

## WHO WE ARE

Lands embodies a long history of integrity in land information systems, knowledge and experience in soil conservation and responsible land management.

The current formation of Lands was created in 2003, incorporating several business divisions.

### ■ LAND AND PROPERTY INFORMATION

The definitive source of spatial information for NSW, including property definition, ownership and valuation data, underpinning a vibrant property market and government initiatives for improved commercial and environmental outcomes.

### ■ CROWN LANDS

Responsible for the sustainable management of 35.8 million hectares of public land, including 18 state parks, public reserves, walking trails and holiday parks to allocated land for varied community and business purposes, such as schools, hospitals and ports. The division is dedicated to optimising environmental, economic and social outcomes for the benefit of the people of NSW.

### ■ SOIL CONSERVATION SERVICE

An environmental consultancy business specialising in environmental protection, rehabilitation and land management, offering a complete range of professional and technical services in land rehabilitation, specialist earthworks, erosion and sediment control, project management, soil and water testing, revegetation techniques and the sustainable management of farm water supplies.

### ■ OFFICE OF RURAL AFFAIRS

Working with rural communities to harness economic, social and environmental opportunities for country NSW, ensuring they have a powerful voice and are in control of their own development. See page 48 for detailed report on the ORA.

### ■ OFFICE OF BIOFUELS

Managing the NSW Government's biofuels program and associated development strategy. The office was transferred to Lands on 1 December 2008. To read more on the OBF see page 51.

### ■ INTERNAL BUSINESS SUPPORT SERVICES

These include the Office of the Director General, Finance and Corporate Support, Corporate People and Performance Group, Legal Services, Corporate Governance, Information Communication and Technology, Emergency Information Coordination Unit, Communication Solutions Group and Native Title, Aboriginal Land Claims and Status Branch.

Lands also provides administrative support to the Board of Surveying and Spatial Information, the Office of the Valuer General (see page 22) the Geographical Names Board (see page 44), the Festival Development Corporation and various community trusts.

## WHAT WE DO

Lands is the key public land management agency in NSW, with our land information systems underpinning the state economy and contributing to the development of sustainable rural communities.

### LAND AND PROPERTY INFORMATION

Since documenting the first state land records, Lands has continued as the custodian of land information in NSW. Today, with new technologies and greater expertise in the field, Lands is a world leader in land and spatial information management with a commitment to innovative products and services.

LPI is the only business in NSW that can research a complete history of any parcel of land in the state.

LPI is the leading provider of land and property information in NSW.

Its major responsibilities include:

- land title registration services, including registration of plans of survey and property transactions, issuing of certificates of title and conversion of old system land to Torrens title
- maintaining the state's survey infrastructure
- valuing land throughout the state every year to make the land valuations used in calculating local council rates and NSW Government land tax payments
- registering new plans of subdivision and property transactions in the Integrated Titling System
- carrying out an aerial photography and imagery capture program to produce a large range of maps and spatial information in digital form
- supplying property information online and over the counter to customers
- developing spatial data systems, data models and specialist services to meet a diverse range of stakeholder needs including emergency services, counter terrorism, natural resources and other sectors.

### LPI key products

**SIX** - The Spatial Information eXchange (SIX) is the official source of NSW's geospatial information, possessing the most comprehensive, accurate and reliable spatial data for the state. SIX can be accessed at [www.six.nsw.gov.au](http://www.six.nsw.gov.au).

**ePlan** - An electronic system for the lodgment of land title plans. The ePlan Program is delivering significant benefits to the property industry by enhancing the quality of plan data, reduce requisitions and improve plan processing and turnaround times.

- Between 700,000 and 800,000 land title transactions are registered each year.
- Over 4 million online requests for land information records are handled via our network of information brokers.
- 2.4 million properties are valued each year.
- Lands spatial information services were utilised for APEC 2007, World Youth Day 2008 and to help manage the transport and safety of the 1.5 million people at the 2008 New Year's Eve fireworks.

### CROWN LANDS

Crown Lands division is responsible for the sustainable management of NSW's 35.8 million hectares of Crown land (approximately half the state).

Crown land extends three nautical miles out to sea and includes rivers and estuaries, marinas, jetties and artificial reefs.

Crown land is allocated for public uses, including schools, hospitals, community halls, showgrounds, conservation areas, housing and numerous reserves and access to rivers, estuaries, and harbour foreshores.

