

Public Consultation for the Review of the Land Information Authority Act 2006

Strata Community Association (WA) Submission

27 May 2022



Introduction

Strata Community Association WA (SCA WA) was born in 1989 due to some passionate individuals who determined the need for a unified industry body to bring about understanding, awareness and uniformity in the Strata Industry. The 'Industry Body' should also when necessary provide representation to Government on whatever amendments may be required to the Strata Titles Act.

The aim of SCA WA is to:

- provide a structure and forum for better communication between regions
- enhance the responsibilities of industry members in a nationally consistent manner
- enable representation at a national level to the Department of Education, Science and Training and other statutory bodies.

Based on the 2020 Australasian Strata Insights Report, more than 90,000 Western Australian residents live in apartments with 51,798 strata schemes and 251, 425 lots registered. Australia-wide, more than 2.2 million people live in flats and apartments, the vast majority being strata titled.¹ This figure does not include other forms of strata title such as townhouses and community titled developments. Nor does it include businesses operating in strata titled commercial buildings. The estimated value of property under strata title in Australia in 2020 exceeds \$1.3 trillion.²

As the growth of apartment and strata living has intensified over the last decade, the strata management strata services industry has grown in lock step to serve it. Strata managers navigate through a maze of legislation and regulation ranging from actual strata specific legislation, regulation, workplace, health and safety issues and building codes as well as measures applicable to the management of body corporate funds.

For further information about this consultation, please contact Shaun Brockman, National Policy and Advocacy Manager, SCA. <u>Shaun.brockman@strata.community</u>.

¹ Hazel Easthope, Sian Thompson and Alistair Sisson, *Australasian Strata Insights 2020*, City Futures Research Centre, UNSW, Accessed at <u>https://cityfutures.be.unsw.edu.au/research/projects/2020-australasian-strata-insights/</u>

² Ibid, p6



SCA (WA)'s Response to the Landgate Effectiveness Review Public Consultation Questions

Based on your experience, how effective is Landgate as the provider of Western Australia's land information systems? This includes the titles register, plan systems, valuation system and other land information sharing systems.

- 1 Not effective at all
- 2 Somewhat Effective
- 3 Moderately Effective
- 4 Very Effective
- 5 Extremely effective

Please provide a brief explanation for the rating you provided to the previous question.

Landgate meets its purpose at a base level for consumers in that it is the provider of land title information and allows access to that information to be utilised. However, Landgate's provision of these land information systems is not always carried out in an effective, cost effective or efficient manner.

Which of Landgate's products and services do you use?

Land titling Plan related processes Gross Rental Value (GRV) Valuations Other types of property valuation Shared Location Information Platform (SLIP) Aerial Imagery Topographic Data Other

Do those products and services adequately meet your needs?

Yes

<mark>No</mark>

Are there any ways in which the products or services could be improved?

Currently, Landgate only allows access to its online system through one user login and password. This login information has to then be distributed around a given business to each of the required users. This is an ineffective and inefficient practice when considering the standard operations of a business. Businesses should be given the ability to register a business with Landgate, and then nominate a given number of users with their own logins. This would immediately contribute towards better accessibility and user capability. This would also assist business administrators in tracking the operations of their strata managers, allowing them to observe from a unified account what documents have been downloaded and when.

Strata companies are limited in their ability to do a mass order when it comes to titles, as well as being limited in accessing a cost-effective way of qualifying the proprietors that are registered on titles within our managed schemes. There should be the ability to access .csv files in this instance.



SCA (WA) considers the products and services provided by Landgate to be cost prohibitive when consideration of the associated fees, frequency of document issuing and frequency of downloads are taken into account.

For example, within the strata industry, a strata management company generally changes managers ever few years, at which point new documents need to be paid for and downloaded. Similarly, every time a property changes a lot, conveyancers need to pay for and download documents once again. Valuers also need to download documents every two years to complete their valuation of a given property. When placing the property on the market agents or owners must purchase these documents to comply with disclosure.

This frequency of required downloading and subsequent payment of fees is not beneficial to strata companies, owners and other participants in the supply chain. The impact of the cost of these services are often passed on to the end users, to either:

- a. All owners in the strata scheme, where the costs to purchase all documents are lodged against the strata plan, or;
- b. The individual lot owner

The cost prohibitive nature of the provision of these products may also contribute to weakening compliance, where agents for example may not download all valid scheme documents required prior to a sale. Owners are not always informed by lack of access to these documents, which may cause greater disputes father down the line. The services provided by Landgate should be more publicly available, and at a far more reasonable cost.

Therefore, **we suggest the implementation of a subscription style service**. For example, an annual fee could be paid by say a strata manager to allow access to and downloading of all documents that are currently accessible through a Landgate account. The subscription service would not necessarily be limited to strata, but implemented as a general plan across the board.

