



Finance,
Services &
Innovation

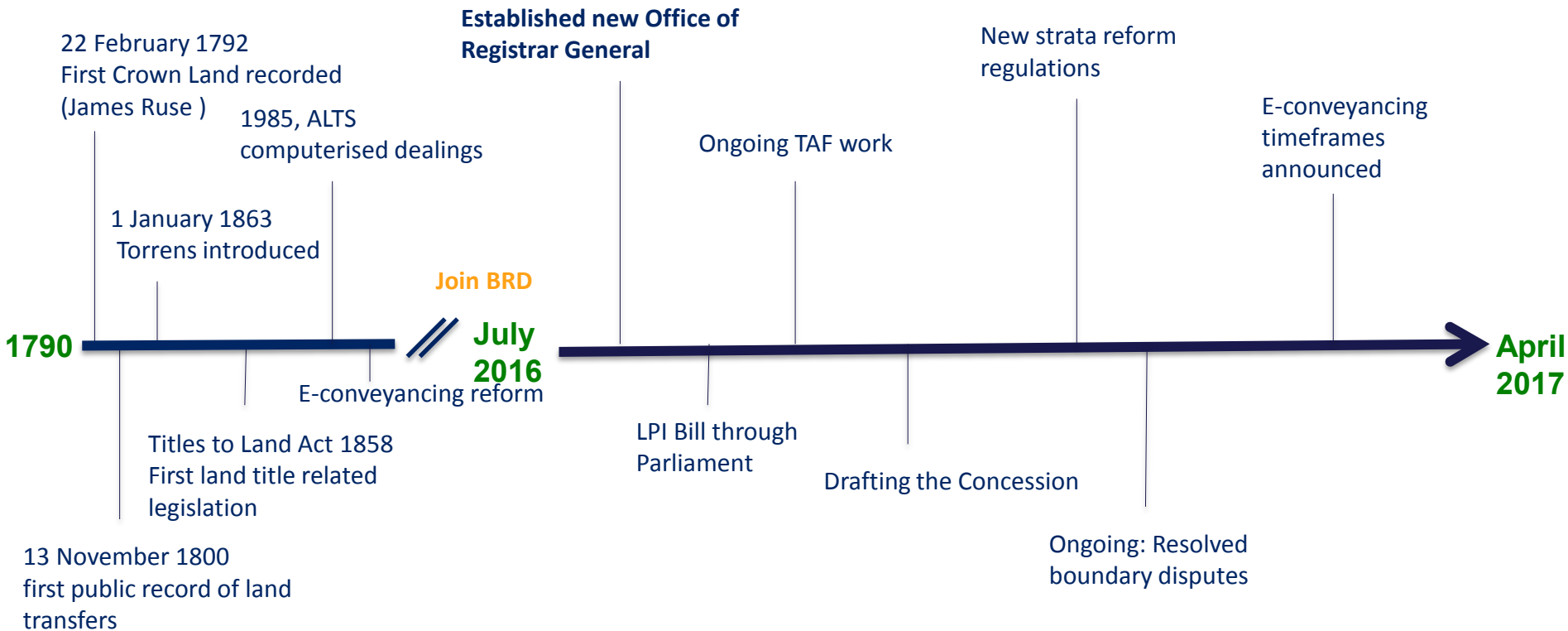
New South Wales Office of the Registrar General

Presentation to NSW Country Surveyors Association
Jeremy Cox, NSW Registrar General

