

Your guide to

Understanding the Australian settlements and Electronic Network (ELN) landscape

When e-settlements first came into the legal and conveyancing scene in 2010, the expectation was that this would present practitioners with opportunities for time and cost savings. But at what price? At the time, with no mandates, the incentive to change from well-known practises was lacking. Practitioners needed training to use the relevant electronic systems or needed to hire staff who knew.

Since then, the Australian legal and conveyancing industry has made good progress with technology adoption in conveyancing. Key drivers have been the obligation to meet e-conveyancing mandates, settlement efficiency gains and in more recent times, to overcome lockdown restrictions during COVID-19. However, there are still some hurdles that need to be overcome.

Many lawyers and conveyancers have reported that, since the introduction of onerous electronic processes, they have chosen to scale back or completely cease handling property conveyancing matters to focus on other areas of law. This is largely due to the hurdles of learning new e-settlement systems and lack of access to useful training. Some have also reported that the COVID pandemic caused them to reduce their staff headcount. As such, there is a lack of trained people in firms who can complete the administrative tasks required for an e-settlement.

In July 2021, InfoTrack conducted an e-settlements and ELN interoperability survey. By taking the temperature of the industry regarding technology and choice, we are able to report on the appetite for e-settlements and ELN interoperability from Australian legal and conveyancing practitioners.

InfoTrack clients have always been offered the opportunity to outsource their settlements; to lean on experts who know the ELN system and e-settlement requirements, to seek support to complete lodgments and settlements. Many often jump at the opportunity and are happy to begin e-settlements again. Outsourcing lodgments and e-settlements using a service like InfoTrack's [SettleIT](#), allows practitioners to offer the service to their own clients without undertaking any administrative burden, thereby reducing operational costs and developing additional profits.

While ELN interoperability has always been on the radar of regulatory bodies and practitioners, it is fast becoming part of the conversation for the future of e-settlements. ARNECC's latest draft of the [Model Participation Rules](#) is evidence of this as it now includes definitions for different types of interoperable transactions.

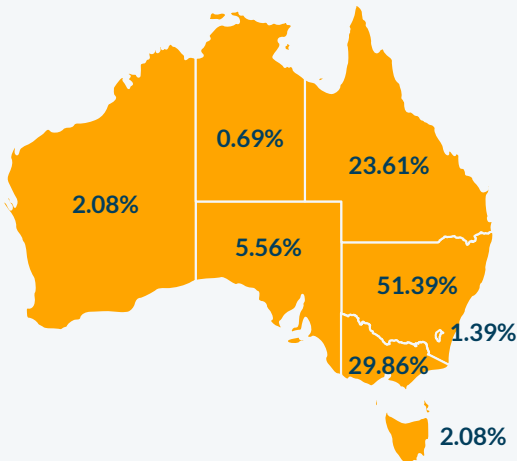
From the findings of InfoTrack's e-settlements and ELN interoperability survey, we can see that choice is important and Australian practitioners understand that interoperability is a key enabler of genuine competition. A second ELN, can help deliver the intended efficiencies that e-conveyancing promised to deliver.

This report shows the level of willingness of lawyers and conveyancers across the nation to adopt e-settlements and their opinions on interoperability of ELNs. From these findings, we can understand the benefits and key drivers that interoperable ELNs and e-settlements offer the legal and conveyancing industry, whilst learning the bottlenecks and challenges they face.

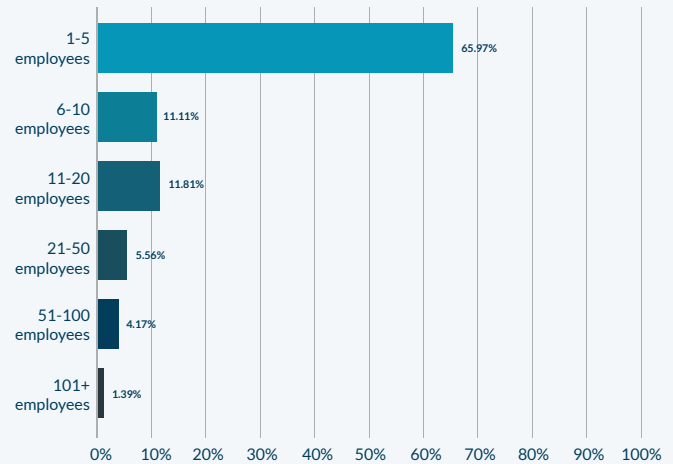
Here are some of the findings.

