



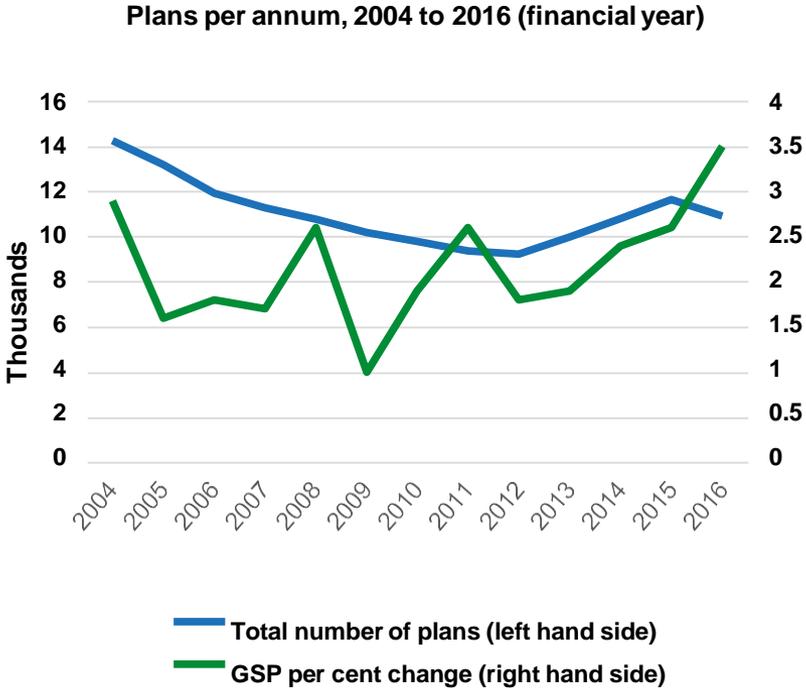
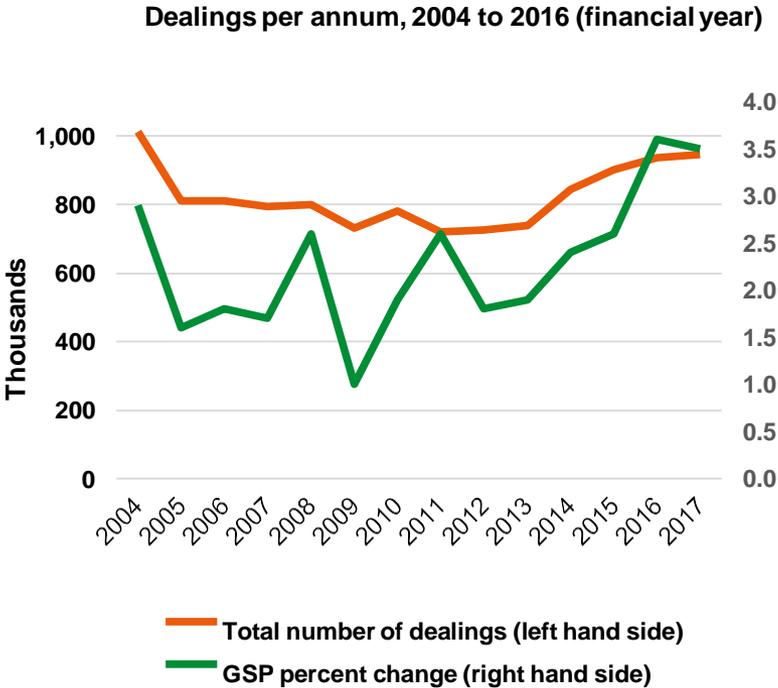
# Update to the Australian Property Institute