6 April 2017

www.finance.nsw.gov.au

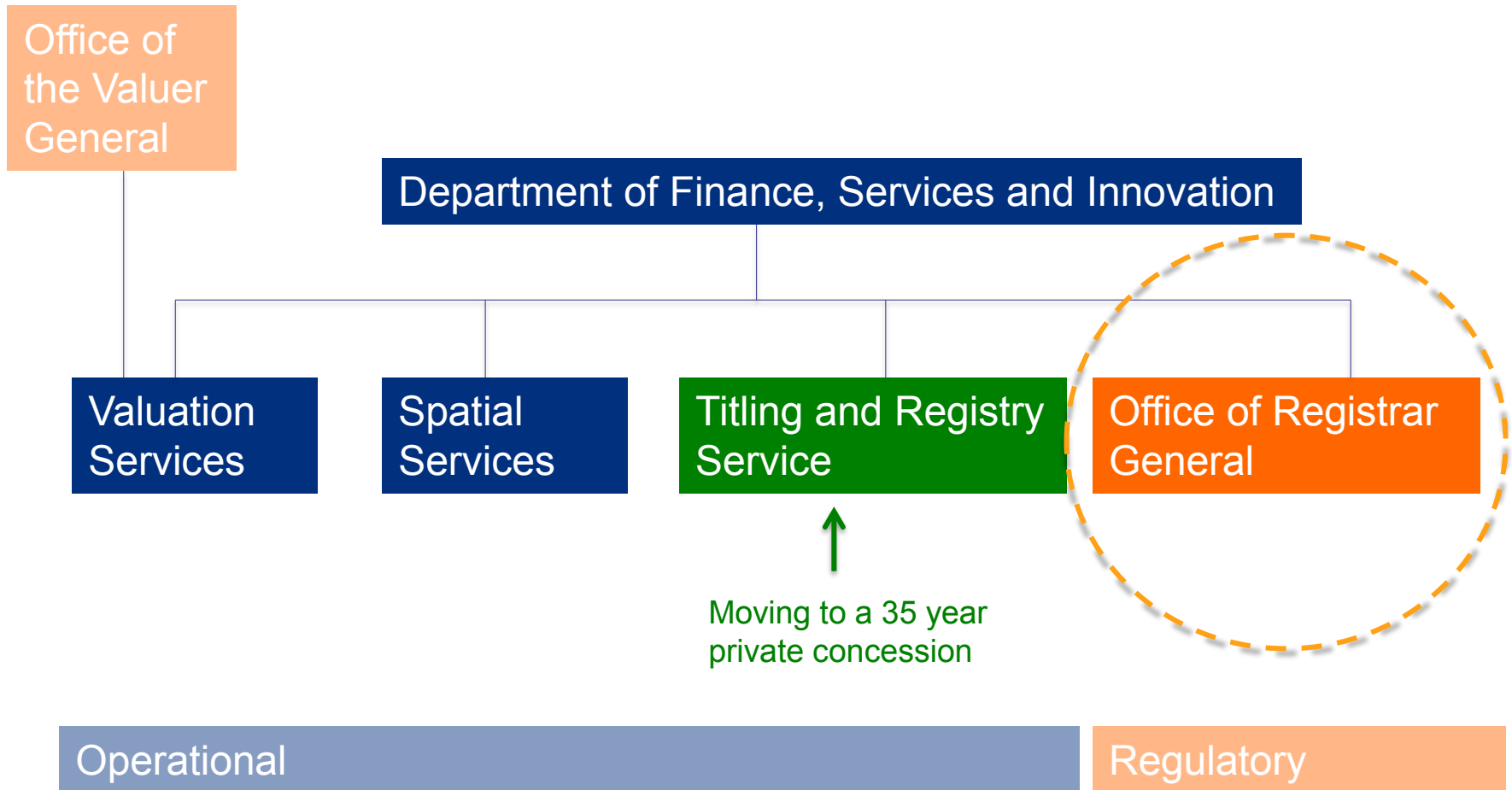
The NSW land title system has been constantly changing



	1792	1863	1931	1980	2015
Lodgments (approximates)	10	340	63,100	600,000	900,000

*1972 reflects property recorded in the grant register and 1863 is 'primary applications'. These numbers are approximate only for illustrative purposes.

On 1 July 2016, LPI was separated into four separate organisations



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

- Ensure the accuracy and integrity of the State cadastre as a basis for defining the legal extent of land title
- Resolve boundary disputes by providing an independent determination of boundary location

