

The Hon Tony Kelly MLC
Minister for Lands
Minister for Rural Affairs
Minister for Regional Development
Vice President of the Executive Council
Leader of the House (Legislative Council)
Level 34
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister

I am pleased to submit the Department of Lands (Lands) Annual Report for the year ended 30 June 2007 for your information and presentation to Parliament.

Following the restructure of the Department of Natural Resources and the transfer of Western Lands administration to Lands, Lands was granted an extension of time for the submission of financial statements. In accordance with section 16(3) of the *Annual Reports (Departments) Act 1985* subsequent approval was also granted for an extension of time for the submission of Lands' Annual Report to 9 November 2007.

This report has been prepared in accordance with the *Annual Reports (Departments) Act 1985*, the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*.

This publication has been prepared to include the reports from all administrative areas of Lands, the Office of Rural Affairs, Geographical Names Board and the annual report for the Board of Surveying and Spatial Information of NSW.

I commend this report to you.

Yours sincerely



Warwick Watkins
Director General
Surveyor General
Registrar General



The Director General's Report



2006/07 was a year of change for the Department of Lands with the restructuring of the Crown Lands Division to a program management model and the transfer of responsibility for the Western Lands Division from the Department of Natural Resources. Land and Property Information Division also experienced change with the restructure of Valuation Services following the transfer of Property Valuation Services from the Department of Commerce. The consolidation of the administration and management of all land related services within one agency is a reflection of Lands' ongoing achievements.

Although there were considerable internal and administrative changes, we continued to meet our customer, community, government and workplace obligations.

Despite decreases in revenue streams linked with the downturn in the property market, Lands generated operating revenue of \$188 million, an increase of 9% compared with 2005/06. As well as a strong financial performance, Lands continued to deliver new or improved electronic services, opportunities for regional development, sustainable land

management and leadership in spatial information technology.

In November 2006, the NSW Government released its State Plan identifying priorities for government action over the next 10 years. Lands has a fundamental role in delivering the promised results by enabling the people of NSW to build harmonious communities; facilitating prosperous business growth; enhancing an environment for living; and developing and delivering better public services. Lands was able to adjust its business priorities wherever possible during the second half of the reporting year to align with the State Plan. During 2007/08, Lands will undertake the development of a new Corporate Plan which will provide the strategic management framework for Lands as a whole, setting high level performance goals and measurable objectives to deliver the priorities of the State Plan.

Land and Property Information Division (LPI) has delivered major advances in our online service delivery this year, providing public access to a number of specialist land information indexes and launching the Survey Services Portal, which provides registered surveyors and survey searchers with a convenient

single entry point for all survey related products and services.

LPI completed stage one of the Government Property Register (GPR) redevelopment, providing online access for government agencies through Lands' Spatial Information eXchange (SIX), and enabling automatic updating of information to be captured and recorded by the Integrated Titling System and Notice of Sale system. Significant progress was also made with ePlan with a number of projects initiated to develop the new electronic information management system which will reduce plan processing times benefiting all parties associated with land development.

LPI's Data Conversion and Cleansing Program continued during 2006/07 with the bulk of Old System land parcels and Manual Torrens titles being converted to the electronic Integrated Titling System. The program expanded this year with the commencement of the digitisation of 700,000 aerial photographs and the conversion of 100,000 parcels of Crown land.

During the year, the Emergency Information Coordination Unit provided ongoing support to security planning for a number of large events to be staged in Sydney during 2007/08



including APEC, the Papal visit and World Youth Week. This involvement will significantly increase as the events approach.

In an ongoing commitment to optimise environmental and socio-economic benefits to the people of NSW, **Crown Lands Division** has continued working with state and local government agencies, local trust boards, private enterprise and industry and community groups to help identify and utilise the potential of Crown land assets in the rural, maritime, industrial, residential, and tourism development areas. During 2006/07 Crown Lands established the Regional Crown Reserves System, finalised master plans for the future direction of a number of maritime precincts and created a new Crown Reserve at Coleambally.

Crown Lands continued to manage the minor ports, river entrances and waterways programs on behalf of the NSW Government, undertaking maintenance and repairs to wharves and break walls in Ulladulla and Coffs Harbour, breakwater repairs and upgrades at Tweed River and Camden Haven and the provision of a new vessel sewage pump-out facility at Huskisson.

