Type	A	8	
Back	N	4.3	e.g. 4444.333
Back Type	A	8	
1st Boundary	N	4.3	e.g. 4444.333
1 st Boundary Type	A	8	
2nd Boundary	N	4.3	e.g. 4444.333
2 nd Boundary Type	A	8	
Zone code	A	1	Null for Apportionments.
Component code	A	2	Null for Apportionments.
Apportionment Parent Property Id.	N	10	Property Id. of parent or main record.
Land Tax Liable Flag	A	1	L = Land tax Liable, P = Premium Property Tax Liable, Else Null.
State Heritage Listing Number	A	10	
Strata Property Flag	A	1	
Change Date / Time	Date	16	The latest Change Date / Time for data in this record. Format is CCYYMMDD HH24:MI
Workflow Id.	N	10	Unique Sequence Number for the Supplementary Action. Null for Annual Property data Downloads.
Supplementary Code	A	2	A code describing the action to be taken or that has been taken on the Supplementary. Null for Annual Property data Downloads.
RECORD C			Will contain property description details. A separate record will be provided for each lot or non-lot plan land description record for the property.
Record Type	A	1	'C'
District Code	A	3	e.g. '077'
Property Id.	N	10	
Lot Number	A	5	
Lot Type	A	8	"Part" or "Whole"
Plan Type	A	2	"DP" or "SP"
Plan Number	N	8	
Section Number	A	4	
Lease Number	A	10	
Lease Type	A	8	
Non-Lot Plan Land Description	A	4000	Unformatted text.

1. District Property Data File to Valuation Contractors (cont.)			
Record Type	Field Type	Maximum Field Size	Comments
RECORD C (cont.)			
Change Date / Time	Date	16	The latest Change Date / Time for data in this record. Format is CCYYMMDD HH24:MI
Workflow Id.	N	10	Unique Sequence Number for the Supplementary Action. Null for Annual Property data Downloads.
Supplementary Code	A	2	A code describing the action to be taken or that has been taken on the Supplementary. Null for Annual Property data Downloads.
RECORD D			Will contain Local Government Valuation details.
Record Type	A	1	'D'
District Code	A	3	e.g. '077'
Property Id.	N	10	
LG Base Date	Date	8	Format is CCYYMMDD.
Authority code	A	10	The Valuation of Land Act section number that provides the authority for making the land value.
Date Valuation Made	Date	8	Format is CCYYMMDD. (Formerly the Relevant Date)
Land Value	N	12	
Land Value Basis	A	10	The Valuation of Land Act section number that determines the basis for making the land value.
Rating Factor / Prescribed Lease	N	12	
Heritage Value	N	12	
Mixed Development Apportionment Factor	N	2	
Stratum Allowance	N	12	
On-Site Allowance	N	12	
Off-Site Allowance	N	12	
Joint Water Supply Allowance	N	12	
Subdivider's Allowance	N	12	0 is valid value.
Unutilised Value Allowance - S. 62K	N	12	
Attributable Part – S. 585	N	12	
Coal Mine Value	N	12	
Coal Mine Allowance	N	12	
Change Date / Time	Date	16	The latest Change Date / Time for data in this record. Format is CCYYMMDD HH24:MI
Workflow Id.	N	10	Unique Sequence Number for the Supplementary Action. Null for Annual Property data Downloads.
Supplementary Code	A	2	A code describing the action to be taken or that has been taken on the Supplementary. Null for Annual Property data Downloads.

1. District Property Data File to Valuation Contractors (cont.)			
Record Type	Field Type	Maximum Field Size	Comments
RECORD E			Will contain Land Tax Valuation details.
Record Type	A	1	'E'
District Code	A	3	e.g. '077'
Property Id.	N	10	
LT Base Date	Date	8	Format is CCYYMMDD
Authority code	A	10	The Valuation of Land Act section number that provides the authority for making the land value.
Date Valuation Made	Date	8	Format is CCYYMMDD. (Formerly the Relevant Date)
Land Value	N	12	
Land Value Basis	A	10	The Valuation of Land Act section number that determines the basis for making the land value.
Rating Factor / Prescribed Lease	N	12	
Heritage Value	N	12	
Mixed Development Apportionment Factor	N	2	
Stratum Allowance	N	12	
On-Site Allowance	N	12	
Off-Site Allowance	N	12	
Rent Protected Value	N	12	
Joint Water Supply Allowance	N	12	
Subdivider's Allowance	N	12	0 is valid value.
Unutilised Value Allowance - S. 62K	N	12	
Attributable Part – S. 585	N	12	
Coal Mine Value	N	12	
Coal Mine Allowance	N	12	
Change Date / Time	Date	16	The latest Change Date / Time for data in this record. Format is CCYYMMDD HH24:MI
Workflow Id.	N	10	Unique Sequence Number for the Supplementary Action. Null for Annual Property data Downloads.
Supplementary Code	A	2	A code describing the action to be taken or that has been taken on the Supplementary. Null for Annual Property data Downloads.
RECORD Z			Trailer record
Record Type	A	1	'Z'
Total records	N	12	Includes 'A' and 'Z' records.
Total "B" records	N	12	
Total "C" records	N	12	
Total "D" records	N	12	
Total "E" records	N	12	

2. Component Data Download File Layout to Valuation Contractors

EXTRACT FILE FORMAT

The Property Information shall be supplied to the Contractor on tape, disk or hard copy as agreed between the parties (and, if not agreed, as determined by the General Manager, Land and Property Information). The electronic information shall be in the format specified below.

The General Manager, Land and Property Information may by giving notice to the Contractor alter the extract file format. Until the General Manager, Land and Property Information gives such notification, the extract file format is as follows.

File Structure:

File will be in Delimited flat ASCII.

Record type 'A' is a header record and will be the first record in the file.

Record type 'B' will contain Component Code details.

Record type 'Z' will be a trailer record and is to be the last record in the file. It includes a total record count.

Records 'A' and 'Z' are included in the total record count.

Each field is delimited by a semi-colon. There should be no "Null" fields.

The last field for a record has a trailing delimiter (;).

Record Type	Field Type	Maximum Field Size	Comments
RECORD A			Header Record
Record Type	A	1	'A'
District Code	A	3	e.g. '077'
Download Date / Time	Date	16	The Date / Time for the creation of this file. Format is CCYYMMDD HH24:MI
Submitter's Userid	A	35	
RECORD B			Contains Component Code Values record.
Record Type	A	1	'B'
District Code	A	3	e.g. '077'
Zone Code	A	1	
Component Code	A	2	
Component Description	A	60	
Change Date / Time	Date	16	The latest Change Date / Time for data in this record. Format is CCYYMMDD HH24:MI
RECORD Z			Trailer record
Record Type	A	1	'Z'
Total Records	N	12	Includes 'A' and 'Z' records.
Total 'B' Records	N	12	

3. Sales Data File to Valuation Contractors

EXTRACT FILE FORMAT

The Property Information shall be supplied to the Contractor on tape, disk or hard copy as agreed between the parties (and, if not agreed, as determined by the General Manager, Land and Property Information). The electronic information shall be in the format specified below.

The General Manager, Land and Property Information may by giving notice to the Contractor alter the extract file format. Until the General Manager, Land and Property Information gives such notification, the extract file format is as follows.

File Structure:

File will be in Delimited flat ASCII.

Record type 'A' is a header record and will be the first record in the file. It is to include date and time of lodgement and user id of lodgee.

Record type 'B' will contain property address and sales information.

Record type 'C' will contain Property description details.

Record type 'D' will contain Owner details.

Record type 'Z' will be a trailer record and is to be the last record in the file. It is to include a property count and a total record count.

Records 'A' and 'Z' to be included in the total record count.

Each field is delimited by a semi-colon. Fields that do not contain data are represented by ;.

The last field for a record has a trailing delimiter (;).

Record Type	Field Type	Maximum Field Size	Comments
RECORD A			Header Record
Record Type	A	1	'A'
District Code	A	3	e.g. '077'
Download Date / Time	Date	16	The Date / Time for the creation of this file. Format is CCYYMMDD HH24:MI
Submitter's Userid	A	35	
RECORD B			
Record Type	A	1	'B'
District Code	A	3	e.g. '077'
Property Id.	N	10	Property Id. of the underlying property.
Sale Counter	N	7	Unique for file.
Download Date / Time	Date	16	The Date / Time for the creation of this file. Format is CCYYMMDD HH24:MI
Property Name	A	40	
Property Unit Number	A	10	Concatenation of Unit Number and Unit Suffix, separated by a space.
Property House Number	A	10	Concatenation of House Number Prefix, House Number & House Number Suffix eg A125B.
Property Street Name	A	38	Concatenated Street Name, Street Type, Street Suffix and Location Descriptor e.g. Green Lane NW
Property Locality	A	40	
Property Post Code	N	4	
Area	N	7.3	e.g. 7777777.333
Area Type	A	1	M = square metres, H = hectares
Contract Date	Date	8	Format is CCYYMMDD
Settlement Date	Date	8	Format is CCYYMMDD
Purchase Price	N	12	
Zoning	A	1	
Nature of Property	A	1	V = Vacant, R = Residence, 3 = Other
Primary Purpose	A	20	Description for when Nature of Property = 3

3. Sales Data File to Valuation Contractors (cont).			
RECORD B (cont)			
Strata Lot Number	A	5	Lot number for Strata Properties
Component code	A	2	
Sale Code	A	3	
% Interest of Sale	A	3	Null if 100%
Dealing Number	A	9	
RECORD C			Note: There may be multiple "C" records for a property.
Record Type	A	1	'C'
District Code	A	3	e.g. '077'
Property Id.	N	10	Property Id. of the underlying property.
Sale Counter	N	7	
Download Date / Time	Date	16	The Date / Time for the creation of this file. Format is CCYYMMDD HH24:MI
Property Legal Description	A	70	Concatenated property description cut @ 70 characters. If more than one "C" record they join without a space. Multiple "C" records will be sent in order of extraction.
RECORD D			
Record Type	A	1	'D'
District Code	A	3	e.g. '077'
Property Id.	N	10	Property Id. of the underlying property.
Sale Counter	N	7	
Download Date / Time	Date	16	The Date / Time for the creation of this file. Format is CCYYMMDD HH24:MI
Purchaser – Vendor	A	1	P = Purchaser, V = Vendor
Owner Type	A	1	
Owner Interest	A	1	1 = Sole Owner, 2 = Joint, 3 = Tenancy, 4 = Lessee
Owner Surname	A	115	Company name if Owner is not an Individual
Owner Given Names	A	60	Blank for companies
Owner Titles	A	10	Blank for Companies
RECORD Z			Trailer record
Record Type	A	1	'Z'
Total Records	N	12	Includes 'A' and 'Z' records
Total "B" records.	N	12	
Total "C" records.	N	12	
Total "D" records.	N	12	

4. File/Record Layouts for Supplementary and Future Values Files

The Value Data are to be supplied by the Contractor in electronic format as agreed between the parties (and, if not agreed, as determined by the General Manager, Land and Property Information). This file format is to be used for the **upload of both Supplementary and Annual (i.e. Future) Values**. The electronic information shall be in the format specified below.

File Structure:

File will be in Delimited flat ASCII.

Record type 'A' is a header record and will be the first record in the file. It is to include date and time of extraction and identification code of the Contractor.

Record type 'B' will contain new value details.

For uploads of Supplementary Valuations multiple "B" records are to be provided – one for each Base Date required. From the time that a final upload of annual values has been provided supplementary valuations are to include values for the requested base dates as well as the "future" base date (i.e. the newly completed base date valuations.) This means that during that period it may be necessary to return up to 3 "B" records for a property. This process is to continue until notification that the district has been completed and converted to a "current" status and that certain base dates are no longer required. Following notification the base dates specified on the notification are to be provided regardless of which base dates were downloaded with the "pending" supplementary request.

Record type = 'Z' will be a trailer record and is to be the last record in the file. It is to include a total record count.

Records 'A' and 'Z' to be included in the total record count.

Fields are to be returned in the same order as defined in the following pages.

Each field is delimited by a semi-colon. Fields that do not contain data are represented by ;.

The last field for a record has a trailing delimiter (;).

Record Type	Field Type	Maximum Field Size	Comments
RECORD A			Header record.
Record Type	A	1	'A'
District Code	A	3	e.g. '077'
District Name	A	80	
Extract Date / Time	Date	8	Format is CCYYMMDD HH24:MI
Contractor Code	N	8	
Base Date	Date	8	Format is CCYYMMDD – Null for supplementary values.
RECORD B			New Values Record
Record Type	A	1	'B'
District Code	A	3	e.g. '077'
Property Id. / Apportionment Id.	N	10	e.g. 12500
Base Date	Date	8	Format is CCYYMMDD
Contractor Code	N	8	
Authority Code	A	10	
Relevant Date	Date	8	Format is CCYYMMDD
Land Value	N	12	
Legislative Basis For Land Value	A	10	
Heritage Value	N	12	
Mixed Development Apportionment Factor	N	2	
Stratum Allowance	N	12	
On-Site Allowance	N	12	
Off-Site Allowance	N	12	
Subdivider's Allowance	N	12	0 is valid value.

4. File/Record Layouts for Supplementary and Future Values Files (Cont.)			
Record Type	Field Type	Maximum Field Size	Comments
RECORD B (cont.)			New Values Record
Coal Mine Allowance	<i>N</i>	12	
Unutilised Value Allowance - S. 62K	N	12	<i>0 is valid value. Only to be provided on supplementary request.</i>
Attributable Part – S. 585	<i>N</i>	12	<i>0 is valid value. Only to be provided on supplementary request.</i>
Component Code	A	2	
Zone Code	A	1	
Valuer's Comment	A	250	<i>This field is to contain any comments the valuer may wish to make regarding errors in supp. preparation, additional property details such as house numbers or the valuation itself. These comments will not be stored in the Valnet II data base but, following the load process, will be reported for action as required.</i>
Workflow Id.	N	10	Unique sequence number for the supplementary action as provided on the supplementary data download. Null for annual property data uploads.
RECORD Z			Trailer record
Record Type	A	1	'Z'
Total upload records	N	12	Includes 'A' and 'Z' records.
Total upload "B" records	N	12	

5. File/Record Layouts for Market Data Files

The Market Data shall be supplied by the Contractor on tape, disk or hard copy as agreed between the parties (and, if not agreed, as determined by the General Manager, Land and Property Information). The electronic information shall be in the format specified below.

File Structure:

File will be in Delimited flat ASCII.

Record type 'A' is a header record and will be the first record in the file. It is to include date and time of extraction and identification code of the Contractor.

Record type 'B' will contain Component details. There can be more than one 'B' record.

Record type 'C' will contain Property Benchmark details. There can be more than one 'C' record for a 'B' record and the link is provided by the Component Code.

Record type 'D' is a record to link Sales Data to Benchmarks. There may be more than one 'D' record for either a 'C' or an 'E' record and the link is provided by the Benchmark Property Id..

Record type = 'E' will contain Sales analysis details for selected properties.

Record type = 'Z' will be a trailer record and is to be the last record in the file. It is to include a total record count.

Record type 'A' and 'Z' are included in the total record count.

Fields are to be returned in the same order as defined in the following pages.

Each field is delimited by a semi-colon. Fields that do not contain data are represented by ;.

- The last field for a record has a trailing delimiter (;).

The Value Data are to be supplied by the Contractor in electronic format as agreed between the parties (and, if not agreed, as determined by the General Manager, Land and Property Information). This file format is to be used for the **upload of both Supplementary and Annual (i.e. Future) Values**. The electronic information shall be in the format specified below.

File Structure:

File will be in Delimited flat ASCII.

Record type 'A' is a header record and will be the first record in the file. It is to include date and time of extraction and identification code of the Contractor.

Record type 'B' will contain new value details.

For uploads of Supplementary Valuations multiple "B" records are to be provided – one for each Base Date required. From the time that a final upload of annual values has been provided supplementary valuations are to include values for the requested base dates as well as the "future" base date (i.e. the newly completed base date valuations.) This means that during that period it may be necessary to return up to 3 "B" records for a property. This process is to continue until notification that the district has been completed and converted to a "current" status and that certain base dates are no longer required. Following notification the base dates specified on the notification are to be provided regardless of which base dates were downloaded with the "pending" supplementary request.

