

**Government Treatment of Stakeholder Concerns**

Transaction	Government commitment / LSC Fact Sheet	Mechanisms	Effect / Outcome	Compliance / Reporting Regime
Structure (legal architecture)	<ul style="list-style-type: none"> <li>Private sector to provide a range of land services functions currently provided by the Land Services Group.</li> <li>The Registrar-General and the Valuer-General will remain within government.</li> <li>Legal, policy and regulatory functions will remain within government.</li> <li>All of the (current) legal protections and regulatory roles will remain within the Government.</li> </ul>	<ul style="list-style-type: none"> <li>Binding contracts between the State and the Service Provider with the Service Provider appointed as the exclusive provider of transactional land services in South Australia.</li> <li>The <i>Real Property Act 1886</i>, <i>Survey Act 1992</i> and <i>Valuation of Land Act 1971</i> will remain in place and unchanged.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>Service Provider will be responsible for lands titling and valuation services.</li> <li>The Registrar-General and the Valuer-General will remain as statutory officers.</li> <li>The Lands Titles Office (LTO) and the State Valuation Office (SVO) will continue with revised responsibilities (legal, policy, regulatory, compliance and contract administration).</li> </ul>	NA
Value, Value Adds and Economic Development	<ul style="list-style-type: none"> <li>Create significant value – an opportunity for the State to receive an upfront payment and / or ongoing royalties which will strengthen the State's financial position.</li> </ul>	<ul style="list-style-type: none"> <li>Up-front return of \$1.605 billion.</li> <li>Ongoing royalty stream of 12.5 per cent on new data product revenue</li> <li>Service Provider to establish an Innovation Hub, provide \$35 million in ICT investment and working with local digital start-ups.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>Significant up-front and ongoing value to the State.</li> <li>Additional economic development which contribute strongly to jobs growth in this State.</li> </ul>	<ul style="list-style-type: none"> <li>Media release and Ministerial statement.</li> <li>Reporting obligations are contained in the relevant contract.</li> </ul>
Governance arrangements	<ul style="list-style-type: none"> <li>Strong oversight.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing oversight by a Governance Committee comprising representatives from the Government and the Service Provider.</li> <li>Ongoing Stakeholder Reference Group for stakeholders to provide feedback and input to the government representatives on the Governance Committee about performance of the Service Provider.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>These arrangements will enable a co-operative and adaptive management approach to the appointment and establish a strong working relationship between the Government and the Service Provider.</li> <li>These arrangements will ensure a seamless connection between functions retained in Government and functions delivered by the Service Provider.</li> </ul>	NA
Issue / Concern	Government commitment / LSC Fact Sheet	Mechanisms	Effect / Outcome	Compliance / Reporting Regime
Service levels	<ul style="list-style-type: none"> <li>The Service Provider will be subject to strict KPI's to ensure the quality of service is maintained or improved over time.</li> <li>Contractual arrangements with the Service Provider will clearly define the functions and services (on behalf of the Generals) to be performed by the Service Provider.</li> <li>In addition, the transaction documents will include strong oversight and enforcement of agreed service KPIs such as: <ul style="list-style-type: none"> <li>Procedures and processes for monitoring compliance;</li> <li>Service level standards; and</li> <li>Contractual remedies for failure to meet KPIs.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Stringent service levels are included in the relevant contract.</li> <li>The Service Provider will incur escalating financial sanctions for failing to meet these service levels.</li> <li>Persistent or significant failures to meet service levels may lead to "step-in" by the Government or termination.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>No change to end users' experience.</li> <li>Clients are expected to benefit from innovation and productivity improvement, leading to enhanced service provision over time.</li> </ul>	<ul style="list-style-type: none"> <li>Comprehensive compliance and reporting obligations are contained in the relevant contract and contractual remedies apply in the event of breach.</li> </ul>