Crown Lands extended its support of communities impacted by the ongoing drought by implementing the Drought Communities Crown Reserves Improvement Program which aims to provide financial relief to landowners and rural workers engaged by Crown Reserve Trusts to undertake improvement and maintenance projects on local community assets such as public halls and showgrounds.

Soil Conservation Service Division (SCS) continued in 2006/07 to deliver a high standard of soil conservation and environmental services to land owners and local and state government agencies. In addition to their consulting services, SCS provided vital support to the Rural Fire Service and State Emergency Services during the summer bush fire season and recent Hunter floods.

Despite the ongoing drought, SCS's environmental consultancy continues to experience strong demand with major projects undertaken on behalf of government agencies and Catchment Management Authorities including water catchment environmental works, erosion control on major highway construction, and conservation and rehabilitation works at derelict and operational mine sites.

SCS provided strong increases in sales in all three service areas, exceeding budget for the financial year. SCS will look to further expand operations following the completion of their business and marketing plans during the year.

The Office of Rural Affairs (ORA) continued its work in providing support to the Rural Communities Consultative Councils, communicating the interests and concerns of country NSW to government and advising on rural issues, services, policy and initiatives.

Telecommunications and broadband expansion is a major vehicle for regional development and social enhancement, and this year the ORA supported a number of technology awareness programs in support of the NSW Government's 'Broadband for the Bush' program. These programs will assist country towns to attract new business and expand traditional businesses into the global marketplace.

The Director General's Report

Surveyor General's report

In my statutory position as Surveyor General I have continued during 2006/07 to foster the surveying and spatial information industry not only in NSW but nationally and internationally. The past year has seen a focus on strategic issues including a new whole-of-government framework for spatial information, and initiatives to address the current skills shortage in surveying and spatial information.

Strategic direction

The second stage of the development of a NSW Spatial Information Strategy branded the Common Spatial Information Initiative (CS2i) was completed during 2006/07. This initiative provides a whole-of-government industry policy framework for spatial information. CS2i, developed from extensive stakeholder consultation, proposes a cross agency service that will provide common eBusiness functions required by customers accessing spatial and related information online. Further information on CS2i is reported under the Board of Surveying and Spatial Information (BOSSI) on page 83.

To ensure the continuing development and improvement of the surveying and spatial information industry it is essential that relationships with industry and government agencies are fostered. As Surveyor General I attended a number of strategic forums during 2006/07 including the inaugural 'Spatial Impacts' conference held by BOSSI aimed at canvassing best practice. I also continued involvement in the organisation and promotion of the International Federation of Surveyors (FIG) World Congress to be held in Sydney in 2010.

Over the course of the reporting period Lands has continued to support research relating to the development

of spatial information, including Australian Research Council Linkage Project industry grants relating to the development of national integrated spatial infrastructure initiatives relevant to the built and natural environment and real time atmospheric modelling. In addition Lands has been involved as a core participant of the Cooperative Research Centre for Spatial Information, supporting cross sectoral research and education programs.

Skills and education capacity building

During 2006/07 a number of initiatives were introduced to further enhance skills and education capacity including the:

- development of joint industry workshops on town planning and engineering for candidate surveyors seeking registration
- establishment of a Professional Appointment in Spatial Information at the University of NSW to assist the leadership and coordination of research in the area of spatial information for NSW. This appointment was established in partnership with the University of NSW and the Cooperative Research Centre for Spatial Information.

Two scholarships in surveying and spatial information were granted again this year:

- Undergraduate Scholarship in Surveying and Spatial Information granted to Dean Watkins who commenced training in Bathurst in February 2007
- International Fellowship in Surveying and Spatial Information granted to Stephen Barr (Surveyor) who travelled to Indonesia, New York and Hong Kong to better understand world's best practice in land administration and planning and how to relate that back to the Australian scene.

Survey and drafting directions

In accordance with Surveying Regulation 2006, the Survey and Drafting Directions for Mine and Coal Mine Surveyors were revised and reissued jointly by the Surveyor General and the Department of Primary Industries. The Directions form the major standards framework for surveying in all major mining operations in NSW.