Record type = 'Z' will be a trailer record and is to be the last record in the file. It is to include a total record count.

Records 'A' and 'Z' to be included in the total record count.

Fields are to be returned in the same order as defined in the following pages.

Each field is delimited by a semi-colon. Fields that do not contain data are represented by ;.

The last field for a record has a trailing delimiter (;).

Record Type	Field Type	Maximum Field Size	Comments
RECORD A			Header record.
Record Type	A	1	'A'
District Code	A	3	e.g. '077'
Base Date	Date	8	Format is CCYYMMDD
Download Date	Date	8	Format is CCYYMMDD HH24:MI
Contractor Id.	N	10	

5. File/Record Layouts for Market Data Files (Cont.)			
Record Type	Field Type	Maximum Field Size	Comments
RECORD B			Component details.
Record Type	A	1	'B'
District Code	A	3	e.g. '077'
Base Date	Date	8	Format is CCYYMMDD
Prior Base Date	Date	8	Format is CCYYMMDD
Zone Code	A	1	
Component code	A	2	
Component description	A	60	
Component factor	N	1.2	e.g. 1.22
Component rationale	A	4000	Commentary on the valuation of the component including strength of market and reliability of evidence.
Component Algorithm	A	40	Mandatory field if "Component Factor" is not provided. Algorithm for value calculations where a Component Factor is not used.
Valuer's Name	A	20	The name of the valuer that completed the component.
Valuer's Registration No.	A	6	
RECORD C			Benchmark details.
Record Type	A	1	'C'
District Code	A	3	e.g. '077'
Base Date	Date	8	Format is CCYYMMDD
Prior Base Date	Date	8	Format is CCYYMMDD
Component Code	A	2	
Benchmark Property Id.	N	10	Valnet Property Id. of the benchmark e.g. 12500'.
Benchmark Prior LV	N	12	
Benchmark LV	N	12	
Benchmark Comment	A	250	
RECORD D			Sales Used for Benchmarks
Record Type	A	1	'D'
Benchmark District Code	A	3	e.g. '077'
Base Date	Date	8	Format is CCYYMMDD
Benchmark Property Id.	N	10	e.g. 12500
Analysed Sale ID	N	16	Must be unique for a contractor
Valuer's comment	A	250	Describes how sale relates to benchmark.
RECORD E			Contractor Analysed Property Sales
Record Type	A	1	'E'
Sale District Code	A	3	e.g. '077'
Base Date	Date	8	Format is CCYYMMDD
Prior Base Date	Date	8	Format is CCYYMMDD
Analysed Sale ID	N	16	Must be unique for a contractor – changed from 10 to 16 – 29/10/01 - GN
Sale Property Id.	N	10	Valnet Property Id. of sale property.
Sale Property Unit Number	A	10	
Sale Property House Number	A	10	
Sale Property Street	A	38	
Sale Property Locality	A	40	

5. File/Record Layouts for Market Data Files (Cont.)			
Record Type	Field Type	Maximum Field Size	Comments
RECORD E (Cont.)			Contractor Analysed Property Sales
Analysed LV @ Contract Date	N	12	Must equate to Purchase Price minus Negative Adjustments to Purchase Price plus Positive Adjustments to Purchase Price
Adjusted LV @ Base Date	N	12	
Analysed Sale Dealing Number	A	9	If available.
Sale Area	N	7.3	e.g. 7777777.333
Sale Area Type	A	1	'M' = [Square] Metres or 'H' = Hectares.
Zone	A	1	Zone Code of the Sale Property.
Component Code	A	2	Component Code of the Sale Property
Contract Date	Date	8	Format is CCYYMMDD
Development Approval	A	1	Y or N
Sale Dimensions	A	30	
Environmental Constraints	A	1	Y or N
GST Paid	A	1	Y or N
Legal Description	A	4000	
LV @ Prior Base Date	N	12	
Negative Adjustments to Purchase Price	N	12	
Number Of Analysis Units	N	6	
Positive Adjustments to Purch. Price	N	12	
Purchase Price	N	12	
Purchaser's Name	A	50	
Sales Code	A	3	
Sales Summary Comment	A	250	Altered from 70 - 29/10/01 - GN
Settlement Date	Date	8	Format is CCYYMMDD
Units of Analysis Type	A	20	Units other than area used for analysis; for example townhouses, DSE's etc
Vendor's Name	A	50	
Valuer's Name	A	20	The name of the valuer that completed the component.
Valuer's Registration No.	A	6	
RECORD Z			Trailer record
Record Type	A	1	'Z'
Total upload records	N	12	Includes 'A' and 'Z' records.
Total upload "B" records	N	12	
Total upload "C" records	N	12	
Total upload "D" records	N	12	
Total upload "E" records	N	12	

6. File/Record Layouts for Provisional Component Update Factors from Valuation Contractors

The Provisional Component Update Factors are to be supplied by the Contractor in electronic format as agreed between the parties (and, if not agreed, as determined by the General Manager, Land and Property Information). The electronic information shall be in the format specified below.

File Structure:

File will be in Delimited flat ASCII.

Record type 'A' is a header record and will be the first record in the file. It is to include date and time of extraction and identification code of the Contractor.

Record type 'B' will contain Provisional Component Update Factor details.

Record type 'Z' will be a trailer record and is to be the last record in the file. It is to include a total record count.

Record type 'A' and 'Z' are included in the total record count.

Fields are to be returned in the same order as defined in the following table.

Each field is delimited by a semi-colon. Fields that do not contain data are represented by ;.

The last field for a record has a trailing delimiter (;).

Record Type	Field Type	Maximum Field Size	Comments
RECORD A			Header record.
Record Type	A	1	'A'
District Code	A	3	e.g. '077'
Base Date	Date	8	Format is CCYYMMDD
Download Date	Date	8	Format is CCYYMMDD HH24:MI
Contractor Id.	N	10	
RECORD B			Provisional Component Factor Record
Record Type	A	1	'B'
Zone Code	A	1	
Component code	A	2	
Component description	A	60	
Component factor	N	1.2	e.g. 1.22
RECORD Z			Trailer record
Record Type	A	1	'Z'
Total upload records	N	12	Includes 'A' and 'Z' records.
Total upload "B" records	N	12	

7. File/Record Layouts for Sales Code Files from Valuation Contractors

The Sales Code Data are to be supplied by the Contractor in electronic format as agreed between the parties (and, if not agreed, as determined by the General Manager, Land and Property Information). The electronic information shall be in the format specified below.

File Structure:

File will be in Delimited flat ASCII.

Fields are to be returned in the same order as defined in the following table.

Each field is delimited by a comma.

The last field for a record does not have a trailing delimiter

The preferred format is for data to be provided for Dealing Number.

Sales Codes may be amended. In these cases they are to be resupplied.

Record Type	Field Type	Maximum Field Size	Comments
Property Id	N	10	Mandatory field.
Sales Code	A	3	Mandatory field.
Dealing Number	A	9	
Purchase Price	N	12	Mandatory if Dealing Number is Null.
Contract Date	Date	10	Format is DD/MM/CCYY. Mandatory if Dealing Number is Null.
Base Date	Date	10	Format is DD/MM/CCYY. Mandatory if Dealing Number is Null.

7 System Enhancements

7.1 During the life of this Contract the General Manager, Land and Property Information will consult with the Contractor to develop and implement the following system enhancements:

7.1.1 An interchange mechanism for valuer's worksheets, including any linked files, to enable the transfer of files both to and from the Contractor.

7.1.2 Addition of a field to the District Property Data File to Valuation Contractors download file to enable the General Manager, Land and Property Information to provide Contractors with additional advice or special instructions regarding a supplementary valuation request.

7.1.3 Addition of a field to the District Property Data File to Valuation Contractors download file to enable the General Manager, Land and Property Information to advise Contractors of urgent supplementary valuation requests.

7.1.4 Addition of a field to the Supplementary and Future Values Files to advise of whether the land value has been inspected, individually verified, updated by a factor other than the component factor, or updated by the component factor.

7.1.5 Addition of a field to the Market Data Upload File to advise the date of completion of a Component Review.

7.1.6 Establishment of a naming and delivery protocol for the electronic delivery of detailed sales analysis files in PDF format.

7.2 In an effort to streamline processes and minimise manual workloads the General Manager, Land and Property Information is working towards automating data exchanges with Contractors via an internet portal. This may result in minor changes to file formats (in particular with regard to "line feed" characters) and file delivery procedures.

8. Rounding Table

8.1 Values are to be rounded in accordance with the following table:

Value	Rounded Down to Whole
1 to 100	1
101 to 10,009	10
10,010 to 100,099	100
100,100 to 1, 000,999	1,000
1,001,000 to 10,009,999	10,000
10,010,000 to 100,099,999	100,000
100,100,000 and over	1,000,000

SCHEDULE 6 KEY PERSONNEL

(Refer Clauses 1.1.1 and 6.12 of Part B)

To be completed on the formulation of the contract

SCHEDULE 7 TRANSITION PLAN

(Refer Clause 3 of Part B)

The objective of the Transition Plan is to enable the orderly transition of the Services from the General Manager, Land and Property Information to the Contractor at the Commencement Date.

The Contractor, in consultation with the General Manager, Land and Property Information, shall provide a plan for the transition of each service that includes a description of the major activities to enable the Contractor to provide the Services from the Commencement Date, and also provide a time estimate for each.

The Transition Plan should address the following non-exhaustive list of issues. The Contractor should identify any additional areas if required for orderly transition.

1. Time required for transition.
2. Transfer of intellectual property rights associated with the use of the Methodology.
3. Service costs.
4. Ownership of physical assets.
5. Time required for transition.
6. Purchase, if any required, of software/hardware.
7. Transfer or acquisition of licenses.
8. Work in progress.
9. Transfer of Sub-Contractor arrangements (if any).
10. Co-operation of Contractor.
11. Staff transfer.
12. Provision of customer files and documents where applicable.
13. Security.
14. Confidentiality.
15. Transfer/cessation of leases.
16. Handover of complete and up to date Procedures Manual.
17. Transfer of Valuer-General data.
18. Establishment of communications.
19. Transfer of supply contracts.
20. Settlements.

SCHEDULE 8 RELEVANT PERSON

(Refer Clause 1.1.1 of Part B)

CONFIDENTIALITY ACKNOWLEDGEMENT

To: The General Manager, Land and Property Information

CONFIDENTIALITY

By this Deed I acknowledge that I have been provided with certain information in relation to the provision of services to you. I covenant to you that:

1. I have read and understand the terms of Clause 9 of Part B and relevant definitions in Clause 1.1.1 of Part B of the Contract between you and (insert Contractor's name).
2. I shall keep confidential and not disclose to any third party Confidential Information (as defined in the Contract).
3. I shall keep as strictly confidential all the Confidential Information.
4. I shall not disclose any of the Confidential Information.
5. I shall indemnify you against any actions, proceedings, costs, claims, demands or liabilities which you may suffer in direct consequence of any breach by me of the undertakings contained in this undertaking.
6. I acknowledge damages are not necessarily a sufficient remedy if I threaten to or actually breach any of my covenants and you are entitled to seek an injunction restraining me for committing any breach or further breach of any of these covenants without showing or providing any actual loss.

Signed, sealed and delivered
as a Deed Poll in New South Wales

Signature

Signature of Witness

Print name in full

Name of Witness

Date of Execution:

SCHEDULE 9 MIGRATION PLAN

(Refer Clauses 1.1.1 and 14 of Part B)

The objective of the Migration Plan is to enable the General Manager, Land and Property Information, on behalf of the Valuer-General, or a nominee, to undertake, through orderly transition the provision of the Services at the termination or expiry of this Contract.

The Contractor, in consultation with the General Manager, Land and Property Information, shall provide a Migration Plan that provides a description of the major activities and a time and cost estimate for each.

The Migration Plan should address the following non-exhaustive list of issues. The Contractor should identify any additional areas if required for orderly transition.

1. Time required for transition.
2. Transfer of intellectual property rights associated with the use of the Methodology.
3. Service costs.
4. Ownership of physical assets.
5. Time required for transition.
6. Purchase, if any required, of software/hardware.
7. Valuation of assets purchased.
8. Transfer of licenses.
9. Work in progress and in particular the completion of outstanding Supplementary Valuations and how services will be maintained during the migration to ensure continuity of service.
10. Transfer of Sub-Contractor arrangements (if any).
11. Co-operation of Contractor.
12. Staff transfer.
13. Return of customer files and documents where applicable.
14. Security.
15. Confidentiality.
16. Transfer/cessation of leases.
17. Handover of complete and up to date Procedures Manual.
18. Transfer of Valuer-General data.
19. Re-establishment of communications; discontinuing electronic links.
20. Transfer of supply contracts.
21. Settlements.

SCHEDULE 10 PROCEDURES MANUAL FOR CONTRACT VALUERS

Purpose:

This manual describes the requirements of the Valuer General for rating and taxing valuation services. The manual outlines the principles to be followed for the analysis and application of sales along with the reporting and approval requirements of the valuation contracts for Contract Valuers and details the processes to be followed in accordance with the Valuation of Land Act 1916. It is to be read in conjunction with the provisions in each Contract Agreement for the Provision of Land Valuation services for Government Rating and Taxing.

In addition the manual describes the procedures to be followed where valuations are produced through use of the 'Component Method' of mass valuation or derivatives thereof.

Responsibility:

The Contract Services Manager must ensure that all staff covered by the Contract have access to an up to date version of this Procedures Manual and that they are aware of its contents.

All staff are to comply with the Australian Property Institute's Professional Practice Guide's Code of Ethics, Rules of Conduct and relevant Practice Standards and Guidance Notes.

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CAUTION: This document is only as current as the date of printing. For current documentation see <p:/Common/Instructions and Procedures/Procedures/Current Procedures>

1. Rating and Taxing Valuation Process

1.1 Introduction

All properties in NSW are valued each year for rating and land tax purposes. All valuations are issued to the Office of State Revenue for land tax. Valuations are also issued to councils either each year or every 2nd, 3rd or 4th year.

The Valuer-General's mass valuation system is applied as follows:

- 1) Properties that react to market forces in a similar way are grouped together in a component, and
- 2) The existing values of those properties in a component are updated by a market-based factor that is then used as a multiplier of the prior Land Value. The result is then checked by the Contract Valuer and individually verified values applied as appropriate.

The use of mass valuation techniques does have limitations, particularly over a period of time. The continued application of factors may lead to a distortion in the relativity of values within a geographical area. Some types of properties are so few in number or likely to be so sensitive to localised changes that individually verifying values is the only appropriate method.

Contract Valuers are responsible for selecting and advising the most appropriate method of valuation.

Although a mass valuation system is used to determine the majority of land values, the Valuation of Land Act requires that each land value must be capable of being supported on its own by the market evidence. This is particularly relevant if a valuation is objected to or challenged in court.

1.2 Contract Standards

1.2.1 Performance Standards

The Contractor is required to make accurate and complete Valuations on behalf of the Valuer-General.

The Service Obligations in the contract require the Contractor to provide services diligently, efficiently, professionally and to a high standard of care. These standards are to be maintained at all times.

1.2.2 Professional Standards

The Service Obligations in the Contract require that the Contractor and its representatives are all suitably qualified and experienced and have the appropriate skills and ability to conduct the valuations in accordance with professional standards. Explanation and guidance to the level of professional standards expected can be found in the Australian Property Institute's (API) Professional Practice Guide, 2004.

- When conducting valuations, Valuers are to comply with API Practice Standards, 'PS1 – Valuations Procedures' and Guidance Note '(GN) 5.1 – Valuation for Rating and Taxing.'

It is important to note that Practice Standards in the API Professional Practice Guide are mandatory. Whilst Guidance Notes are not compulsory, they represent 'good practice' and should be followed.