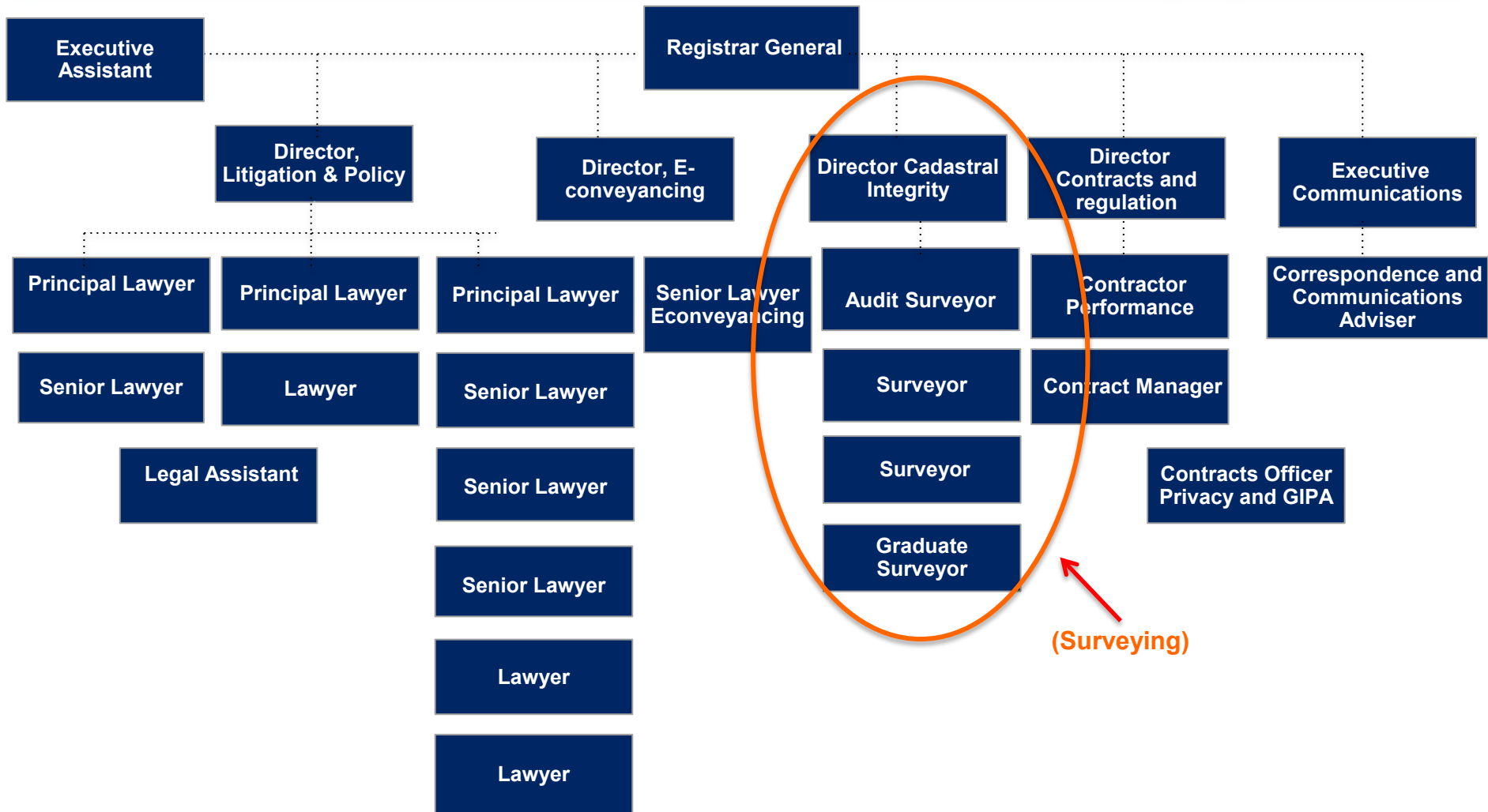


- Ensure maintenance of public confidence in the NSW land title system
- Manage the Concession and ensure the Operator meets its obligations and KPIs
- Allow the operator room for innovation and greater efficiency

- Lead consultations with stakeholders on an appropriate timetable for e-conveyancing
- Contribute to the regulation of the national system
- Drive digitalisation of other related documents

- Participate in and support policy changes
- Administer the TAF and conduct litigation on TAF claims

ORG has a Cadastral Integrity Unit with very experienced ex-LPI staff and 5 qualified surveyors



Relationship between the the Minister, Office of Registrar General and LPI

Government	Responsible for the administrative, legislative and regulatory framework of land titling, land development and conveyancing
Minister	Has policy and portfolio responsibility for the Registry and Concession and retains statutory powers under the Legislative Framework, including the TAF
Registrar General	Has responsibility for monitoring and overseeing the operation of the Concession and the Operator's dealings with customers. Has a right of veto over significant changes proposed by an Operator.
LPI / Operator	Provide core services in accordance with: <i>Real Property Act 1900</i> (NSW), <i>Electronic Conveyancing National Law</i> (NSW), the <i>Conveyancing Act 1919</i> (NSW), <i>Strata Development Act 2015</i> , other legislation, Lodgement Rules, delegated functions, and RG Directions and RG Internal Guidelines.