In my role as the Surveyor General I hold the statutory positions of President of the Board of Surveying and Spatial Information (BOSSI) and Chair of the Geographical Names Board (GNB). A detailed report from BOSSI begins on page 77 and GNB on page 71.

Registrar General's report

As the Registrar General my role is to safeguard and maintain the integrity of the register of land ownership in NSW. The activities of this office are integral to the process of and confidence in, the property market.

During 2006/07 the focus remained on the conversion of Manual Torrens titles to the electronic Integrated Titling System (ITS), the National Electronic Conveyancing System (NECS) readiness program and measures to effectively combat attempts at property fraud.

Integrated Titling System (ITS)

The Torrens Title System, established in 1863, provides landowners, and those who wish to deal with land, with proof and security of ownership. The Torrens Title System also provides a level of protection against uncertainty and fraud, enabling the transfer of land assets within a sound legal environment.

Work continued during 2006/07 on the conversion of Old System and paper-based Torrens titles to the ITS. As at 30 June 2007, 17,806 (85%)

of Old System parcels, 46,241 (79%) of manual titles, and 27,143 (70%) of lease titles have been converted to ITS. The project is expected to be completed by the end of 2007.

National Electronic Conveyancing System (NECS)

The NECS is a proposed national system for lodging and settling property transactions electronically. It will provide a single interface for national property transactions especially benefiting consumers and practitioners in the more remote parts of Australia. As the most significant development in conveyancing since the introduction of the Torrens Title System, the NECS program requires the coordinated efforts of state and territory government agencies, and LPI is playing a key role in its implementation.

During 2006/07, NECS readiness projects included the development of practices and procedures, legislation, supplements to the Integrated Titling System, IT infrastructure assurance, electronic examination, business rules and stakeholder communications. These projects will remain the focus during the next reporting period as LPI works to develop NSW market readiness for implementation to NECS.

Property fraud prevention

Strengthening my commitment to protecting the public from attempts at property fraud involving identity theft, a new unit was established to examine high risk dealings and recommend new procedures and security measures to ensure public confidence in the Torrens Title System.

Unfortunately, incidents of property fraud do occur and during 2006/07, several payments totalling \$433,937 were made in response to claims against the Torrens Assurance Fund. This sum includes compensation

payments and disbursements such as Counsel's fees (further details are reported in Appendix 19).

Boundary determinations

As Registrar General I also have a duty to undertake boundary determinations in accordance with Part 14A of the *Real Property Act 1900* upon the application of a land owner, purchaser under contract, or public or local authority. During the past year eight boundary disputes were resolved.

Amended legislation

The following Acts were amended under the *Statute Law (Miscellaneous Provisions) Act (No 2) 2006*:

- *Conveyancing Act 1919*
- *Real Property Act 1900*

The following Acts were amended under the *Statute Law (Miscellaneous Provisions) Act 2007*:

- *Community Land Development Act 1989*
- *Conveyancing Act 1919*
- *Strata Schemes (Freehold Development) Act 1973*
- *Strata Schemes (Leasehold Development) Act 1986*

Details of amendments are provided in Appendix 19.

As we look to the future Lands faces many challenges, including the loss of experience and knowledge through a retiring workforce, managing the ongoing impact of drought conditions on land management and soil conservation earthworks and balancing the needs and expectations of individuals, community groups, industry and government. However, our strategic planning and commitment to improving services leaves us well placed to meet these

challenges and we will continue to offer specialist land information and management services to the people of New South Wales.

I wish to thank the management team and staff within our organisation who enable Lands to meet its financial and service delivery targets each year.



Warwick Watkins

Director General
Surveyor General
Registrar General



- 1786** The office of the Surveyor General was established in England with Augustus Alt appointed as Surveyor of Lands.
- 1834** The survey of the colony was finally complete and a map of 19 counties was produced.
- 1844** William Carter appointed as the first Registrar General.
- 1856** The Office of the Registrar General re-established after being abolished in 1849. Christopher Rolleston appointed as Registrar General.

- 1859** The Department of Lands was first established.
- 1975** The Department of Lands was reformed to comprise the Crown Lands Office, Registrar General, the Western Lands Commission, and the Central Mapping Authority. Land registration was the responsibility of the Registrar General's Office with land management undertaken by the Crown Lands Office.
- 1981** The Department of Lands was amalgamated with the Department of Local Government to form the Department of Local Government and Lands.