1.3 Project Plan

The project plan is to provide the framework for the provision of services with each Local Government Area for the period from the 1 May to 30th April. This project plan will provide the basis of the management of the contract across the 12 month period.

The completion of an approved project plan is required by the date specified in Schedule 1 of the contract.

The project plan is to include:

- A Schedule of Agreed Dates in accordance with Appendix F.
- A Program and description of the method of sales analysis for the LGA.
- Approach to updating and recording added value and cost analysis.
- Management of components, including the schedule of components to be reviewed in accordance with Section 2.2.1 and 2.2.7.
- Town Planning - A summary of development standards in the current scheme & their effect on Land Values.
- A plan detailing the allocation of staff to the contract for the 12 month period.
- Method of dealing with the review of land values amended on objection or reascertainment.
- Approach to adjusting sales to 1 July.
- A program for the inspection and/or individual verification of all valuations (Refer to Section 6.0).
- Any further information that the contractor considers relevant to the valuation process over the next 12 months.

1.4 Progress Reports

The Contractor is to supply a Progress Report by the 20th of each month. Progress Reports are to be approved by the Services Manager and will contain:

- The number of analysed sales in each zone undertaken during the month and the total and completed for each district.
- Number of components completed.
- Any significant market trends.
- Updated press clippings.
- Statement that Council resources have been checked for demolition DA's and other significant information.
- Comment on progress in relation to the Project Plan.
- Progress of individual verification of land values program

Progress reports regarding the verification of land values are to include at least the following information:

- Progress against the project plan in terms of components reviewed and properties which have been 'inspected' and/or 'individually verified'.
- A narrative outlining significant anomalies identified, or potentially contentious issues, together with a recommendation for their resolution.
- A list of property ID's for properties, categorised into those which have been 'inspected' and/or 'individually verified'. (Note: This requirement may be met by the provision of details of verifications via normal value load processes).
- Identification of parts of components requiring inspection or 'individual verification'.
- A rationale for the structure of the component and the inclusion of any "outlier" valuation assessments.
- New and deleted benchmarks.
- Property component amendments.

1.5 Performance Scorecards

A performance scorecard will be produced in Valnet on a quarterly basis.

The scorecard will issue to the Contractor for review in Valnet 2i. The Contractor is to submit scorecard comments within 1 week of receipt of the scorecard.

2. Annual Valuation Procedures

2.1 Market Analysis

The most important part of the valuation process is the interpretation of the market as at 1 July. No amount of valuation skill will overcome an inadequate analysis of the market.

Market Analysis includes sales, rental analysis and feasibility studies.

2.1.1 Sales Analysis

All sales that assist in establishing market level valuations as at 1 July must be analysed. Sales analysis is to cover the breadth of the market and is not to be limited to sales relating to the benchmark properties. Where the Contractor chooses not to analyse sales within a few months either side of 1 July in the valuing year or for classes of property where there is little evidence, the Contractor may be required to explain why analysing those sales will not assist in determining the market level.

Sales analysis must include:

- Topographical detail.
- Special features of the sale.
- Whether it is representative of the market.
- The Physical characteristics of the site such as size, shape, view, services and surrounding development.
- Information on Zoning, the permitted use and details of Development and Building approvals.
- The suitability and added value of improvements.
- Whether it is representative of the market.

There is little value in providing sales that are removed in time from the valuation date in either a rising or falling market. Sales removed from the valuation date should only be used where there is little market movement or to support the movement in the market for an earlier date.

All analysed sales used to determine land values are to be adjusted to the valuation date of 1 July. Sales that are identified as non-market transactions or out of line should not be adjusted to 1 July. Evidence of value movements or rationale must be provided.

When analysing a sale that is improved to establish land value, it is essential to either:

- Describe and make allowance for the added value of the improvements; or
- Document why the improvements have no added value. For example, where the buildings have been demolished or there is evidence of a development application at the time of sale.

The Valuer is required to have regard to the whole market and not just the vacant land sales. Sales of improved properties will have to be analysed, particularly where the improvements are less than optimum and may be approaching demolition.

It is expected that a wider range of sales evidence will be provided in any component where there may be an element of scarcity in the vacant land evidence. The reliance solely on a small number of vacant land sales is to be avoided.

Sales that have been analysed but are considered to be out of line or are not market transactions are to be included and reasons detailed. These are to be provided as part of the market analysis.

Sales analysis should not be confined to completed sales provided by LPI. The Contractor should be aware of current transactions and if necessary, include these in the sales analysis. Where these sales are included, verification must be provided as soon as the sale is advised through LPI.

Contractors should make use of regular checks of Council Web sites where possible, to identify properties where Development approvals for demolition have been granted. This will assist to identify likely sales or Council's attitude to planning policies.

Details of all sales analysed must be included in the sales information provided by the Contractor.

2.1.2 Progressive Sales Reporting

Detailed sales reports are to be provided in an ongoing fashion throughout the general valuation program. The Project Plan is to describe when detailed sales reports will be provided to the Contract Manager.

The report is to be delivered to the Contract Manager in an agreed electronic format. Sales files will also be required to be delivered in the market data file on a monthly basis, unless otherwise agreed with the Contract Manager.

Sales are to be provided progressively with the analyses to show the adjusted land value only at the end stage when provided as part of the market data file.

2.1.3 Sales Analysis Meetings

A series of regular meetings will be scheduled with the Contract Manager to discuss the analysis of sales. Meetings will allow the Contract Manager to:

- Inspect Contractor's sales and development costs file for content.
- Review analysis practices and procedures for accuracy and consistency.

2.1.4 Market Analysis Overview

A Market Analysis Overview may be conducted at the option of the Contract Manager. The Market Analysis Overview is a specific sales tour to provide the Contract Manager with an overview of the market analysis in a district and the proposed basis of values in an LGA.

2.1.5 Ongoing Sales Analysis

It is necessary to maintain and provide to the Contract Manager on an ongoing basis, analysis of sales and other information that has relevance to the market as at 1 July.

In the absences of an agreement to the contrary, these sales are to be analysed and forwarded to the Contract Manager in the upload file format specified in the contract, on a monthly basis.

2.1.6 Market Analysis Records

Details of the Market Analysis information to be kept and electronically transferred to LPI are located in Appendix B.

2.1.6.1 Sales Analysis Records

The Contractor is to supply property and sale details and analysis of individual properties for:

- Residential sales.
- Commercial and industrial sales.
- Rural sales.
- Other categories of sales.

The requirements for the Sales Analysis Records are specified in Appendix B (i).

2.1.6.2 Commercial and Industrial Rental Analysis

In areas where there is inadequate sales evidence to confidently establish the level of values, rentals are to be analysed. In these cases rentals should also be used as a basis for comparison to localities where sales evidence is available.

Where commercial and industrial rental analysis has been relied on to establish the basis of a valuation the Contractor is to provide Commercial and Industrial Rental analysis in accordance with the specifications in Appendix B (ii). The analysis of rents and leases of commercial retail and industrial properties will be used to support feasibility studies and in the grading of Land Values particularly in retail centres.

2.1.6.3 Feasibility Studies (Hypothetical Development)

Where sales are insufficient or rental information is the prime market evidence available, a feasibility study will be required to arrive at a Land Value. Feasibility studies are only required to be supplied where they have been relied on to establish a basis of valuation. The requirements for Feasibility Studies are specified in Appendix B (iii).

Feasibility studies are to be based on evidence of costs obtained through the analysis of actual developments, advice from developers active in the area or from a recognised source such as Rawlinsons Construction Cost Handbook. Calculations are to be based on compound interest and on the basis that all funds are borrowed at an appropriate rate for the type of venture being undertaken

2.1.7 Comparable Vacant Land Sales

- The use of directly comparable sales is the **preferred approach** which utilises prices paid in actual market transactions of similar properties to estimate the land value of the site.
- This technique is dependent upon using comparable market sales which have occurred near enough in time to reflect market conditions relative to the base date, and, where **sales are in sufficient quantity** to negate any possibility of a scarcity factor affecting the price.

2.1.8 Paired Sales Approach

This approach is to be used to analyse the added value of improvements where vacant land sales are in sufficient quantity to negate any possibility of a scarcity factor. The land value demonstrated by vacant land sales is to be taken from the sale price of improved properties to determine the added value of the improvements.

The resulting analysis of the added value of improvements can be applied to other improved sales to show the residual land value.

- A pilot study of a sample of sales should be undertaken to develop a basis for the added value of improvements and to eliminate inconsistencies.
- Where possible, the analysis should include renovations, refurbishments and additions to demonstrate the added value of these improvements for use in the analysis of other improved sales.
- The added value of the improvements in this type of analysis will be inclusive of the following where applicable:
 - Developers entrepreneurial profit & risk.
 - Building improvements.
 - Internal inclusions furnishings, air-conditioning, fencing, paths, driveways, pool, landscaping.
 - Professional fees, approval fees, holding costs etc.

2.1.9 Replacement Cost Approach

The replacement cost approach will be relied on in circumstances where there are low volumes of vacant land sales for use in paired sales analysis. The replacement cost approach is based upon the principle that the informed purchaser would pay no more than the cost to reproduce the sale property. It is particularly applicable when the property sale being analysed involves relatively new improvements which represent the highest and best use of the land or when relatively unique or specialized improvements are located on the site and for which there exists no comparable sales on the market.

The Replacement Cost method avoids having to make a hypothetical adjustment for depreciation by allowing real costs for physical deterioration bringing the sale property to an as new condition. The costings are to be based on the same size, number of rooms and construction etc. as similar as possible to the existing building. Further allowances may be required to account for (1) design and functional obsolescence; and (2) external or economic obsolescence.

The replacement cost method is appropriate for sales analysis where there are limited vacant land sales and may be applied across the market. Sales of heavily improved properties should be treated with caution as the results will not be as reliable as under improved properties.

Replacement Cost Methodology:

- Reasonable allowance for refurbishment costs added to the sale price to bring the improvements to an as new replacement standard where the returns would be equivalent to as new.
- An appropriate entrepreneurial profit and risk allowance.
- Allowance for interest on funds during the hypothetical construct to completion period. This is inclusive of holding charges and construction costs.
- The adjusted sale price can now be analysed for land content by using industry accepted cost estimates for the as new building and development expenses. The residual amount following this exercise will show the adjusted land value at the base date.
- Allowance for acquisition costs in the analysis of single housing sites under the replacement methodology has not been made as the residential market for this category makes purchases on a comparative basis without regard to this item as a separate consideration.

Costs are inclusive of the following:

- Cost of building construction, including all professional fees
- Costs of site works in preparation for building
- Cost of stamp duty and legal charges on purchase of site
- Costs of rates and taxes over development period
- Loss of interest on capital outlaid on purchase of site
- Loss of interest on capital outlaid on construction (av. 50% of dev. period).
- Reasonable profit required by developer
- Legal costs and commission on sale for development sites.
- The depreciation allowance would be on all costs (incl. P&R).
- Critical to the analysis is that the added value only is to be captured and taken from the Sale Price to show the Residual Land Value.

Example:

	Sale Price	\$			
	Time Adjustment (+ or – x %)		x	% =	\$
+	Cost to Renovate Existing Building as New				\$
	Adjusted Purchase Price				\$
	on an as New Replacement Building				
	Less Replacement Cost of New Building				
-	Improvements - size m ² x rate/m ² (comparable to existing bldg.)	\$			
-	Development Application Fee	\$			
-	Building Application fee	\$			
-	Professional Fees (Architects fees, supervision etc.)	\$			
-	Landscaping (Gnd impts., landscaping, paths, driveways, plants, etc.)	\$			
-	Internal Furnishings Fixed	\$			
	Total Direct New Replacement Cost	\$			
	Less				
	INDIRECT COSTS				
-	Entrepreneurial Profit on construction say%	\$			
	Less				
-	Holding Costs (Charges)				
-	Council rates (on construction period)	\$			
-	Land Tax (on construction period)	\$			
	Water Rates (on construction period)				
	Less				
-	Loss of Interest				
	On Replacement cost x ½ construction period	\$			
	On Holding costs (R/T) for whole construction period	\$			
	On Land Cost for whole construction period	\$			
	DIRECT and INDIRECT NEW REPLACEMENT COSTS				\$
	Deduced Adjusted Residual Land Value			=	\$
	[Sale Price - Less added value of improvements]				

▪ The use of this method totalling using new replacement costs plus land should not show an adjusted sale price that exceeds comparable market sales with new improvements.

▪ The inclusion of entrepreneurial profit allowance will need to be supported.

▪ Allowance for Acquisition and Selling costs will be applicable on development sites.

2.1.10 Hypothetical Development Method to Assess Land Value

The Hypothetical Development method of valuation is used as a **secondary check valuation or when there are no comparable sales** to guide the valuer. The method also called a feasibility study requires many assumptions, and under certain circumstances it has been accepted by the Courts as being the most suitable method to assess a land valuation.

The most common uses for this valuation method are for calculating the site value of:

- Central Business District development sites.
- Calculating the value of broad acre sites of land for residential single lots.
- Unit development sites.
- Industrial subdivision.

The aim of the feasibility study is to establish land worth by calculating the residual land value based on the sales projection of the completed hypothetical development.

Allowances for profit and risk, development expenses, incentive costs, carrying charges are subtracted from the estimated proceeds of sale; and the net income or sales projection is discounted over the estimated development and sales period required for market absorption of the developed sites.

Land cost should include ancillary costs such as purchase fees, stamp duty, etc. If the development is to be carried out in stages, the implications for the cash flow and the various categories of cost should be considered. Analysis that should include interest rate calculations based on a 100% funded basis.

The hypothetical development model generally relies on comparison of unit costs and rates from similar development schemes which are then applied to the particular development to be analysed. Assumptions made should be clearly stated with reference to evidence, research and reasoning.

There are 3 main types of Hypothetical Development Models:

See API Professional Practice 2004 Guidance Notes.

- **Static Analysis** – methodology is suitable for calculating profit and risk or land value. A 'static analysis' assumes no change in prices or costs during the period of development. Costs and income are assessed as at the date of completion of the project and with allowances for vacancies and letting up periods.
- **Dynamic Analysis** – allows for potential 'feasibility study' is defined as the process of undertaking an assessment to identify the opportunities and risks of a property development project and to estimate the projected costs, revenues and profit potential of the project.
- **Discounted Cash Flow Method** - With this approach, both costs and income are assessed over an appropriate time period and then discounted back to present value, generally being the date of the commencement of the project. This is the more complex financial analysis that should include interest rate calculations based on a 100% funded basis. This method is subjective and relies heavily on future estimates.

An example of a hypothetical development calculation follows.

