



NZIV AUCKLAND BRANCH COMMITTEE

**ANNUAL GENERAL MEETING
HELD ON 20 MARCH 2017
AT 4 PM**

**Bayleys Auckland CBD,
Corner of Gaunt and Halsey Street**

PRESENT

Committee: James Wilson, Jason Williams, Katie Beveridge, Allister McKenzie, Elizabeth Newman, Chris Swann, Jerome Te Paa, Richard Lawson, Michael Sprague, Graham Barton, Jason Wong

Members: John Darroch, Peter Bates, Peter Walkinshaw, Aimee Martin, Phil White, Daniel Speerstra, Jayna Patel, Frances Mitchell, Mike, O'Connell, Bruce Wiggins, Ben Astwood, Logan Holyoake, Dylan Carmichael, Trevor Walker, Tony Gardner, Alex Zhang, David Grubb, Praise Wong, David Bower, Michael Gunn, Glenn Nicol, Kelly Beckett, Samantha Walton, Caroline Fergusson, Michelle Lee, Frankie Li, Jamie Ellis, Ben Johnson, Simon Bryant, Mark Sigglekow, Ian Campbell, Wayne Shum, Boris Babic, Henry Morris, Nick Grainger, Dhilen Balia, Gary Clapcott, Steve Hollings, John Wigmore, Kane Sweet, Alana Baronkove, Patrick O'Reily,

APOLOGIES

Staniland West, Greg Ball, Kerry Stewart, Conor Connolly, Alan Roberts, Keith McKeown, Mark Lyons, James Fraser.

ABSENT

ALSO IN ATTENDANCE

Jason Williams	NZIV Councillor
Roger Gordon	NZIV President
John Darroch	Chair of the Valuation and Property Standards Board
Ashley Church	PINZ CEO

CHAIR WELCOME/ OPENING

On behalf of the Auckland Branch Committee, we welcome you to the NZIV Annual General Meeting. My name is Patrick Foote, I have been the Auckland Branch Chair of both NZIV and PINZ for the 2016 / 2017 year.

Just as a reminder can you all ensure that you have signed the registration sheet at the front desk, which confirms your attendance, and confirmation of your CPD point for this meeting.

I would also like to thank Bayleys Limited and in particular Jason Williams who has organised the venue. Bayleys once again for the second year running has agreed to host both AGM's.

Jason Williams presented a health and safety briefing.

I would like to welcome the various invited guests, most of whom will provide an update to the members on local and national valuation issues. These invited guests include:

Jason Williams	NZIV Councillor
Roger Gordon	NZIV President
John Darroch	Chair of the Valuation and Property Standards Board
Ashley Church	PINZ CEO

It is my pleasure to present the 2016 Chair's Report for the Auckland Branch Committee of the New Zealand Institute of Valuers.

The NZIV and PINZ Auckland Branch Committee Members for the 2016 year included the following:

APOLOGIES

James has received apologies from;

Staniland West, Greg Ball, Kerry Stewart, Conor Connolly, Alan Roberts, Keith McKeown, Mark Lyons,
James Puketapu.

Can I call for any apologies please?

MINUTES FROM PREVIOUS MEETING

The minutes have been circulated with the official AGM notice prior to the AGM.

However,

We have received a request for amendment of the minutes from Peter Bates prior to the meeting, this amendment has been made and a number of copies have been circulated today. An electronic copy of these minutes will be circulated post this AGM.

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Are there any matters arising from the previous minutes?

Nothing to report

Are there any amendments to be made to the previous minutes?

Nothing to report.

Confirmation of Minutes

I move that the minutes of the 2016 Annual General Meeting be taken as a true and fair record of events.

Moved: Patrick Foote

Seconded: Peter Bates

Carried

CORRESPONDENCE

Correspondence In

Nothing to report

Correspondence Out

Nothing to report

It is my pleasure to present the 2016 Chair's Report for the Auckland Branch Committee of the New Zealand Institute of Valuers.

The NZIV and PINZ Auckland Branch Committee Members for the 2016 year included the following:

Jason Williams	:	Bayleys NZIV Northern Region Counsellor
Katie Beveridge	:	The Property Group PINZ Board Member – Northern Region
Michael Sprague	:	Gribble Churton Taylor Limited Former Northern Regional Councillor

James Wilson	:	Valocity Secretary
David Stewart	:	Bayleys Limited Treasurer
Jason Wong	:	Sheldons CPD Convener 1
James Fraser	:	CBRE CPD Convenor 2
Andrew Sowry	:	Seagar & Partners Newsletter Editor
Conor Connolly	:	Colliers Young Guns Convener
Richard Lawson	:	Gribble Churton Taylor Membership Convenor
John Churton	:	CVS Limited Past Membership Convenor
Alan Roberts	:	Roberts McKeown Limited NZIV Fellow Sub Committee
Brad Featherstone	:	Seagar & Partners Golf Day Convener
Chris Swann	:	Gribble Churton Taylor Limited University Liaison 1
Graham Barton	:	Jones Lang Lasalle Plant and Machinery 1 / Standards
Andrew Liew	:	Becca Plant & Machinery 2
Mark Lyons	:	Savills Social Convener
Stewart Littlejohn	:	Knight Frank Limited
Allister McKenzie	:	Knight Frank Limited
Elizabeth Newman	:	Knight Frank Limited

I would like to thank these 20 Committee Members who have offered their time in order to assist in the running of the Auckland Branch.

