

AUTOMATION OF CONVEYANCING

by

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A veteran player in the automation of conveyancing says that e-dealing would realise its true potential if there was a merger between niche markets.

Richard Galbraith of Fencible Law launched KeyTrack 10 years ago. He introduced it to the market as a tool which would “add value to a conveyancing transaction”.

His cloud-based system communicates with real estate agents, clients and associated parties in real time online and *via* automated messaging, with details kept in a secure data centre.

Mr Galbraith says each conveyancing product on the market should merge to create a more efficient e-dealing system.

“The market, in terms of the automation of conveyancing, has become incredibly complex, actually, because there [are] quite a few players all with their niche package.”

He says when Landonline was established, e-dealing came into effect.

Various councils upgraded their websites to include LIM report applications, ADLS provided web forms, QV came out with a system to update their sale notices regime online, ASB created secure email and the likes of Propel-1c have banking packages.

There are also significant trust account software players which are crucial

to the conveyancing process.

“What we’re [KeyTrack] starting to look at now is to communicate and talk with other websites so that data flows across a number of shared platforms, because each of the individual software packages is actually useful and good in its own right.

“But in my view the day when there will be one piece of software to do an entire conveyancing transaction is just not going to happen, because as conveyancers we are all pretty much the co-ordinators of a number of multiple parties and all play a vital part in conveyancing.

“I suppose over the years, what will happen is there will be a number of these parties that will form JVs [joint ventures] or start working together to create a system whereby conveyancing becomes easier for conveyancers.”

Mr Galbraith says those at the coalface, such as legal executives, would benefit from a market merge.

“There are frustrations that there are too many different packages in the market now and that’s only increasing”.

Toni Field is a legal executive for Fencible Law and she agrees that there are too many automation products.

“I think it’s really great because it makes things a lot speedier in dealing with it all, but the fact is that you are inputting data in so many different places that are the same. It would be good if some of them were linked together.

“In dealing with the councils (in Auckland), you find that even though it’s all one council some of them have got the online services, which are

great, and then the other ones you are still dealing with them *via* post and cheques. With Auckland council you can order a LIM report and get it in four hours if the property is actually in Auckland-Auckland (the former Auckland City Council area). But if it's in Manukau, we've got to handwrite the application form and send a cheque in the mail, which is crazy," Ms Field says.

Mr Galbraith says KeyTrack was in discussions with the now defunct Manukau City Council to get automated online LIM reports.

Therefore when a deal gets loaded into KeyTrack, regardless of where the deal is throughout the country, a button on KeyTrack would offer one the ability to order a LIM report instantly.

KeyTrack would identify the appropriate council to communicate with and would automatically order the LIM report and then the council would download into the KeyTrack system themselves.

"It's a massive job putting it all together and we have put an awful lot of money on developing our software and so have all the other players in the market."

He has started negotiating with two of the leading players in the industry in trying to create a shared platform.

"You could do it but it's going to take an effort from a number of parties. We're certainly looking at, and it is early days, some sort of joint venture. How it will ultimately present itself will be interesting.

"The ultimate solution is one where there's a platform that recognises each individual niche package out there and somehow blends them together."

Mr Galbraith says this could occur in the future but says conveyancing has become increasingly complex with evolving family arrangements, business structures, lending requirements, and that it will never be totally online.

“It will never be a straightforward click a few buttons and the whole thing is done.”

Sales manager for Conveyancing Solutions Ltd, Paul Steele, says Gibson Sheat Lawyers, which is the owner of conveyIT, is currently investigating options for continuing as a conveyancing portal and also potentially other workflows.

“I definitely think it’s the way the legal profession needs to move.

“We’re not idle and we’re looking at ways that we can make the service available with multiple media options and enhance the way it works.”

Integration with practice management systems and other industry players, such as Landonline and district councils is essential to the streamlining of conveyancing in New Zealand, says David Sarginson, the partner in charge of Gibson Sheat’s conveyancing division, and director of Conveyancing Solutions Ltd.

This company markets the conveyancing workflow system ConveyIT to law firms throughout the country.

ConveyIT has already fully integrated its conveyancing workflow with a major practice management software supplier and is working with other suppliers to integrate with them as well.

Mr Sarginson also believes any system must be flexible enough to be delivered both over the cloud and *via* a firm-based server as lawyers

throughout New Zealand have varying views of the various options. To that end, Conveyancing Solutions Ltd is working with developers so that each option is available.

It is clear that for conveyancing to operate as efficiently as possible in the future, all the key players must have the ability to have their systems talk to each other and that is also a key plank of ConveyIT's development proposals.

Conveyancing 2020 is a joint venture between Land Information New Zealand (LINZ), the New Zealand Law Society, Auckland District Law Society Incorporated, and the New Zealand Bankers Association which is working at a high level to reach a shared view of the state of the conveyancing/land development environment in 2020, including setting strategic priorities and initiatives as the basis for moving into the future. Its December 2011 paper provides an overview of the working group's view of this.

Whatever happens, it is clear that there are a number of exciting initiatives out in the market place which will improve the efficiency of conveyancing in New Zealand.

Mr Steele - who also runs his own law firm consultancy, Law Tune-Up - agrees.

“In my work in the market, it's very clear that firms are starting to realise that there are real benefits in using more of the capabilities in the practice management systems they are running, or looking to set up or migrate to. Where workflow capabilities already exist within a practice management system, then it makes sense to make it easy for the user of that system to seamlessly integrate client and matter data.

“This enhances the user experience and gains both time and risk management efficiencies.

“However there is no absolute requirement for all of the data or even all of the functionalities associated with a workflow system to reside on a firm’s server or even a cloud-based practice management system. The cloud will increasingly form part of any solution,” Mr Steele says.

“I remember when I first joined Conveyancing Solutions in 2007 that the concept of running law firms within a workflow ‘environment’ was comparatively novel. Some lawyers felt that such a system commoditised what was a complex and highly valued service.

“Now people are more open to look at such systems for what they can do - that is improve the efficiency of the way conveyancing or other matters are carried out, but not at the expense of providing appropriate levels of legal service. Communication smarts are also seen by some firms as providing a marketing point of difference in conveyancing - a very congested area of legal service in New Zealand.”

A new Dunedin-based technology upstart is gaining momentum as an automated commercial lease management system.

Nomos Ltd was first featured in *LawTalk* in issue 804 (14 September 2012) before it was launched in October.

The commercial lease management tool is a cloud-based software that allows law firms to manage upcoming lease events, view property reports for client’s buildings and view scanned deeds for the leases themselves. The software also gives clients free access to their lease information *via* any web browser, smart phone or tablet device in the world.

Managing director Jonathan Mirkin says he is very pleased with how his business is developing.

“We’ve had a lot of interest. We’ve got firms both locally and around New Zealand who are all wanting to get on board. We’ve got a council, for example, who are wanting to use it, plus we’ve got some companies using Nomos to manage multiple properties around the country.”

Mr Mirkin says the company is now building revenue and exploring business options for the near future.

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