Office Site		Residual Value Technique			
Gross income		Rent/m2PA	Area m2	Annual rent	
Offices		\$500	4,900	\$2,300,000	
Shops		\$450	360	\$162,000	
Tenancies		\$0	250	\$0	
Tenancies		\$0	350	\$0	
Cars	Rent	\$5,400	No.	11	\$59,400
Building Naming Rights		\$0	Per Annum	\$0	
Building Roof Signage		\$0	Per Annum	\$0	
Total Gross Rent					= \$2,521,400
Outgoings		Rate per \$			
Rates	Council (L V)	\$2,000,000	1.44	\$28,800	
	Water (M2)	4860	\$5.0 Per/m2	\$248	
	Land Tax (LV)	\$2,985,000	1.85	\$55,223	
	Management	2.5%		\$83,035	
	Other			\$0	
Shows rate per m2		\$30	Total	\$147,308	
Repairs					
Insurance					
Power					
Cleaning					
Adopt O/A Rate m2		\$63	\$312,480		
Total Outgoings		\$459,786			
Vacancies	5.0%	\$126,070			
Outgoings incl. Allowance for Vacancies		\$585,856			
Total O/G Excl. Vacancies		\$93	M2		
Net Income		\$1,935,545			
Net Capitalisation Rate		7.25%			
Analysis		Gross Return	9%	Capital Value	
		\$26,607,166			
Less					
Selling Commission		2.0%	\$533,943		
Leasing Commission		3.0%	\$75,842		
Legal on Sale		3.0%	\$800,915		
Marketing Costs		0.5%	\$133,486		
		\$1,543,986			
Developers Profit and Risk Factor		20	%	= \$25,153,179	
Allowance for Profit & Risk		\$4,192,197			
		\$20,960,983			
Development Expenses					
Bldg. size	8120	Rate M/2 @	\$1,750	Shops	= \$10,710,000
Bldg. size	0	Rate M/2 @	\$0	Offices	= \$0
		Other	Car Parking	\$25,000	
SITE WORKS					
	0	Cubic M/2	Rate @	\$0	= \$0
Carparking Cost		11	Spaces	\$25,000	Cost = \$275,000
Development Application Expenses					
Building Application Expenses					
Section 94 Fees					
Professional fees on Total Building Expenses					
Architect		3.0%			
Engineer		2.0%			
Quantity surveyor		2.0%			
Consultant		2.0%			
Contingencies		1.0%			
Miscellaneous		10.00 % on	\$11,140,095		
Council Levy Per Car Space - Rate			\$0	Car Space	0 = \$0
Miscellaneous		\$15,000			
Holding Costs					
Council Rates	Land Val	Levy	2.00	Yrs	= \$79,850
	\$2,950,000	1.35%			
Water Rates	Amount		2.00	Yrs	= \$2,000
	\$1,000				
Land Tax	Land Val	1.85%	2.00	Yrs	= \$109,150
	\$2,950,000				
Acquisition Costs					
Legal on Purchase	Land Val	3.00%			
	\$2,950,000				
Stamp Duty on Purchase	Land Val	4.50%			
	\$2,950,000				
Total Development Expenses		= \$12,881,155			
Loss of Interest (Compound)					
Development Expenses	9.00	Months @	0.71%	(1/2 Period)	= \$831,309
[Building Period - Until Sale]					
Land Acquisition	24.00	Months @	0.71%	(full Period)	= \$1,163,196
[Total Development Period]					
Development Expenses Plus Interest		Total	= \$14,075,659		
Site Value of Land		= \$6,285,324			
Analysis					
	Site Area	556	M2	Rate Per M2	= \$11,305
	F S R	5,560	M2	Rate Per M2	= \$1,130
F S R	Ratio	10.00	ACHIEVED		
Building Cost	\$2,248	M2			

2.1.11 Movement in the Market

In analysing sales occurring either before or after the base date, it is necessary for the valuers to adjust the contract price either upwards or downwards to reflect the prevailing market values at the base date. The calculation of adjustments should be demonstrated by analysis of the market. A rate of change without rationale is insufficient.

All analysed sales are to be adjusted to the valuation date of 1 July. Sales that are identified as non-market transactions or being out of line and that are of no benefit in establishing land value should not be adjusted to 1 July.

The rationale for sale adjustments must be provided. The preferred approach is to use evidence of sales and re-sales or sales of like properties at different dates. If the preferred approach is not available, rationale is to be provided.

Alternatively, evidence of median price movements is acceptable for the adjustment of improved sales. The market analysis can be by LGA or locality.

Ideally, this evidence should come from a public resource, such as the Department of Housing's website. The Department of Housing website contains details of the movement in median prices on a quarterly basis (<http://www.housing.nsw.gov.au/>).

There are 3 reports that will assist:

1. Greater Metropolitan Region all Dwellings, Non Strata and Strata disaggregated by LGA and the Inner Ring, Middle Ring, Outer Ring and Rest (outside the GMR but not including country areas).
2. Greater Metropolitan Region as above by postcode within subgroups.
3. Greater Metropolitan Region as above by postcode only.

In the absence of these preferred approaches adjustments to sales must be clearly rationalised based on other available evidence.

2.2 Components and Benchmarking Services

Where the contractor is using the component method of valuation, the following is to be followed. Appendix C details the component and benchmarking information to be kept and electronically sent to LPI in the market data file.

2.2.1 Structure of Components

All properties within a district belong to a particular component.

The main purpose of components is to enable the mass valuation of similar properties. Adequate resources are to be committed to individually verifying values where appropriate.

Components are used in 2 ways, as follows:

- To group like properties that have similar characteristics and similar value movements.
 - These characteristics then allow like properties to be updated by a single component factor. Components do not have to contain only adjoining properties. The important point is that like properties all have similar value movements.
- To isolate properties that are unlike the majority of properties in the same district.
 - For example, regional shopping centres and freestanding fast food outlets. Land values for these types of properties may need to be individually verified.

Each component must only contain properties of one generic zone e.g. residential, business, industrial, and rural.

The boundaries of components are to be identified on a map maintained by the Contractor together with the ability to produce a schedule of the properties included in that component.

Every component must be scrutinised during the term of each contract to identify any properties that may be “outliers”. Higher valued outliers are likely to give rise to the most concern. Any properties that should not remain within the component should be moved to the correct component. The Contractor is to provide a list of the components checked and the properties identified and moved to another component.

2.2.2 Component Codes

All properties within a component must have the same component code.

- The code is a 2 alpha code using the combination from A to Z (AA to ZZ) except I and O.
- Each code can only be used once in each District.

2.2.3 Benchmarks

Benchmark properties must be carefully selected to represent large numbers of properties within the component. It is necessary to select benchmarks covering the range of major value levels in the component, to check on any variation that may indicate the need for individual verification or the need to vary the boundaries of a component.

The number of benchmark valuations required per component will vary depending on the range of values within the component. A component with a very narrow value range may only require one benchmark.

Each benchmark requires a worksheet or separate record containing photograph and physical details as well as details of the surrounding development. These are to be recorded and maintained by the Contractor.

Those components for which the benchmark value is not broadly representative of the component in terms of the quartiles into which their values fall, should be closely examined with a view to selecting more representative properties as the benchmarks.

The benchmark should fall within the middle range of the values within the component. A standard of $\pm 5\%$ of the median value within the component is acceptable.

2.2.3.1 Use of Multiple benchmarks

A single benchmark is frequently inadequate to determine how effectively the component factor is updating land values to the market level across the range of the component. Multiple benchmarks should be used in components that have high QRPs or large numbers of properties.

Components will still require a benchmark within 5% of the median value. It is generally expected that this benchmark will be used to determine the component factor. However, this may not always be the case where there are significant sub-groups of properties within a component. The component factor is to be the factor that will update the greatest number of land values to the correct market level and is to be based on the valuation of a benchmark.

Where additional benchmarks are created it is not expected that they will also fall within 5% of the median value. These additional benchmarks are generally not expected to be used to determine the component factor, rather, their role is to quality assure the values across the range of values in the component. Where the value of a "check benchmark" varies significantly (by more than 10%) from the value produced by the component factor it should be reviewed to determine what is required to bring the values into alignment. For example, this may indicate that a sub-factor is required, additional handcrafting is needed or that the component may need to be split.

Benchmarks are not to be averaged to determine a component factor; rather each benchmark is to be considered on its merits

2.2.4 Valuation of Benchmarks

Following the market analysis, every benchmark in each component is to be valued.

This is a critical part of the process. As each valuation has to be capable of being supported by the market evidence, it follows that the value of each benchmark must also be capable of being supported by the market evidence. Strong evidence must be available to counter those lower sales prices considered not to represent the market. This is necessary because it is these properties that must be particularly accounted for in any process of objection and court challenge.

It is, therefore, of the utmost importance that benchmarks must be valued with a high degree of skill and that they are well supported by the market.

- The valuation of benchmark properties must have regard to the purpose of the valuations for rating and taxing use.
- The valuations must be consistent with the market on both a local and state-wide basis.
- Any variations above or below a reasonable relationship to the market as indicated by the sales will not be accepted.

Where the benchmark valuation is made on any basis other than direct comparison, contains a classification of land or calculations of land type, or is based on a hypothetical development basis, a separate worksheet detailing the basis of valuation and calculations must be supplied.

Following the valuation of the benchmarks, the Component Factor for each component will be calculated and applied to the properties within the component.

2.2.5 Component Factor

Component Factors are necessary to determine new Land Values. The previous year's Land Value is multiplied by a newly calculated Component Factor to produce a new Land Value.

The Component Factor is determined by dividing the new value of the benchmark by the prior value of the benchmark (to 3 decimal places).

Example

New value for Benchmark A	\$215,000
Prior value of Benchmark A	\$200,000

$$\text{Component Factor (to 3 decimal places)} = \frac{215,000}{200,000} = 1.075$$

If a number of benchmarks are used, then the Component Factor selected will be the one that gives the correct result for the greatest number of properties. A wide variation of indicative factors following valuation of the benchmark properties may indicate a need for sub component factors or the creation of new components.

In components where only one benchmark is used, a direct application of the component factor is required to adjust the land value. Where there is any variation between the factor calculated and the adopted factor, the reasons for the variation must be provided.

2.2.6 Component Analysis

Contractors are required to scrutinise all components and undertake an analysis of all components to determine the inter-quartile range (QRANGE) and the QRP statistic.

Any wide variations in the value range identified by the QRANGE figure should be investigated.

- The acceptable measure for the QRP is less than 50%. Components with a QRP statistic above 50% should be scrutinised to ensure that they consist of comparable properties.
- The benchmark should not vary more than +/- 5% from the median of the component. The amount of the variation of the benchmark from the median is to be provided with the component analysis data.

The component analysis in the form of a Component Data Table, calculated on the proposed values at the current base date, is to be provided in a table or list form when the Contractor supplies the proposed values. Details provided in the Quality Control Section of this Document.

2.2.7 Changes to Components

Following the market analysis, valuation of the benchmarks and component analysis, it will be evident if any of the components need alteration owing to changes over time in the value relationship between properties within the component

These changes in value relationships may be overcome by:

- Individually verifying individual valuations.
- Changing the boundaries of components.
- Creating new components or amalgamating components.

Changes to the boundaries of components require the approval of the Contract Manager.

Recommendations for changes to components are detailed in Appendix C.

2.3 Valuation Recommendation Services

2.3.1 Provisional Component Update Factors

To enable the Valuer General to determine indexation factors in accordance with section 62TBB of the *Land Tax Management Act 1956*, the Contractor is to provide provisional Component Factors.

During the month of September but no later than the date specified in Schedule 1 of the contract, the Contractor is to provide a Provisional Component Update Factor for each component within the residential, commercial, business or industrial zones in each Local Government Area.

Land is within a residential, commercial, business or industrial zone if it is zoned, or otherwise designated for use under an environmental planning instrument (within the meaning of the *Environmental Planning and Assessment Act 1979*) for, or principally for residential, commercial, business or industrial purposes, or for some or all of those purposes.

The Provisional Component Update Factors are to be provided in the upload file format specified in Schedule 5 of the contract.

2.3.2 Determining Values

Once determined, the Component Factor is to be applied electronically to update all properties in the component. The results must then be examined by the Contract Valuer. Individual valuations are to be adjusted as necessary to ensure that they are consistent and supported by the market evidence.

The Contract Valuer is to establish a program for the inspection and/or individual verification of all valuations for all properties in accordance with the contract.

All components should be checked to ensure that the proposed valuations can be supported by, and are in line with the sales evidence. A check of the ratio of assigned value to sale price or analysed sale should be undertaken to ensure that the values do not conflict with any of the sales evidence in the component. It is necessary to check the values against all sales particularly those that occur close to the valuation date.

Particular care must be exercised where the Component Factor will result in a high annual or cumulative increase in valuations within a component. The valuations within this component must be verified to ensure that the sales evidence can support the results, particularly in the upper end of the component range.

- The statistical checks for the component will indicate if the resulting range of values is within the acceptable limits.
- Those factored values that are out of line with the market evidence must be individually verified or amended during the verification process.
- LPI will require a download of the district in the Valuation Recommendation File to verify values prior to final approval being given.
- The Contract Valuer, who will also complete any necessary adjustment of values, will then verify the results.

2.4 Quality Control

It is recommended that statistical checks be carried out by the Contractor throughout the revaluation process. Use of Statistical checks should not be restricted to a final audit at the end of the program.

Contractors are to provide evidence of statistical checks as part of the Valuation Analysis Report at the end of the program (See Section 2.5.3 for further details).

A detailed explanation and examples of how statistics are calculated is located in Appendix A.

2.4.1 Statistical Measures

The Contractor, prior to delivery of the Valuation Recommendation File, must perform the following statistical checks using the Adjusted Land Value at the Base Date ascertained from all analysed sales. Statistical checks are to be carried out for residential zoned land.

The Contractor is required to graph the Ratio of Values to Sales for all single residential sales that have been analysed. This graph will be used to further assess and review the MVP and PRD. It provides a graphical illustration of the inputs of the MVP and PRD which will assist in fault finding and quality control.

An example of the graph is located in Appendix A.

Details of all calculations must be supplied in a format that is both transparent and informative. The Contract Manager should be able to review the calculations supplied to identify trends or possible areas of concern.

The following details are the minimum requirements to be recorded. Each point should form a heading on the spreadsheet provided by the Contractor.

- Property Identifier.
- Zone.
- Component Code.
- Sales Code.
- Address.
- Contract Date.
- Adjusted Land Value at the Base Date.
- New Land Value as at 1 July.
- Sales Ratios.
- Absolute Deviations.

The following details must be displayed in addition to the required statistics:

- Median Sales Ratio.
- Number of Sales.
- Average Sales Ratio, and
- Weighted Average (See Appendix A for further details).
- The date range from which sales were extracted.

Outliers must be identified and accompanied by a comments column, which details why the sale was removed from the calculation.

2.4.1.1 Coefficient of Dispersion (COD)

This measures the relative consistency and, when viewed with the other measures, the relative accuracy of values in relation to the sales. It shows the amount of variation or the consistency of the values and also the relative accuracy of the values as the relationship between values and sales widens.

The accepted measure for the COD is 0 – 15.

2.4.1.2 Mean Value to Price Ratio (MVP)

This calculates the mean relative accuracy, or level of values, relative to the sales. It shows the mean level of accuracy of the values assigned compared to the sales evidence. The MVP is to be calculated only in single dwelling residential categories, including rural home site areas.

The accepted measure for the MVP is 85-100%.

2.4.1.3 Price Related Differential (PRD)

This test measures the progressive value to sale relativity across the range of values in the sample. It demonstrates the variations of relativity between the sales and the assigned values and indicates if there is a progressive change in relativity across the value range.

The accepted measure for the PRD is 0.98 – 1.03.

2.4.1.4 Comparison of Average Value Changes

This measures the difference in average value changes between analysed sale properties and the average value change for all other properties within the component. It addresses whether the analysed sale properties have been valued the same way as the others, if so all values should have been changed by a similar amount. The difference between the average value changes of analysed sales and other properties is to be less than 5%.

This test should be carried out separately for each component and provided on a spreadsheet with the following headings;

Component	(component title)
No of Analysed sales	(total number of sales analysed in that component)
Average % change	(total average % change for all analysed sales in the component)
No of entries	(total number of entries in the component)
Average % Change	(total average % change of all properties within the component excluding the analysed sales included in the first part of the statistic)
Result	(standard less than 5%)

Details of how to calculate this measure are located in Appendix A

2.4.2 Component Data Analysis

Where the component method of valuation is used by the Valuer, component analysis using the QRANGE and QRP must be undertaken. It is considered to be a simpler and more accurate measure than a graphical representation.

The advice is to be provided in a table for the whole district listing each component and showing the following information:

- Component.
- Zone.
- Number of entries.
- Benchmark value.
- Benchmark variation from median.
- Minimum value.
- Maximum value.
- Median value.
- QRANGE.
- QRP.
- Check to recognise small non-homogenous components.

The Component Data Table for all components in a district is to be supplied by the Contractor with the value upload file in the format shown in Appendix E.

2.4.3 Quality Statement

This quality statement is to be provided as part of the Valuation Analysis Report **with the delivery of the Valuation Recommendation File** prior to the values being added to Valnet.