Cost of subscription and access may be based on the requirements and usage of the subscription, with larger firms who are downloading in excess of hundreds of documents per year being required to pay a different amount for greater access than that of a smaller firm.

Are the services you consume delivered in an effective manner?

- 1 Not at all
- <mark>2 Somewhat</mark>
- 3 Moderately Effective
- 4 Very Effective
- 5 Extremely effective

Please provide some explanation around the rating you provided to the above question, including any suggestions you may have around how services could be delivered more effectively

The provision of services delivered by Landgate in the context of the needs of the strata management industry are unsatisfactory. Currently, strata managers must physically go to the Landgate offices in person to lodge by-laws. This is an antiquated, labour intensive and time-consuming process that is operationally inefficient for both strata managers and Landgate staff.



Strata managers should have the ability to conduct online digital submission of by-laws and other documents, without the need of being physically present to do so.

Similarly, lack of access to electronic payment services is a prevailing issue. Although one has the option to pay by card, it is still a process that is inefficiently conducted over the phone. Services could be delivered more effectively by Landgate if strata managers had the ability to pay fees electronically without having to spend time on the phone processing a payment.

When downloading a strata plan from Landgate, it is generally provided as a .pdf attachment. However, in some cases one is provided with a link that expires after an allotted amount of time (14 days). Consistency in this matter should be addressed, with the standard format for downloading strata plans limited to .pdf attachments only moving forward.

Is there any land information related products, services or datasets which would be particularly helpful to you, which Landgate does not currently provide?

We would like to highlight <u>Electronic conveyancing</u> at Landgate as a case example for future reforms and improvements regarding the provision of services by Landgate to strata mangers. According to Landgate, electronic conveyancing is now the "standard settlement process in Western Australia," that "replaces the time-consuming paper-based settlement process that has been in use for more than a century." There are also plans to develop and introduce an e-conveyancing hub, that will allow greater document transfer and administrative capabilities.

SCA believes that if there is both the scope and capability to replace the "time-consuming operations" in the conveyancing processes with Landgate, then then the strata industry should be afforded similar considerations in relations to their interactions with Landgate, to address the issues with service delivery outlined in the previous question.

Services like Core Logic also give the user the ability to access history on a property, from an ownership point of view. If Landgate could offer a more interactive service, a portal with access to for example records for the City of Perth, City of Sterling etc. as opposed to a simple repository for strata plans, that would be of a greater benefit to strata managers and their operations.

We recommend the implementation of a strata specific digital hub that allows functions such as:

- Ability for users to pay fees electronically
- Scan documents directly into the system
- Record and make accessible who the strata managers are for a given property
- Track all documents that have been uploaded or paid for

As WA's land information authority, Landgate's purpose is to "Support the sustainable economic, social and environmental management and development of land in Western Australia by securing land interests, valuing property and providing and promoting the use of location information services." What more could Landgate do to fulfill this purpose for the State?

We expect Landgate to be delivering value to the community as a statutory authority, providing services that assist with enforcing regulation and legislation, such as the strata titles act. The functions that a strata manager needs to perform requires access to information from Landgate, and the provision of this information shouldn't necessarily be for the benefit of a profit, but to the



benefit of managing a given scheme or property (in the context of services provided for strata management).

Please provide any other comments you believe are relevant

The amendments of Strata Titles Act 1985 introduced the requirement for strata managers to lodge details of the schemes they manage annually to Landgate. That form is currently a voluntarily submitted form.

Anecdotal evidence suggests that not everyone in the industry returned a submission of that form, and as a result this may impact the data that Landgate is attempting to collate.

We believe that this form should be made compulsory. The form should involve the provision strata management businesses listing their strata managers, and a record of what CPD they engage in so that we may start to register how many strata managers there actually are in the industry WA and how they operate.

That information would be valuable in assessing the viability of different regulatory models that the strata management industry may shift towards in the future, as well as informing the potential viability of legislative changes to the strata management act in the future.

In general, Landgate should be a more willing partner with industry, with a specific focus on the structuring of their guidelines and their information documentation. It is imperative to understand industry's interpretation of information produced by Landgate, and we feel there is currently a disconnect on how industry is interpreting, enacting and adopting their drafting of Landgate information. Landgate should be willing to involve industry bodies like SCA in the drafting of guidelines, to help better educate owners and provide more valuable documents for the community to utilize.

To summarise, our relevant recommendations are as follows:

Recommendations

- 1. Reduce the necessity for download frequency and reduce impact of costs for Land Titling Services through the implementation of a subscription style service.
- 2. Implement a Digital Hub that improves the efficiency of the delivery of services by Landgate, that allows users to perform functions such as electronic payments, lodge plans and otherwise automate currently labour-intensive processes.
- 3. Improve the consistency of the types of documentation that is accessed by users.