

Land Acquisition Reform



Key Facts and Figures

- There are 16 major government authorities across 5 different departments who are authorised to acquire land for a public purpose (such as a new road or rail line).
- 80% of acquisitions are made by agreement between the landowner and the government acquiring authority, without the need for compulsory acquisition.
- Only 5% of acquisitions proceed to the Land and Environment Court.
- Landowners can be compensated for the market value of their land, legal and valuation costs incurred in the acquisition process, relocation costs (including things like removalist costs, mail redirection, utilities reconnection costs, mortgage and refinancing costs and stamp duty on a new property), and compensation payable for the overall inconvenience and disadvantage of having to relocate (known as 'solatium').
- Before compensation is determined or agreed, landowners have an opportunity provide their own independently obtained evidence supporting their compensation claim, and all legal and valuation costs are reimbursed in full.
- The Valuer General is an independent statutory officer who only becomes involved in the acquisition process when the landowner and the acquiring authority cannot reach agreement.
- The Valuer General's independent determination of compensation is binding on both the Government and the landowner, however only the landowner can appeal the determination.

A new framework

New Ministerial responsibility: To improve the overall performance and consistency of acquiring authorities and ensure greater transparency, the Minister for Finance, Services and Property will have new responsibilities for the general oversight of acquisitions across government.

Whole-of-Government standards: A new 'Property Acquisition Standards Group' in the Department of Finance, Services and Innovation will set whole-of-government performance standards for acquisition processes, and standards for resources provided to landowners, and ensure they are consistently applied by all agencies involved in land acquisition.

Performance tracking: The Property Acquisitions Standards Group will collect and publish whole-of-government land acquisition data twice yearly on a new land acquisition website to ensure the performance of government is more readily open to public scrutiny, including the extent to which land is acquired through agreement rather than compulsorily.

Whole-of-Government training: A new 'Centre for Property Acquisitions' will be established within Transport for NSW to train personnel across government involved in the acquisition process, with an emphasis on meeting landowners' needs and proactively providing advice and assistance.

Fairer compensation

Increased solatium: Compensation for non-financial impact (known as 'solatium') will increase from \$27,235 to a maximum of \$75,000, indexed to CPI, backdated to 26 February 2014.

No rent after acquisition: Landowners remaining in their property following acquisition will not be required to pay rent for the 90 days they are entitled to remain in the property after acquisition.

More time

Guaranteed 6 month negotiation period: Landowners will have more time to consider their options and seek advice, with a legislated six month period for engaging with the acquiring authority before the compulsory process can commence (unless a shorter period is agreed or there are exceptional circumstances).

More time for Valuer General's determination: The time for issuing compensation notices will be extended from 30 to 45 days, or for up to 90 days with the agreement of the Minister for Finance, Services and Property, allowing the Valuer General more time to make complex valuations.

More support

Guaranteed face-to-face meetings: Landowners are already entitled to at least one face-to-face meeting with the acquiring authority at the start of the acquisition process.

New personal case manager: Landowners will now be allocated a "Personal Manager" to coordinate all interactions with the acquiring authority – this manager will help affected landowners to find new homes or business premises, find new schools for children and other services to ease the experience of moving.

New community place manager: Communities will benefit from the appointment of Place Managers to manage all general communication with affected landowners, their neighbours and communities.

More (and better) information

Website: New dedicated land acquisitions website – www.landacquisition.nsw.gov.au

Clearer information guide: A Land Acquisition Information Guide, setting out the process in an easy to understand format has been developed and will be published in a number of languages

Simplified compensation claim form: A simplified claim for compensation (section 39) form that landowners can submit directly to the Valuer General, removing the need for the acquiring authority to be involved in the process.

Greater procedural fairness

Merits review for hardship decisions: If a landowner whose land is marked for future acquisition makes an application to require the government to acquire the land on the basis of hardship, and the acquiring authority rejects the application, the landowner will have a new right to a low-cost review of the decision by an independent panel. The decision of the Hardship Review Panel is final.

Right to repurchase: Landowners will have a new right to repurchase their property if it is no longer required for the infrastructure project, provided the property was not used in the project and has not been substantially improved.

Reinstatement for unique properties: Where a unique property is to be acquired and there is no general market for the property, new provisions will allow the acquiring authority and the Valuer General to consider the cost of purchasing a comparable property in determining the compensation to be paid for the "market value" of the property.

More transparency

Dealing directly with the Valuer General: If the Valuer General is required to make an independent determination of compensation, landowners will now be able to deal directly with the Valuer General, rather than have information provided to them via the acquiring authority.

Providing information to the VG: Acquiring authorities will be required by law to provide the Valuer General with information about issues relevant to the compensation determination not later than seven days following compulsory acquisition, to ensure all relevant information is available for consideration by the Valuer General.