Jeremy Cox  
NSW Registrar General

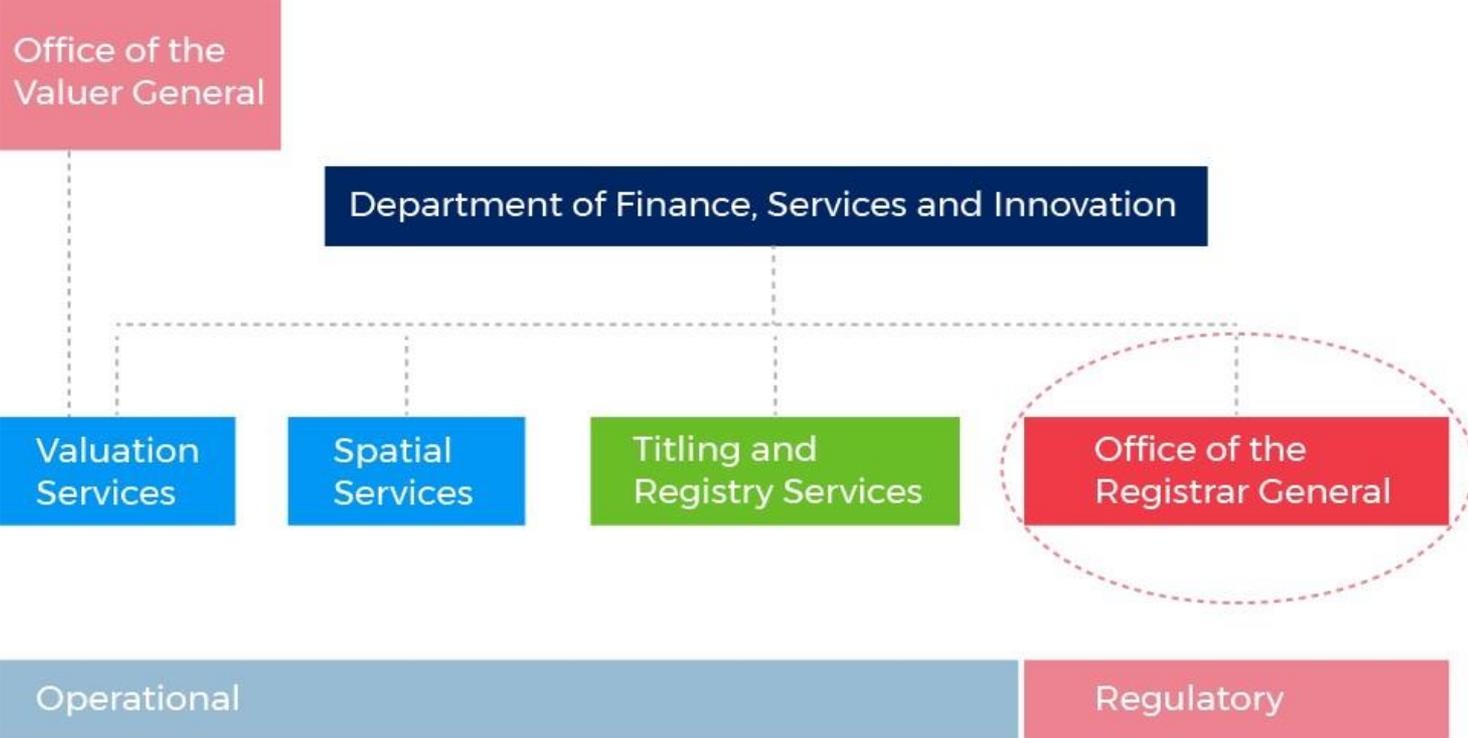
29 August 2017



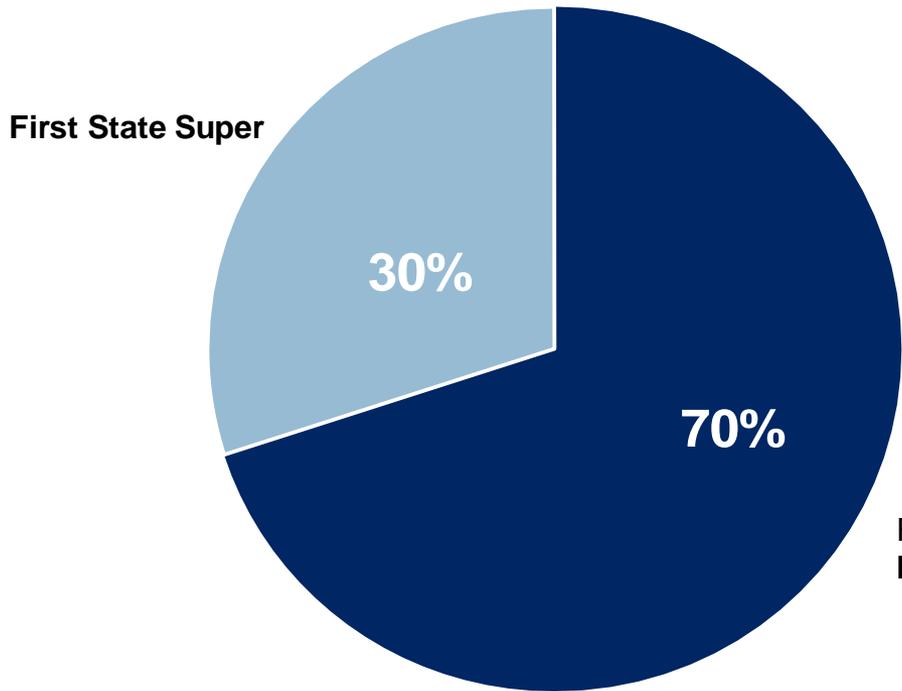
# The number of dealings and plans reflects the economic environment



NSW has introduced a new regulator operator model to drive an efficient, digital and customer focused land title system



# NSW Treasury has selected Australian Registry Investments (ARI) to operate NSW's land title system for 35 years



Paid \$2.6 billion to operate LPI—and receive its revenue—under a 35 year concession\*.

**ARI does not own the registry or the data that goes with it.**

**These remain the property of the NSW Government.**

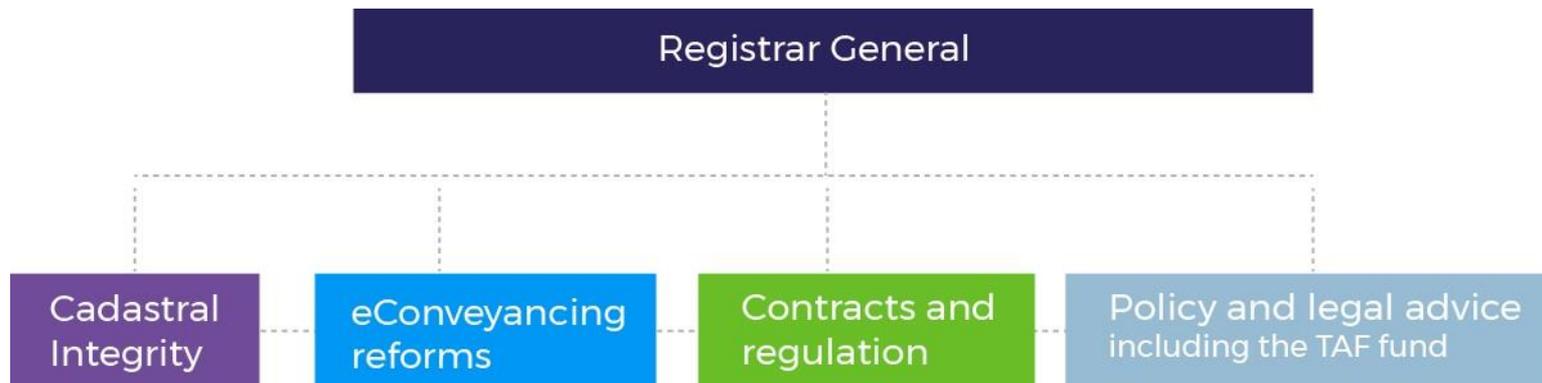
Funds managed by  
**Hastings Fund Management**

\*A 'concession' is when a private business pays the government to operate a public asset for a specific period of time.



