

Valuer General

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Valuation of land subject to a conservation agreement

Guidance Note

February 2024



Acknowledgement of Country

The office of the Valuer General and Valuation NSW acknowledges that we stand on Aboriginal land. We acknowledge the Traditional Custodians of the land, and we show our respect for Elders past and present through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally, and economically.

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More information

Enquiries relating to this guidance note should be addressed to the office of the Valuer General via email to valuergeneral@dpi.nsw.gov.au.

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Introduction

1.1 Purpose

This document is intended to provide guidance to valuers on the factors to consider, when valuing land subject to a conservation agreement under section 69B of the National Parks and Wildlife Act 1974.

This guidance note will ensure that the Valuer General's valuations of land with conservation agreements are:

- consistent and accurate
- transparent
- in line with the *Valuation of Land Act 1916* (the Act).

1.2 Background

In NSW, the Act establishes the Valuer General as the independent statutory officer responsible for ensuring the integrity of land valuations in NSW.

Valuation NSW carry out functions on behalf of the Valuer General under formal delegations. Some valuation services may also be contracted out to private valuation firms. All valuation services are subject to a rigorous quality assurance process prior to issue to landholders.

1.2.1 Conservation agreements

Conservation agreements are voluntarily entered into and provide permanent protection for the special features of the land. They are legally binding on both current and future landholders.

The range of significant conservation values that may be protected under a conservation agreement is broad and includes natural and cultural heritage values such as native vegetation, wilderness, wildlife habitat, Aboriginal sites, and historic places.

1.2.2 Rating and Taxing

Land subject to conservation agreements is exempt from rates and taxes under both the Local Government Act 1993 and the Land Tax Management Act 1956.

Under section 555 (3) of the Local Government Act 1993 landholders' rates are proportionately reduced if part of their land is subject to a conservation agreement.

Land tax concessions, where part of the land is covered by a conservation agreement, are also available under section 10 of the Land Tax Management Act 1956.

Recommended Approach

1.3 Scope

1.3.1 Land subject to a conservation agreement

Land subject to a conservation agreement has a registered conservation agreement on the title of the land.

Land subject to a conservation agreement can be privately or publicly owned or leased from the Crown.

1.3.2 Conservation agreement

Conservation agreements are legal agreements between landholders and the Minister for the Environment covering identified areas of land with significant conservation value. They are established under Division 12 of the National Parks and Wildlife Act 1974.

1.4 Assumptions and considerations

1.4.1 Valuation assumptions

The effect of, or value of, having a conservation agreement is not included in land values.

Land subject to a conservation agreement will be based on the highest and best use of the land allowable under the applicable environmental planning instruments unless it is Crown lease restricted land.

You must value Crown lease restricted land in accordance with the use of the land required by the lease (refer to the Valuer General guidance note for the valuation of Crown lease restricted land).

References

Definitions

Term	Meaning
Environmental planning instrument	A legal document that regulates land use and development under state environmental planning policies and local environmental plans.
Highest and best use	Valuation concept that refers to the possible use of a property that would give the highest market value. The use must be lawful, physically possible and financially feasible.

Related documents and legislation

- [Valuation of Land Act 1916](#) – Section 6A
- [National Parks and Wildlife Act 1974](#) – Division 12
- [Valuation of Crown lease restricted land](#)