Contract Valuers must provide a signed statement detailing the quality control checks that have been carried out in each district, including but not limited to:

- Ensuring all properties have been valued.
- Ensuring the valuations are within the set parameters
- That a zone/component code integrity check has been made.
- An in depth value check on those properties that have considerably higher values in relation to the average for land use for example, regional shopping centres, steelworks, large scale unit development, large rural properties etc. A list of the properties identified is to be provided.
- Ensure that current and proposed Development Control Plans and planning changes that affect the valuations have been taken into account.
- Where the land value of a property has been amended on objection or reascertainment, the alignment of values with nearby properties has been checked.
- That all Statutory concession valuations and allowances have been supplied, including -
 - Allowances for development on and off the land.
 - Heritage Values.
 - Land Rating Factors.
 - Apportionment of Values.
 - Mixed Development Apportionment Factors.
- Statistical Checks and Component Data Tables have been prepared, reviewed and anomalies have been rationalised.
- Land Values have been compared to adjusted land values for analysed sales and anomalies have been addressed.
- Land values have been compared to all sale prices and anomalies have been addressed.

2.5 Reports

LPI requires regular reports, to be delivered to the Contract Manager within an agreed time frame. The format and delivery of these reports is to be determined between the Contract Manager and the Contractor.

These reports are compiled from the above information and include written comments to demonstrate that the Contract Valuer is familiar with the council areas being valued.

2.5.1 Progressive Sales Analysis Reports

Detailed Sales Analysis Reports are required to be delivered to the Contract Manager in accordance with Section 2.1.2.

2.5.2 Component Valuation Report

Where the Contractor has used the component method of valuation, the Component Valuation Report is to be provided electronically in the Market Data file at the time the Valuation Recommendation File is provided. Contractors are not required to forward the Component Valuation Report to Contract Managers for approval.

A Component Valuation Report completed for every component is to include:

- A summary of sales that are to be used in the valuation of the benchmark for that component. Each sale **must** contain an extensive comment describing the relativity of the sale to the benchmark. Sales that are excluded on the basis of being “non-market” are to be specifically identified and explained.
- The valuation of the benchmarks, including details of the methodology and calculations.
- The "Benchmark Comments" section should contain brief topographical and location features. For those land uses where direct comparison cannot be used, details of the methodology and calculations must be attached on a worksheet.
- The recommended Component Factor.
- The "Components Comments" section is to include a detailed rationale for the valuation of the component and in particular, should comment on the accuracy of the result after the Component Factor is applied and the degree and location of individually verified values required.
- Comment on the accuracy of the resultant Component Factor and the amount of individually verified values required.

The file is also to include a summary for all sales analysed during the valuation process including sales that are considered not to represent the market for each component.

Full details of the items to be included in this report are contained in Appendix D.

2.5.3 Valuation Analysis Report

The Valuation Analysis Report is to be provided with the Valuation Recommendation File and contains the Quality Statement, Statistical Reports and Component Analysis Table.

Any further Market Analysis Report information should also be included.

While not a specific requirement, a graph indicating the benchmark, sales and Land Value relationships, is also useful to demonstrate the reasonableness of the recommended valuations.

This report will assist the Valuer-General during the process of accepting the valuations into Valnet.

2.5.4 Final Report

A report in the form of an extended narrative is to be submitted to the Contract Manager before the date specified in Schedule 1 of the contract.

The report is to take the form of a “speaking valuation” and is to be of equivalent standard to a substantial consultancy report. It should enable the reader to understand the valuation approach, sales analysis, the reasoning for and the result of the application of sales evidence.

The report is to provide information that the contractor considers relevant to the valuation process. It should include commentary of the main features and significant issues, such as:

- A general overview of each LGA including a brief description of the:
 - Location of the district.
 - Principal towns or suburbs.
 - Main industry.
 - Significant retail centres.
 - Type of residential development e.g. single dwelling, medium density, high-rise.
- The number of valuations undertaken
- Details of the effect of State & Local Government Legislation, relevant town planning and zoning instruments together with reference to any significant changes to zones or codes that may have an effect on values or that may change the value relationship compared to the prior value levels.
- An outline of significant issues or developments that may affect values. E.g. new shopping centres, industrial estates, residential estates, changes to traffic flows and expressways, Development Applications.
- Reference to investigations into the added value of improvements and a description of the approach adopted in determining the added value of improvements in the analysis of improved sales.
- Main features of the market and any sales of particular interest.
- An overview of individually verified land values.
- An overview of the quality assurance process undertaken during the general valuation.
- An overview of how subsequent valuations on and around those properties where land values were amended on objection or reascertainment are dealt with.
- Tables and charts that illustrate movement in land values for typical properties from the last valuation issued for rating and from the previous year.
- An overview of the statistical analysis.
- Identification of the Contractor as author of the document.

- A disclaimer in a form provided by the Valuer General. The disclaimer is to state:

Purpose of this Report

The purpose of this report is to describe the process and considerations for the 1 July [Year] general valuation of [Name of Local Government Area]. The report has been produced on behalf of the Valuer General.

The land values have been specifically made for rating and taxing purposes. Land values produced as part of this process should not be used for any other purpose without the specific agreement of the Valuer General.

Land values must have regard to specific requirements and assumptions in rating and taxing legislation. Consequently these valuations may vary from market levels.

The land values were made using a mass valuation process that involves assessing large numbers of properties as a group. While valuations have been prepared with all due care, mass valuations are, by their nature, likely to be less accurate than individually assessed valuations.

Town planning, land use and other market information contained in this report has been compiled based on enquiries undertaken during the valuation process. Third parties should make their own inquiries into these details and should not rely on the contents of this report.

The Valuer General disclaims any liability to any person who acts or omits to act on the basis of the information contained in this report.

More information on the valuation process is available from the Department of Lands website at www.lands.nsw.gov.au

The Final Report is to contain an Executive Summary of approximately 1 to 2 pages highlighting the key features of the report including:

- The Shire or LGA where the valuations were done
- The number of properties valued this year and the total land value in dollars.
- Year when the previous valuation notice was issued (i.e. the last local government base date)
- The total land value from the previous valuation period. Plus the percentage change between this year and the previous valuation.
- One or two paragraphs summarising the overall change in valuation and the reasons for it.
- A brief summary of valuation changes in residential land. Major changes, up or down, should be explained.
- A brief summary of valuation changes in rural land (if applicable).
- A brief summary of valuation changes in commercial land.
- A brief summary of valuation changes in industrial land.
- A table of typical values.

In the interests of transparency it is intended that these reports will be published on the Department of Lands website to assist stakeholders and advise what was considered in determining the new Land Values throughout a LGA.

The information contained in this report may be drawn upon by the media and the public for their own purposes.

The report is to be delivered to the Contract Manager electronically in Microsoft Word Document or PDF format.

3. Supplementary Valuation Services

LPI will forward all supplementary valuations to Contractors as they are prepared.

The instructions will include:

- The property affected.
- Justification for the action.
- The section of the Valuation of Land Act authorising the action.
- The entries to be cancelled including their values, allowances etc.
- The new entries showing the required valuations as at 1 July.
- Special Instructions e.g. heritage or mine valuations required.
- Copies of Deposited Plans and Strata Plans will be available to the Contractor electronically. Where any other information is required to identify the land it will be forwarded separately.

The supplementary valuations are to be forwarded on a regular basis by electronic transfer. Contractors are required to complete and return the supplementary valuations in electronic form within the time limits specified in the contract.

The Contractor is required, depending on the circumstances, to:

- Inspect the properties.
- Note the Zone codes on each new entry.
- Note the Component Code on each new entry
- Provide Land Values at 1 July
- Provide Allowances under Sections 14L and 14T.
- Provide Mixed Development and Mixed Use Apportionment Factors.
- Record the basis of the valuation and any valuation calculations on a worksheet.
- Record the physical features or special features of the valuation on a worksheet where these are relevant to the valuation decision or separate the property from others in the area.
- Record details of fragmented holdings and the basis of the individual valuations.
- Provide valuations as required by the Special Instructions.
- The Contractor is to keep a record of which valuer undertook the work.

Supplementary performance will be monitored on a regular basis by the Contract Manager. The Contractor performance for supplementaries will be monitored on an individual, monthly, quarterly and yearly basis.

Lands may undertake individual quality checks of supplementaries at the Contract Manager's discretion and may require the contractor to provide working notes etc.

4. Sales Coding Services

The Contractor is required to place a sales code on all sales.

The primary purpose for the coding is to allow Valuers to retrieve sales of a similar property type.

Where subsequent analysis provides information varying the original sales code the code is to be amended and included in the next electronic sales code advice.

Coding is to be based on both:

- A solicitor's classification of the property, and
- The Contractor's local knowledge.

A sales code can be altered if it is later determined to be incorrect.

All sales will be provided at an agreed interval in an electronic file. The sales are to be coded and the relevant data returned electronically to LPI. The file must contain all new sales codes and any code amended since the last sales file.

It is up to the Contractor to ensure that they EXTRACT ALL of the required sales.

The file format for the 'Sales Code File' is shown in Schedule 6 of the contract.

5. Objections and Appeals Service

5.1 Valuation Inquiry Services

Contractors are to assist LPI in the determination of objections or enquiries from third parties by supplying additional information where requested. LPI may require information regarding analysed sales, methodology used or any information used in the determination of the value. This information is to be provided within the time frame specified in Schedule 1 of the contract.

Examples of information that can be requested include; but are not limited to:

- The basis of the valuation.
- The methodology used by the Contractor to establish the value.
- Claims by the objector about zoning.
- Physical features that may not have been considered in the valuation.

Where information advising whether certain factors were taken into consideration when making the valuation is requested, the Contractor is to explain the impact that these factors would have on the valuation.

Note: this is a request for information known or held by the Contractor. It is not a request to inspect or further investigate the property.

5.2 Values Amended on Objection

Objections are used as a form of quality control for valuations. It is essential that where values are changed on objection, the contractor has adequate information as to why the value was changed.

The Contract Manager will advise the Contractor where an amendment to the land value has been made on an objection. Changes will be advised through Valnet as they occur.

Contractors are to review objection results to determine their effect on land values. Contractors are required to certify that this has been done as part of the Quality Statement (Section 2.4.3). An overview detailing how amendments to land value on objection have been taken into account when determining value levels is required in the Final Report (Section 2.5.4).

5.3 Appeals Services

In the case of appeals, Contractors may be required to prepare reports, or appear as an expert witness in relation to a Valuation Recommendation and/or Objection Briefing. Contractor Valuers may also be required to provide other assistance to LPI in accordance with Schedule 1 of the contract.

If called as a witness the Contractor will be required to prepare a statement of evidence and comply with the directions of the Court.

- Valuers are to conform to the requirements of the Land and Environment Court of NSW 'Expert Witness Practice Direction 2003'.
- Reports must also comply with Guidance Note (GN) 6.9 'Acting as an Expert Witness, Advocate or Arbitrator' in API Professional Practice Guide, 2004.

Statements of evidence are to be submitted to the Crown Solicitor 1 week prior to exchange to allow adequate time for review.

Contractors are to abide by the directions of the Valuer General and representatives of the Valuer General on all court matters.

6. Valuation Review Services

Rating and taxing valuation contracts require the verification of land values in each contract area. The principal objective of this process is to ensure that valuations used for council rating and/or land tax are of as high a quality as can reasonably be achieved.

The process needs to be implemented consistent with the principles of accuracy, accountability, transparency and equity promoted by the Valuer General. The Valuer General has stated that identified errors should be promptly corrected on the Register. However, it is also necessary to avoid undue disruption to rating and taxing valuation bases.

In structuring the program for the verification project it is recommended that localities should be prioritised for verification based on:

- Areas of known valuation problems, including areas where large numbers of land values have been altered through the objection review process.
- Areas with significant land tax liabilities.
- Districts that are to be issued to council for rating purposes.

Within these areas, components with the greatest QRP should be addressed first.

Verification action during general valuation programs should focus on areas of significant land tax liability or where the general valuation is to be issued for council rating. However, once these valuations are issued (ie by the end of December) verification should focus on districts where the next general valuation is to be issued for council rating.

Details of the verification program are to be agreed with the Contract Manager and detailed in the Project Plan in accordance with section 1.3. Progress is to be recorded in the monthly Progress Report in accordance with section 1.4.

7. Reference Documents

This Procedures Manual is to be read in conjunction with the following documents:

- API Professional Practice Guide, 2004.
- Contract.
- Rating and Taxing Valuation Contract Management Procedures Manual.
- Valnet II User Guide.
- Valuation of Land Act 1916.
- Valuer-General's Instructions.
- Chief-Valuer's Instructions.

8. Dictionary

Act – means the Valuation of Land Act, 1916 as amended.

API – means the Australian Property Institute.

Base Date – means a date specified as such in Schedule 2 of the Contract.

Benchmarking Services – means the services specified in Schedule 1 of the Contract.

Co-efficient of Dispersion (COD) – is a measure based on the differences between individual ratios of valuations to actual prices and median of all ratios in the aggregate sample. It is formed as the average of such differences (ignoring the signs of the differences) divided by the mean ratio and expressed as a percentage.

Coding Services – means the services specified in Schedule 1 of the Contract.

Confidential Information – means information of every kind or in any way relating to the business transaction, methods, records, form, charges, financial affairs, employee data, financial and business data, technical data, intellectual property and trade secrets of the Valuer-General and specifically includes the Property Information, the Procedures Manual, the Methodology, the terms and conditions of the Contract and all methods and processes used by the Valuer-General in making a valuation.

Contract – means the agreement concluded between the General Manager, LPI and the Contractor, including all special conditions, specifications, annexures and appendices, the Procedures Manual and other documents incorporated with and forming part of the Contract.

Contract Material – means all material brought or required to be brought into existence as part of, or for the purpose of performing the valuation services including, but not limited to, documents, equipment, information and data stored by any means.

Contract Manager – means the person appointed by the General Manager, LPI to manage the Valuation Contract and to liaise between the General Manager, LPI and the Contractor.

Contractor – means the company, who by way of Contract, undertakes to supply valuation services in the valuation areas required by the Contract and, where the

Contractor is an individual or partnership, the expression shall include the personal representatives of that individual or of the partners as the case may be and the expression shall also include any person to whom the benefit of the Contract may be assigned by the Contractor with the consent of the General Manager, LPI.

Delegate – means the person for the time being holding or performing the duties of the Valuer-General and includes an officer of the Valuer-General who is authorised by the said person to perform the functions of the Delegate.

Deliverables – means all goods and services required to be supplied by the Contractor under the Contract.

Download- means the provision of an electronic value file between LPI and a Contractor.

Individually Verified Valuation – means a valuation recommendation made using the Methodology and which has been individually determined or verified without the benefit of an inspection.

Inspection – means physically viewing the property for the purpose of the valuation being made, from a vantage point which offers a reasonable appreciation of the property's features.

Inter-quartile Range – means the middle 50% of value range within a component.

Market Analysis Services – means the services specified in Schedule 1 of the Contract.

Mean – The average value within a component.

Mean Value to Price Ratio (MVP) - measures the accuracy of values relative to sales price. The MVP is the average of the land value of all properties sold, divided by the sale price expressed as a percentage. It is calculated by dividing, in each instance where there is a sale of land, the land value by the sale price, aggregating the results and dividing the total by the number of sales, then expressing the result as a percentage.

Median - The mid point in value over the whole range of values within a component of value grouping.

Methodology – means the method of making a valuation or Valuation Recommendation as set out in Schedule 5 of the Contract and, if not so set out,

is the component method of valuing property whereby Properties to be valued are attributed to components and the valuation of Properties with the same component are varied by the same proportion or amount unless otherwise determined by the party and performing the valuation or Valuation Recommendation and at all times such methods will be formulated and used in accordance with the Contract.

Migration Plan – means the plan required prior to the expiration of the Contract that must be developed to enable the orderly transfer of services at the end of the Contract from the Contractor to the General Manager, LPI or another party designated by the General Manager, LPI.

Non-homogenous Component - Where the properties within the component do not move in a similar manner and the majority or all the properties require individual valuations.

Objections and Appeals Services - means the services specified in Schedule 1 of the Contract.

Outlier- means a valuation that falls within the top or bottom 20% of a component valuation range.

