

The Department

The Department of Lands was established by the Public Sector Employment and Management (General) Order 2003 on 2 April 2003. It is responsible to the Minister for Lands.

The Department of Lands (Lands) is comprised of three operational divisions:

- Land and Property Information Division (LPI);
 - Crown Lands Division;
 - Soil Services Division;
- and the Office of Rural Affairs.

The Department also provides administrative support to the:

- Board of Surveying and Spatial Information of New South Wales; and the
- Geographical Names Board.

LPI operates as a NSW Government Business Enterprise providing land, property and valuation information and services including deeds and parcel based land registration, land title consultancy, surveying, mapping and spatial information and land valuation for rating and taxation purposes.

Crown Lands Division manages and administers Crown lands held under lease, licence or permit for a vast array of public, private and community-based uses; community and Council managed reserves; lands retained in public ownership for environmental purposes; lands within the Crown public roads network; vacant Crown land and administration of minor ports, river entrances and other coastal and river-based assets on Crown land in New South Wales.

Soil Services Division is a specialist conservation earthmoving and soil consultancy business, specialising in:

- The planning, design and construction of soil and water conservation earthworks; and
- The planning and implementing of practical and realistic solutions to common land degradation problems.

The Office of Rural Affairs provides support to the Minister for Rural Affairs and the Government with the identification of key issues and needs of rural people, and improved awareness and access to information and services provided to rural NSW by working with the Regional Community Consultative Committee and collaboratively with government agencies and the broader community.

These areas are serviced by internal corporate support areas, including Financial Services, People and Performance Development Group, Administrative Services, Legal Services, Information Communications and Technology and the Communication Solutions Group.

Our Purpose

To provide quality, timely and reliable spatial information and land administration and management products and services to meet client needs.

Strategic Priorities for 2003-2004

- At the whole of Department level – the development of strategic alliances and partnerships across the public and private sectors. These will include those with commerce and academia, through the work of the Australian New Zealand Land Information Council (ANZLIC), the Board of Surveying and Spatial Information, the Geographic Names Board, the work around the development of the Australian and NSW Spatial Data Infrastructures, and research alliances with universities on such issues as Knowledge/Intellectual Capital and the Spatial Information Cooperative Research Centre, the proposed CRC on Security, Risk and Data Intelligence and other CRC and Center of Excellence initiatives.
- Land and Property Information Division – the development and adoption of a one land cadastre policy, holistic title recognition of each parcel of land within the state and progressive implementation of the Spatial Data Infrastructure for NSW. Further technological adoption to achieve business transformation, the coordination of spatial data information strategies and data in the emergency services, planning and natural resource information areas, and reform in the area of Valuations.
- Crown Lands Division – the implementation of the Government Business Enterprise (GBE) structure, significant policy reforms in Crown land management – including the areas of tenures, land assessment and, workflow reform. A focus on our land management responsibilities, including fire prevention and risk mitigation, and revised reserves and commercial strategies.
- Soil Services Division – the development and implementation of a market and user needs analysis, business planning framework and adoption of a targeted business plan which reflects a turnaround strategy with established commercial and profitability targets.

- Office of Rural Affairs – the identification of key issues and needs of rural people, and improved awareness and access to information and services provided to rural NSW by working with the Regional Community Consultative Committee and collaboratively with government agencies and the broader community.
- Corporate support – alignment of services and the support of the business areas of the department to meet business needs as reflected in improved and enhanced service level agreements, implementation of corporate governance, internal controls and management reporting systems and the adoption of key staff development and renewal strategies – including a workforce management plan to address age and skill anomalies.

The Lands Scorecard

The Balanced Scorecard has been adopted as the key instrument for measuring and reporting the Department of Lands performance in 2003-2004.

Our corporate plan is based upon the Balanced Scorecard methodology and therefore reflects the four perspectives of identifying and addressing customer and community needs, improving financial outcomes, progressing internal reform of processes and systems, and promoting learning and growth in the organisation. The perspectives have been developed to integrate the environmental and social dimensions of sustainability.

This Annual Report provides the scorecard results for 2003–2004 against each of the key measures.

Our Scorecard measures are:

Customer/Community

Meet the needs of customers, other stakeholders and the broader community by delivering responsive and accessible land information and management processes.

Financial

Contribute to the economic sustainability of NSW by efficiently using human, financial and physical assets and delivering better value to customers in a transparent manner.

Internal Processes

Drive continuous reform and improvements through innovation and good governance to achieve quality products, customer services, environmental and social outcomes.

