Survey of Quality Assurance Practices
Amongst Valuation Professional Organisations

To support the IVSC's goal of enhancing professionalism in the global valuation industry, the IVSC Advisory Forum Working Group (AFWG) seeks to gather a comprehensive overview of quality assurance activities from Valuation Professional Organisations (VPOs). Insights from these VPOs will be anonymised and included in a report on best practices for quality assurance programs, which will be shared with all IVSC member VPOs. This initiative aims to offer valuable ideas and lessons on the effectiveness of quality assurance approaches globally. We invite your organisation to contribute by completing the short questionnaire below. The AFWG will analyse the results and provide feedback on best practice opportunities. We appreciate your participation in this important initiative.

Best regards,

Ben Elder, Chair of the AFWG

First name:

David

Last name:

Brandon

Name of your Valuation Professional Organisation (VPO):

Australian Property Institute

Job title:

Manager Professional Standards

Your email address:

dbrandon@api.org.au

Would you be happy for IVSC to contact you to discuss any of your answers - for example, where we might be able to gain greater understanding of best practice.

Yes ☒

No ☐

Please provide some outline details of your valuation member base. For example, how many valuer members does your VPO have? Are they individual members of organisations? How is this number broken down by area of professional focus (e.g. 'real estate/tangible asset valuation', 'business and intangible asset valuation', 'financial instrument valuation' etc.)

All Valuers = 5,132 (August 2024)
Real property valuers = 5,075 including 24 P&E valuers and 72 Business valuers
P&E only valuers = 51 and Business only valuers = 6

Section 1: Regulation of Valuers

How is the valuation profession regulated in your market(s)

1.1. Is there a government or state licensing/regulatory requirement for valuers to carry out valuations in the following categories? (Please select all that apply)

- ☒ Real Estate
- ☐ Plant, Machinery, and Equipment
- ☐ Chattels (personal property)
- ☐ Business and Business Interests
- ☐ Financial Instruments
- ☐ Other (please specify)

1.2. If yes, is there government or state oversight of the work valuers are doing in these categories?

Only two States have licensing requirements > Queensland and Western Australia

1.3. If no, is your VPO responsible for setting the necessary criteria and enforcing the professional conduct of your valuer members?

- ☐ No
- ☒ Yes (please elaborate)

The API has a complainants & disciplinary process that all to all members.
Further details are available at;
https://www.api.org.au/standards/professional-misconduct/

1.4. Please provide any additional information with regards to your responses to Section 1.

Section 2: Practice Standards and Code of Conduct

Professional standards and ethics requirements on valuation professionals.

2.1. Does your VPO set its own practice standards, ethics, and code of conduct requirements?

☐ No

☒ Yes (please provide details)

- API Rules of Professional Conduct; https://www.api.org.au/standards/rules-of-professional-conduct/
- API Code of Ethics; https://www.api.org.au/standards/api-code-of-ethics/
- The API also has over 30 guidance papers an number of valuation protocols on various topics that are part of the suite of professional standards documents. Available at; https://www.api.org.au/standards/standards-resources/ https://www.api.org.au/standards/valuation-protocols/

2.2. Does your organisation promote or has it adopted IVSC standards?

☒ We promote IVS and have adopted the standards

☐ We promote IVS but have not yet formally adopted the standards

☐ We do not promote IVS and have not adopted the standards

2.3. Please provide any additional information with regards to your responses to Section 2.

Section 3: Education and Accreditation Program

What education programmes are available to professionals, and what requirements are placed on those professionals to undertake this?

3.1. Is there a uniform education program leading to accreditation?

☒ Yes

☐ No

☐ Other

3.2. If 'yes', is it..

☒ Unique for Real Property

☐ Unique for Business Valuation

☐ Unique for Tangible Assets

☐ Unique for Financial Instruments

☐ Not unique to any specific area(s) of valuation

3.3. Please provide any additional information with regards to your responses to Section 3.

Tertiary education, on the job experience training, API Practical Valuer Training modules and documented admission process which includes professional interview.

Section 4: Accreditation Program Details

How do professional members of your VPO become accredited?

4.1. Do you have experience requirements for accreditation?

☐ No

☒ Yes (please provide details)

RPV is minimum 12 months on-the-job experience then professional interview.
CPV is minimum 24 months on-the-job experience then professional interview.