- 1984** The Department of Lands was re-established.
- 1986** The Registrar General's Office was removed from the Department of Lands and placed under the Attorney General's Department.
- 1988** The Department of Lands consisted of the Crown Lands Office, Central Mapping Authority, Western Lands Commission, State Land Information Council, and the Corporate Services Division.

Who we are

Since documenting the first state records under the Office of the Surveyor General in 1788, the Department of Lands has played a pivotal role in the identification, allocation, use and management of public land in New South Wales.

The current formation of Lands was created in 2003, incorporating:

- three business operational divisions
 - Land and Property Information
 - Crown Lands
 - Soil Conservation Service

- the Office of Rural Affairs
- internal corporate service areas including Finance and Corporate Support, People and Performance Development Group, Legal Services, Corporate Governance, Information Communication and Technology, 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, and the Geographical Names Board.

Land and Property Information Division

Land and Property Information (LPI) is a self-funded valuation, titling, spatial information and surveying service which aims to provide comprehensive, accurate and independent information about land ownership in NSW.

LPI is the leading and definitive source of land information, spatial data and property ownership, which underpins a vibrant and robust NSW property market.

- 1991** The Department of Lands (including the Land Information Centre), Soil Conservation Service, the Lands Titles Office and the Valuer General's Department were transferred to the Department of Conservation and Land Management.
- 1995** The Department of Conservation and Land Management was abolished and along with the Department of Water Resources and the Water Services Policy Division were amalgamated to form the Department of Land and Water Conservation.

- 1997** The Valuer General's Office was established as a separate Department.
- 1998** The Department of Land and Water Conservation consisted of the Land Titles Office, Soil Services, Land NSW and State Water.
- 1999** The Land Titles Office was transferred to the Department of Information Technology and Management; the State Valuation Office was transferred to the Department of Public Works and Services.

- 2003** The Department of Land and Water Conservation was abolished and the Department of Lands re-established as we now know it.
- 2006** The Department of Lands celebrates 150 years of contribution and achievement in land information and management.
- 2007** Western Lands administration was transferred from the Department of Natural Resources to the Department of Lands.

Crown Lands Division

The total area of New South Wales is almost 80 million hectares, half of which is Crown land.

The Crown Lands Division is responsible for the sustainable management of 43.7 million hectares of Crown land. From its 11 state parks, public reserves, walking trails and caravan parks to allocated land for varied community and business purposes, such as schools, hospitals and ports.

Crown Lands Division is dedicated to optimising environmental, economic and social outcomes for the benefit of the people of NSW.

Soil Conservation Service Division

Soil Conservation Service (SCS) is a specialist earthworks and environmental consultancy business which is dedicated to the conservation and sustainable management of NSW's natural soil resources. SCS is a leader in land assessment, erosion and sediment control, degraded site rehabilitation and revegetation programs. Its efforts ensure the continued sustainable management of NSW land.

Office of Rural Affairs

The Office of Rural Affairs works 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 evolution.

Our customers

Lands is responsible to the people of NSW for the care and management of public land and land information systems. Other 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.



Extended Performance Reporting

Over the course of the last three years Lands has been involved in developing reporting processes which capture the intangible value of our organisation. This progress has been documented in previous years in the Annual Report as the 'Intellectual Capital Statement'.

This year we have sought to reduce the length of the report, presenting a briefer overview of key data. While we believe it is important to document