Office of the Registrar General

ORG is a regulator, advisor and litigator, working to ensure the integrity of NSW's land title system



ORG's regulatory focus will be on making sure the operator delivers ongoing improvements to customers

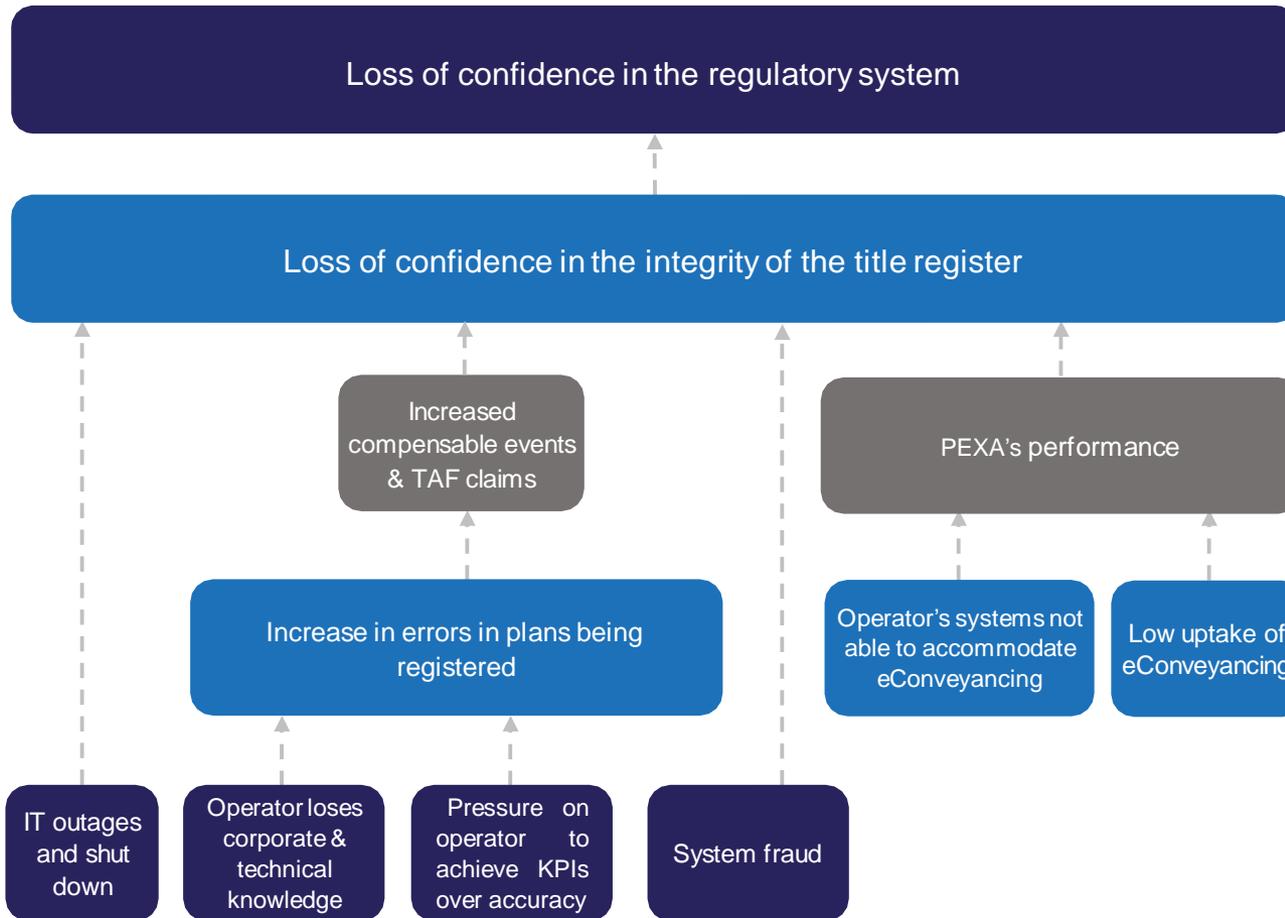
### Regulator objectives

✓	Maintain integrity, security performance and availability of registers, core services and systems
✓	Ensure registers are accurate and up to date
✓	Maintain confidence with customers and NSW public
✓	Promote improvements, innovation and increased efficiency using greater expertise and investment in technology
✓	Minimise errors and frauds
✓	Protect current competition in down stream services



# We are looking at the risks to the system

## Sample of risks



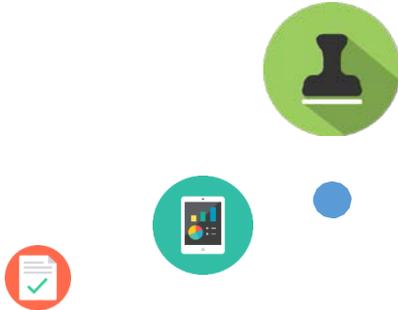
And we have new powers that don't exist in other Australian states, and in most overseas jurisdictions, to manage these risks

<b>Registrar General</b>	<b>Minister</b>
Reserve powers	Step in
Administrative review	Termination
Civil penalty tied to KPIs	Handback

### **Some other controls in response to issues raised by stakeholders**

<b>Prices</b>	CPI cap
<b>Privacy</b>	Commonwealth and state legislation
<b>Fraud and errors</b>	TAF remains. No change in risk profile
<b>Security</b>	ISO standards (270002), audits and testing

# Our controls give the State the right tools to detect and assess issues and risks before they materialise



Reporting	Reviews	Risk management	Security testing	Quality assurance
Incident management	Annual review of performance	Report to RG on risk controls	Vulnerability scans & penetration tests	Standard data feeds
Business continuity and business plans	Major review (3 to 5 years)	Access to staff, locations, procedures	Security standards ISO	Tools to measure performance
Technology roadmap	Ad hoc reviews & spot checks	Risk register and report to RG	Monitoring, scanning & assurance tools in systems	Auditable record of performance

# ORG will work closely with the operator to ensure the move to digital continues to be a seamless experience



## Digitalisation of core services

eConveyancing

Digitalisation of records

Forth coming upgrade of LPI's core systems

Digital plans

## New, innovation 'non-core' services

RG powers:

Has to approve

Review proposed pricing

Require consultation

Negotiate non-core becoming a core



### A more secure, efficient, customer focused system

- ✓ Fewer errors and fraud
- ✓ Registry available 24/7
- ✓ Records more easily accessible to customers online
- ✓ New innovative services



eConveyancing

## eConveyancing brings greater efficiency, fewer errors and new ways to detect fraud



- No cost of cheques
- No need for solicitors/conveyancers to attend settlement
- Less stress as immediate settlement and confirmation of lodgment with banks
- Earlier availability of cleared funds after settlement
- Easier access for rural and remote communities.

