



**LAND
REGISTRY
SERVICES**

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30th April 2019

Dr Paul Paterson
Review Chair
Independent Pricing and Regulatory Tribunal
New South Wales

Issues paper submission - Review of the pricing framework for electronic conveyancing services

Dear Paul,

Thank you for the opportunity to comment on the matters set out in the special reviews issues paper dated March 2019.

We have had a number of productive sessions with your team and remain committed to working with IPART on this important matter.

Our responses to some of the key questions raised in the issues paper are set out below.

Recommending prices for the services provided by NSW Land Registry Services and Revenue NSW

22. What is the most appropriate pricing methodology for NSW LRS's services to ELNOs? Are there other alternative approaches we should consider?

NSW LRS believes the 'building block' approach is the most appropriate pricing methodology for NSW LRS services to ELNOs.

23. What firms or industries are comparable to NSW LRS in terms of their exposure to market risk? What percentage of debt rather than equity would NSW LRS be able to sustain to finance its assets (ie, the gearing level)?

NSW LRS is a unique operation with few comparable benchmarks. Domestically, Victorian Land Registry Services and Land Services SA are the closest benchmarks.

24. Do you agree with our proposed approach to allocating shared assets and costs? Are there other approaches or issues we should consider?

NSW LRS agrees with the proposed approach to allocating shared assets and costs. NSW LRS notes that LSS fees are a separately regulated product, independent of additional costs NSW LRS is expected to incur for establishing and maintaining the new system to connect ELNOs.

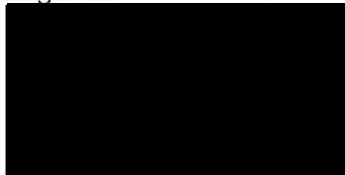
25. Do you agree with our proposed approach to accounting for any cost savings to NSW LRS arising from the introduction of electronic lodgment services?

All cost savings to NSW LRS resulting from electronic settlement services were available to NSW LRS under its previous technology platform, which only connected PEXA.

The desire of the NSW Government to facilitate competition in the ELNO market has required incremental investment by NSW LRS that does not realise any additional savings other than those that would have been available to NSW LRS under the previous platform.

Please do not hesitate in contacting NSW LRS should you wish to discuss.

Regards



Adam Bennett
Chief Executive Officer