Personal Information – means any information about a person whose identity is apparent, or can be reasonably ascertained, from the information or opinion.

Price Related Differential (PRD) - measures the vertical equity of valuations, i.e. the extent to which high and low valued properties are assessed uniformly relative to sales data. The PRD draws on sales properties and is the average sales ratio (i.e. the average land value to sales ratio) divided by the weighted average (the sum of the land values divided by the sum of the Adjusted Land Values at the Base Date). It is calculated by assessing first the average of all the sales ratios (land value/Adjusted Land Value at the Base Date), and second the average of the sum of all values divided by the sum of all sales; then dividing the former by the latter.

Property – means an estate or interest in land in New South Wales.

Property Information – means the information maintained by the Valuer-General whether stored on Valnet 2 or another medium concerning real property in New South Wales including, but not limited to property descriptions and addresses; ownership of property, zoning of property; values of property and sales records including prices of property.

QRANGE - The difference between the first and third quartiles
= $Q3 - Q1$
= The range of the middle 50% of observations.

The QRANGE provides the amount of value variation within the inter-quartile range.

QRP - The relative measure of the variation within the inter-quartile range.

$$\begin{aligned} \text{QRP} &= \frac{\text{QRANGE}}{\text{MEDIAN}} \times 100 \\ &= \text{A relative measure of the inter-quartile range.} \end{aligned}$$

Schedule of Agreed Dates – means a schedule of dates for key contract deliverables and other procedural requirements as agreed between the Contract Manager and Contractor.

Supplementary Valuation - means a Valuation Recommendation (other than a Rating Valuation Recommendation) provided by the Contractor to the Valuer-General for the purpose of the Valuer-General making a supplementary valuation.

Upload - The provision of an electronic value file from the Contractor to LPI.

Valnet- means the computer application used by the Valuer-General and his representatives to maintain property and valuation data including Contractor recommendations, changes of address, ownerships and property descriptions.

Valuation – means a valuation made by the Valuer-General for the purpose of the furnishing valuation list pursuant to Section 48 of the Act.

Valuations - means Valuations and Supplementary Valuations made by the Valuer-General.

Valuer-General – means the person appointed pursuant to the Valuation of Land Act 1916.

Verification – means the process of checking the factored value to ensure that the values are not outside the range that is supported by the sales using local knowledge obtained from previous inspections or other sources.

Worksheet – means a separate file providing details of the property or details of the valuation basis. This sheet must be capable of separate electronic delivery to the General Manager, LPI or to another Contractor under the terms of a Migration Plan.

Appendix A Mass Valuation Statistical Checks

EXPLANATION OF MEANING AND USE

The NSW Valuer-General has introduced quality control measures to be implemented commencing as mandatory for new contracts from 2003 and a phased introduction to existing contracts. These quality controls measures are widely used in other countries and states of Australia.

The Valuer-General has supplied the parameters or standards that these results must achieve. The examples below provide a demonstration of how statistical analysis is to be carried out.

Mandatory Quality Control Checks

Coefficient of Dispersion (COD)

$$\text{COD} = \frac{\text{Average Absolute Deviation} \times 100}{\text{Median Sales Ratio}}$$

The Coefficient of Dispersion or COD is used to measure the uniformity of Land Values relative to Prices (sales). The COD is a measure of the accuracy of the grading within a component or group of properties. Therefore if value levels are inconsistent the variation between those values and the sales evidence used will be considerable. This will show up in the COD not meeting the standard required.

The Coefficient of Dispersion measures the amount of deviation from the median (middle point) to indicate whether these deviations are within an acceptable range. An adverse result may indicate that the grading is inaccurate or that the properties within the component are not similar enough in character and value and the entries need to be investigated.

The COD is firstly a measure of uniformity, since it is calculated from the differences between individual ratios and the median ratio. Thus a collection of identical individual ratios (*Land Value* divided by *Adjusted Land Value at the Base Date*) of 80% would yield a COD of 0, even though the valuations may not be correct. If for example, the sales were all doubled, the same variation would be achieved and the same COD, i.e. 0. If the land values were all increased by 10% to give a variation of 90% the COD would again be 0.

However, in practice the ratios will not all be the same and by measuring from the median point the uniformity of the group is measured and also the accuracy of the values or grading.

The steps include:

1. Calculate the Sales Ratio to Land Values of each property sold i.e. *Land Value* divided by *Adjusted Land Value at the Base Date* (Note: related party sales are removed).
2. These sales are then arranged in ascending order of the ratios to identify the median ratio (middle entry). This is a standard function in most spreadsheet and many database packages.
3. The “absolute deviation” from the median ratio is then calculated for all sales ratios. The absolute deviation is the amount by which each individual sales ratio varies from the median sales ratio but disregarding positives or negatives. That is, where a deviation is negative, the minus sign is removed so that the deviations simply measure the “distance” from the median but disregard the “direction” (i.e. whether it is greater or less than the median).
4. The absolute deviations established in point 3 are then totalled and divided by the number of analysed sales to give the average absolute deviation.
5. The average is then multiplied by 100 and divided by the median ratio to give the final answer or COD.

The Standard required for COD is a result equal to or less than 15.

A result within this parameter indicates the component or group being studied is tightly clustered without too much variation. A result greater than 15 indicates that there is too much variation within the group. This may indicate that the grading of the land values is incorrect and that there are large discrepancies between the values attached to some parcels compared to others. It does not assist in establishing a level of value, as it is a measure of the variation from the mean. If, for example, all the land values were raised equally by 20% the COD would not change.

In the event that a COD is recorded above 15, the value levels will need to be reviewed. This can be done by looking at the entries with the highest deviation and decide if there is a pattern or a reason for their variations being so high. Remember that the test is only of properties that have been sold, however, it may represent a problem that needs addressing throughout the component or zone.

Example Calculation of COD

Land Value 1/7/04	Analysed land Value	Sales Ratio	Absolute Deviation	
48,000	110,000	0.44	0.55	
91,000	160,000	0.57	0.41	
114,000	120,000	0.95	0.03	
55,000	56,000	0.98	0.00	
99,000	100,000	0.99	0.01	
60,000	58,000	1.03	0.05	
85,000	80,000	1.06	0.08	
			1.13	
Median Sales Ratio	(middle sale)	0.98		
Number of sales		7		
Average deviation	sum/number	0.162		
COD	(average deviation x 100)/median	16.46		

Sum of deviations

Sum of deviations/
number of sales i.e.
1.13/ 7

The example above gives a COD of 16.46, which is above the standard. The median ratio in this case is 0.98, suggesting most sales are close to the land value. By looking at the ratios we can see that the first two sales (110,000 and 160,000) stand out with large deviations from the mean. These two sales would need to be investigated to establish if they are out of line or symptomatic of a problem in the grading. For example, they may both be battleaxe blocks, suggesting that the land values of these types of blocks need to be increased.

Exercise: For example if the problem is found to be with sales of battleaxe blocks and these properties can be individually verified, the parameter can be met. If the first two sales have their land values increased by a further 25%, the values would then be \$60,000 (sale 1) and \$114,000 (sale 2). The COD would now read 12.79 and be well within the required standard.

The conclusions and remedy may not always be that easy to come by, but the problem sales are easy to spot because of their large deviations. Therefore, if the COD is over 15%

- Check the component still consists of properties of a similar value range.
- Make sure all sales that are not arms length are removed from the list of analysed sales.
- Review sales with a large variation. Should they still be in this component, or do they represent a particular type of property that is being under or over valued?

Mean Value Price Ratio (MVP)

$$\text{MVP} = \frac{\text{Sum of All Ratios}}{\text{Number of all Sales}} \quad (\text{expressed as \%})$$

(Ratio = Land Value / Adjusted Land Value at the Base Date)

The MVP measures the accuracy of values relative to sales price. The MVP is the average of the Land Value of all properties sold, divided by the number of sales expressed as a percentage. It is calculated by dividing, in each instance where there is a sale of land, the land value by the Adjusted Land Value at the Base Date, aggregating the results and dividing the total by the number of sales, then expressing the result as a percentage.

The standard for MVP is a result between 85% and 100% (eighty five and one hundred percent).

Simply put the MVP is the relationship between the land values and the analysed sales. It gives an overall figure showing how close the land values are to the sales used. Careful consideration needs to be given to sales of relatively improved properties to ensure the analysis is not corrupted so as to achieve a successful MVP outcome.

Example of MVP Calculation

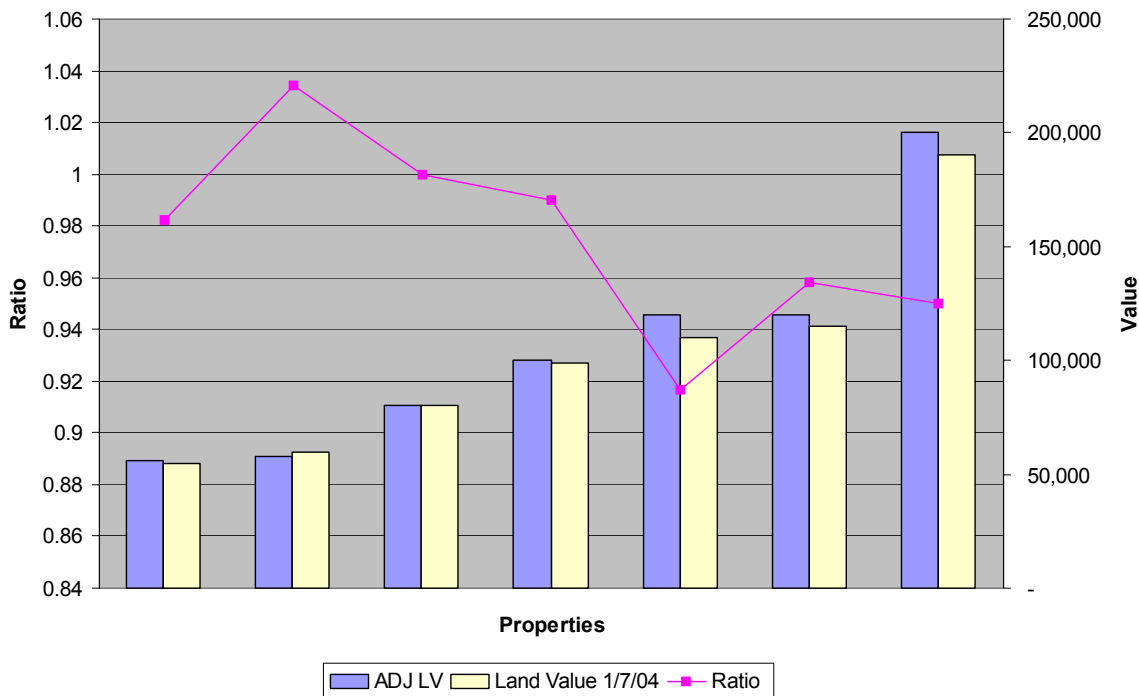
Land Value 1/7/04	ADJ LV	Ratio					
110000	120000	0.916667					
190000	200000	0.95					
115000	120000	0.958333					
55000	56000	0.982143					
99000	100000	0.99					
60000	58000	1.034483					
80000	80000	1					
709000	734000	6.831626					
Number of Sales	7						
MVP	98%						

Ratio = Land Value /
Adjusted Land Value
at the Base Date

Sum of all Ratios

MVP= Sum of all Ratios /
Number of sales x 100/1

Ratio of Values to Sales



By charting the result it is easy to see that although the MVP meets the standard, the properties with lower land values (perhaps small blocks) are valued higher in comparison to the sales evidence, than the properties with higher values (perhaps larger blocks). It is important therefore, to consider the MVP in conjunction with other statistical analysis such as the COD and PRD.

Why the MVP may not meet the standard.

MVP is a measure of accuracy. It is a direct comparison between the Adjusted Land Value at the Base Date and the statutory land value. Therefore if the land values are too low in comparison to the sales, the results will be outside the standard. The best individual ratio result is obviously 1 (one), so if sales give a figure much greater or less than 1, they need to be investigated. A low ratio eg 0.60 may indicate that a certain area or classes of property need regrading or that the component factors are too low. If there is a high ratio above 1, the land values are higher than the sales evidence.

The MVP is an average. Therefore, a number of sales need to be included to give an accurate measure. For example, if only a few vacant land sales were used in a built up area such as Sydney's inner-western suburbs, a false result may be achieved. As per the "Maurici" case and subsequent Valuer-General's Instructions, the broader market must be considered; therefore sales of analysed improved properties also need to be included.

Remember also that MVP is a calculation and not a valuation.

Price Related Differential (PRD)

$$\text{PRD} = \frac{\text{Average Sales Ratio}}{\text{Weighted Average}}$$

The PRD measures the vertical equity of valuations, i.e. the extent to which high and low valued properties are assessed uniformly relative to the sales data. The PRD draws on properties that have sold and is the Average Sales Ratio (i.e. the average land value to sales ratio), divided by the Weighted Average (the sum of the land values divided by the sum of the Adjusted Land Value at the Base Date).

The standard for PRD is a result between 0.98 and 1.03.

PRD demonstrates the extent, if any, that values are progressive or regressive. A PRD less than 0.98 indicates the valuations are progressive, i.e. high valued properties, are over-valued in relation to low valued properties, whereas a PRD over 1.03 indicates the values are regressive, i.e. high valued properties are under-valued relative to others.

Where the PRD exceeds acceptable limits values should be analysed to identify and address the cause. Possible causes may be the inclusion of outliers, individual properties with unusual characteristics, inappropriate component composition or grading errors.

Example of PRD Calculation

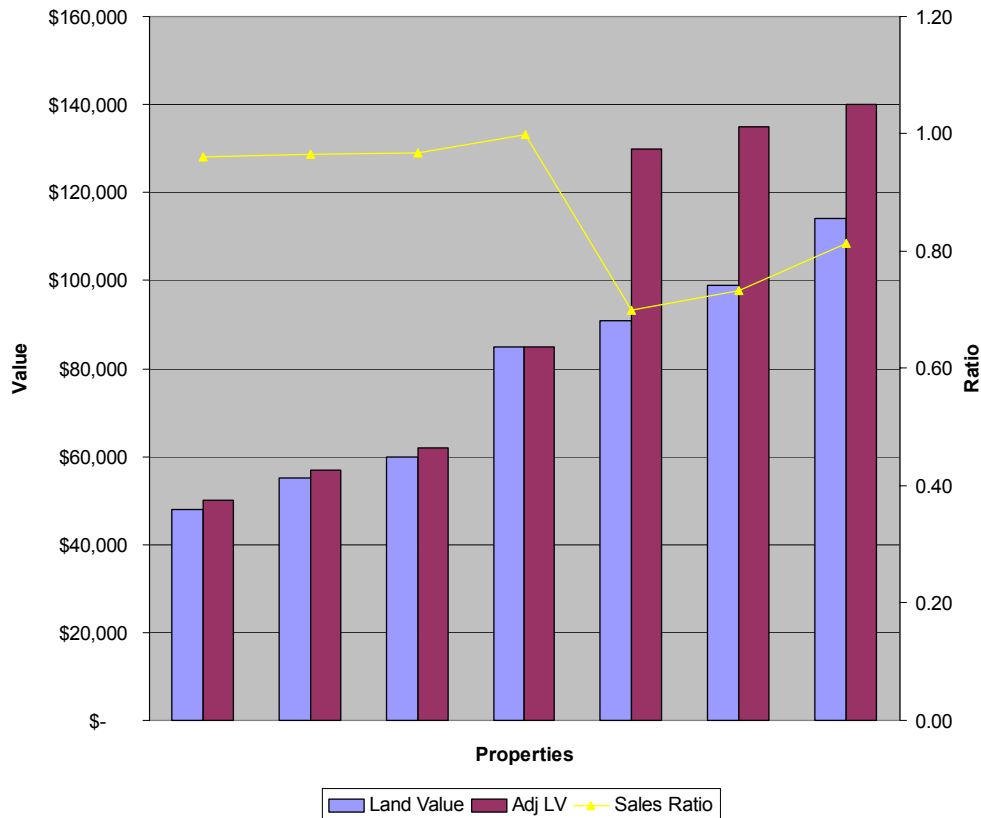
Land Value	ADJ LV	Sales Ratio						
48,000	50,000	0.96						
55,000	57,000	0.96						
60,000	62,000	0.97						
85,000	85,000	1.00						
91,000	130,000	0.70						
99,000	135,000	0.73						
114,000	140,000	0.81						
552,000	659,000	6.14						
Number of Sales	7							
Average Sales Ratio	0.87718							
Weighted Average	0.83763							
PRD	1.05							

Average Sales Ratio = Sum of Sales Ratios / Number of sales

Weighted Average = Sum of Land Values / Sum of Sales

PRD= Average Sales Ratio/ Weighted Average

Price Related Differential



The data is sorted in ascending order of Land Values showing the ratios of the lowest land values being close to 1 i.e. 96–97%, while the highest land values have ratios between 70–81%. The resultant PRD of 1.05 is outside the standard. Just as with the sales used in the MVP example the result is regressive, i.e. high value properties are undervalued relative to low value properties in this component. This is only a small sample, but it shows what the test is trying to highlight. To meet the standard an adjustment will need to be made to the higher value properties.