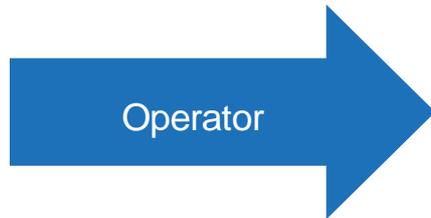
# eConveyancing brings benefits to business



## **Reduction in:**

- Due diligence title searches
- Labour costs
- Instrument preparation costs
- Settlement costs (legal sector)
- Delay of commission payments (real estate)

# eConveyancing brings benefits to the Operator



## **Reduces need for:**

- Front desk pre-processing of documents
- Manual keying
- Document scanning activity
- Training costs

**Fewer requisitions and title activity checks** enables easy monitoring of changes to title. e.g. caveats.

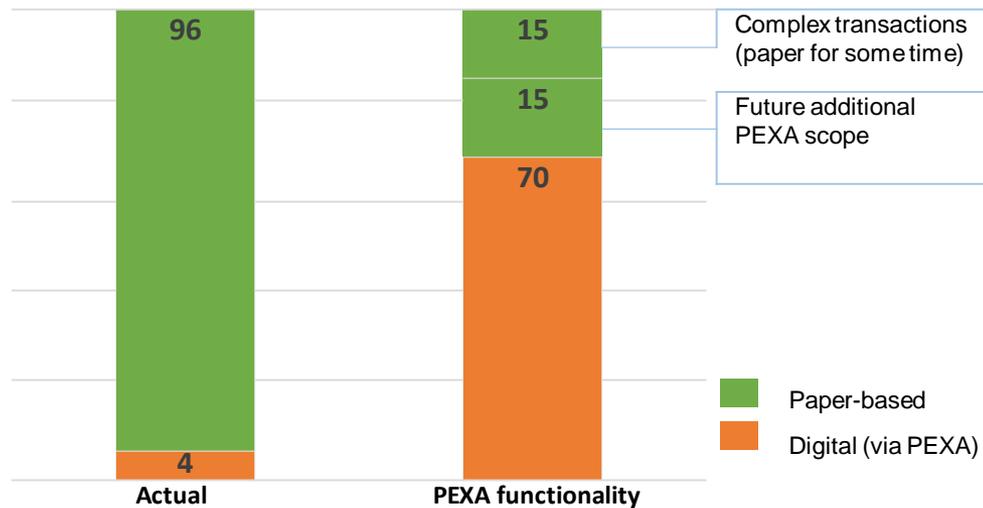
## eConveyancing brings benefits to government



- More secure and efficient delivery of services to the public
- Fewer errors
- New ways to detect fraud.

# While eConveyancing can deliver these benefits they were not being realised

**In 2014 PEXA could digitalise around 70% transactions, however very few transactions were being completed online**



# Industry has been working closely with government on the roll-out of eConveyancing in NSW

## Conveyancing reform committee

- Law Society of NSW
- Australian Institute of Conveyancers (NSW)
- Australian Bankers Association
- Mortgage and Finance Association of Australia
- Customer Owner Banking Association
- Australian Finance Conference
- Property Exchange Australia Ltd



THE LAW SOCIETY  
OF NEW SOUTH WALES

**Ms Pauline Wright**  
President, Law Society of NSW



Finance,  
Services &  
Innovation

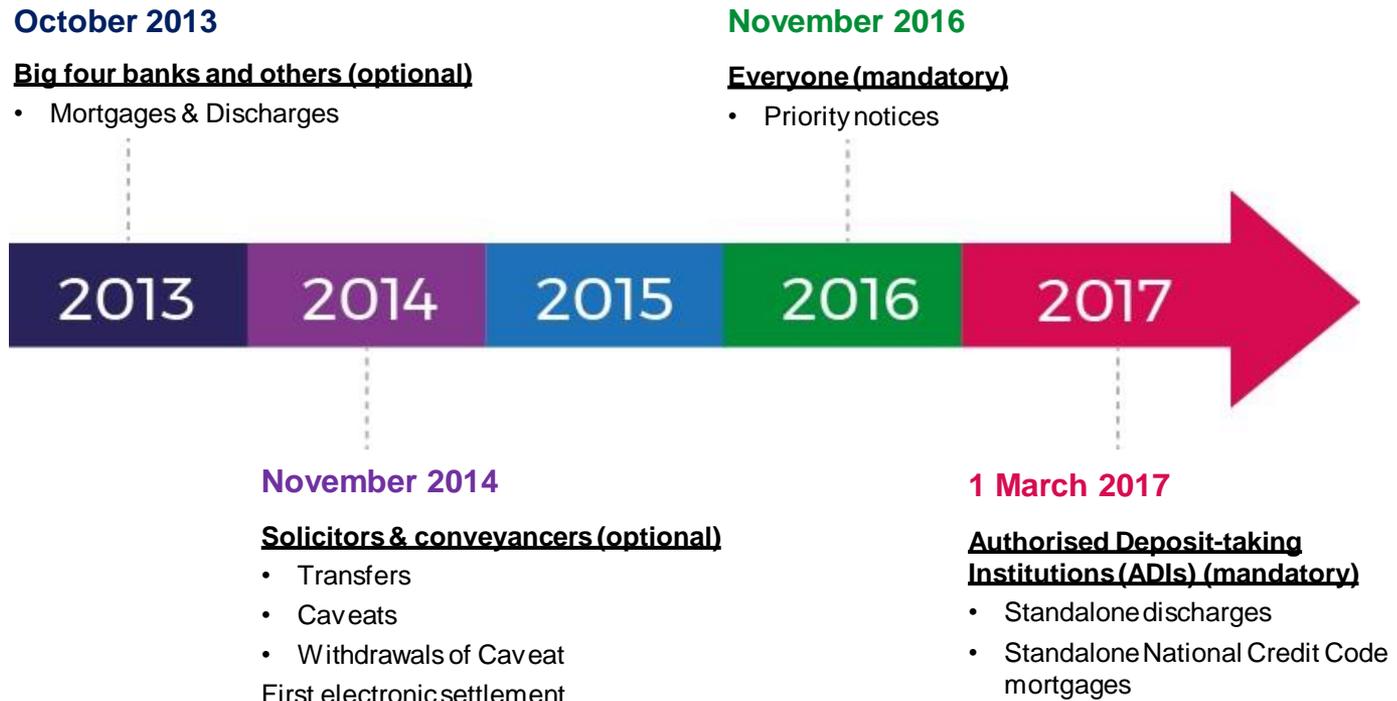
**Victor Dominello**  
Minister for Finance, Services  
and Property 28 February 2017

“The Law Society supports the transition to electronic conveyancing announced by the Government. The timetable allows practitioners who have yet to adopt electronic conveyancing, time to properly prepare their practices.