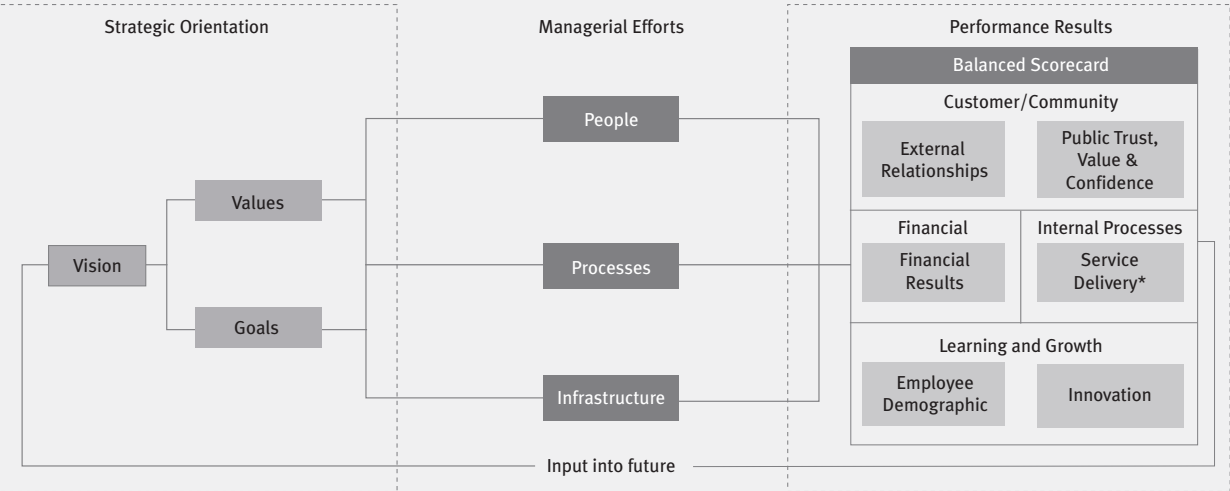
the internal development of our management, measurement and reporting practices and to highlight key issues in our progress, the information ought to be as accessible as possible.

Rather than highlight the individual frameworks we utilise in envisioning and reporting on organisational progress, this year's report aggregates the information in a simpler, more succinct format.

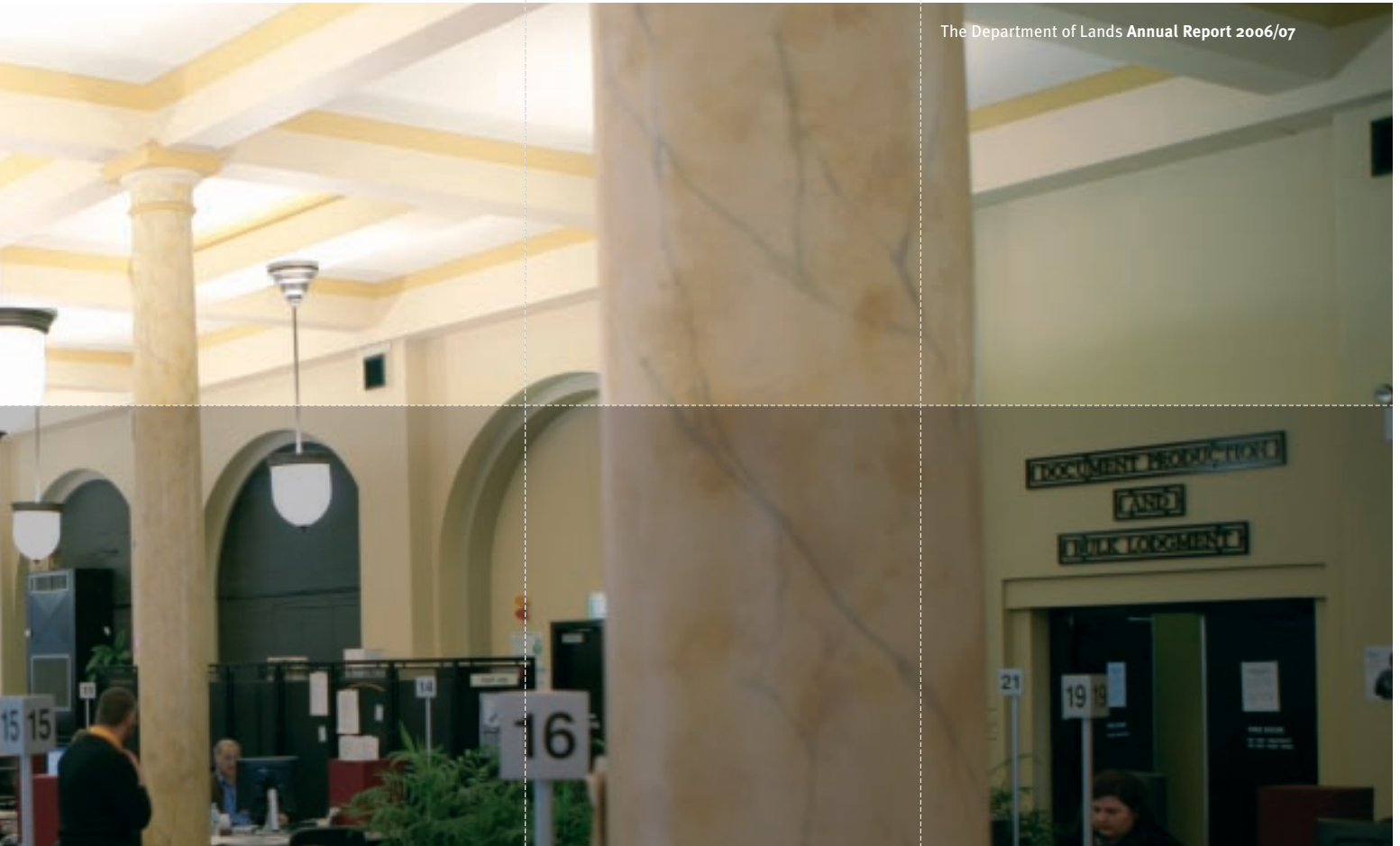
This report reflects Lands' progress towards extended performance reporting.