Indefeasibility of Title	<ul style="list-style-type: none"> <li>Existing consumer protections will be maintained to ensure no reduction in the rights of property owners.</li> <li>All of the (current) legal protections and regulatory roles will remain with the Government,</li> <li>The integrity of the Torrens Title system will be maintained.</li> <li>The Government's guarantee of title for all South Australian land owners will remain unchanged and will continue to be backed by the Assurance Fund.</li> </ul>	<ul style="list-style-type: none"> <li>Real Property Act, which remains unchanged.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>No change to the Government's guarantee of indefeasibility of title.</li> <li>Integrity of the Torrens titling system will be maintained.</li> <li>Continued operation of the Assurance Fund.</li> </ul>	<ul style="list-style-type: none"> <li>Registrar-General will be subject to continued scrutiny by Parliament, Auditor-General, etc.</li> </ul>
Title insurance	NA	<ul style="list-style-type: none"> <li>The Government's guarantee of title for all South Australian land owners, which remains unchanged and this guarantee continuing to be backed by the Assurance Fund.</li> <li>The Real Property Act, which remains unchanged.</li> </ul>	<ul style="list-style-type: none"> <li>No greater need for title insurance.</li> <li>The integrity of the Torrens Title system being maintained.</li> </ul>	NA
Assurance Fund	<ul style="list-style-type: none"> <li>The Government will continue to hold the Assurance Fund.</li> </ul>	<ul style="list-style-type: none"> <li>Real Property Act, which remains unchanged.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>No change to the Assurance Fund.</li> </ul>	<ul style="list-style-type: none"> <li>Registrar-General will be subject to continued scrutiny by Parliament, Auditor-General, etc.</li> </ul>

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Fees & Charges	<ul style="list-style-type: none"> <li>The Government (through the Generals) will retain full control over the setting of regulated fees and charges with no proposed changes other than the standard yearly increases (i.e. at the Treasury Indexation Rate) applied: <ul style="list-style-type: none"> <li>Users of land services will continue to pay LSG the same regulated fees and charges as today (with appropriate indexation over time); and</li> <li>The Government will retain full control over future regulated fees and charges.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Regulated fees and charges will continue to be prescribed under the Real Property Regulations 2009 and the Valuation of Land Regulations 2005 with standard yearly increases at the Treasury Indexation Rate.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>Regulated fees and charges will continue to be set in the same way that occurred when government delivered transactional land services.</li> </ul>	<ul style="list-style-type: none"> <li>Schedule 1 of the Real Property Regulations and Schedule 2 of the Valuation of Land Regulations 2005 and other relevant legislation.</li> <li>Registrar-General and Valuer-General will be subject to continued scrutiny by Parliament, Auditor-General, etc.</li> </ul>
Privacy	<ul style="list-style-type: none"> <li>The Government will retain ownership over LSG's data and information.</li> <li>Any information accessed or collected by the new Service Provider will be subject to the relevant privacy laws and regulations, in addition to strict contractual obligations (including stringent data integrity and security KPIs) overseen by the Registrar-General and the Valuer-General.</li> <li>Contractual remedies will apply for any material breach.</li> </ul>	<ul style="list-style-type: none"> <li>The Service Provider will be required to comply with the Privacy Act 1988 (Cth). Stringent data security and privacy protections are included in the relevant contract.</li> <li>Government approval is required before the Service Provider can introduce new data products to the market.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>More stringent arrangements apply to the Service Provider via Commonwealth legislation and contractual obligations than applied with the government commercialised land services data.</li> </ul>	<ul style="list-style-type: none"> <li>Comprehensive compliance and reporting obligations are contained in the relevant contract and contractual remedies apply in the event of breach.</li> </ul>
Service access	<ul style="list-style-type: none"> <li>Conveyancing professionals will continue to access LSG's services in the same way they do today: <ul style="list-style-type: none"> <li>Adelaide office counter services will remain; and</li> <li>Online services will continue.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The State will either lease or licence certain of the LTO and SVO premises to the Service Provider, including the Ground Floor of 101 Grenfell Street for at least 5 years.</li> <li>Current settlement services will remain unchanged, access arrangements for month end and quarter end settlements will remain unchanged and the LTO Helpline will continue to operate.</li> <li>The LTO will remain in the Adelaide CBD as per the requirements of the Real Property Act.</li> <li>The Service Provider will use existing LTO systems.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>The Service Provider will maintain the Adelaide office counter service at its current location and continue to operate the SAILIS system.</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder Reference Group to provide input and feedback to Government representatives of the Governance Committee.</li> </ul>