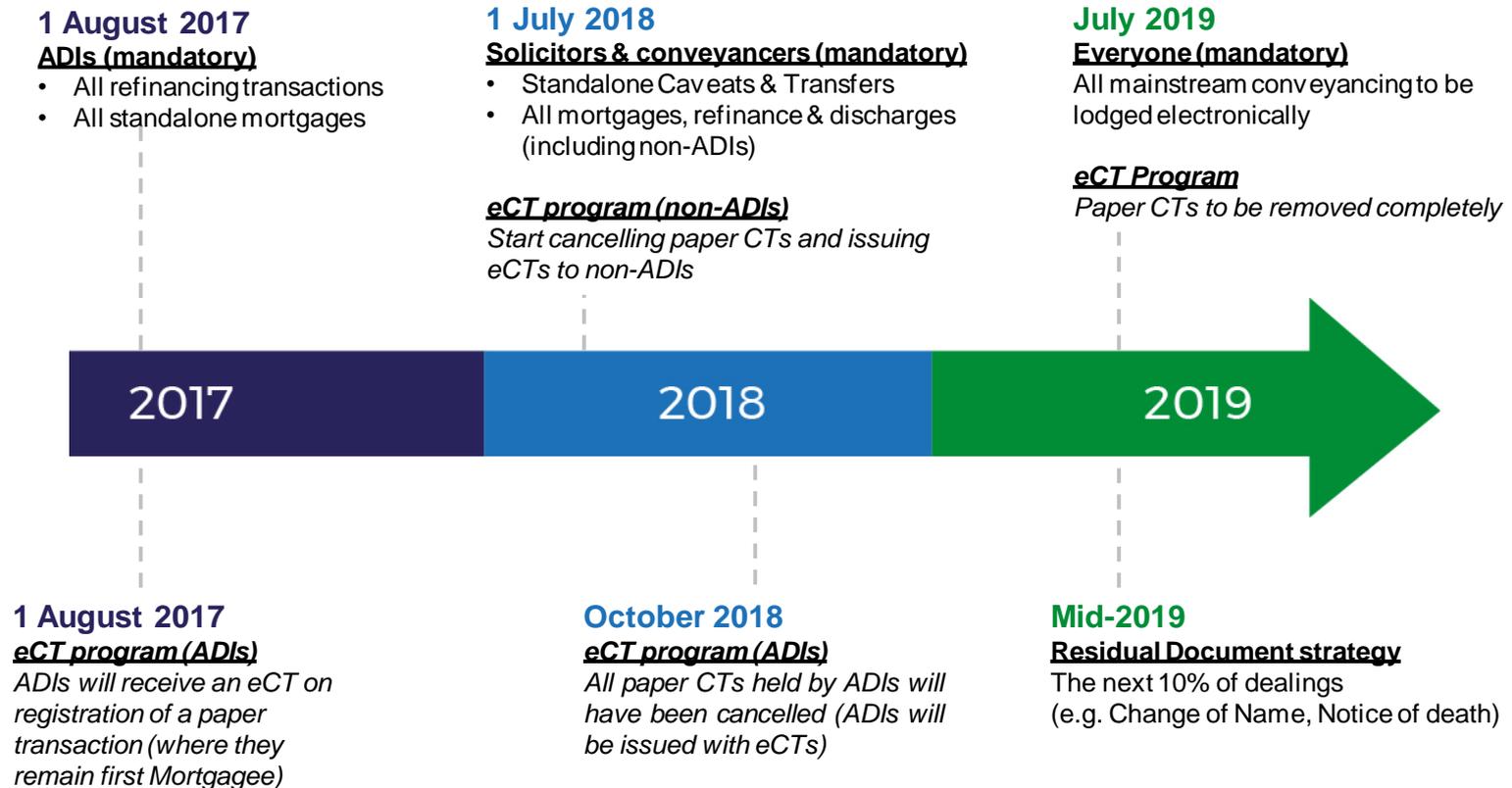
For practitioners who have already made the transition, there will be increased opportunities to conduct more transactions electronically as participation increases. We look forward to our members enjoying the efficiencies and benefits of electronic conveyancing.”

“...By July 2019, all standard property transactions in NSW will be conducted electronically, and all Certificates of Title will be phased out in favour of e-Titles.”

# Stage 1: What has happened to date



# Industry and government worked together to set time frames for moving to paperless conveyancing by mid-2019



And digitalising other related documents will make the system more efficient and more accurate

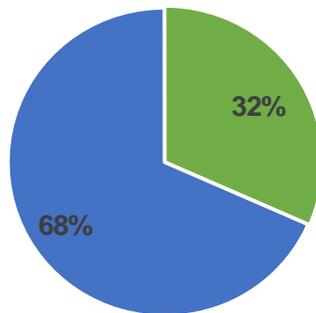
**Residual document strategy**

Document	2016		2017		2018	2019
	Oct	Dec	May	Nov	Nov	June
National priority notice	●					
National mortgage form			●			
Change of name					●	
Survivorship (notice of death)					●	
Transmission					●	
Transfer by mortgagee					●	
Transfer by interest					●	
Lease					●	
Encumbrance					●	

Delivering this Residual Document Strategy will lift electronic dealings from about 85% to 100% of all documents involved directly or indirectly in a property transaction.