We surveyed a national sample of lawyers and conveyancers.

Australian states operated in



Firm size



Of those who responded, over half were from New South Wales, almost one quarter from Queensland, and almost one third from Victoria. 66% of respondents were from firms with 1-5 employees.

While most respondents used a Practice Management System (PMS) to support their matter management, interestingly the third highest number of responses (16%) said they did not use a PMS.

Of surveyed lawyers and conveyancers

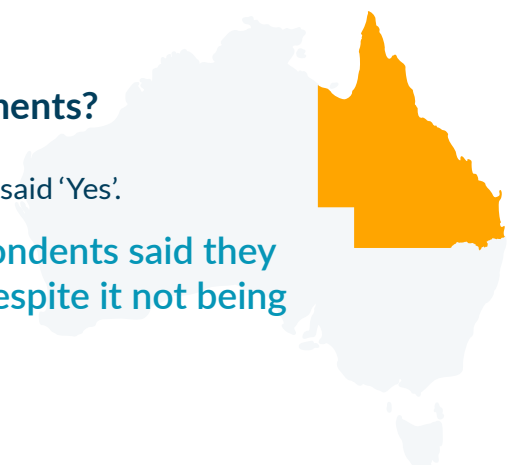
16%
do not use a PMS



Do you conduct e-settlements?

Nationally, 93% of respondents said 'Yes'.

85% of Queensland respondents said they conduct e-settlements, despite it not being mandated in their state.



Top 4 reasons for conducting e-settlements



said they conduct e-settlements because it is mandated in their state.



acknowledged it makes their work more efficient.



prefer using technology to simplify their matters.

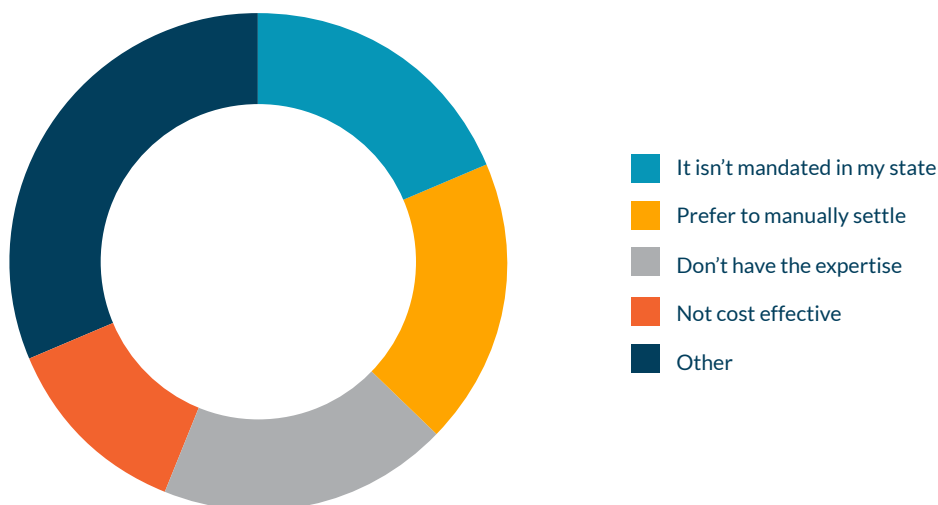


find it easier to settle electronically rather than manually.

What is stopping those who continue to conduct manual settlements?

While the survey focused on e-settlements and ELNs, we also took the opportunity to understand the reasons why those who do not conduct e-settlements, have not yet made the transition.

Of those who settle manually, responses were fairly equally split across four reasons including; preference to settle manually, privacy and security concerns, no state mandate implemented, and no expertise in the firm to conduct e-settlements.



What would encourage you to complete e-settlements?