4.2. Do you have a uniform final examination?

☒ Yes

☐ No

☐ Other

4.3. Please provide further information with regards to your responses to Section 4.

The API has a national admission process for all states and territories to become an API certified valuer (either RPV or CPV).

Section 5: Continuing professional development (CPD) / lifelong learning (LLL)

What ongoing learning and professional development is required of professionals?

5.1. Do you have a minimum hours requirement for member CPD/LLL?

☒ Yes

☐ No

☐ Other

5.2. If yes, how many hours annually?

Minimum 20 hours per calendar year.

5.3. Do you have verification of completion processes in place or self-declaration by valuer members?

☐ No

☒ Yes (please detail)

Self-declaration by the valuer, with random sampling of 10% of valuers subject to verification audit annually.

5.4. Do you require valuers to log hours online?

☒ Yes

☐ No

☐ Other

5.5. Are self-declarations subject to audit?

☒ Yes

☐ No

☐ Other

5.6. Please provide any additional information with regards to your responses to Section 5.

As noted above, 10% sample of valuers are subject to a verification audit in the following year.

Section 6: Declaration of Work Undertaken

How, if at all, do professionals inform your VPO of their work?

6.1. Do you require valuer members to make an annual statement of the type of valuation work they have undertaken over the past 12 months?

☒ Yes

☐ No

☐ Other

6.2. Please provide any additional information with regards to your responses to Section 6.

A subset of API valuer members (who are participating members of the APIV Professional Standards Scheme (approximately 3,495 valuers as at August 2024)) provide annual declaration of the type and volume of valuation services undertaken in the previous calendar year. This is part of the annual attestation and renewal process.

Section 7: Practice Inspection

What audits/reviews/checks are carried out to inspect the work of your VPO's valuation professional members?

7.1. Is an independent inspection programme in existence to review the work of valuation professionals belonging to your VPO?

☐ Yes

☐ No

☒ Other (please outline)

7.2. If an independent inspection programme is in existence, what percentage of members are subject to inspection?

No on-site inspection (although this remains an option), but random sampling of APIV members are subject to audit to confirm compliance with APIV Scheme requirements. This audit process does not involve a *valuation review* of any kind, that is, not a *valuation process review* or a *value review*.

7.3. Please provide any additional information with regards to your responses to Section 7.

Section 8: Complaints and Disciplinary Process

What complaints processes are in place.

8.1. Do you operate a complaints process where clients can complain about the quality of work and professional conduct of your valuer members?

☒ Yes

☐ No

☐ Other (please explain)

8.2. If there are complaints or concerns, do you operate an independent review process?

☒ Yes

☐ No

☐ Other (please explain)

8.3. Do you conduct proactive inspections of your members' work irrespective of any complaints?

☐ Yes

☐ No

☒ Other (please explain)

8.4. Please provide any additional information with regards to your responses to Section 8.

APIV undertakes a random sampling of APIV members annually to confirm compliance with APIV Scheme requirements. This audit process does not involve a *valuation review* of any kind, that is, not a *valuation process review* or a *value review*.

Section 9: Disciplinary Procedures

What actions can your VPO take to discipline members found to be in contravention of your standards and rules of professional practice?

9.1. If there are findings of professional misconduct, do you operate an independent appeal process?

☒ Yes

☐ No

☐ Other (please detail)

9.2. What sanctions can you apply to a valuer member found not to be operating to the required standards? (Please select all that are applicable)

☒ Expulsion from membership

☒ Fines

☒ Referred to education programme

☒ Suspension

☒ Publish details of the case

☒ Other (please specify other actions that you can take as part of this process)

Section 14 of the API Professional Conduct Policy contains a list of possible sanctions that can be imposed against a valuer member if there is a finding of professional misconduct. The policy is available at; https://www.api.org.au/wp-content/uploads/2021/09/API-Professional-Conduct-Policy.pdf

9.3. Please provide any additional information with regards to your responses to Section 9.

Further information about the API Complaints & Disciplinary process and procedures can be found at;
https://www.api.org.au/standards/professional-misconduct/

Section 10: Close

10.1. Would you like to receive a copy of the report and have the chance to participate in a webinar on the findings?

☒ Yes

☐ No