

New VLSB+C eConveyancing guide – 3 things you need to know



Victorian Legal Services Board and Commissioner recently published a guide: [E-Conveyancing Regulatory Guidelines](#). The guide contains the regulator's expectations of practitioners conducting electronic conveyancing.

Practitioners may need to make changes to their current conveyancing practices in light of the regulator's expectations. In this article we have highlighted three of important areas covered by the guide and offer some risk management suggestions. Practitioners should read the guide to understand the expectations of them.

1. Signing land registry forms

Supervised non-practitioner employees in a law practice are now entitled to sign land registry forms. There are some requirements set out in the guide, including that the employees have undergone appropriate eConveyancing and cyber security training, and that the relevant principal appropriately supervises them. For more information on appropriate supervision see our [Tips for effective supervision](#) and our article [Safe practice during the pandemic](#).

This change is also documented in the ARNECC direction: [Entitlement to sign registry instruments](#).

2. Trust account changes

The guide states that for Victoria, eConveyancing funds are best categorised as general trust money under the Uniform Law and therefore they must be placed in a general trust account. Victorian legal practitioners should not use Electronic Lodgement Network Operators' (ELNO) source accounts.

If a law practice doesn't have a trust account the guide sets out how to manage using a third party law practice to conduct the eConveyancing component of the transaction.

In particular, both law practices involved must have a principal who is authorised to receive trust money, and the client must give informed consent to their funds being held in the third party law practice's trust account. The third party law practice must not just provide their trust account but has to be actively involved in managing their part of the transaction.

It is good risk management in any agency arrangement to clearly set out in writing what each party will do. Limited retainers are a continual source of claims where there is not clear written agreement about what each party will do. For any transaction where you have a third party law firm conducting the conveyancing component confirm in writing what each firm will do and confirm when it is done.

3. Cyber security

The guide reminds practitioners to take all reasonable steps to protect their firm from cyber-attack. Examples given of reasonable steps include providing appropriate advice to clients, avoiding the exchange of bank account details through email without secondary verification by phone or text, and reporting any unusual or suspicious activity to the ELNO, the firm's bank and the Registrar without delay.

Cyber security risk is still high in the legal profession as we continue to receive notifications of claims. We are also hearing more about 'near misses' where the fraudulent bank account details were detected because someone called the purported sender to verify the details. For more information about cyber security see the wide variety of information and resources on LPLC's website including:

- [Cyber security guide for lawyers](#)
- Latest issues in [cyber security video](#)
- Information about [cyber security insurance](#)
- [Cyber security alerts](#)
- Latest [cyber security articles](#)