A significant portion of Crown land is also available for alternative purposes, from leasing for commercial or agricultural use, through to land development that meets the needs of expanding regional and rural communities.

### Crown Lands key products

**Development** – Crown Lands is a key player in maritime, industrial, residential and tourism development, making land available or powering infrastructure projects that help local communities grow and prosper.

Land for homes, rural production, commerce and industry is developed and made available where needs are identified and our contribution can add to the common good.

Crown Lands is also involved in maintaining and improving NSW's minor ports. This aims to provide commercial fishing and recreational boaters with well-maintained ports as well as safe, secure maritime access.

**Reserve trusts** - Reserve trusts are established externally to the Department to manage and care for Crown land on behalf of the people of NSW. These include local sporting grounds, community halls, showgrounds, beaches and cemeteries, such as Rookwood.

A reserve trust may be a corporate manager, such as a community organisation or local council, a board comprising community volunteers or an administrator.

**Native title and land claims** – The division researches Aboriginal land claims and provides advice to the Minister to determine claims under the *Aboriginal Land Rights Act 1983*. Applications for native title in NSW are also investigated under the *Commonwealth Native Title Act 1993*.

**Recreational** – Crown land is used for a range of recreational activities including one third of the state's caravan parks and camping grounds, 18 state parks, walking tracks and thousands of sporting grounds, parks and beaches.

Crown land holiday parks can be found on the website [www.caravanandcampingnsw.com.au](http://www.caravanandcampingnsw.com.au).

From Copeton Waters in the northwest to Wallaga Lake on the far south coast, state parks offer a range of camping, accommodation and recreational activities at [www.stateparks.nsw.gov.au](http://www.stateparks.nsw.gov.au). New state parks are under development, including the beaches and dunes at Sydney's Cronulla.

- Crown land generates \$147m in revenue through leases, licences, management and sales.
- Almost 1 million hectares of perpetual leasehold land has been approved for conversion to freehold at reduced cost to purchasers.
- In 2008/09, \$10.6m was budgeted for improvements to local parks, reserves, walking tracks, caravan parks and showgrounds through the Public Reserves Management Fund.
- Holidays and recreation on Crown land is provided at over 260 holiday parks, 18 state parks, 776kms of walking tracks, two canoe trails and thousands of local parks, showgrounds and sports fields.
- More than 700 Crown reserves are managed by community volunteers through reserve trusts.

## SOIL CONSERVATION SERVICE

Soil Conservation Service division (SCS) is a soil conservation and environmental consulting business specialising in environmental protection, rehabilitation and land management services to both rural and urban clients.

SCS offers competitive, cost-effective services and consultancy to land users for the assessment, development, implementation and promotion of best practice land and water use systems.

The business has three areas of business activity; Conservation Earthworks (Works), Soil Consulting (Consult) and Operations.

## SCS key products

**Conservation Earthworks** – Through its plant hire scheme, SCS offers a cost

competitive earthmoving service to design and implement soil and water conservation earthworks, setting the industry standard for quality. Services include banking and waterway systems, revegetation and mine rehabilitation.

**Soil Consulting** – SCS's consultation branch offers fully commercial services in a broad range of areas associated with environmental protection, rehabilitation and education. Clients are offered a complete package from planning, design and layout through to final implementation. The service is supported by the National Association of Testing Authorities (NATA)-registered soil and water testing laboratory at Scone.

**Operations** – SCS maintains several NSW Government assets including the flood mitigation works in the Hunter Valley and the Great North Walk, in association with other government agencies and 14 local councils.

- In business for nearly 70 years, SCS operates from 30 centres around the state.
- In conjunction with the NSW Soil Policy Working Group, developed the NSW Soils Framework under the NSW State Plan to set new directions in soil management.
- SCS frequently supports the RFS in bushfire emergencies, with the provision of staff and plant as required, and has a year-round role in fire trail maintenance and bushfire hazard reduction.

## OUR CUSTOMERS

Lands' key stakeholders include the property conveyancing industry, land use planning and development sector, farming and grazing property owners, government agencies at state, local and federal levels, and regional community bodies.

## LAND AND PROPERTY INFORMATION

LPI products and services are available to the people of NSW as a whole. Regular customers come from three market segments; the property conveyancing industry, the land use planning and development sector and government agencies at state, local and federal levels.