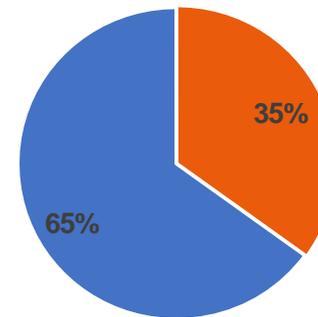
# About two-thirds of solicitors and conveyancers have yet to subscribe to eConveyancing

**NSW Subscriber Solicitors to  
all NSW Solicitors in NSW as at 31 July 2017**



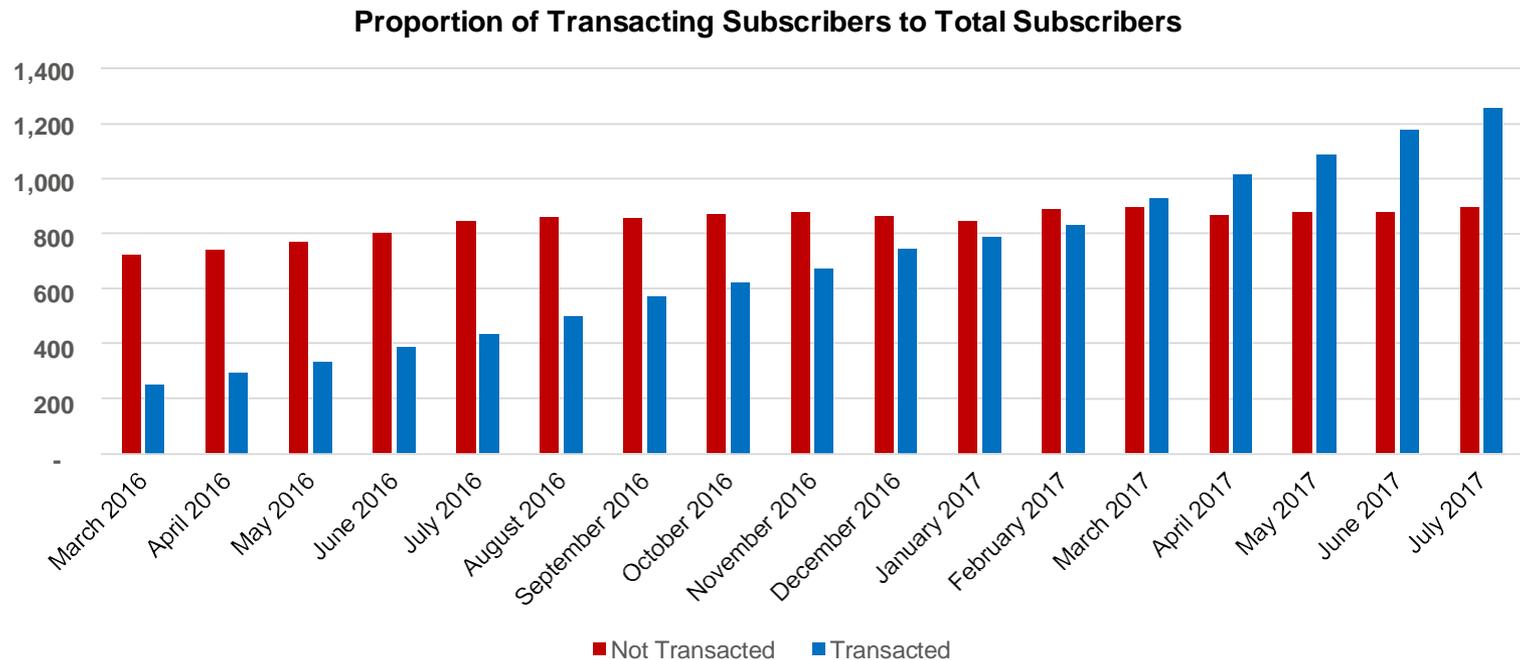
Registered Lawyers    Non-Registered

**NSW Subscriber Conveyancers to  
all NSW Conveyancers as at 31 July 2017**