Exercise: If, for example, the higher value properties were increased in value by a further 20%, the two sales with the highest land values would be increased to \$119,000 and \$137,000 respectively. The result would now read 1.02, which is within the standard.

What to do if the PRD is outside the standard

If the PRD is outside the standard, to bring it into line, the land values will need adjusting:

If the PRD is **less than 0.98 (progressive)** the land values of the lower valued properties must be increased or the values of the higher valued properties must be decreased.

If the PRD is **greater than 1.03 (regressive)** the high valued properties' land values must be increased or the lower value properties must be decreased.

The test is a measure of uniformity of the grading, not the value level. Therefore if the land values were all 50% below the sales, the PRD would be 1 and the result neutral.

Comparison of Average Value Changes

This measures the difference in average value changes between analysed sale properties and the average value change for all other properties within the component. It addresses whether the analysed sale properties have been valued the same way as the others, if so all values should have been changed by a similar amount. The difference between the average value changes of analysed sales and other properties is to be less than 5%.

This measure is used to check that properties that have actually been sold have not had their land values amended to a greater degree than the other properties within the component/zone. It would for instance, not be appropriate to individually verify parcels of land (either up or down) to reflect a sale price while not adjusting similar properties within the component. If the whole component including all sales was increased or decreased by the same factor, the difference will of course be 0%.

To calculate this measure:

1. Calculate the percentage variation from the previous land value to the new land value for each analysed sale in the component.
2. Sum the percentage change.
3. Divide by the number of analysed sales in the component.
4. Calculate the percentage variation from the previous land value to the new land value for each property in the component that is not an analysed sale.

5. Sum the percentage change.
6. Divide the sum of percentage changes by the number of properties in the component that are not analysed sales.
7. Subtract the result from point 6 above from the result at point 3 above. The result should be in the range from -5 to 5 inclusive.

Secondary Quality Control Measures

Component Data Table

The Component Data Table for all components in a District is to be supplied by the Contractor with the value upload file in the following format.

Appendix A(i) contains a sample Component Data Table.

- **Zone Code, Component Number of entries**
General information as to the profile of the component.
- **Minimum and Maximum Land Value**
Minimum and maximum Land Values are shown for each component.
- **Value Range Information.**
Minimum and Maximum Value 1st quartile.
This provides the maximum value in the component plus the bottom of the middle quartile range.

Minimum and Maximum Value 4th quartile.
This provides the top of the middle quartile range and the maximum value in the component.
- **Median Value**
The median value is the mid-point in the value range.
- **QRANGE**
The QRANGE is the difference between the Maximum 1st Quartile Value and the Minimum 4th Quartile Value. Because it's between the last value in the 1st quartile and the first value in the 4th it shows the value spread within the middle 50% of values within the component. Therefore, in the case of component EG in the sample Component Data Table the difference is between \$296,000 and \$411,000 which equals \$115,000.

- **QRP**

The QRP is the QRANGE divided by the median, multiplied by 100. Therefore for component EG the equation would be $(\$115,000 / \$354,000) \times 100 = 32$.

The QRP represents the range of the difference between values in the middle 50% of a component and has a recommended standard of 50%.

A result above the 50% standard indicates a high range of variation within the component and the possible need for further identification of properties that may be in the wrong component or that should be individually valued.

Non-Homogenous Component

This is a check box filled in by the Contractor. "N" for homogenous components and "Y" for non-homogenous components. If a "Y" is selected the component is likely to require individual verification.

- **Benchmark ID**

Identifies benchmark or multiple benchmarks on successive lines.

- **Benchmark Land Value**

This is the value assigned to the property by the mass appraisal process and recorded on the roll.

- **Actual Land Value**

This is the actual benchmark valuation made by the Contractor. The benchmark should be representative of the component in terms of the quartiles into which their values fall.

- **Benchmark Variation from Actual Value**

This measures the variation from the benchmark value made by the Contractor, to the valuation arrived at by mass appraisal or verification process.

The benchmark value should not vary significantly from the value assigned by the mass appraisal process and the Component Factor. The benchmark variation from actual value can be calculated using the equation $(\text{Benchmark LV} / \text{Actual LV}) - 1) \times 100$.

- **Benchmark Variation from Median**

In general, benchmarks should not vary more than +/-5% from the median value. Where they do, the benchmark should be checked to ensure it is typical of a significant proportion of properties in the component. The benchmark variation from the median value is calculated using the equation $(\text{Median LV} / \text{Actual LV}) - 1) \times 100$.

Sub-Components

Those components in which sub-groups of properties can be identified and in which there is a reasonable chance that the component may fracture into these sub-groups overtime, should be examined with a view to establishing additional benchmarks.

Contractors may use “sub-components” where the component results may be outside the normal range and a group of properties are identified as behaving differently to the component as a whole. In these circumstances, Contractors must clearly identify the properties affected and the action taken to value them.

These components should be able to be better identified through the component Data Table information.

Residential components with fewer than 20 properties be examined with a view to either:

- Amalgamating the component with another (like) component: or
- Splitting up the component and placing some of the properties into other components with which they are compatible: and/or
- Placing the properties in a component of non-componentised properties requiring individual verification.

There is a need to examine the outliers in components to determine whether these properties rightly belong in the component. An outlier is a property in the bottom or top 20% of the value range in the component.

Summary of Main Quality Control Measures

1 COEFFICIENT OF DISPERSION (COD):

$$\text{COD} = \frac{\text{Average Absolute Deviation} \times 100}{\text{Median Sales Ratio}}$$

PURPOSE: measures uniformity of values relative to prices.

STANDARD REQUIRED: is a result equal to or less than 15.

2 MEAN VALUE PRICE RATIO (MVP)

$$\text{MVP} = \frac{\text{Sum of all Ratios}}{\text{Number of Sales}} \quad (\text{expressed as \%})$$

(Ratio = Land Value / Adjusted Land Value at the Base Date)

PURPOSE: measures accuracy of values relative to Adjusted Land Values at the Base Date.

STANDARD REQUIRED: is a result between 85–100 % (eighty five and one hundred percent.)

REQUIRED FOR: Single residential categories only (including rural home site areas).

3 PRICE RELATED DIFFERENTIAL (PRD).

$$\text{PRD} = \frac{\text{Average Sales Ratio}}{\text{Weighted Average}}$$

PURPOSE: measures the extent to which high and low valued properties are assessed uniformly relative to the sales data.

STANDARD REQUIRED: is a result between 0.98 and 1.03

REQUIRED FOR: Single residential dwelling areas.

Appendix A (i) Sample Component Data Table

Zone Code	Component Code	No of Entries	Min LV	Max LV 1 st Quartile	Median LV	Min LV 4 th Quartile	Max LV	QRange	QRP	Non-Homog.	Benchmark Prop ID	BM LV	Actual LV	Variation to BM	Actual to Median
A	ED	715	237000	422000	606000	865000	8860000	443000	73	N	0001295190	994000	1000000	-0.60%	-
A	EG	1718	115000	296000	354000	411000	1080000	115000	32	N	0001299230	366000	370000	-1.08%	39.40%
A	EH	1143	227000	596000	662000	705000	1300000	109000	16	N	0001296615	705000	705000	0.00%	-4.32%
A	EK	5	146000	241000	782000	912000	1060000	671000	86	N	0001301406	912000	920000	-0.87%	-6.10%
A	EL	947	35800	224000	298000	406000	646000	182000	61	N	0001299323	418000	420000	-0.48%	-
A	EM	350	5900	195000	260000	324000	660000	129000	50	N	0001301974	250000	250000	0.00%	15.00%
A	ER	859	168000	372000	541000	622000	1190000	250000	46	N	0001302498	596000	600000	-0.67%	29.05%
A	ES	2585	132000	308000	382000	429000	2780000	121000	32	N	0001294232	382000	390000	-2.05%	4.00%
A	ET	51	980	4020	5240	12000	260000	7980	152	N	0001294995	10000	10000	0.00%	-9.83%
A	EV	21	439000	536000	638000	844000	3030000	308000	48	N	0001299359	770000	775000	-0.65%	-2.05%
A	EY	60	42000	198000	351000	592000	3230000	394000	112	N	0001301038	371000	380000	-2.37%	-
A	EZ	8	250000	623000	789500	987000	1100000	364000	46	N	0001294065	987000	990000	-0.30%	47.60%
B	CA	156	178000	376000	507500	743000	12200000	367000	72	N	0001299489	1300000	1300000	0.00%	-
B	CB	5	145000	145000	145000	153000	710000	8000	6	N	0001295224	145000	145000	0.00%	20.25%
B	CC	114	170000	367000	723000	1230000	5380000	863000	119	N	0001304011	4790000	4800000	-0.21%	60.96%
											0001304028	1060000	1060000	0.00%	0.00%
											0001304037	357000	360000	-0.83%	-
B	CD	14	481000	1230000	1545000	3670000	11000000	2440000	158	N	0001301400	6440000	6440000	0.00%	84.94%
											0001301405	1590000	1600000	-0.63%	-

Appendix B Sales and Market Analysis

(i) Sales Analysis Records

Sales Analysis

The Contractor **must** supply the following information for each sale analysed.
The following information is common to all sales:

A. PROPERTY and SALE DETAILS

Property details

- Property Type
- District
- Property ID
- Analysed Sale ID (*a 10 character numeric identifier - must be unique to a Contractor*)
- Component Code
- EPI Zoning
- Address
- Legal description (*reference to lots, plans or other legal identifiers*)
- Dimensions (*unless over 0.5 ha*)
- Area
- Description of physical features of land
- Prior 1 July Land Value
- Valuation of contributions etc paid and included in sale
- Development Application (*state type of development and if approved or refused and if DA was included in sale*).
- Environmental constraints (*contamination, endangered species, flood prone, water access etc*)
- Photo of property
- Plan of land (*Deposited Plan or part of DP or equivalent*)
- Locality plan (street directory or similar)

Sale details

- Dealing number (*if known*)
- Vendor
- Purchaser
- Contract Date
- Settlement Date
- Sale Price
- GST paid (*amount of GST included in sale price*)
- Terms and Conditions
- Inclusions in Sale Price
- Date of inspection by valuer, valuer's name and signature and registration number

Urban sales (includes residential, commercial and industrial)

In addition to 'A' above, the following are required for urban sales:

B. REMARKS, ANALYSIS, CONCLUSIONS.

- Description of improvements
- Added value of improvements (*if being analysed for Land Value*)
- Details of any adjustments to sale price
- Location
- Services
- Access
- Views
- Surrounding development
- Other features
- Circumstances of the sale. (Reason why this is a sale to be relied on or not to be relied on)
- Analysed land value at contract date
- Analysis to be a rate per m2, rate per unit, per FSR or other suitable unit depending on purpose as appropriate
- Valuation as at 1 July
- Adjusted Land value to valuation as at 1 July (*detail rationale for adjustment*).

Rural sales

In addition to 'A' above the following is required for rural sales.

B. REMARKS, ANALYSIS, CONCLUSIONS

- Topography, soil and timber types
- Irrigation licence details
- Adjustment of sale price to freehold (*depending on tenure*)
- Added value of inclusions (*stock, crops, plant, chattels*)
- Added value of buildings and structures
- Added value of plantations orchards
- Added value of fencing
- Added value of irrigation layout
- Added value of water improvements
- Added value of pasture improvements
- Analysed Land Value
- Rate per ha, per stock unit
- Circumstances of the sale (Reasons why this sale is to be relied on, or not.)
- Break-up of classifications and relevant rates per ha.

(ii) Commercial and Industrial Rental Analysis

The following will be maintained for both commercial and industrial properties where they have been relied on to establish a basis for valuation. :

A. PROPERTY and RENT DETAILS

Property details

- Property Type
- District
- Property ID
- Rent Number
- Component Code
- EPI Zoning
- Address
- Legal description (*reference to lots, plans or other legal identifiers*)
- Dimensions (*unless over 0.5 ha*)
- Area
- Description of physical features of land
- Surrounding development
- Prior 1 July Land Value
- Photo of Property
- Plan of land (*Deposited Plan or part of DP or equivalent*)
- Locality plan (street directory or similar)

Rent details

- Source of information
- Lessor
- Lessee
- Commencement Date
- Term
- Rent
- Terms and Conditions
- CPI
- GST
- Outgoings – who pays what
- Amount of rent on a gross basis
- Rent expressed as rate per m² per and/or rate per m frontage and/or weekly/monthly
- Comment on whether rent can be relied on as a market rent
- Date of inspection by valuer, valuer's name, signature and registration number

(iii) Feasibility Studies

These must be supplied to the Valuer-General where they have been relied on to establish a basis for valuation. In undertaking feasibility studies the following is the minimum requirement, based on the assumption that all funds are borrowed.