## CROWN LANDS

Crown Lands division actively promotes partnerships with local government authorities, reflecting the adoption of

proactive management of the Crown estate. Crown Lands is also developing professional business relationships to assist both parties in achieving corporate goals, and recognises community support obligations to non-profit organisations, charity groups, pensioners and rural community members who occupy Crown lands.

## SOIL CONSERVATION SERVICE

SCS clients include NSW landholders (primarily farmers and graziers), state and local government agencies, conservation groups and commercial companies.

## OUR COMMUNITY

Lands is dedicated to supporting business, tourism and community groups. The Department has strong ties with rural and regional NSW and is committed to acting at a local level to stimulate, strengthen and sustain country communities.

Throughout 2008/09 Lands sponsored several community awards including the Regional Achievement and Community Awards, the Caravan and Camping Industry Association NSW Awards of Excellence and the Real Estate Institute of NSW Excellence in Delivery of Electronic Property Data to the Public Award.

Lands also contributed to communities by sponsoring events such as the Sculpture by the Sea Exhibition, the 'Don't DIS My ABILITY' campaign to celebrate the International Day of People with a Disability, the Local Government and Shires Association 2009 Tourism Conference and the 2009 Marina Industries Association of Australia Marinas Value Study.

As part of our commitment to take services and local operations to regional audiences, Lands also attended three field days at Mudgee, Orange and Gunnedah.

## OUR PEOPLE

Lands' incorporates a range of professions, such as surveyors, spatial technicians, land valuers, engineers and environmental officers.

With a highly skilled workforce of 1,618 we provide land administration and management services from across a network of regional offices.

For more information about Lands staff numbers see appendix 11 (page 115).

## OUR ENVIRONMENT

Lands is committed to minimising and reducing its environmental footprint.

We do this through energy savings, buying 'green' power, recycling, using sustainable environmental practices and maximise savings in our energy and water use by auditing our buildings for their environmental performance.

We also make sure that our employees are ecologically aware to further enhance our environmental practices.

### Water and energy efficiency

Lands audits its Queens Square and Bathurst buildings for their environmental performance using the Australian environment rating system known as NABERS.

This evaluation shows that the Queens Square building rated above average for energy use and best performance for water use. The Bathurst building didn't rate as well. Work to reduce energy use at Bathurst is being undertaken to improve its rating. A number

of projects will result in Bathurst cutting its greenhouse gas emissions by 250 tonnes. Further works are anticipated for the Queens Square building to lift its environmental rating.

Lands conducts indoor health building audits at Queens Square and Bathurst in its management of the interior environment for employees. This will be enhanced by using NABERS to further improve the indoor environment in such matters as lighting, acoustic quality, thermal comfort and office layout.

NABERS will also be used at Lands' major offices in Newcastle, Parramatta and Dubbo to determine the environmental rating of the buildings.

### Recycling of waste

Lands recycling practices are being enhanced by focusing on goods that are a combination of various products mixed together along with the traditional single product goods such as paper, cardboard and printer cartridges. This

will improve the quantity and number of goods that are recycled by Lands at Queens Square and Bathurst. The Queens Square building will be audited in 2009/10 using NABERS to evaluate the recycling of waste goods.

### Use of energy

Lands reduces its greenhouse gas footprint through the buying of green power in all electricity contracts. All Lands sites where power is purchased on the contestable market require that 6% of electricity must be from green or renewable sources. Lands use of green power increased by over 16% in the year.

Lands will consider hybrid vehicles to replace conventional passenger vehicles where suitable. Biofuels, such as E10, will be used in appropriate vehicles. The activities of Lands requires the use of four-wheel drive and other non-conventional vehicles. This impacts on Lands' ability to effectively minimise its 'green score' for vehicle operations.

## OUR GOVERNANCE

Lands was established by the *Public Sector Employment and Management (General) Order 2003*. Overall control of Lands is vested to the Minister for Lands, the Hon. Tony Kelly MLC, and Lands' Director General.

The Director General is assisted by Lands' executive team to oversee Lands' activities. The team holds a meeting every two months. Its role is to provide leadership, set strategic

direction, facilitate policy development and to discuss and resolve other key governance matters. The team meeting also provides a forum for senior management to share information and report on business outcomes.

Lands is comprised of three operational divisions.

- Land and Property Information division.

- Crown Lands division.
- Soil Conservation Service division.