Information (Data) Access	<ul style="list-style-type: none"> <li>Ownership of LSG data and associated intellectual property is retained by Government and licenced to the Service Provider.</li> <li>Land registry and valuation information now available to South Australians will continue to be available: <ul style="list-style-type: none"> <li>Wholesale data sold to third parties – existing contracts with Value Added Resellers will be novated to the Service Provider and honoured; and</li> <li>New data opportunities – new data products may be developed by the Service Provider but will be subject to Government approval.</li> </ul> </li> <li>Contractual obligations for a new Data Access Regime designed to address concerns raised by the ACCC regarding access to wholesale sales data by existing and future Value Added Resellers of data will be established.</li> </ul>	<ul style="list-style-type: none"> <li>The State licensing data and associated intellectual property to the Service Provider - data that was available to the public for a fee will be continue to be made available by the Service Provider for a fee.</li> <li>Existing contracts with Value Added Resellers will be novated.</li> <li>Contractual obligations set out an access regime for the Service Provider to continue to provide Value Added Resellers with access to wholesale sales data, the details of which will be publicly available.</li> <li>Government approval is required before the Service Provider can introduce new products to the market.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>Existing contracts with Value Added Resellers have been honoured.</li> <li>Access regime has been established ensuring Value Added Resellers are able to access wholesales sales data.</li> <li>The State will continue to be able to use LTO and SVO data and intellectual property for government purposes.</li> <li>The State will continue to provide data for integrated national datasets produced by PSMA Australia, provide Mapland products, make data available at Location SA and continue with arrangements for government agencies, local government and Australian universities.</li> </ul>	<ul style="list-style-type: none"> <li>Comprehensive compliance and reporting obligations are contained in the relevant contract.</li> <li>The Service Provider must make details of the Data Access Regime for Value Added Resellers publicly available.</li> <li>Contractual obligations requiring the Service Provider to engage with stakeholders every 5 years to review the Data Access Regime.</li> </ul>
LTO and SVO Staff	<ul style="list-style-type: none"> <li>The proposed outsourcing will impact certain employees of the offices of the Registrar-General and the Valuer-General. There will be no impact on employees in the office of the Surveyor-General.</li> <li>Some employees within the offices of the Registrar-General and Valuer-General will be retained to perform the policy and regulatory oversight roles that will remain within Government.</li> <li>It is expected that a good number of employees may be offered an opportunity to transition to the new Service Provider.</li> <li>Current industrial protections that exist for all employees remaining within the public sector will continue.</li> </ul>	<ul style="list-style-type: none"> <li>Industrial instruments, policies and procedures applying to agency restructuring for those employees remaining in the Public Sector.</li> <li>Contractual obligations with the Service Provider regarding the terms and conditions of any offer of employment which include at least matching existing remuneration levels, guaranteeing a period of no forced redundancy for ongoing employees for 2 years and recognising continuity of public sector service for accrual of future leave entitlements.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>Some staff will fill positions within the retained functions within Government.</li> <li>The Service Provider will make offers of employment to a significant number (68 FTEs) staff and is contractually obliged to reflect existing terms and conditions on an overall basis.</li> <li>The majority of staff (58 FTEs) that remain within the SA Public Sector (other than those for retained functions) will be seconded to the Service Provider.</li> <li>Staff who are not appointed to a role in the retained functions, do not receive or decline an offer of employment from the Service Provider and are no longer required for transition services may be placed in an alternative position within the Public Sector or declared excess to requirements (the initial impact is expected to be negligible).</li> </ul>	<ul style="list-style-type: none"> <li>Media Release, Ministerial Statement and detailed employee Q&amp;A.</li> <li>Internal working group will oversight the offers of employment process.</li> </ul>