These volunteers have put in countless hours in order for the Branch to run smoothly.

Election of Officers

Under Rule 63 of the Rules of the New Zealand Institute of Valuers, at every general meeting of a branch, three elective members of the Branch Committee shall retire from office. The members to retire shall be those longest in office. Under Rule 65 these members shall be eligible for re-election and shall be deemed to be nominated for re-election unless they have given notice to the Secretary of the Branch Committee that they do not desire to be re-elected.

The following branch members are to retire from the NZIV Branch Committee and will not offer themselves for re-election:

- Conor Connolly
- Jason Wong
- Graham Barton
- John Churton
- Brad Featherstone
- Stewart Littlejohn

I would like to thank the above members for their long serving commitment and dedication to the committee.

Long standing Committee members that have made themselves available for re-election are;

- Alan Roberts
- Andrew Sowry
- Chris Swann
- David Stewart,
- James Wilson
- Katie Beveridge.

Patrick moved that the above current committee members continue to form part of the NZIV Auckland Branch Committee;

Can I have a seconder? Mike Sprague

All those in favor

Motion carried

The following members have been nominated to join the NZIV Auckland Branch Committee:

- **Aimee Martin, Telfer Young**

Seconded; Richard Lawson. Carried

- **Josh Higgie, Bayleys**

Seconded; David Stewart. Carried

- **Henry Morris, Seagars**

Seconded; Mike Sprague. Carried

- **Phil White, Telfer Young**

Seconded; Mike Sprague. Carried

- **Jerome Te Paa – Gribble Churton Taylor**

Seconded: John Darroch. Carried

The above nominees now form part of the NZIV & PINZ Auckland Branch Committee.

Sub-Committee Reports

Many of the sub-committee reports will be covered in the PINZ AGM which will follow after this.

However there will be four reports presented) at the NZIV AGM. These will be from the following:

- Jason Williams - NZIV councillor.
- Richard Lawson - Membership Convenor, and
- John Darroch – Chair of the Valuation & Property Standards Board.
- Peter Bates - update on the Land transfer legislation and the Unit Titles Act.

Please note that we are fortunate to have our NZIV president Roger Gordon with us today. Roger is happy to receive and hopefully answer any questions the members have. This will take place after Jason's report.

Can I call on our NZIV councillor, **Jason Williams**, to present his report please?

Jason Williams, NZIV Councillor

Jason Williams presented his report.

Your NZIV Council has been hard at work over the last year. As one of your northern regional councillors I am pleased to report that significant progress has been made in a number of areas.

Of note are the following endeavours:

The Council has completed and endorsed a strategic plan. The stated vision is “to advance the valuation professional through representation, education, standards and ethics”. This document identifies and outlines principles, priority areas and programs for the NZIV going forward and I recommend that members take the time to peruse it.

The communication and education of standards has been identified as an important area of focus and with this in mind, the Council has recognised that it is important to deliver timely updates and events which educate members on up and coming changes to standards.

As part of the strategic plan Council is now in the process of starting a review of the disciplinary process which follows on from submissions to the review of the Valuers Act.

This year, Council will be actively promoting and encouraging applications for new committee members to the Professional Practice and Standards committees in order to provide additional support and timely rotation of representatives to these committees.

Other areas of focus include a review of the ANZIV process which is in progress.

The council is also currently working through the process of seeking a suitably qualified media spokesperson to represent the NZIV and our members.

Regarding progress on the review of the Valuers Act, it is our understanding that this process is currently on the back burner as the review of other legislation takes priority. However, it is our understanding that the review of this Act remains on the radar and we believe LINZ intends to progress the review of the Act in the future.

In terms of the progress on the Valuers Education Integrity Foundation which is separate to the NZIV Council, it is our understanding that the Foundation Committee is currently working through the terms and tests that applicants will be judged with regard to grants.

In addition, NZIV Council has now endorsed Mike Sprague as an NZIV Risk Management mentor. As part of this process, the Council are actively seeking applicants and suitably qualified members to support Mike in this role.

In closing, I would like to commend the Auckland branch committee and their members for their input and thank Mike Sprague for his support and guidance over the previous year.