Each division is headed by a General Manager, who are Lands executive team members. A divisional executive team or board of management has been established to oversee the roles and responsibilities of each division. These meet on a fortnightly or monthly basis.

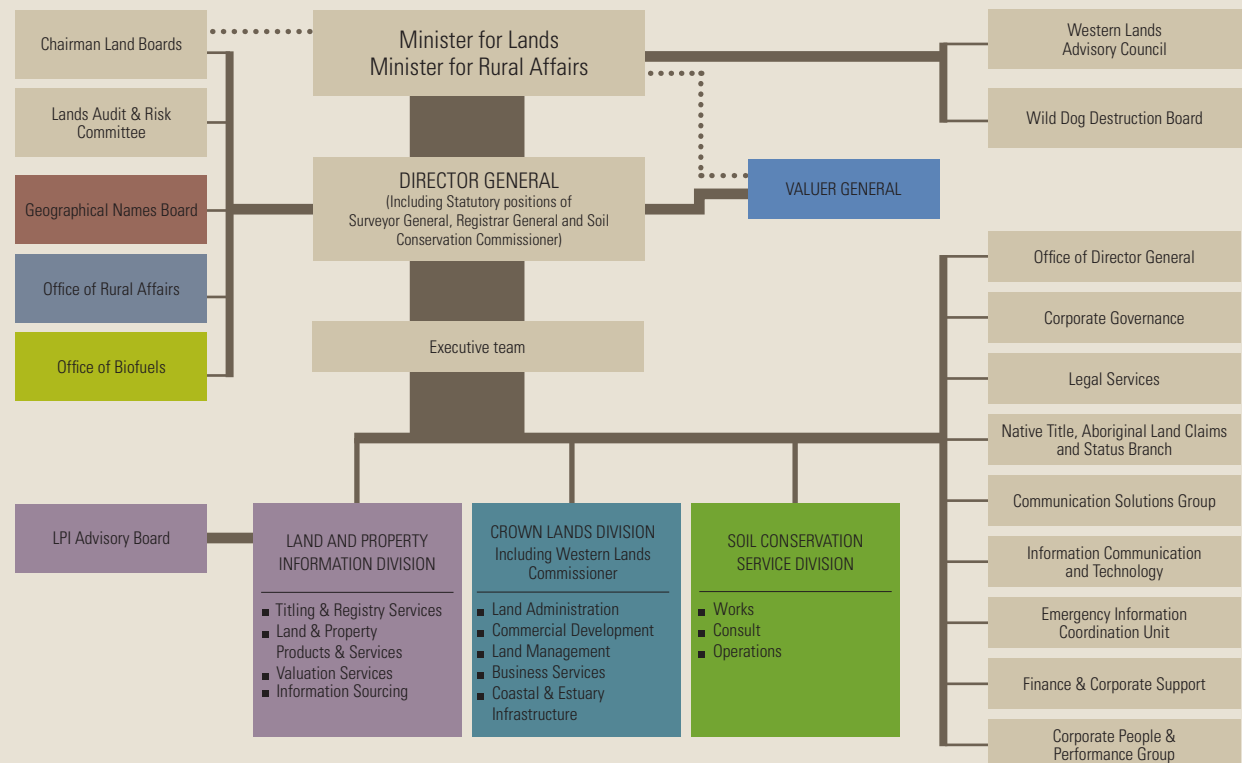


FIGURE 2 | Organisational chart

## OUR FUNDING

Funding for the Department of Lands comes from a mix of government contributions and revenues generated from our commercial functions. Lands has three main business divisions and generates a large proportion of total revenue from its operations, with less than one quarter provided through the state government budget.

The commercial business divisions are Land and Property Information division and Soil Conservation Service division, collectively contributing \$213m in revenues. The other business division of Crown Lands received government funding of approximately \$55m, which along with the \$13m they generated in revenue, provided total funding of \$68m.

The Lands total budget for the 2008/09 year was \$286m and specific funding for the three business divisions is outlined below.

The LPI division is a non-budget dependent commercial entity within Lands. LPI provides integrated land and property information services to the government and community of NSW. It maintains more than 3.5m registered land titles and 1.7m registered plans defining the boundaries of discrete property titles. These services are governed principally by the *Valuation of Land Act 1916*, *Real Property Act 1900*, *Conveyancing Act 1919* and *Surveying Act 2002*. LPI receives a small amount of funding from government (\$13m), to undertake community service obligations. Apart from this, LPI generates revenues from its operations and returns a dividend payment to the government. In 2008/09 LPI's total revenues were \$186m and spent \$161m on its operations and will return tax and dividends contributions of \$16.3m back to the NSW Treasury.