Learning and Growth

Develop an integrated and dynamic organisation by sharing, retaining and build corporate knowledge,

adopting “smart” systems and solutions, and by embracing professionalism, innovation and teamwork in all our activities.

Refining the Scorecard

Refining the Scorecard will be an important challenge for the Department in 2004-2005, identifying further opportunities to improve organisational alignment, planning and performance reporting.

Goals for 2004/2005

Building upon the work undertaken in the 2003/2004 financial year, the Department of Lands proposes to develop the implementation of a combined Balanced Scorecard and reflecting measures for external factors, including social, environmental and financial indicators, as well as internal indicators relating to the sustainable management of the organisation.

This work, undertaken with the assistance of the Macquarie Graduate School of Management, relates to the management, measurement and reporting of intellectual capital – with the intention of including the Department’s first Intellectual Capital Report in the Department’s 2004–2005 Annual Report.

Principal Officers

Director General, Surveyor General and Registrar General

Warwick Watkins AMP:ISMP (Harv), MNatRes, DipScAgr, HDA (Hons), FAPI, JP

Warwick Watkins was appointed Director General of the Department of Lands on 2 April 2003 formerly being appointed Director General of the Department of Information Technology and Management (DITM) in April 1999 and Surveyor General in December 2000. He has held a number of public service management positions in NSW including Executive Director of the Electricity Reform Task Force, Commissioner of Soil Conservation, Director General of Department of Conservation and Land Management, Director General of State and Regional Development and Chief Executive of the Waterways Authority.

Mr Watkins is Deputy Chair and a Director of Land and Water Australia; 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), and a Director of the Cooperative Research Centre for Spatial Information. He is also a Pro Chancellor of the University of Technology, Sydney.

Deputy Director General and General Manager, Land and Property Information Division Des Mooney MBA (Syd), BSurv (Hons), MIS Aust, FAICD Dip FAIM,

Des Mooney was appointed as the General Manager, Land and Property Information (LPI) in February 2001 and appointed as 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. In his role as Executive Director of Management Services with the NSW Police Service, Mr Mooney's responsibilities included the management of IT, finance, legal, infrastructure, corporate service and commercial service areas.

Mr Mooney is a Director of PSMA (Public Sector Mapping Agencies) Australia Ltd and a member of the ANZLIC Spatial Data Infrastructure Standing Committee. He is also an alternate Director of the Governing Board of the Cooperative Research Centre for Spatial Information (CRCSI) and Chair of the Data and Information Management Working Group (DIMWG).

Valuer General

Philip Western B.Agric Com (VFM) FAPI, AIMM, ANZPI, NZIM

Philip Western was appointed Valuer General in September 2003. He is the principle advisor to the New South Wales government on valuation issues. His responsibilities include the regulatory functions relating to statutory land valuations, professional conduct of and ensuring the integrity of the valuation system and processes.

The Valuer General is also responsible for the determination of compensation under the *Land Acquisition (Just Terms) Compensation Act 1991*.

Mr Western was previously General Manager, Quotable Value Australia with responsibility for driving business growth for rating, taxation and valuation consultancy work in New South Wales.

Mr Western was also General Manager, Rating and Taxation for Quotable Value New Zealand. His focus was on development of valuation business with local government customers throughout New Zealand.

General Manager Crown Lands Division Graham Harding

Graham Harding joined the Department of Lands with the transfer of Crown land responsibilities from the former Department of Land and Water Conservation (DLWC). Mr Harding was formerly General Manager Land NSW in DLWC.

Mr Harding has led the realignment of several Crown Lands programs into a single service delivery unit, enabling the development of a Public Trading Enterprise.

With a diversity of experience in public land management spanning 36 years, Mr Harding is focusing the division on implementing the Government's reform program and delivering improved environmental, social and economic outcomes from a complex and strategically important portfolio of assets.

Mr Harding chairs the interstate working party for the Tweed Heads Sand By-Pass Project, the Interdepartmental Committee for Roads, and he also holds positions on the National Standing Committee of Land Administration, the NSW Coastal Comprehensive Assessment Council and the NSW Coastal Acquisition Task Force.

General Manager Soil Services Division Paul Jones B Engineering (Civil), CPESC

Paul Jones joined the Department of Lands as acting General Manager, transferring from the former Department of Land and Water Conservation (DLWC) with Soil Services Division in April 2003. He was appointed to the General Manager position in February 2004.

Mr Jones has led the drive to improve the financial position of the group with a range of new marketing strategies, Soilfleet rationalisation and upgrading, and environmental consultancy expansion.