Jason asked for any questions;

Patrick Foote – Questioned the recent VRB appointment, not a criticism, only questioning the process.

Jason Williams - advised the members present that this was a ministerial process. (NZIV has the power to recommend two appointees).

David Grubb – is there now a conflict of interest on the VRB now having two members from the same firm. Has also heard that there may have been pressure towards a gendered biased appointment.

Roger Gordon - informed that two members from one firm have formed part of the VRB before. Predicant set.

Mike Sprague – The fundamental point, the membership acknowledge that is a ministerial appointment, What we don't know is who provides advice to the minister? Who helps with the decision making process. All we seek is an explanation of this process

Roger Gordon - Once receive formal notice of request for appointees, NZIV is able to approach members and request these. Gender balance may been an issue here. Roger informed the members that there is no power of Vito.

Roger Gordon - Informed the members that NZIV is in a position to put up further names.

Jason Williams informed the members that the council has the right to put up two nominees.

Mike Sprague - Asked Roger to get across the point to the minister that there is some disgruntled members regarding the process. Roger informed that himself and other Council members have a meeting with the minister in April.

Jason Williams - Minister seeks in writing advice from industry participants.

Roger Gordon - Unaware of the criteria. However would have been valuation based on all merits.

Patrick called on our membership convenor, **Mr Richard Lawson**, to present his report please?

Richard presented his report.

As the new branch convener of membership for 2016/2017, I had another rewarding year chairing the interview process for those applicants wishing to advance in status to MPINZ, ANZIV and SPINZ.

Full membership (MPINZ) interviews are still undertaken and takes approximately 15 minutes with a brief discussion of work history, current employment, together with professional practice including ensuring the applicant has met the minimum standards for the completion of CPD over the past two years.

Those applying for ANZIV are, in addition to meeting minimum standards of employment in the profession, required to provide a sample of six valuation reports which they have prepared within the twelve months immediately preceding the lodgement of their application. The interviewing panel normally includes myself and two other senior members of PINZ/NZIV and lasts for approximately 30 to 45 minutes.

The purpose of the ANZIV interview is to assess the applicant's experience in the field of work in which they operate, and also to ensure they have a general understanding of the principles involved across all areas of valuation. For example, a valuer concentrating in the residential market may be questioned on the reports they have submitted, but will also be questioned on the methodology in valuing commercial and industrial property and vice versa for valuer concentrating on commercial or industrial valuations.

Contained in the letter sent to the applicants inviting them to the interview, is the requirement for them to undertake a revision of the following:

- *Insurance valuations.*
- *The different forms of commercial leases and for example, the difference between a gross lease and a net lease.*
- *Registrations against title including for example what is a consent notice? etc.*
- *The valuation of over and under rented commercial and industrial property, and the valuation techniques and methods that are adopted.*
- *Issues related to weather-tightness for residential dwellings.*
- *The valuation of residential property including for example, what is a net rate analysis?*

- *An understanding of the Resource Management Act, particularly in terms of existing use rights and the differences between for example a permitted activity and a discretionary activity.*
- *The Unit Titles Act and the procedure in assessing unit entitlements.*
- *The valuation of block land and the valuation techniques and methods, including for example the Hypothetical Subdivision Approach.*
- *The valuation of leasehold property.*
- *A thorough understanding of the Australia and New Zealand Valuation and Property Standards, including for example mortgage recommendations, contaminated land, etc.*

Unfortunately over the last year there have been no ANZIV applications. At branch level our role is to ensure that any recommendation for advancement to ANVIZ, is only for those members who have proved themselves during the interview process and who have also submitted reports which are of a professional standard and comply with the minimum reporting standards of the Property Institute of New Zealand and the New Zealand Institute of Valuers.

For those members wishing to apply for SPINZ, each applicant is required to have been a full member of the Property Institute for at least six years, be registered either with the Valuers Registration Board or the Property Institute Board, and have at least eight years post-graduation work experience within the property profession. One important criteria that must be considered is that candidates are required to hold a senior position within the property industry for at least three years.

The applicant is again interviewed by myself and two other senior members, where possible including a Fellow of the Property Institute and the New Zealand Institute of Valuers. The interview generally lasts for approximately 30 minutes and the applicant is questioned on their leadership roles, professional ethics, problem solving and training or supervision of staff.

Auckland Branch had a good year in respect of MPINZ applications, 12 were processed, there were to SPINZ applicants processed, but unfortunately we received no ANZIV.

In summary I wish to thank those senior members who have assisted in the interview process including Alan Roberts, John Churton and Patrick Foote.

Questions?

Aimee Martin - clarification required, No applications for ANZIV or no advancements.

Richard confirmed, no applications.

Patrick re-iterated the importance of ANZIV advancements and its implication as to the Fellowship advancement

Can I call on **Mr John Darroch** – Chair of the Valuation & Property Standards Board John Darroch – Standards to present his report please?