The diagram, produced below, demonstrates the development of our reporting processes.

Reporting framework



* The diagram which appeared in Lands' 2006 Annual Report included a typographical error which is corrected here.



Vision

To provide quality, timely and reliable geospatial information and land management products and services based on client needs.

Values

Customer service

We are committed to identifying customer needs and providing excellent products and services to clients in all locations.

Accountability

We provide our services in accordance with government and community expectations and manage government finances with strict probity to achieve value for money.

Innovation

We seek to develop innovative strategies and solutions to provide customer services and meet government needs.

Respect

We treat all people with dignity, respect and fairness, acknowledging the different value systems which exist within our multicultural society.

Integrity

We behave with integrity and in the public interest when using departmental resources, managing business and personal information and conducting business transactions.

Teamwork

We encourage a team approach to work, learning and problem solving.

Leadership

We are committed to providing leadership to the community and the public sector in areas of geospatial information and land management, and at all levels across the organisation.

Strategic goals

Promote the development and adoption of a comprehensive spatial data infrastructure and 'one land cadastre' across NSW.

Promote our expertise in soil, water and environmental conservation for the benefit of publicly and privately held lands.

Engage in legislative and business reform to enhance the stewardship and development of Crown lands in NSW.

Implement innovative business solutions, which promote and encourage the effective and efficient management of public and private resources.

Encourage strategic partnerships and alliances across the public and private sectors.

Review internal processes with the view to improving productivity and capturing explicit organisational knowledge.

Engage information technology and communication solutions that deliver improved, customer-focused service delivery options.

Create a 'learning organisation' environment, which supports and encourages the development of knowledge and skills.

Provide efficient, effective and appropriate quality products and services to the people of NSW.

Articulate and demonstrate the public value created by the Department of Lands.

Performance overview

Customer/community

NSW Government priorities

Better partnerships with business and the community.

More responsive services.

Better integrated services.

Lands' strategic objectives

Provide land information and management services that are accessible and responsive to meet the needs of our diverse client base.

Develop partnerships and improve relationships with other agencies, business and the community.



Highlights

Extending our networks

Continued development of strong relationships with a range of government agencies and authorities including Roads and Traffic Authority, Department of Environment and Climate Change, and Catchment Management Authorities (CMA). (p.61)

Accommodation provided for IBM's regional software and applications centre in Lands' Bathurst office building. (p.38)

Continued working with CMAs, local councils and land owners on a range of environmental improvement programs including minor ports, river entrance and waterways (p.56) and drought communities Crown reserves improvements. (p.57)

Working with the Rural Fire Services to undertake substantial fire hazard reduction works on Crown land. (p.58)

Demonstrating public value

93% of respondents to SCS's customer satisfaction survey rated overall performance as good to exceptional. (p.203)

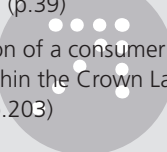
90% of respondents to LPI's online survey rated their satisfaction with online services between seven and 10 (10 being the highest). (p.237)

Improving customer services

Launch of Online Survey Services Portal (SSP) to deliver online survey related products and services to NSW Registered Surveyors. (p.38)

Introduction of new electronic service delivery (ESD) products and services including the Cadastral Records Enquiry (CRE) and online objections to land valuations. (p.39)

Introduction of a consumer feedback system within the Crown Lands division. (p.203)



Future focus

Working with a range of government agencies to implement the NSW State Plan 'Environment for Living' priorities providing practical solutions to a range of environmental issues.