Transition and change requests	<ul style="list-style-type: none"> <li>As outlined to the Stakeholder Reference Group: <ul style="list-style-type: none"> <li>Extended transition arrangements; and</li> <li>Mechanism to ensure services meeting the needs of clients.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Relevant contracts.</li> <li>An extended transition period has been agreed, with staff at the LTO and SVO providing transition services to the Service Provider.</li> <li>Day-to-day, the Registrar-General and Valuer-General will continue to engage with stakeholders as part of their policy setting responsibilities.</li> <li>Ongoing Stakeholder Reference Group for stakeholders to provide feedback and input to the Government representatives on the Governance Committee about performance etc of the Service Provider.</li> </ul>	<ul style="list-style-type: none"> <li>Government commitment achieved.</li> <li>An orderly transition to the Service Provider that ensures continuity of service is maintained for users of land services.</li> <li>A seamless connection between functions retained in Government and functions delivered by the Service Provider.</li> <li>Stakeholders concerns are addressed.</li> </ul>	<ul style="list-style-type: none"> <li>Oversight by the Registrar-General and Valuer-General to ensure ongoing compliance by the Service Provider.</li> <li>Contractual obligations requiring the Service Provider to engage with stakeholders every 5 years to review the governance arrangements.</li> </ul>

Attachment A – Legal Architecture

Transaction Document	Purpose
Implementation Deed	The Implementation Deed is an umbrella agreement between the State and the Service Provider which provides for the payment of the upfront consideration and sets out how the State and the Service Provider will implement the Transaction. The other transaction documents will be annexed to, and executed contemporaneously with, the Implementation Deed.
RG Delegation	This is a formal instrument of delegation from the Registrar-General to the Service Provider's personnel under which those personnel are delegated all of the legislative powers, duties and functions necessary to enable the Service Provider to provide the commercialised services on behalf of the State.
VG Authorisations	The VG Authorisations authorise relevant personnel of the Service Provider to exercise certain rights and powers under the <i>Valuation of Land Act 1971 (SA)</i> , including the power to enter on to land for the purposes of undertaking valuations.
State Records Agency Instruments	Under these instruments the Registrar-General and the Valuer-General appoint the Service Provider as their agent for the purposes of the <i>State Records Act 1997 (SA)</i> .
Land Services Agreement	The Land Services Agreement is the key operational document for the Transaction. Under this document, the State appoints the Service Provider as the exclusive provider of the relevant lands titling and valuation services for the 40-year term. This document sets out the scope of the services to be delivered, the service levels that must be met and the service fees payable by the State.
IP Licence Deed	Under the IP Licence Deed, the State provides the Service Provider with a right to access and use relevant intellectual property, data and software of the State for the purposes of performing the services under the Land Services Agreement. The Service Provider is also granted the exclusive right to commercialise for gain particular intellectual property and data.
Ancillary Asset Sale and Purchase Deed	This document provides for the sale of those assets required by the Service Provider to provide the commercialised services, including plant and equipment located at the Grenfell Street premises as well as business and domain names relevant to the commercialised services, from the State to the Service Provider.
Grenfell Street Sub-Lease	This document provides for the sub-lease of that portion of the 101 Grenfell Street premises currently occupied by the LTO and SVO from the State to the Service Provider.
Netley Premises Licence	This document provides for the licence of that portion of the Netley premises currently occupied by the LTO and SVO from the State to the Service Provider.
Transitional Services Agreement	The Transitional Services Agreement requires the State to provide certain services to the Service Provider on an interim basis, including the secondment of employees and the provision of access to certain ICT systems, to assist with the transition of the commercialised services from the State to the Service Provider.
Tripartite Deed	This document is between the State, the Service Provider and the security trustee under the Service Provider's debt financing arrangements. The Tripartite Deed regulates the manner in which the parties can exercise their respective rights under the transaction documents and the Service Provider's financing documents, including with respect to step in and termination.