

# The 35-year Concession of Land and Property Information (LPI)

## LPI CONCESSION FAST FACTS

### ***World class titling system***

NSW will continue to have a world class titling system, with the State continuing to guarantee title, and the Torrens Assurance Fund (TAF) – which compensates landowners who suffer a loss due to fraud or error in title registration – continuing to operate as it does today.

All applications for compensation from the TAF will continue to be made to the Government via the Registrar General. The operator will be responsible for any loss caused by its own errors.

This continued security means title insurance will not be required as a result of the concession.

### ***Data security***

Property and personal data will be secure, with a requirement that all data held by the operator is stored right here in Australia, and the NSW Government will retain ownership of all data.

The State is committed to its Open Data policy and will continue to make property sales data available in the same way it does today.

Like all organisations that collect personal information, the operator must keep personal data private in accordance with NSW and Australian law.

### ***Prices and GST***

The NSW Government has taken action to ensure consumers have the benefit of unprecedented price certainty for the next three decades, with prices on all regulated products and services, such as transfers of title and the registration of mortgages, only permitted to increase by CPI annually.

As part of this commitment to limit price rises to CPI, the Government has also acted to absorb the cost of GST on consumer products and services, so this won't be passed on to consumers when the concession takes effect.

### ***Asset recycling***

Asset recycling is an essential element of the NSW Government's approach to addressing the challenge of financing critical services and infrastructure.

The Intergenerational Report published by the NSW Treasury in 2016 highlighted the need for NSW to take proactive steps to ensure long term growth in the areas of service and infrastructure.

The concession forms part of the Government's asset recycling strategy which will provide much needed funds for infrastructure, health and education through the Restart NSW Fund.

### ***Registrar General (the regulator)***

Maintaining the integrity of the titling and registry system is of utmost importance to the Government.

That's why the Government has established an external regulator, the Office of the Registrar General (ORG), to monitor and enforce the operator's performance.

The regulator will be on hand at all times to monitor and enforce these standards with significant regulatory controls. That means real-time visibility of the registers; audit powers; the power to penalise the operator for failing to meet performance standards; and powers to step in, take control, or end the concession altogether if there is a threat or likely threat to the integrity of the register.

### ***Regional jobs and funding***

In designing the concession, the Government has focused only on LPI's titling and registry services, which is based in Sydney. Regional jobs, including the entire Spatial Services division in Bathurst, are not affected.

The proceeds from the concession will be paid into the Restart NSW Fund to be spent on delivering much needed new community infrastructure across NSW, with 30% to be invested in regional areas.

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## CONSUMER BENEFITS

IMPROVEMENT	BENEFITS
<b>Better Regulation</b>	LPI is regulated by the Office of the Registrar General, part of the Better Regulation Division of the Department of Finance, Services and Innovation, providing for a consistent approach to regulation across Government.
<b>Price Certainty and GST</b>	Prices cannot increase in real terms. Prices will be capped annually at CPI. While GST is a federal tax and will apply to relevant LPI services post the concession, the State will absorb the initial resulting GST brought on by the transaction. The Government is committed to putting the people of NSW first.
<b>Measured Service Standards</b>	Extensive set of KPIs measured quarterly. The operator faces financial penalties for failing to meet KPIs.
<b>Increased Transparency</b>	The regulator can publicly report on the operator's performance including service levels, breaches of the concession terms and statistics in relation to TAF claims.
<b>Innovation in service delivery</b>	LPI is motivated to provide additional products and services to consumers and innovate in its delivery of existing products and services.
<b>Preparedness for Digital Future</b>	The depth and breadth of private sector experience will both help better service delivery and support LPI in its transition into the digital age.
<b>Stronger Internal Controls</b>	The operator will have commercial incentives to establish stronger internal controls across all registers (Torrens register, register of deeds, CRR) and those controls are monitored by the Registrar General.

## CONSUMER ASSURANCE

ASSURANCE	DETAIL
<b>Guarantee of Title</b>	<b>No change.</b> This transaction will not create a new category of risk for which title insurance will be required because the State will continue to guarantee title.  The Torrens Assurance Fund (TAF), which compensates landowners who suffer a loss due to fraud or error in title registration, will continue to operate as it does today. Applications for compensation from the TAF will continue to be made to Government via the Registrar General.
<b>Data Security</b>	<b>No change.</b> The operator is required to implement appropriate data security and fraud detection practices. The Registrar General will have the power to audit the operator to identify and address incidents. The Government will retain 100% ownership of the data.
<b>Privacy of personal data</b>	<b>No change.</b> Like all companies that collect personal information, the operator must keep personal data private in accordance with NSW and Australian law.
<b>Access to information</b>	<b>Improved transparency.</b> Operator must assist the Registrar General in relation to any access requests made under the <i>Government Information (Public Access) Act 2009</i> (i.e. freedom of information laws)
<b>Job Guarantee</b>	<b>4-year Protection.</b> Award staff will be provided with employment guarantees for a period of 4 years. This guarantee will also protect other staff benefits, including recognition of service by the new operator and continuation of existing superannuation arrangements.  Any decision to take jobs out of Australia would have to be agreed by the Government through the Registrar General.  <b>Bathurst Employees.</b> The Spatial Services division of LPI, located in Bathurst, is not part of the transaction and its employees will not be affected.