Same as now

Similar but LPI moves to a private concession

A modern regulatory approach

Deed's objectives

1. Maintain security, integrity, performance and availability of Registers, core services and systems
2. Ensure registers are accurate and up to date
3. Maintain confidence with customers and NSW public
4. Promote improvements, innovation and increased efficiency using greater expertise and investment in technology
5. Minimise TAF payments
6. Protect current competition in down stream services.

A modern regulatory approach

- We will focus on the material things—where an operator's actions are not in the spirit of the deed's objectives.
- Want operator to commit to achieve deed objectives: **State interest and customer first.**
- The operator will benefit from consistent regulatory oversight—without unwarranted government intervention.
- Expect investment in systems to improve efficiency. Bring innovation. Continuous improvement.

Safeguards to protect the system's integrity

The Government has ensured that the concession documentation includes extensive safeguards to protect that integrity and promote continued confidence in the titling system.

A stand alone entity

Resources separate	Single purpose vehicle
Exclusivity	Can't delegate
Foreign disclosure laws	Core systems segregated

Controls to ensure the system is secure and continuously improves

Controls

Registrar-General

- Written corrective plan
- Administrative Review
- Civil penalty
- Reserve powers
- Requests for Govt projects

Minister

- Step in
- Termination
- Handback

Continuous improvement

Standard of service

- Service in agreed timeframes and consistent with sound industry practice
- Services fit for purpose, efficient, reliable, user friendly and current
- Pursue efficiencies (technologies), minimise cost and frequency of changes
- Qualified personnel with suitable training and experience

Critical service levels

- RG may add or remove critical service levels
- Operator provide high-level “dashboard” with performance of service levels

Continuous improvement

- Operator and RG meet to review service levels
- Adjust service levels to reflect advances in technology

Detailed reporting requirements and extensive audit powers

Reporting, reviews, risk management, security penetration testing and quality assurance

Examples

- Business continuity plans
- Technology roadmaps,
- Ad hoc, manual and major reviews
- Security standards
- Spot checks of core services
- Vulnerability scans and testing

An operator will invest in digital systems, including working with industry on digital cadastral plans

The priority investments for a new operator will be to support eConveyancing, work with industry and the Surveyor General to digitalise cadastral plans, digitalise other documents and then invest in the core ITS to ensure continued world class services.

