

**Division 45: Western Australian Land Information Authority — Landgate —**

Mr S.J. Price, Chair.

Mr J.N. Carey, Minister for Lands.

Mr B. Roberts, Chief Executive Officer.

Mr G. Dewar, Chief Financial Officer.

Ms C. Comrie, Chief of Staff, Minister for Lands.

[Witnesses introduced.]

**The CHAIR:** The estimates committees will be reported by Hansard and the daily proof will be available online as soon as possible within two business days. The chair will allow as many questions as possible. Questions and answers should be short and to the point. Consideration is restricted to items for which a vote of money is proposed in the consolidated account. Questions must relate to a page number, item or amount related to the current division, and members should preface their questions with those details. Some divisions are the responsibility of more than one minister. Ministers shall be examined only in relation to their portfolio responsibilities.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday, 31 May 2024. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

Are there any questions? Member for Cottesloe.

**Dr D.J. HONEY:** I refer to page 744 of budget paper No 2, volume 2, and the significant issues impacting the agency. Paragraph 2 refers to the new property valuation system. When does the minister expect the next Landgate valuations to occur for rating and taxation purposes under the Valuation of Land Act 1978?

**Mr J.N. CAREY:** I hope the member does not mind, but I will get the chief executive officer to speak on that matter.

**Mr B. Roberts:** There are essentially two programs for valuation under the Valuation of Land Act. One is the gross rental valuation and the other is the unimproved value valuation. Gross rental valuations are undertaken by Landgate. Essentially, through the auspices of the Valuer-General, the land is valued for rating and taxing purposes. Those values are then struck. We are about to move into the next year of the gross rental value program for the state. That program lasts for about three years. The UV program lasts for approximately a year. The UV program calculates the unimproved value of land for such things as taxation questions on those pieces of land.

**Dr D.J. HONEY:** Is it anticipated that the upgrade to that property valuation system will be ready in time to facilitate those two processes?

**Mr J.N. CAREY:** I am comfortable with getting Mr Roberts to answer that question.

**Mr B. Roberts:** Essentially, the new valuation system is a software service system. We are receiving drops of code, if you like, or software. Our next drop of code will be in July and our final drop of code will be on 24 November this year. Our organisation undertakes an assessment of that code and if it meets our standard and requirements under the contract, we will signify that it is accepted and we then begin the process of essentially running the system for the next round of valuations. Interestingly, we are also running our existing system as a check to the new system. Essentially, we have a check safe there.

**Dr D.J. HONEY:** Is it too early to anticipate the likely increase in values? Is that something Landgate can speculate on or would it wait until that process is completed?

**Mr J.N. CAREY:** We do not speculate on it, to not pre-empt the decision by the Valuer-General.

**Ms L. METTAM:** Can I just get a clarification on terminology the CEO used—the drop of code? Is that the software?

**Mr J.N. CAREY:** I am not a software expert so I will let Mr Roberts answer that.

**Mr B. Roberts:** Yes, essentially we are talking about the development of software. When it is deemed ready by the company we have engaged, it provides the software into our system and we analyse the software and run tests to determine whether it is doing what everyone thinks it should do.

**Dr D.J. HONEY:** Paragraph 4 under “Significant Issues Impacting the Agency” discusses Landgate’s information and communications technology operating model and the replacement of its primary ICT service contract and the changes being made. As we all know, we are utterly dependent on the ether to prove that we own the land that we are on. What processes are in place to ensure protection against security risks and that Landgate has impeccable cybersecurity with the new system being implemented?

**Mr J.N. CAREY:** The Office of Digital Government provides clear guidelines to all government agencies. I will ask Mr Roberts to speak further on that.

**Mr B. Roberts:** Landgate has in place significant security protocols. We follow the Office of Digital Government guidelines. We also follow commonwealth guidelines on cybersecurity. Landgate is not alone when it does this. We work across the country with other land registries to determine what is the best course of action to deal with all cyber threats.