John presented his report

John drew attention to the 2017 **IVS**, re-written considerably, cut down further to principles based.

Voted and approved for adoption in NZ, in line with the rest of the world.

Effective 1 July 2017.

Referred to a few key changes to IVS

1. Scope of works = softened shall to should. Allows for more generic scope of works.
2. John encouraged members to adopt this early.
3. Standards committee will have a webinar to update members changes.

Standards committee have received feedback from NZIV and PINZ boards. Communication of changes to members, John invited members to ask for any guidance if needed.

John advised the members present that he also sits on the API standards board. Slightly different in Australia, more closely aligned with RICS at present.

John advised the members of a RICS update, 10 year requirement for direct joining PINZ to RICS, reduced to 5 years.

John informed the committee members present of changes being made to the following API Standards;

- ANZ PS 1 - Compulsory acquisition standard, change made. Approved. Not yet effective in NZ yet.
- Agricultural, primary production valuation standard has changed
- Retrospective valuations
- Rental determinations

IPMS = International Property Measurement standards

Sub committee of the standards board has been made, measurement committee. Put in place and adopted globally. Effective 1 July globally.

NZ not yet effective.

Looking at introducing a converter tools to assist with conversion.

John advised the members present to be wary when valuing for international companies as they may already be requiring adoption.

Questions?

David Grubb - how can members access new IVS;

John - on the PINZ website or request one from John directly.

Can I finally call on **Peter Bates** to give the members an update on the Land transfer legislation and the Unit Titles Act.

Peter presented the below report;

Peter recommended members visit his website www.bates.net.nz ('News' page) to view detailed correspondence and the NZIV submissions to Select Committee and MBIE on the below sections which Peter has made submissions on behalf of the NZIV membership on;

Land Transfer Bill:

THE NZIV focused on land economics

- Key issues relate to erroneous transfer to somebody else's name, certainty of title and compensation issues.
- Public Works Act, compensation is monetary equivalent of loss thus, not always just market value of interest involved. May be other variables involved, reinstatement loss, adjoining owner loss. The Land Transfer Bill falls short of traditional compensation principles.
- This Bill's statutory compensation won't be aligned with the Public Works Act. However, courts may be able to take into account the owners, use or special characteristics of the land in other circumstances.
- Rather than providing full compensation, the 'manifest in justice' provisions, if really unfair, reverse the title change and they can have their land back. Return ownership.
- 226 1(q) : Computerised means of valuations proposed. Now changed. Recognised the costs and complexities and reliability issues required in this, recommended deleting this clause, and now require a professional valuation. NZIV recommendation was adopted.
- NZIV's recommendation was adopted so as to allow different valuation dates and for a Judge to order an updated valuation.

Bill isn't passed yet, now in house stage.

NZ Law Society (NZLS) and The Auckland District Law Society (ADLS) assisted us significantly and supported our submissions with their own submissions; Peter thanked them for this within the meeting.

Peter informed the members present that overall, our submissions were well received and listened to for the most part. Furthermore, there have been significant changes to the Bill based on the NZIV submissions.

Unit Title Act

Peter informed the members present that this was only a minor piecemeal review covering such matters as:

- Long term maintenance plan
- Ability to opt in / out
- Thresholds
- Regulatory regime for property managers / property administrators.

NZIV have recommended that a larger review be conducted, with key focus points surrounding:

- Transparency in the marketplace
- Proposed a body corporate website where Valuers (and the public) could view the body corporate minutes + details.
- Large number of market participants would benefit from this information.

Some initial pushback about a website concept has been reported by other submitters, however support has grown (ADLS has helped this).

May not get a website as requested this time, however, we have made clear submissions with wider support and things may develop from that. Overall positive, advocating for greater transparency may help to remove market informational asymmetry.

Peter updated the members that he has been working alongside the Valuers Council on many of the submissions. He encouraged members to get in touch, ask questions, offer advice and help out.

Peter has found the NZIV Council very helpful and willing to assist. The last two Presidents have been very supportive of the law reform work and a wide range of Council members have offered good support. Also, members around the country have now become involved and helped out.

Peter informed the committee that he hasn't taken the NZIV into issues which aren't land economics related. For example, body corporate administrators' professional governance and the number of days for guarantee of title aren't greatly relevant to our profession. Those short of information are welcome to contact Peter for help.

NZIV have now produced well-polished submissions which have helped changed the law and stopped some adverse changes to the law.

GENERAL BUSINESS

Patrick asked the members present for any general business items to raise.

Motions

We have received no formal motions prior to the AGM

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There being no other business the meeting closed at 4:53pm.

NEXT MEETING TO BE HELD IN MARCH 2018

(Date, time and venue to be advised closer to the time)