The Soil Conservation Service is also a non-budget dependent commercial division within Lands. This division funds its operations from revenues. During 2008/09 approval was given by the NSW Cabinet for SCS to implement a business plan that will include upgrading its fleet of heavy machinery plant, in order to run more efficiently. SCS has seen increasing revenues from its soil consultancy services. For the 2008/09 financial year, SCS generated \$27m in revenue from its operations and almost broke even for the financial year which is a good result. SCS is getting closer to achieving the goals laid out in their business plan.

The Crown Lands division is predominantly funded through appropriations from government, in the sum of \$55m. This represents the largest proportion of the budget allocation for Lands. It additionally generated revenues of approximately \$13m. To fully comprehend Lands operations it is also important to recognise that Crown Lands provides services to two entities on behalf of the government, namely the Crown Leaseholds Entity (CLE) and the Land Development Working Account (LDWA). These are administered entities that we run on behalf of the Government and while we are

provided with funding to run these operations, financial results are reported by the Crown Entity. The Crown Leaseholds Entity generated revenue of \$68m, expenses of \$30m and net losses of \$29m, with a net result of \$9m. The Land Development Working Account generated \$13.1m in revenue with expenses of \$13.5m and a result of net loss \$0.4m. This net loss includes recognising a \$4.7m liability for a native title claim.

Government funding of \$16m is provided for LPI community service obligations and for the operations of the Office of Rural Affairs, Office of Biofuels and the Public Reserves Management Fund.

As with all government departments we operate within a legislative framework as outlined in appendix 1 (page 108).

## CORPORATE GOVERNANCE REPORT

The Corporate Governance Unit (CGU) was established to assist the Director General in the oversight of internal controls, due diligence, accountability, compliance and risk management. In addition, the Lands Audit and Risk Committee, which reports directly to the Director General, provides enhanced transparency, accountability and assist in identifying strategic improvements for Lands.

### Internal audit outcomes

Internal audit reports directly to the Director-General and the Lands Audit and Risk Committee. The unit plays an important role in the governance framework by reviewing the compliance, internal controls, efficiency and effectiveness of priority programs and business processes.

The chief auditor is also the protected disclosures coordinator and is a permanent invitee to the Lands Audit and Risk Committee, which has an oversight role of audit activities.

Lands' three-year strategic audit plan is formulated using the corporate goals, strategic risks and governance issues and is endorsed by the Lands Audit and Risk Committee and approved by the Director General.

During the year, there were 22 planned internal audit reviews, of which, 20 had been completed and two deferred to the following year as a result of request from the division.

Other activities included:

- development and review of governance related policies
- ongoing involvement in the provision of specialist advice in a range of business and operational issues
- ongoing involvement and advisory services provided to a number of Lands major projects

- ongoing involvement to the Corruption Prevention Network, CPA Focus Group, Public Sector Risk Management Association, Risk Management Leadership Group and NSW Public Sector Audit Specialist Group.

### Investigation and reviews outcomes

The Corporate Governance Unit (CGU) performed or managed investigations and reviews as a result of receiving allegations and complaints. During the year, a total of 27 complaints or allegations were undertaken or managed by the CGU, including two referrals from the Independent Commission Against Corruption (ICAC). All matters relating to corrupt conduct had been formally disclosed to ICAC.

During the year two matters investigated by CGU have been referred to the police for criminal investigation.

In 2009/10 CGU will:

- develop a governance training package to be utilised by Crown reserve trustees in the discharge of their responsibilities
- establish a compliance framework and unit to support the framework
- complete facilitation for the implementation of the Lands risk management policy.

### Audit and Risk Committee

The Audit and Risk Committee's primary objective is to assist the Director General in fulfilling his corporate governance and overseeing responsibilities in relation to Lands' financial reporting, adequacy of internal control over its business processes and functions, risk management systems, legal compliance, and the external and internal audit functions.

### Members and attendance at meetings

The Lands Audit and Risk Committee met quarterly during the period, it also held a special meeting in June. The committee comprises of five members.