**Dr D.J. HONEY:** I note that this is a cloud-based system. What processes are in place to ensure that Landgate continues to have access to data in the event of major hacking events or the like on systems? Will this data be kept on servers in Western Australia to ensure that we cannot be disrupted if overseas connections are broken or the like?  
[7.10 pm]

**Mr J.N. CAREY:** This is becoming an estimates of IT questions! I will ask Mr Roberts to answer that question.

**Mr B. Roberts:** Thank you, minister. Landgate has its digital data for its land title register and all its other data stored in the cloud over in Sydney with appropriate security protocols in place. The land title registry has two hot sites for failover. If we are attacked, we can move to the second and third site as redundant sites. Essentially it is kept in sync, literally by the second, over a period of time. We are aware of the protocols required to keep such datasets in sync and we engage cybersecurity experts—not only Landgate people—to undertake reviews of our weaknesses. We have penetration testing for our system, which means we engage people to hack into the system to understand our weaknesses and then deal with any issues that are brought out in relation to that.

**Dr D.J. HONEY:** I do not expect the minister to tell me exactly where those facilities are located; I appreciate it is important that those things are not widely known, but if we lost the fibre-optic link, for example, to the eastern states, which has happened, would we lose access to our service or will the redundancy you have mean that a loss of that link would not mean a loss of services?

**Mr J.N. CAREY:** I have been advised by Mr Roberts that that is probably too technical. He is not able to answer that question, but the member could put a question on notice.

**Dr D.J. HONEY:** There is a mention of increased software and service costs due to this change. Is the minister able to inform me what that increased cost is?

**Mr J.N. CAREY:** Sorry, member. Which page is that?

**Dr D.J. HONEY:** It is on page 744. It is a sentence in the middle of the fourth paragraph, and states —

Increased software-as-a-service costs will be incurred as Landgate moves to more cloud-based services.

What will those cost increases be?

**Mr J.N. CAREY:** I will ask Mr Roberts to explain. That matter is commercial-in-confidence, but I will ask Mr Roberts to indicate why.

**Mr B. Roberts:** We are currently negotiating the contract arrangements for ongoing ICT systems for Landgate, as we move forward. We are in the process of determining the costs, and the cost for those IT systems in terms of the service costs and software costs are commercial-in-confidence at the moment. They are still subject to the procurement arrangement that we are currently involved in.

**Ms L. METTAM:** My question refers to land title registration times on page 746 under “Outcomes and Key Effectiveness Indicators”. I have a number of questions regarding this. What is the total average time for title registration from lodgement to registration in 2023–24? I refer to the 88 per cent KPI for timely land registration in the estimated actual.

**Mr J.N. CAREY:** I note that this received significant media earlier in the year. I want to put it in context for the current market and then I may hand over to Mr Roberts to give further detail. We are facing an extraordinary time and to compare it to previous history, between 2013–14 and the end of 2021, lodgements averaged 307 000 a year. During 2021–22 and 2022–23, that bumped up to 411 000 land registry documents lodged. To put that in context, that was a 34 per cent increase from the preceding period. It is important to note, from 2022–23 to 2023–24 to date, it is projected to continue at these levels, with 381 948 land registry documents lodged at Landgate as of 17 May 2024. Last financial year, more than 90 000 transfers were lodged. This is critically important—80 per cent of those were lodged electronically, with 94 per cent of those automatically registered within seconds of lodgement.

We acknowledge that there are more complex cases with longer timeframes. That is to be expected. They could be dealing with deceased estates or other matters, but generally Landgate works with settlement agencies and third parties to address any lodgement errors. I note that some delays—perhaps Mr Roberts can go into it further—are often as a result of lodgement errors. Someone may incorrectly enter information and expect it to be processed and so forth. I will ask Mr Roberts to provide further information.