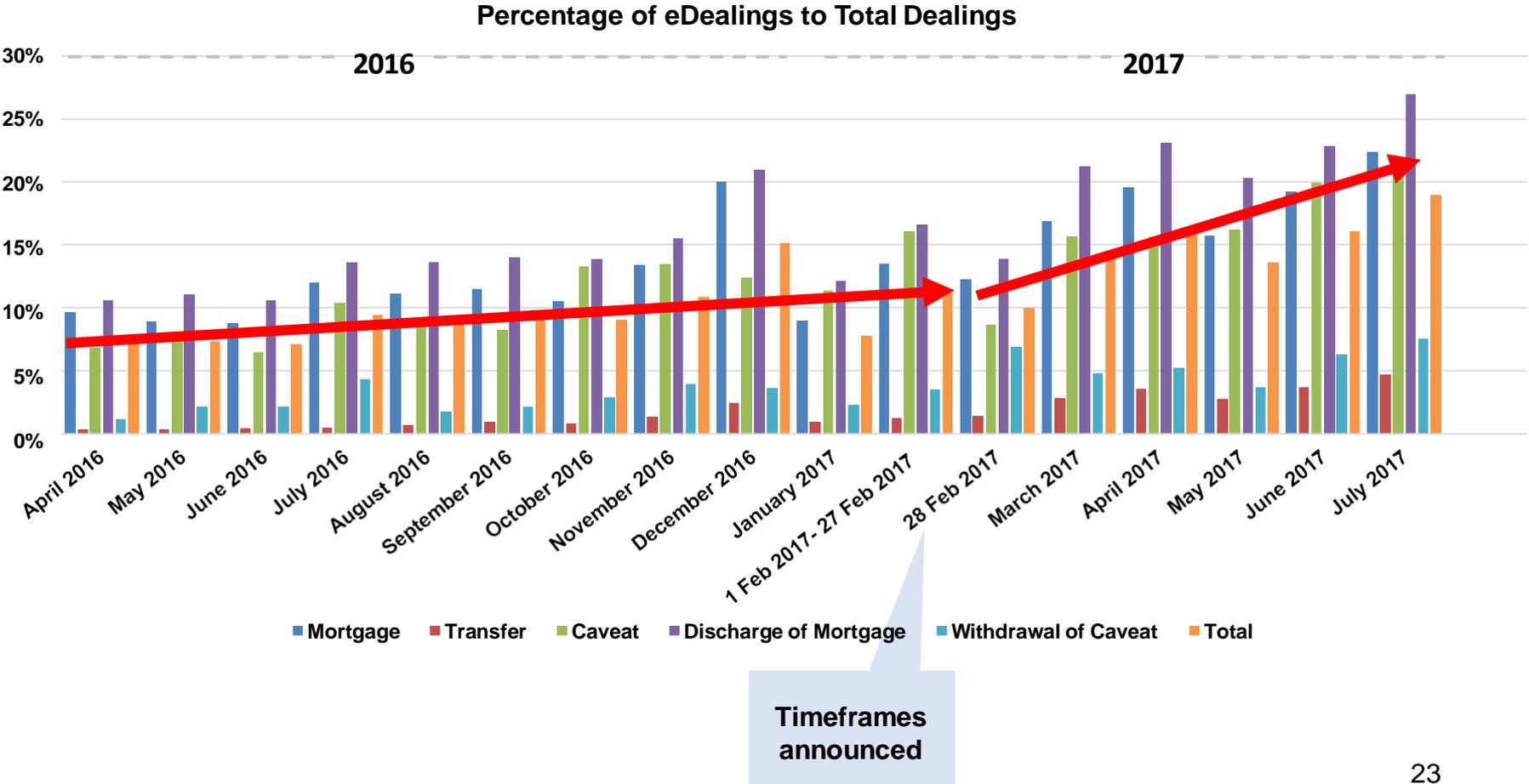


Registered Conveyancers    Non-Registered

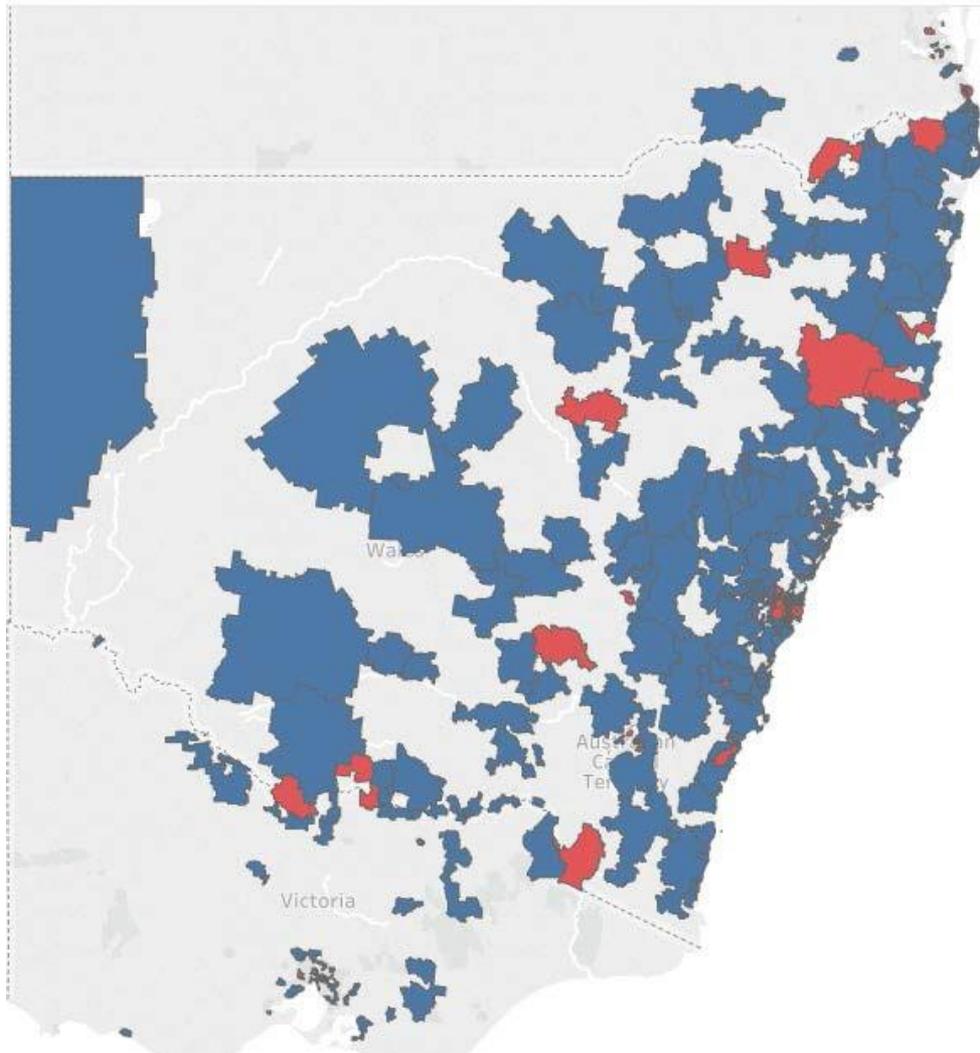
# Where solicitors and conveyancers are subscribing, many are still not transacting



Since the NSW timeframes were announced there has been a shift upwards in the portion of eDealings



