

# Hawker Britton

## Agreement for Land Services SA to provide transactional land services

August 2017

On 10 August 2017, the South Australian Treasurer the Hon Tom Koutsantonis announced Land Services SA as the exclusive service provider for South Australia's transactional land services. The SA Government announced a \$1.605 billion upfront payment with ongoing royalties provided to the Government.

Land Services SA comprises Macquarie Infrastructure and Real Assets (MIRA) and the Public Sector Pension Investment Board, Canada's largest pension investment managers.

The agreement ensures the SA Government maintains control over legal, policy and regulatory functions and responsibilities whilst the transition occurs to the private operator for the next 40 years. The SA Government will continue to proscribe fees and charges for land services.

The SA Government flagged the potential to invest the accrued funds in critical infrastructure and essential services for the State.

Land Services SA, as part of the agreement, committed to:

- Launch an Innovation Hub in Adelaide;
- Deliver \$35 million in ICT investment in SA;
- Accelerate innovation and investment in transactional land services and its functions, through investment in ICT systems and the provision of additional product offerings to market; and
- Assist local digital start-ups in the State.

The agreement follows the SA Government's announcement of its intention to commercialise transactional land services in the 2016-17 State Budget. Protections were undertaken at the time of this announcement to ensure an effective transition to a private operator model, including:

- Continuing Government assurance of indefeasibility of property title, underpinned by the statutory assurance fund;
- Government continuing to set regulated fees and charges with only standard annual increases applied;
- Government maintaining ownership of titling and valuation data and related intellectual property;
- Maintaining service delivery standards, data security and privacy protections with significant penalties for breaches, including termination of contract;
- The Registrar-General, Valuer-General and the Surveyor-General maintaining their statutory status;
- Maintaining existing access arrangements, including the Adelaide office of the LTO and over-the-counter services.

The Treasurer announced that a majority of current employees of the land titles service will either be involved with the transition to the new model, or be placed in positions for functions retained by government.



**Further information**

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