**Mr B. Roberts:** The minister is correct. We receive 90 000 transfers, and we receive a similar number of mortgage documents and a similar number of discharge of mortgage documents. That essentially means that 301 000 of the 411 000 documents that are ultimately lodged with Landgate are registered in less than 20 seconds. We have a remaining 100 000 that are paper documents and are usually of a more complex nature—not always—and they require examination by an individual. The error rate by the industry of those documents is approximately 10 per cent, which means that our staff are requisitioning those transactions. As soon as those transactions are requisitioned, the time period to resolve the transaction and register it becomes something that is relevant to that transaction. We cannot generally predict when that is going to happen.

**Ms L. METTAM:** What is the average time for title registration from lodgement to registration in 2023–24? I note what the minister said about the volumes changing significantly. Can we compare that to 2013–14 or 2021–22? What is the difference in average title registration?

**Mr J.N. CAREY:** Respectfully, that is a problematic question in that it is dependent on the document. Obviously, different documents have different requirements. Accordingly, they have a different turnaround time. Is the member seeking a timeframe for a particular document?

**Ms L. METTAM:** I refer to the documents that are captured in this part of the question and the KPI for land title registration. The minister has already talked about the 90 000 documents that were lodged last year. What is the average wait time for land title registrations?

[7.20 pm]

**Mr J.N. CAREY:** We do not have the average timeframe, but I can ask that Mr Roberts go through some of the timeframes for some of the documents.

**Mr B. Roberts:** Essentially, the reports on transactions of certificates of title do a couple of key things. One is that they record the change of ownership, the mortgage and any encumbrance over the land. The other thing they do is record things that go on with the land, such as the registration of a power of attorney. We also have applications for the lodgement of survey plans and the creation of new certificates of title. Each of those transaction groups, if you like, have different processing streams with different timeframes. It is a bit illusory to ask, “Out of all of those, what is the average timeframe?” I would say to the member that it depends on the document type. Some timeframes are shorter; some are longer.

For example, an application for new titles currently takes 12 days for the completion of registration. The examination and approval of a plan for the creation of new certificates of title—these are complex plans—take four days to be approved. Those lodged under our electronic plan lodgement system take less than a day to be approved. Applications that deal with the transmission of land from a deceased proprietor to the executor of the estate take on average about 17 days at the moment. Survivorship applications take approximately 18 days at the moment. Powers of attorney take eight days to be registered and applications to change name take 17 days.

The other thing I will say is that Landgate works with the industry and the public to expedite transactions. It has an expedite policy. If a member of the public or a settlement agent requires a transaction to be registered on an urgent basis, that expedite policy basically allows those people to provide a sufficient reason for registration. A sufficient reason for registration can be one of two areas—either hardship is being caused to the person because the transaction has not been registered or the settlement date is essentially immediate and registration is then required. Although we have average turnaround times, it is quite possible for members of the industry and the public to put a case to Landgate for that transaction to be registered faster than the average time.

**Ms L. METTAM:** I refer to the article that the minister touched on. It relates to the time that it takes Landgate to register a change of titles. That article was about how that time had blown out by six months in some cases. I do not think that was about the average time; it was about seeing times blown out by that long. What is the longest that people are waiting at the moment for a change of title?

**Mr J.N. CAREY:** The advice that I received at the time about that particular media issue is that it was incorrect and, as we have heard, 10 per cent of applications do not provide the correct information. I do not use that example. It cannot be used. I appreciate it got media attention but I think it was unfair. I will come back to the point that electronic documents that are capable of automatic examination, which is 90 per cent of the electronically lodged volume, are registered in under 20 seconds. That equates to 75 per cent of all documents, which I think is an extraordinary achievement. It reflects that we keep working through electronic lodgement and examination. However, as Mr Roberts indicated, more complex scenarios require more time.

**Ms L. METTAM:** How many title registrations have taken over 50 days from lodgement to registration in 2023–24?

**Mr J.N. CAREY:** We do not have that information available.

**Ms L. METTAM:** Is the minister able to provide that by way of supplementary information? How many title registrations took over 50 days, 100 days and 150 days from lodgement to registration in 2023–24?