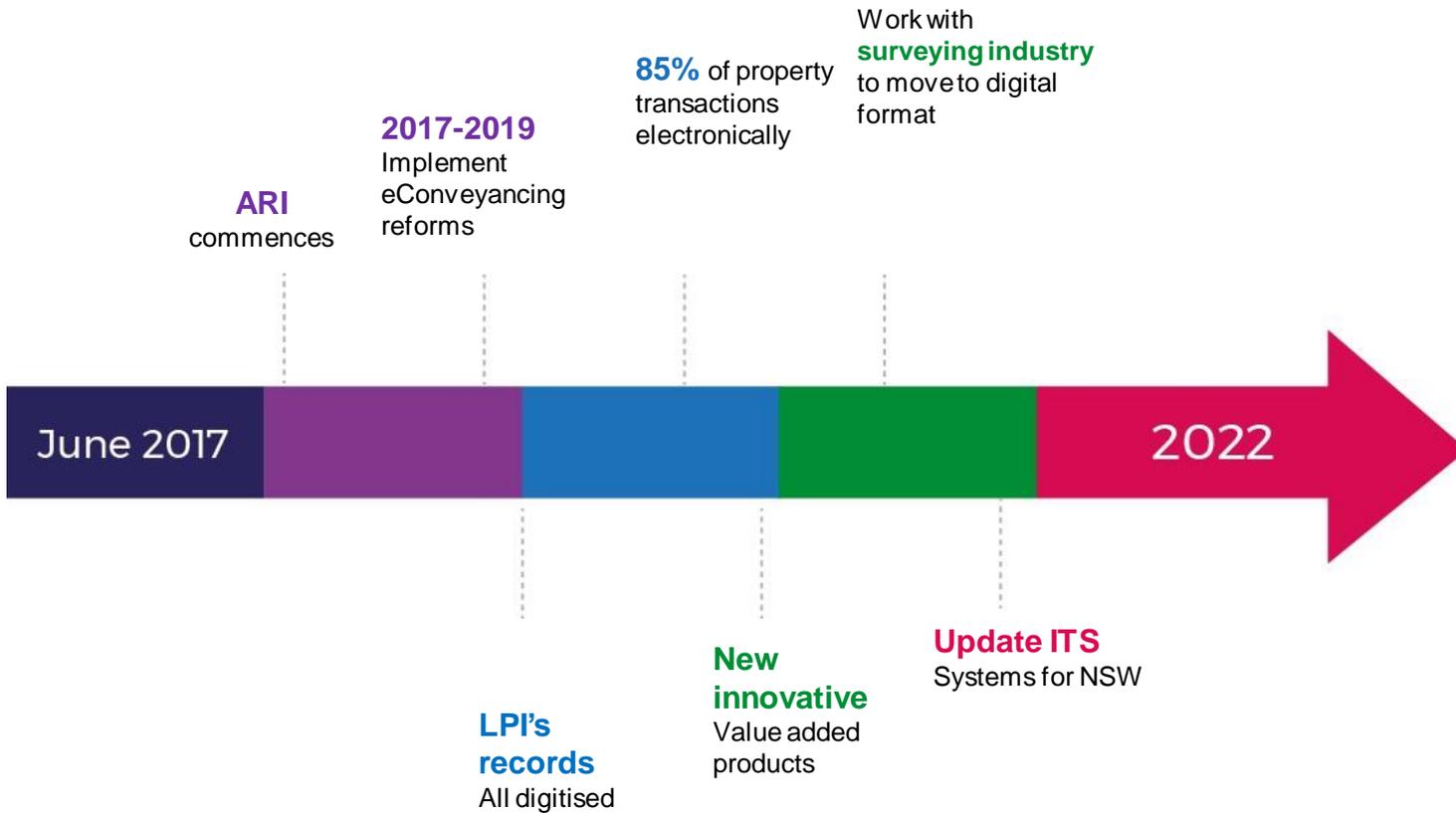
There is a reasonable spread of subscribers in urban and regional NSW



**Red** areas show registered lawyers, conveyancers and financial institutions that have not yet transacted.

**Blue** areas show transacting lawyers, conveyancers and financial institutions.

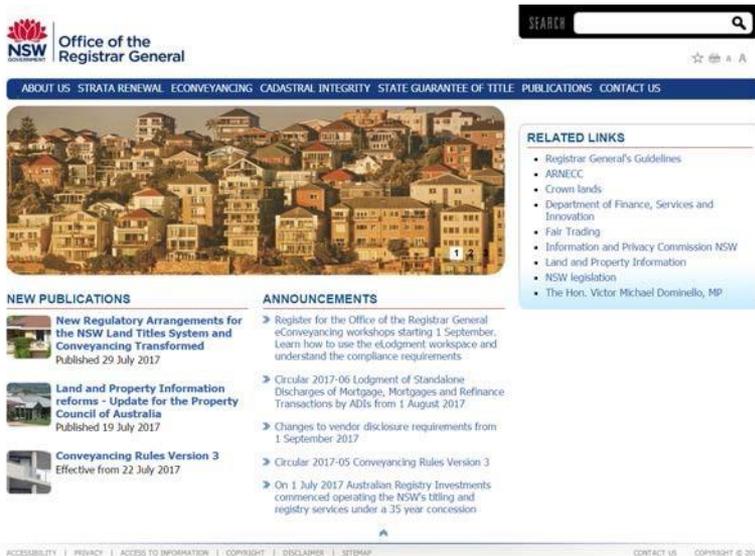
# We will continue to digitise land transactions in NSW





More information and support

# More information and support



The screenshot shows the homepage of the Office of the Registrar General (ORG) website. At the top left is the NSW logo and the text "Office of the Registrar General". To the right is a search bar with the word "SEARCH" and a magnifying glass icon. Below the search bar are navigation links: "ABOUT US", "STRATA RENEWAL", "ECONVEYANCING", "CADASTRAL INTEGRITY", "STATE GUARANTEE OF TITLE", "PUBLICATIONS", and "CONTACT US". The main content area features a large image of a residential neighborhood. Below the image are three columns: "NEW PUBLICATIONS" with three items, "ANNOUNCEMENTS" with three items, and "RELATED LINKS" with a list of links. At the bottom of the page are footer links: "ACCESSIBILITY", "PRIVACY", "ACCESS TO INFORMATION", "COPYRIGHT", "DISCLAIMER", "SITEMAP", "CONTACT US", and "COPYRIGHT © 2017".

- ✓ Visit the ORG website

[www.registrargeneral.nsw.gov.au](http://www.registrargeneral.nsw.gov.au)

- ✓ Email ORG

[ORG.Admin@finance.nsw.gov.au](mailto:ORG.Admin@finance.nsw.gov.au)

- ✓ Subscribe to ORG emails



# Subscribe to the Office of the Registrar General emails

1. Go the **Contact us** page of the ORG website and click on the **blue Subscribe** button.  
<http://www.registrargeneral.nsw.gov.au/contact-us>



ABOUT US STRATA RENEWAL ECONVEYANCING CADASTRAL INTEGRITY STATE GUARANTEE OF TITLE PUBLICATIONS CONTACT US

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Application for  
Administrative Review  
by the Registrar  
General

Claim for  
Compensation from the  
Torrens Assurance  
Fund

## Contact us

### Land and Property Information (LPI)

For all enquiries about land titles, plans, surveying, general deeds and power of attorney for property in NSW contact LPI.

**T:** 1300 052 637 - cost of local call Australia wide

+61 2 9228 6666 - international

**E:** GeneralEnquiry@lpi.nsw.gov.au

1 Prince Albert Road  
Queens Square  
Sydney NSW 2000

### Office of the Registrar General (ORG)

The Office of the Registrar General is responsible for maintaining NSW land title legislation and policy.

**T:** 1300 318 998

+61 2 9372 9095 - international

**E:** ORG.Admin@finance.nsw.gov.au

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Thank you & Questions