Ongoing improvement of customer services through SCS Quality Management system ISO9001:2000.

Provision of a range of technical and environmental services to government during emergency situations.

Identify and implement projects to prepare for the implementation of a National Electronic Conveyancing System.

Continue to develop ePlan by finalising and publishing the NSW LandXML schema for digital plans and establishing a pilot for the lodgement of digital plan files.

Design the Government Services Development Program to provide government, the commercial sector and private individuals with enhanced land and property information systems.

Maintaining and investing in Crown lands infrastructure.

Providing better access to and use of Crown lands for broader community benefit.

Establish and maintain collaboration with key stakeholders, partners and community groups in regard to the use of Crown land.

Fulfil the objectives of the interstate Deed of Agreement between NSW and Queensland governments to deliver the Tweed River Entrance Sand Bypassing Project.

Financial

NSW Government priorities

Economic growth.

Lands' strategic objectives

Contribute to the economic sustainability of NSW by efficiently using available human, financial and physical assets.

To implement economic and organisational reform of government businesses within the agency.

Providing spatial information and other data that supports public and private sector growth.

Highlights

SCS's business plan finalised and submitted to Treasury for approval with revised strategies to minimise ongoing budget support. (p.62)

Strong financial performance by SCS with growth in Consult and Operations sales and income. Works income also increased with operational costs decreasing. (p.62)

Implemented structural changes in LPI to clearly delineate major development programs from ongoing operations, and provide for adequate resourcing of both streams. (p.23)

Fully implemented the Government Property Register and completed realignment for 90% of Local Government Areas in Sydney Water Region included in the Single Land Cadastre. (p.44)

Energy costs reduced as a result of purchasing electricity on the contestable market.

Greenhouse gas emissions reduced by continuing to purchase a percentage of Green Power. (p.210)

Continued implementation of IPART recommendations for pricing in relation to telecommunication sites and rentals for waterfront tenancies on Crown land. (p.234)

Preparation of draft Master Plans for the future direction and development of Crown land maritime precincts at Coffs Harbour, Southern Harbour, Tweed Heads, Ulladulla, Batemans Bay and Port Stephens. (p.51)

Future focus

Work with Treasury to secure a response on the future direction of SCS, in particular the implementation of a plant replacement program to alleviate the current issue with excessive plant down time and high maintenance costs.

Work to resolve administration of the *Soil Conservation Act 1938*.

Continue the expansion of SCS Consult and Operations activities to improve financial viability of division.

Complete the Single Land Cadastre and explore future cadastral realignment opportunities with local government and utilities.

Improve the spatial data infrastructure including geographical coding of addresses, topographical and cadastral data systems and survey and spatial data delivery services.

Continue to work with local councils and communities to develop Crown lands, where appropriate, to provide commercial and public benefit.

Improve economic returns and performance by converting all eligible perpetual leases to freehold and closing and selling unnecessary Crown roads.



Performance overview

Internal processes

NSW Government priorities

Improvement of government business processes and systems.

Lands' strategic objectives

Review internal business processes to deliver improvements in the quality of our services and products, to reduce inefficiencies and to achieve desirable financial, environmental and social outcomes.

Highlights

Improving service delivery

SCS intranet site upgraded to include business resources and management system to enable improved staff access, document control, and current and consistent business development. (p.24)

Replaced existing analogue camera technology for aerial photography with digital technology. (p.45)

EPlan business case developed and initiated. (p.43)

Online access to Government Property Register through Lands' Spatial Information eXchange (SIX). (p.44)

8,500 Crown reserves have been converted to the Integrated Titling System. (p.43)

Developed Regional Crown Reserve network to provide more effective management structure for Crown land. (p.52)

Ongoing rollout of corporate records management system including staff training.