The source of costing information is to be reported as part of the study:

- Valuation as at 1 July
- District
- Property ID
- Component Code
- Address
- Legal Description (*reference to lots, plans or other legal identifier*)
- Dimensions
- Description of development envisaged
- Area
- FSR
- GBA
- NBA
- Value of completed development
- Selling costs
 - Legal
 - Agent's commission
- Developers profit and risk on development
- Construction cost
 - Item
 - Area
 - Rate per m2
- Site works cost
 - Rate per m3
 - Area
 - Depth
- Professional fees
 - Architect
 - Consultants

- Development Cost
 - Council Fees
 - Sec 94
 - Other
- Contingency
- Holding charges
 - Interest on purchase of land
 - Development expenses
 - Council rates
 - Land Tax
 - Water Rates
- Loss of Interest (Compound)
- Purchase costs
 - Stamp Duty
 - Legal Fees
- Analysed Land Value
- Site value as rate per m2
- Site value as rate per m2 of FSR
- Rate per lot En globo

Appendix C Component and Benchmarking Records

Component Code Register

These must contain the following:

- District
- Component Code
- Description of component (*what type of property is contained and location*)
- Property ID
- Map showing boundaries of component

Component Benchmark Register

These must contain the following:

- District
- Component Code
- Benchmark
 - Property Type
 - Property ID
 - EPI Zoning
 - Address
 - Lot Number
 - Deposited Plan (*or other plan reference*)
 - Dimensions (*unless over 0.5 ha*)
 - Area
 - Description of physical features of land and how it compares to the rest of the component
 - Photo of property
 - Plan of land (*Deposited Plan or part street map, town map, property map or equivalent*)
 - Locality plan (street directory or similar)

Component Changes

- District
- Component Code
- Property ID
- Zone Code
- New component code

Component Change/Zoning Reference File

- District
- Component Code
- Action new or delete or amend description
- Zone Code
- Component Code
- Description of New Component

Appendix D Component Valuation Report

This report will contain the following:

- District
- Valuation as at 1 July
- Component Description (*brief*)
- Number of valuations in component
- Zone
- Component Code
- Sales
- Sale Number
- Property ID
- Map number
- Component Code
- Address and Lot/DP
- Dimensions
- Area
- Contract date
- Sale price
- Analysed Land Value (*rates per m2 per ha etc may be shown*)
- Land Value adjusted to valuation as at 1 July
- Prior valuation as at 1 July
- Prior Land Value
- Comments (*Brief comments about the relevance of the sale and how it relates to the Benchmark*)
- Component rationale (comment on the valuation of the component, including the strength of the market and the reliability of the evidence)
- Valuation of benchmarks
- Property ID
- Parties
- Map
- Address (*must be an actual property in the component*)
- Dimensions
- Area
- Value at base date 1 July
- Prior Land Value
- Component Factor (*Calculated*)
- Benchmark comments (*see page 7*)
- Component comments (*See page 6*)
- Component algorithm (*formulae adopted to move some values at a different rate to the overall Component Factor*)
- Valuer, registration number, date, signed
- Recommended Component Factor
- Approved Component Factor by Valuer-General

Appendix E Component Data Table

The Component Data Table is to initially be provided in an agreed format (preferably electronic) for each district and contain the following for each component: -

- Component
- Zone
- No. Of entries
- Minimum and maximum values for 1st quartile
- Minimum and maximum values for 4th quartile
- Median value
- QRANGE
- QRP
- Non-homogenous component (indicating if component appropriate for mass appraisal or requires further verification)

In addition a row is to be included for each benchmark in the component showing:

- Benchmark valuation(s)
- Benchmark ID(s)
- Actual benchmark valuation(s) at base date
- Variation from benchmark valuation(s) to actual benchmark valuation(s) as a percentage
- Variation from actual benchmark valuation(s) from median value as a percentage

The following layout is recommended:

COMPONENT	NO. OF ENTRIES	MIN AND MAX VALUES 1ST QUARTILE	MIN AND MAX VALUES 4TH QUARTILE	MEDIAN VALUE	QRANGE	QRP	NON-HOMOGENOUS COMPONENT (Y/N)	BENCHMARK VALUATION	BENCHMARK ID	ACTUAL BENCHMARK VALUE AT BASE DATE	VARIATION FROM BENCHMARK VALUATION TO ACTUAL VALUE	VARIATION FROM MEDIAN VALUE
CC		MIN	MIN					BMV	ID	ABMV	VAR %	VAR %
Z	NO.	MAX	MAX	MED	Q	Q	Y/N	BMV (2)	ID	ABMV	VAR %	VAR %
								BMV (3)	ID	ABMV	VAR %	VAR %

Appendix F Schedule of Agreed Dates

Local Government Area:

Contact for Contractor :

Contact for LPI :

Item	TASK	AGREED DATE
1	Approve Agreed Dates for Annual Valuation Program	No later than date specified in Schedule 1 of the Contract
2	*Market Analysis – Sales Audit Meetings 1. Meeting 1..... 2. Meeting 2.....	xx/xx/xx xx/xx/xx
3	Market Analysis Overview	xx/xx/xx
4	Provisional Valuation Recommendation and Provision Component Valuation Report	No later than Date specified in Schedule 1 of the Contract
5	Valuation Recommendation File from Contractor Includes Component Valuation Report and Valuation Analysis Report.	No later than Date specified in Schedule 1 of the Contract
6	Response from LPI Contract Manager. Includes Missing Values File Etc.	Not less than 5 working days from agreed date for Valuation Recommendation File.
7	Final amendments to Valuation Recommendations from Contractor.	No later than Date specified in Schedule 1 of the Contract.
8	Final Report for LGA supplied by Contractor.	No later than Date specified in Schedule 1 of the Contract
9	*Market Analysis – Sales Audit Meetings 3. Meeting 3..... 4. Meeting 4.....	xx/xx/xx xx/xx/xx

*Market Data Files to be sent continuously throughout the year.



**NSW Procurement - Contracting Services is a Business Unit of the NSW
Department of Commerce**

**NSW Procurement - Contracting Services invites this tender for and on behalf of the
NSW Government State Contracts Control Board**

PART C

TENDER RESPONSE

**CONTRACT 0601231 – LAND VALUATION
SERVICES FOR GOVERNMENT TAXING AND
RATING FOR THE VALUER-GENERAL**

PERIOD: 3 Year Period Commencing 1 March 2007

**CLOSING DATE: 9.30 AM (SYDNEY TIME)
WEDNESDAY, 4 OCTOBER 2006**

Your Company's Legal Entity: _____

Your Company's Trading Name: _____

Your Company's ABN number: _____

Contact Name: _____
<insert name to whom enquiries should be directed>

Contact Phone: _____

Note: The tenderer must submit the Tender by hard copy. The original Tender plus five (5) copies of the Tender must be submitted. Tenders are to be marked "Original", "Copy 1", "Copy 2", "Copy 3", "Copy 4" and "Copy 5".

Land Valuation Services for Government Taxing and Rating for the Valuer-General

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PART C TENDER RESPONSE

PART C1 INFORMATION SUPPLIED IN RESPONSE TO PART A

1. INTRODUCTION

- 1.1 The information provided in this Part will be used in the assessment of Tenders. Questions have been framed to ensure responses that are relevant to the selection criteria. Please provide attachments where necessary, clearly labelled and cross-referenced.
- 1.2 References to “you” in this Part means the tenderer and all responses given will be taken to be responses of the tenderer.

2. PRICING AND RELATED FACTORS

2.1 Price Schedule

- 2.1.1 Tenderers should submit fixed lump sum prices per annum for item (a), both GST exclusive and GST inclusive, for one or more areas, covering all costs for provision of the Service, except appeals services. Tenderers should also provide an hourly rate for item (b), both GST exclusive and GST inclusive.
- 2.1.2 Tenderers must tender for the complete scope of services required. Tenders for part of the work will not be considered.

PRICE SCHEDULE

	Requirement	Tendered Price		
		Excluding GST	GST Component	Total Including GST
(a)	Annual Fee for Services:			
1.	Deniliquin	\$ _____ per annum	\$ _____	\$ _____ per annum
2.	Griffith	\$ _____ per annum	\$ _____	\$ _____ per annum
3.	Wagga Wagga	\$ _____ per annum	\$ _____	\$ _____ per annum
4.	Taree	\$ _____ per annum	\$ _____	\$ _____ per annum
5.	Coffs Harbour	\$ _____ per annum	\$ _____	\$ _____ per annum
6.	New England	\$ _____ per annum	\$ _____	\$ _____ per annum
7.	Tweed/Byron	\$ _____ per annum	\$ _____	\$ _____ per annum
8.	Bathurst	\$ _____ per annum	\$ _____	\$ _____ per annum
9.	Queanbeyan	\$ _____ per annum	\$ _____	\$ _____ per annum
10.	Bega	\$ _____ per annum	\$ _____	\$ _____ per annum
11.	Shoalhaven	\$ _____ per annum	\$ _____	\$ _____ per annum
12.	Muswellbrook	\$ _____ per annum	\$ _____	\$ _____ per annum
13.	Maitland	\$ _____ per annum	\$ _____	\$ _____ per annum
14.	Wollondilly	\$ _____ per annum	\$ _____	\$ _____ per annum
15.	Penrith	\$ _____ per annum	\$ _____	\$ _____ per annum
16.	Campbelltown	\$ _____ per annum	\$ _____	\$ _____ per annum
17.	Sydney East	\$ _____ per annum	\$ _____	\$ _____ per annum
18.	Burwood	\$ _____ per annum	\$ _____	\$ _____ per annum
19.	Parramatta	\$ _____ per annum	\$ _____	\$ _____ per annum
20.	Sydney City	\$ _____ per annum	\$ _____	\$ _____ per annum
(b)	Appeals Service Fee for all areas	\$ _____ per hour	\$ _____ per hour	\$ _____ per hour

2.2 Price Basis

- 2.2.1 The tenderer complies with the price basis conditions outlined in clause 5.3 of Part A.

Yes/No

- 2.2.2 If No, the tenderer is to provide details of an alternative method as part of its tender response. Tenderers should note that any alternative method will be factored into the evaluation of criteria (g) and (i).

2.3 Tender Validity Period

- 2.3.1 The Tender will remain valid for acceptance within ____ months from the deadline for lodgement of tenders, in accordance with Part A.

N.B. A minimum validity period of six (6) months is required.

3. SELECTION CRITERIA

Tenderers are required to respond individually to each of the selection criteria outlined in the following spaces. The information provided will be used in the assessment of tenders. Responses are to be concise and focus on key elements of the tenderer's proposal as it relates to each of the selection criteria. If tendering for more than one area tenderers must make it clear if the response to a criterion is generic for all areas or if it is specific to a particular area.

- (a) **Suitability of employment management plan as well as quality and availability of staff (and/or sub-contractors) proposed to conduct the work. Note that preference will be given to tenderers offering current Department of Commerce, Property Valuation Services' staff**

The tenderer is to provide details of its employment of staff to perform mass valuations for each area tendered, making it clear which staff will be operating in which contract areas. This should include the names of any additional employees to be engaged. Sufficient information on the key personnel of the tenderer including relevant qualifications, skills and experience to undertake such valuation services, as well as the amount of time each person is expected to spend on OVG work within each valuation area, is required. Where sub-contractors are to be engaged to assist in delivery of the Services the tenderer is to provide the type of service to be provided, name, address and ABN of proposed sub-contractor/s, as well as details of their experience and qualifications in the provision of similar services to those in which they will be engaged.

(b) Valuation methodology.

The tenderer is to provide details of the valuation methodology to be employed to deliver the Services.

The valuation methodology needs to specifically address the way in which the methodology will be applied in each Valuation Area tendered for.

(c) Contract management plan.

The tenderer is to submit a contract management plan that will outline how the proposed valuation service will operate to deliver the required valuation services. The plan should include a Project Management Plan incorporating the following information:

(i) General Valuations

The program for completion of General Valuations for each local government area. This must include at a minimum:

- When the General Valuation program will commence and finish.
- When the Project Plan will be available to LPI.
- When sales will be analysed.
- When benchmarks will be valued.
- When Provisional Component Update Factor Reports will be available.
- A Draft Schedule of Agreed Dates as defined in the Procedures Manual.
- When Component Valuation Reports, the Valuation Analysis Report and any preliminary value recommendations will be available to LPI.
- When the final valuation recommendations will be available to LPI.
- When Final Reports will be available to LPI.

Note:

See Schedule 1 of Part B for further information on when reports are due.

(ii) Supplementaries

When will supplementaries be actioned and processed during the year?

(iii) Detailed Review of Land Values

How will the review of all land values described in Schedule 1 of Part B be scheduled across the life of the contract?

(d) Experience and ability of the tenderer to complete the contract satisfactorily, including performance against existing or recent public or private sector contracts.

The tenderer's response should incorporate, amongst other things, the number of years in business, specific details relating to the completion of large scale valuation projects and the names and contact details of at least two referees. If you are a start up organisation please provide information on your ability to fulfil the contract satisfactorily.

(e) The tenderer's capacity, including application of information technology and ability to take on additional work.

State here your capacity to perform the contract in the context of the current commitments of your organisation and your ability to take on additional work.

State here your financial capacity to perform the relevant contract.

The tenderer is also to provide details of the information technology it will employ in meeting the requirements of the contract. Details provided should include:

- The IT system to be employed.
- Information on the systems ability to meet the contract requirements.
- Compatibility with Valnet 2 (uploads and downloads).
- Support provided for the maintenance of the system.
- Systems in place for disaster recovery/back up of data.

(f) Quality assurance, including any innovations that would improve the quality of the valuation service and outcomes.

As a minimum your response should cover the following:

What documented internal procedures or policies do you have in place to ensure quality in the delivery of the Services?

What innovations (if any) can you provide to improve the quality of the valuation service and outcomes?

(g) Degree of compliance with the technical and contractual requirements of this tender.

Do you comply with the terms and conditions of Part B?

Yes/No

If “No”, provide a full statement of all deviations.

(h) Compliance With Policy Requirements

(i) Code of Practice for Procurement

Have you have read the [NSW Government Code of Practice for Procurement](#) and taken it into consideration in preparing and submitting your Tender?

Yes/No

Will you maintain compliance with the Code for the purposes of this Contract, advise the Board of any breaches of the Code for the duration of the Contract and provide evidence of compliance when requested by the Board during the course of this Contract?

Yes/No

Provide any other relevant information below

(ii) Occupational Health Safety & Rehabilitation

Do you currently comply with your OHS&R statutory obligations and will you continue to do so including obligations relating to performance monitoring and Sub-Contractor performance for the duration of any contract awarded?

Yes/No

If “**No**”, provide details below

(iii) Competitive Neutrality (To be completed by Government Trading Enterprises or Government Agencies only)

Your tender complies with the NSW Government Policy Statement on the Application of Competitive Neutrality, January 2002?

Yes/No

If “**No**”, provide details below

4. OTHER INFORMATION REQUIRED**4.1 Details of Ownership**

- 4.1.1 If you are a company, please provide details of your ownership, that is, Australian, overseas, largest shareholder, paid-up capital and other relevant details.
- 4.1.2 If you are a partnership, please provide a list of partners and details of the partnership financial arrangements.
- 4.1.3 Is the tenderer currently offering its business for sale, or is the subject of a merger, takeover or change of ownership. Answer yes or no below. If the answer is yes full details are to be provided.

4.2 Contracting as Agent/Trustee

- 4.2.1 If awarded a contract, do you intend to enter the Contract in your own right or as agent or trustee for some other entity or entities? If the latter, provide full details.

4.3 Commerce Business Ethics Statement

- 4.3.1 Do you comply with the requirements of the Commerce Business Ethics Statement referred to in clause 3.4.5 of Part A?

Yes/No

If “No”, provide an explanation below

- 4.3.2 Tenderers are to disclose hereunder details of any potential conflict of interest (including any relevant relationships) as outlined in the Commerce Business Ethics Statement.

4.4 Current Legal Proceedings

- 4.4.1 Are you or any of your directors or close associates currently, or have you, or have your directors or close associates been at any time within the last five years, the subject of any or any pending:

- (a) legal proceedings, including winding up or bankruptcy proceedings,
- (b) insolvency administrations or investigations; and/or
- (c) investigations by ICAC, ASIC or any other public body?

Yes/No

If **“Yes”**, please supply full details below:

5. ADDENDA TO THIS RFT AFTER ISSUE

- 5.1 If there have been any Addenda by the Board to this RFT after the issue of this RFT, indicate below whether you have read and allowed for the Addenda in your Tender.

YES/NO/THERE HAVE BEEN NO ADDENDA BY THE BOARD

If **NO**, provide reasons below

PART C2 TENDERER IDENTIFICATION DETAILS AND CONFIRMATION OF TENDER

1. TENDERER IDENTIFICATION DETAILS

1.1 Name of Tenderer:

Individual: *[Print name]*

Trading Name (if applicable):

or

Company: *[Full name]*

Trading Name (if applicable):

Name and official position of authorised officer
completing tender:

or

Partnership: *[Trading Name of
partnership]*

Name of partner completing tender:

1.2 ABN:

1.3 Address of Tenderer: *[in the case of a company, state registered office and, if different, principal place of business]*

1.4 Business Postal Address:

STD Area Code:

Telephone No.:

()

Facsimile No:

()

Email:

Website:

Contact Name for general enquiries:

Telephone No.:

Tenderer's reference number:

2. ACKNOWLEDGEMENT AND CONFIRMATION OF TENDER

- 2.1 Lodgement of a Tender will itself be an acknowledgment and representation by you that you are aware of the requirements of the Codes; that you will comply with the Codes; and that you agree to report to the Board any breaches of the Codes for the duration of the Contract.
- 2.2 I affirm that this is my Tender to supply the Service sought in the RFT at the prices tendered, and in accordance with the conditions of the RFT except as expressly amended in my Tender, and that the information given in my Tender is correct:

Print Name and Title

Signature of tenderer (if an individual, as identified in cl. 1 Part C2)

OR

Signature of authorised officer of tenderer (as identified in cl. 1 Part C2)

OR

Signature of partner completing tender on behalf of partnership (as identified in cl. 1 Part C2)