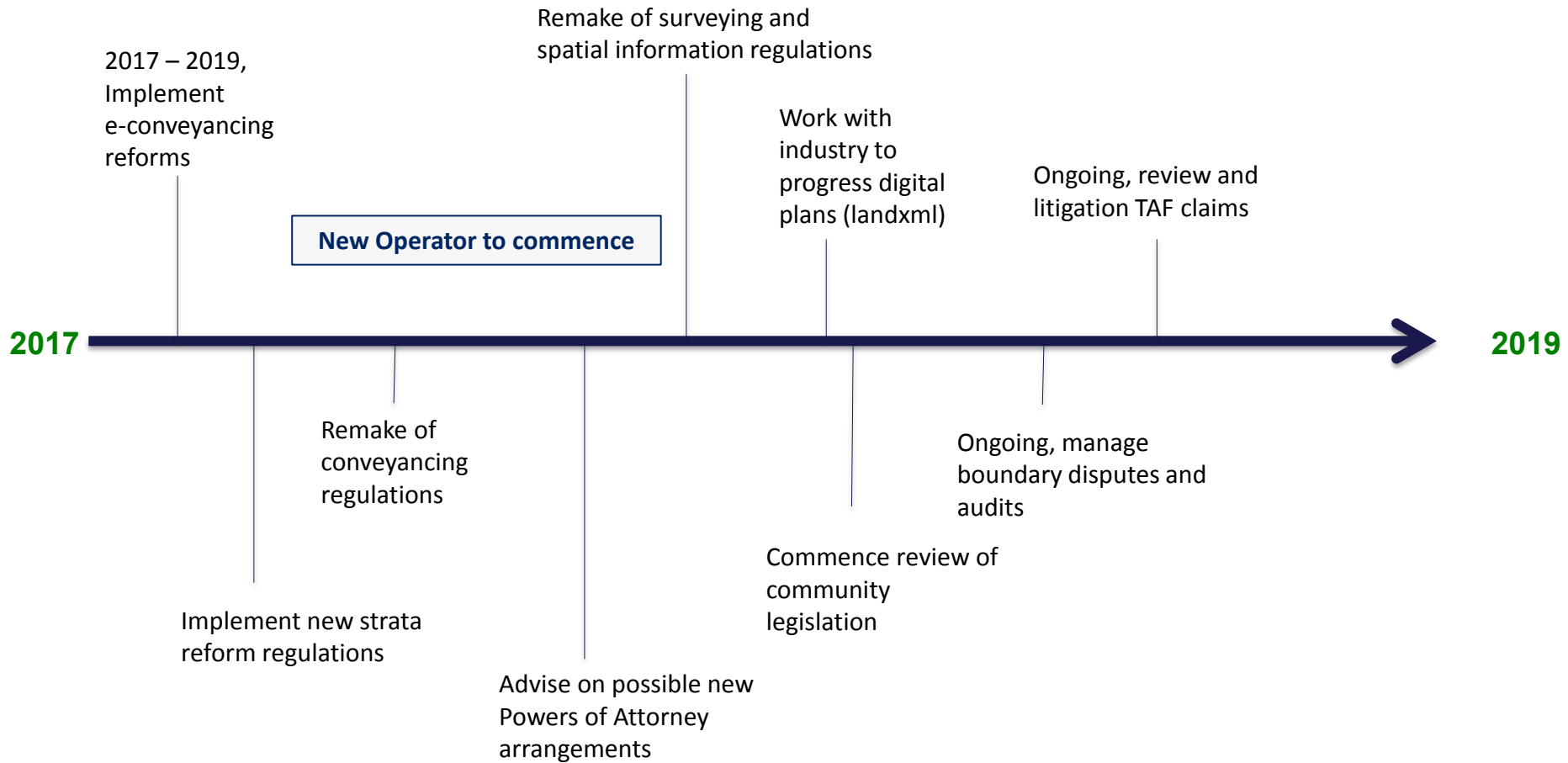
Digital Cadastral Plans

- e-lodgment: electronic validation by surveyors before lodgment, reducing resources required for re-examination and double handling (approximately 80% of current reasons for requisition)
- Automated workflow: maximised use of automated workflow
- Automated examination: fewer resources applied to examining the mathematical component of plans (approximately 30% of examination)
- Enhanced cadastre 'underlying' the CRV

Some of the controls to manage issues raised by stakeholders

Issue	Examples of controls
Prices	Annual increases for core services (those LPI is currently doing) capped by CPI
Knowledge retention	Performance indicators with penalties attached to under-performance (services at least at today's standards). Four year guarantee for LPI staff. Training requirements.
Data integrity	Data must stay in Australia. Ongoing back-up. ORG copy. Operator is a standalone entity. Certified security.
Privacy	No change. Operator subject to Commonwealth and State privacy legislation. The register will also be public and searchable, as it is today
Visibility of data	ORG access to LPI data. Strong quality assurance regime (eg regular and ad hoc audits and extensive reporting requirements)
Foreign ownership	Comply with Commonwealth legislation. Operator must be a stand-alone business, with resources separated from rest of its business
Torrens Assurance Fund	No change. State guarantee of title continues
Surveyors copyright	No change. Surveyors continue to claim copyright
Fraud and errors	Operator liable if underinvesting in systems and staff training. Penalty regime and KPIs. Audits, reporting and ORG administrative reviews
Splitting 'cadastre' agencies apart	Service level agreements (as exist now) set standards for collaboration between operator, and other agencies

Looking ahead



What happens once a private operator starts

Transition working with LPI staff and systems

Meet stakeholders, hear issues, discuss approach

Further in-depth analysis of LPI systems and refine business and technology plans

Work closely with the ORG throughout process