**Mr J.N. CAREY:** I just have to check if that is possible. The difficulty is about whether we can provide that information. We will endeavour to provide as much information as we can if possible according to how many took over 50, 100 and over 150 days.

[*Supplementary Information No A35.*]

**Ms L. METTAM:** How many complaints were received about titles not being registered quickly or in a timely manner in 2023–24?

**Mr J.N. CAREY:** The advice is that Landgate does not register that. I cannot provide that answer.

**Dr D.J. HONEY:** The minister would know that there are concerns about the move to exclusively electronic titles in that mistakes could be made. It could disadvantage a person or transfer a title when it should not have been. Is the minister aware of any errors that have been caused by the electronic system? What is the magnitude of those errors if they have occurred?

[7.30 pm]

**Mr B. Roberts:** Essentially, the electronic titling system does not create errors of registration, if I am getting the drift of the question. There are errors in the titling system when it is operated by humans, so that is when the electronic system is not involved—humans make errors. Our error rate for those transactions is 0.002 per cent of all transactions being lodged at Landgate. If the member is asking whether the electronic system makes errors, the answer is no, it does not, because it is based on a series of business rules by which if the transaction lodged at Landgate does not meet those business rules, it rejects the transaction and forwards that transaction to a human who then examines it.

**Dr D.J. HONEY:** Is the minister aware whether anyone has used that system fraudulently; that is, the system itself may have registered a title transfer but the person has been misusing the system to do so?

**Mr J.N. CAREY:** I think I can answer that. In terms of internal staff members, there are none. I assume that is what the member is asking about.

**Dr D.J. HONEY:** I was also asking about someone fraudulently misusing it—whether someone who has access to the system has used it to fraudulently transfer a land title.

**Mr J.N. CAREY:** No. One would say that any fraud happens before the registration of title.

**Dr D.J. HONEY:** I move to the fourth expense referring to accommodation costs in the income statement table on page 751 of the *Budget statements*. There is a \$6 million accommodation cost for the forecast budget, and it was a bit over \$8 million this year. What are those accommodation expenses for? Do they only relate to the Landgate office in Midland or do other offices go to that? If there is other accommodation, could the minister explain the split between the Midland Landgate office and any other accommodation?

**Mr J.N. CAREY:** It relates to Midland Square, Perth and Bunbury offices.

**Dr D.J. HONEY:** I will narrow in specifically, and I am sure the minister would be disappointed if I did not, to the Midland Square office. What is the rent paid for that office?

**Mr J.N. CAREY:** We do not have that figure. I will have to provide it by way of supplementary information. I will provide the rental accommodation costs for Midland Square over the forward estimates.

[*Supplementary Information No A36.*]

**Dr D.J. HONEY:** I refer to the number of employees for land titling set out on page 746 of budget paper No 2, which remains at 110 full-time equivalents. This is really an open question, and it probably relates to the question that the Leader of the Liberal Party asked. Is it the minister's sense that the number of FTEs in the land title office is adequate to handle the workload? I appreciate we have a peak at the moment, but is it an adequate level to maintain a reasonable backlog in lodgements or are staff under stress?

**Mr J.N. CAREY:** To assist with increased lodgements, Landgate has recruited nine additional staff to manage and meet the increased level of demand the member referred to.

**Dr D.J. HONEY:** I refer to "Expenses", "Employee benefits" on page 751. Between the 2023–24 estimated actual and 2024–25, employee benefits increase by \$5 million, which is much more than the annual increase across the forward estimates. I wonder what that increase is due to.

**Mr J.N. CAREY:** The advice is that it relates to the increase in staff.

**Dr D.J. HONEY:** If it is a \$5 million increase for nine staff, as the minister knows, next year I might be looking for a position, and I wonder whether I could apply for one of those jobs! To be more serious, that sounds like a lot for nine employees.

**Mr J.N. CAREY:** Apologies, the figure also includes wages growth.

**The appropriation was recommended.**