

Objection to purchase price when purchasing Crown leasehold land

POLICY NUMBER: IND-O-241	VERSION: 2.0
AUTHORISED BY: Executive Director Crown Lands	AUTHORISED DATE: 09/03/2018
ISSUED BY: NSW Department of Planning, Industry and Environment – Crown Lands	EFFECTIVE DATE: 19/03/2018
CATEGORY: Operations and Industry	REVIEW DATE: 19/03/2021

Policy Statement

This policy outlines the requirements for lodging an objection under the *Crown Land Management Act 2016* (the Act) to the purchase price for land where a lessee has a right under the Act to purchase the land or to apply to purchase the land.

This policy applies to the NSW Department of Planning, Industry and Environment–Crown Lands (the department).

Scope

The policy is relevant to objections to the purchase price for new purchase applications pursuant to Schedules 1, 2, 3 and 4 of the Act.

This policy is not relevant to objections lodged prior to the commencement of Western Lands lease conversions provisions, or the balance of the Act (as relevant). These objections will be dealt with in the manner set out in the legislation under which the application was lodged, subject to any changes to that process made by the Act.

Requirements

1. Determination of purchase price

As set out in the policy Purchasing Crown leasehold land to obtain freehold title, the purchase price for successful applications will generally be the Land Value as determined by the Office of the Valuer General (OVG) in accordance with Part 1 Section 6A of the *Valuation of Land Act 1916* (VoL Act).

Market value may be used at the discretion of the Minister for Lands and Forestry to determine the purchase price for individual leases with unique characteristics, uses and relatively high value per hectare rates. Market value will be determined in accordance with the principles of the *Australia and New Zealand Valuation and Property Standards* as published by the Australian Property Institute.

2. Valid reasons to object

An objection can be lodged where the leaseholder considers there to be an error in the determination of the purchase price, such as the:

- Assessment of land value or market value
- Area, dimensions or description of the land used, and/or
- Lease type.

Objections for any other reason will not be accepted. Objections must be accompanied by supporting information establishing the basis for the objection.

3. Supporting information requirements

The following information will be required in support of an objection (as relevant):

- A market valuation undertaken by a Certified Practising Valuer
- Sales evidence

- Survey information, and/or
- Certificates of Title.

4. Costs

While there are no departmental charges for lodging an objection, the leaseholder will be liable for any other costs they may incur in support of their objection, such as when obtaining:

- An independent market valuation
- A survey, subdivision or plan registration, and/or
- Amendments to Certificates of Title.

5. Process

One objection can be lodged for each determination and the application must be lodged within 60 days of the date advised to the applicant by the department under clause 12 of Schedule 4 to the Act. Late objections may be accepted if a valid reason and supporting information is provided.

Where the purchase price has been determined based on the land value the leaseholder can object under Part 3 (and in particular section 34) of the VoL Act. All objections to purchase price based on land value provided by the OVG will be dealt with by the OVG.

Where the purchase price has been determined based on the market value the leaseholder can object under clause 12 of Schedule 4 to the Act. All objections to purchase price based on market value provided by the department will be dealt with by the department.

The leaseholder will be advised of the outcome of the objection and the impact (if any) on the purchase price or application process within 90 days of its lodgement.

Roles and responsibilities

- The department: determine market value and consider related objections.
- The Office of the Valuer General (OVG): determine land value and consider related objections.
- Leaseholder: provide accurate and timely information to support their objection.

Delegations

This policy does not change, remove or add delegation for any officer. Staff must comply with all relevant delegations, such as those established under the Act and VoL Act.

Definitions

Definitions relevant to this policy are detailed in the Purchasing Crown Leasehold Land to Obtain Freehold Title Policy.

Legislation

- *Crown Land Management Act 2016*
- *Crown Land Management Regulation 2018*
- *Valuation of Land Act 1916*

Related policies

- Purchasing Crown Leasehold Land to Obtain Freehold Title Policy IND-O-242
- Delegations of Authority for Crown Lands Policy IND-O-179

Other related documents

- Guidelines – Objecting to Purchase Price When Purchasing Crown Leasehold Land
- Australia and New Zealand Valuation and Property Standards

Revision history

Version	Date issued	Notes	By
1.0	19/03/2018	New policy to support the <i>Crown Land Management Act 2016</i>	Valuation Services Manager, Department of Industry – Lands & Water
2.0	22/02/2020	Policy updated to reflect machinery of government changes	Policy Team

Contact

Crown Property Services – Valuation Services Manager (Ph: 1300 886 235)