Responses around what would encourage firms to complete e-settlements over manual settlements were largely around expertise. Namely, adding more staff to the firm or being able to outsource e-settlements.

If this is you, outsourcing your lodgments and settlements to [SettleIT](#) will reduce the load on your firm. [SettleIT](#) is a flexible solution that allows law firms and conveyancers to outsource the lodgment of registry documents and settlements - both electronic and manual. Using [SettleIT](#) means there is no need for your firm to register or be trained on ELN platforms.

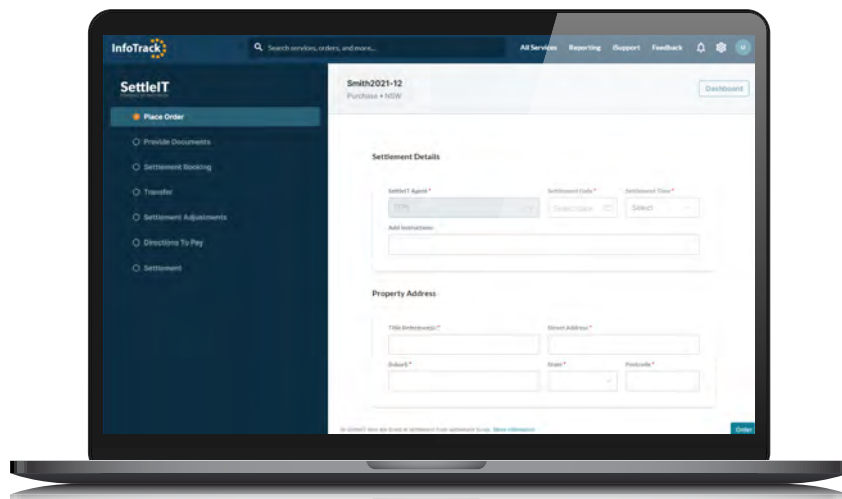
[SettleIT](#) can be used as part of your standard processes, like taking care of administration, or when times are busy, or cover is needed. It can also be utilised to build business to handle more volume without needing to increase the head count. [SettleIT](#) provides immediate time and cost savings enabling firms to maximise efficiency and increase profit margins.

The experienced team at [SettleIT](#) have an extensive knowledge of interstate matters and keep up to date with relevant mandates in all states.



SettleIT addresses the concerns of one third of respondents who said that an inhibitor to completing e-settlements was the inability to navigate the ELN easily.

Through our survey, InfoTrack has identified that firms are looking for more training to support them. More consultation is needed with firms who do not complete e-settlements or use an ELN to understand their training needs or the needs of their firm to successfully conduct e-settlements.