With 25 years experience in civil engineering, Mr Jones brings extensive knowledge and experience to the management of the Department's soil conservation, commercial earthmoving and environmental consultancy services. During his career, he has also worked with various government departments in a range of engineering positions involving river, flood mitigation, coast and ports works and government facilities.

Corporate Governance

Corporate governance is one of today's most prominent business challenges. The Department of Lands' Corporate Governance Unit (CGU) is responsible for monitoring the Department's business operations. The objectives are to establish processes through which management remains accountable to stakeholders, and implementing a framework to assure stakeholders that the Department is fulfilling its responsibilities with due diligence and accountability.

Corporate Governance within the Department of Lands is also a mechanism to ensure that the Boards and Committees of the Department and all business components of the Government Business Enterprise, Land and Property Information Division (LPI) and the Crown Lands and Soil Services Divisions support units are operating in a manner which is consistent with government policy and reasonably meets the diverse expectations of stakeholders and recipients of its products and services.

The internal audit function, which the CGU manages, is a fundamental element of the corporate governance structure within the Department. It operates primarily to provide assurance to executive management that the internal control structure of the Department is effective. The CGU, also through internal audit, assists the Lands Audit Committee in discharging its governance responsibilities.

Audit Committee

The Lands Audit Committee objective is to assist the Director General to fulfill his corporate governance and overseeing responsibilities in relation to the Department's financial reporting, internal control structure, risk management systems, legal compliance, and the external and internal audit functions.

The Committee comprises two independent members, one of whom presides as Chairman, and three internal members. The five members provide expertise in financial management, business development, legal matters, audit and property information. The Committee held five formal meetings during the year.

Members

Joanne Rees, Chair, External Member

Ron Cunningham, External Member

Des Mooney, Deputy Director General

Philip Western, Valuer General

Eduardo Alegado, Director Corporate Governance

Julie King, Acting Manager Audit and Corporate Governance (Resigned)

Esther Chesterman, Director Corporate Strategy and Reform (Resigned)

Attendance at Meetings

Committee Members	Meetings Attended
Joanne Rees	5
Ron Cunningham	5
Des Mooney	4
Philip Western	1
Eduardo Alegado	4
Julie King	1
Esther Chesterman	4

Auditing of the Organisation

The Corporate Governance Unit managed the Internal Audit function provided by external contractors, Deloitte Touche Tohmatsu for the Department. A total of fourteen reviews were completed during the financial year 2003/2004.

The CGU is also responsible for overseeing a structured program of external audits undertaken by the Audit Office of New South Wales.

Some of the key internal audit reviews conducted during the period includes:

- Financial reporting integrity – external reporting
- Delivery of valuation services, contract management and objection process.
- Revenue assurance reviews for LPI, Crown Lands and Soil Services Divisions.
- SAP general computer controls

The reviews undertaken for the period were identified from a comprehensive business operations risk assessment performed by Deloitte Touche Tohmatsu.

Corporate Governance Outcomes

- Managed and implemented a comprehensive internal audit program.
- Supported and assisted with the Department's response to issues arising from the external audit process.
- Successfully managed matters referred by the Independent Commission Against Corruption.
- Developed key performance indicators to improve the efficiency and effectiveness of the internal audit function.
- Supported the functions of the Lands Audit Committee.
- Provided strategic advice on a number of key projects.
- Developed a strategic audit plan for 2004/2005.
- Developed Audit Committee and Internal Audit Charters.

Future Challenges

- Develop an in-depth understanding of each substantial segments of the Department's business.
- Develop a comprehensive audit methodology process.
- Develop the Department's 'Fraud Prevention' policy and framework.
- Co-ordinate the development of the Department's Risk Management policy and framework.
- Establish a Risk Committee to monitor the Department's risks.
- Enhance the Department's Protected Disclosure policy, and provision of training to nominated Protected Disclosure Officers.
- Co-ordinate the performance of the Audit Committee self-assessment and develop recommendations for improvements.

LPI Advisory Group

The role of the LPI Advisory Group is to give counsel, not govern, on issues regarding LPI's goals, oversee strategic plans and review LPI's progress towards attaining goals. The General Manager, as CEO of LPI, makes all choices consistent with the policy defined by the Director General and has cumulative accountability for the performance of all staff and for compliance with executive limitations.

The Group consists of seven persons and is chaired by the Director General. The three external counsellors have expertise in financial management, business development and property information. The Group meets five times a year, with meetings coinciding with critical times in the planning cycle.