There are two independent members, one of whom presides as chairman. As a result of the withdrawal of the Director Corporate Governance from the committee, the Lands' General Counsel has been appointed as a new member during the current period. The term of appointment for the independent members is two years.

The members provide expertise in financial management, business management and development, audit, risk management, legal, valuation and property information.

### Audit and Risk Committee attendance

Jim Mitchell, Chair, external member, 5 meetings. Ron Cunningham, external member, 5 meetings. Des Mooney, Deputy Director General, 2 meetings. Philip Western, Valuer General, 4 meetings. Eduardo Alegado (Withdrew June 2009), Director Corporate Governance, 4 meetings. Kel O'Keefe, General Counsel, 1 meeting.

## PRINCIPAL OFFICERS

**Director General  
Surveyor General  
Registrar General  
Soil Conservation  
Commissioner**

### WARWICK WATKINS

AMP:ISMP (Harv), MNatRes,  
DipScAgr, HDA (Hons), FAPI, Hon  
FISA (NSW), FRICS, JP

Warwick Watkins was appointed Director General of the Department of Lands on 2 April 2003. He has held the position of Surveyor General since 2000 and the position of Registrar General since 2003.

He has previously held a number of executive public sector management positions in NSW including Director General of the Department of Information Technology and Management (DITM), Director General of the Department of Conservation and Land Management, Director General of State and Regional Development and Chief Executive of the Waterways Authority.

Mr Watkins is Surveyor General of Norfolk Island, President of the Board of Surveying and Spatial Information, Chair of the Geographical Names Board and Chair of the Australian and New Zealand Land Information Council (ANZLIC), Deputy Chair of the CSIRO Research Flagship, Water for a Healthy Country, a member of the ARC Centre of Excellence for Ultra-high Bandwidth Devices for Optical Systems (CUDOS), a member of the National Spatial Information for National Security Committee, Director of Intersect, a member of the Australian Water Information Council and Chair of the Australian Consultative Committee on Risk and Security.

He is also Deputy Chancellor of the University of Technology, Sydney, Director of the World Federation of Surveyors (FIG) Foundation, Chair of Spatial Information Systems Limited, Director of AuScope and a past foundation director of Landcare Australia Limited and former Deputy Chair of Land and Water Australia Board.



WARWICK WATKINS



DES MOONEY



GRAHAM HARDING



PAUL JONES

### **Deputy Director General and General Manager Land and Property Information division**

#### DES MOONEY

MBA (Syd), BSurv (Hons), MIS  
Aust, FAICD Dip FAIM, JP

Des Mooney, General Manager, Land and Property Information (LPI) since February 2001, was appointed to the additional role of Deputy Director General on 3 April 2003. He has extensive senior management experience in both the public and private sectors including experience in surveying, mapping and valuation activities.

He is a Director of PSMA (Public Sector Mapping Agencies) Australia and a member of the National Steering Committee for Electronic Conveyancing.

He is also an alternate Director of the Governing Board of the Cooperative Research Centre for Spatial Information (CRC-SI). Mr Mooney is also a registered surveyor and registered valuer.

### **General Manager Crown Lands division**

#### GRAHAM HARDING

Graham Harding was appointed General Manager Crown Lands division in 2004.

Graham has driven significant reforms for Crown land management in recent history.

A major thrust of these reforms is working with local government, state agencies and the private sector in the planning and appropriate development of the state's Crown reserve system.

Next financial year will see the introduction of a divisional restructure which will allow officers opportunities to focus their activities in delivering on the ground outcomes to communities across NSW.

Graham also chairs the Interstate Committee for the Tweed River Estuary Sand Bypass and is Joint Project Director of the Gosford Challenge.

### **General Manager and Deputy Commissioner, Business Operations, Soil Conservation Service division**

#### PAUL JONES

Eng (Civil), Certified Professional  
Erosion and Sediment Control  
(CPESC)

Paul Jones has been the General Manager of Soil Conservation Service since April 2003. He has led the drive to improve the financial position of the group with a range of new marketing strategies, Works fleet rationalisation and upgrading and environmental consultancy expansion.

With a 30-year civil engineering background, Paul has extensive experience in soil conservation works and managing a commercial earthmoving and environmental consultancy group.

With transfer of administration of the *Soil Conservation Act 1938* to Lands, Paul was appointed a Deputy Commissioner Soil Conservation Service, Business Operations, for Act administration purposes.