Interoperable ELNs

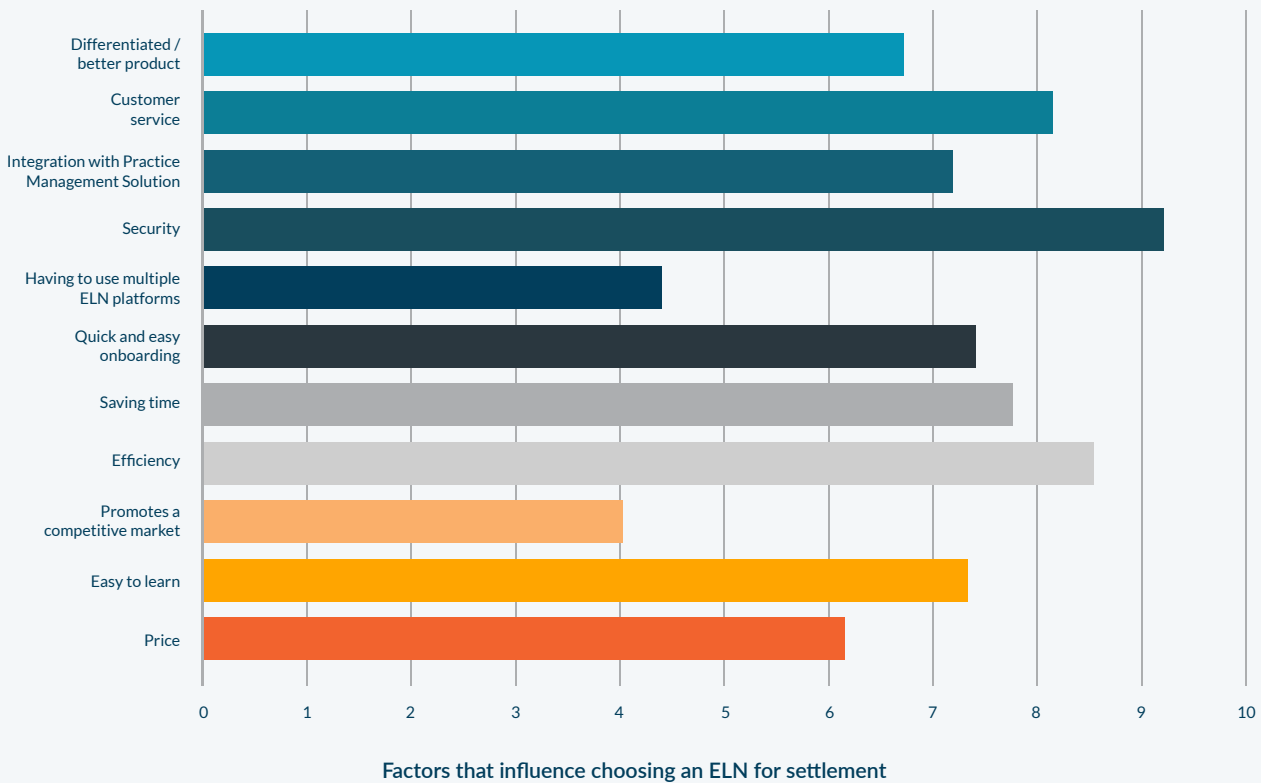
Almost 50% of respondents said they would commit to a single ELN in a competitive market. This is supported by 70% of respondents saying they are in favour of ELN interoperability meaning they could easily work with others despite them using a different ELN.

70%

of respondents saying they are in favour of ELN interoperability

In an environment where there is more than one ELN, those surveyed said that the three most important factors for selecting an ELN would be:

-  1. Security
-  2. Efficiency
-  3. Customer service



According to our sample, the top three benefits of a competitive ELN environment include:

-  1. Choice
-  2. Efficiency
-  3. Higher quality service

By encouraging a competitive ELN environment, the legal and conveyancing industry believes that quality of service will increase because clients can change their provider if they are unsatisfied.

What services do clients want from their ELN?

The large majority touched on three issues:

- ✓ Clearer explanations of tasks and roles in the ELN
- ✓ Increased responsiveness
- ✓ More timely services

What would make an interoperable ELN network beneficial for you?

Ease of use, price and ability to work with others were the top three reasons why an interoperable ELN environment would be beneficial for those who were surveyed.



What innovations in the ELN platform would you like to see to enhance your business workflow?

1

integration with PMS

2

bank efficiency and accountability
+ increased communication

3

ease of use

When asked about what innovations would better support business workflow in an ELN platform, the biggest response focused on Practice Management System (PMS) integration to support lawyers and conveyancers to complete work more quickly and reduce data entry.

Overall, through various studies and anecdotal feedback from this survey, we are able to gain an understanding of the appetite of lawyers and conveyancers for e-settlements and ELNs and understand the drivers and limitations involved with the capability to adopt these new ways of conducting business.

Zegal's recently released '[Thought Leadership Review 2021](#)' found that lawyers are learning to work with technologies and use them to their advantage to do more with less resources. [SettleIT](#) is one such solution. Law firms and conveyancers can outsource the lodgment of registry documents and settlements - both electronic and manual.

[SettleIT](#) can be used to increase firm's capacity - handle more volume without needing to increase the head count. [SettleIT](#) provides immediate time and cost savings enabling firms to maximise efficiency and increase profit margins.

If your firm is one that has reduced your e-conveyancing offering due to e-settlement and ELN challenges, or would like to increase your reach by facilitating conveyancing across borders and into other states, [contact me today](#).



Daniel Petrucci,
General Manager SettleIT