Quality systems

SCS's Quality Management system maintained and external accreditation extended to Tamworth and Newcastle offices. (p.24)

Developed a Business Continuity Plan for LPI's Queens Square Sydney operations. (p.37)

Continued development of Lands' Fraud Prevention Strategy. (p.40)

Crown Lands Division developed and implemented a comprehensive online complaints handling system. (p.203)

Developed, managed and implemented a comprehensive internal audit program. (p.22)

Approval of Functional Retention and Disposal Authority for LPI, ORA and SCS.

Retained three star energy efficiency rating for Lands' Queens Square, Sydney building. (p.208)

Complete re-valuation of the Crown estate.

Future focus

Maintain and enhance SCS's quality management system. Develop environmental and OH&S systems to complement this system.

Expand SCS resources available to staff via the intranet to ensure consistent and improved business development.

Continue conversion of Crown parcels to the Integrated Titling System.

Conserve and digitise historical plans, aerial photography and the Old Form Torrens Title register, and establish a state imagery register and library.

Fully develop and provide training in relation to the fraud prevention strategy.

Enhance governance related policies.

Risk management facilitation on significant projects.

Review and enhancement of committee charters within Lands.

Continue roll out of electronic recordkeeping processes.

Finalise Functional Record and Disposal Authorities for remaining business units.

Continue implementation of Energy Conservation and Efficiency Plan.

Convert all regional Crown Lands Parish maps to digital format.



Learning and growth

NSW Government priorities

Maximise the potential of people and technology to support service delivery.

Lands' strategic objectives

Develop a dynamic, integrated organisation by sharing, retaining and building corporate knowledge, adopting 'smart' technologies, and by encouraging innovation and teamwork.



Highlights

Learning

Introduction of the 'Take 5 Before you Start' workplace safety program to all staff working in uncontrolled work environments. (p.232 OHS)

Continued development of online learning modules supplementing workplace education (p.206), including risk management (p.22) and OHS. (p.232)

Continued funding attendance of staff at numerous external courses, conferences and seminars. (p.206)

The redesign and migration of Lands' internet and intranet to a new content management system.

Growth

Recruitment of additional SCS Consult staff at key locations in preparation to backfill retiring staff and prevent loss of corporate knowledge.

Developed 'Vision 2013' human resources and business planning action plans at the local workplace level. (p.24)

Careers Expo held in Darling Harbour, Sydney, resulted in positive awareness of Lands' graduate and trainee programs. (p.206)

Innovation

Continued existing research relationships developing concepts of extended performance reporting. (p.237)



Future focus

Review SCS staff plant protocols and work risk assessments, place on intranet for improved staff access.

Recruit additional SCS Consult staff and broaden work capabilities.

Encourage and support staff training to further develop business opportunities.

Build relationships with secondary and tertiary educational institutions, skills development for existing staff and detailed planning for the management of new recruits to address staffing and business issues associated with a large number of expected retirements and rapidly changing technology and skills needed in the workplace.

Continue development of online learning modules including OHS induction, ergonomics, hazard identification and emergency procedures.

Develop and implement comprehensive online Crown Lands Division policy storage and retrieval system as part of knowledge management strategy.

Three year performance summary

A snapshot of Lands performance and activity levels.

Indicators/activity		2004/05	2005/06	2006/07	% change against 2005/06	Expected trend
Customer/community						
Land title transactions registered	LPI	806,965	810,037	793,582	-2.0%	►
Plans registered	LPI	13,181	11,912	11,261	-5.5%	►
Copies of land title related documents supplied to customers	LPI	4.25m	4.27m	4.4m	3%	►
Boundary determinations	LPI	17	16	8	-50%	►
Survey enquiries (including SCIMS searches)	LPI	88,081	78,970	76,932	-2.6%	►
Number of formal customer complaints	SCS	4	3	3	0%	►
Number of new clients (SCS)	Consult	22	25	29	16%	▲
	Works	269	226	218	-4%	▲
	Operations	5	6	4	-33%	▲
% of all eligible perpetual leases converted to freehold (cumulative)	CL	-	36.58%	42.45%	5.9%	▲
No. of major regional reserves established	CL		1	37	3,600%	▼
No. of recreational trails and tracks established on Crown Land (cumulative)	CL	6	6	6	0%	►
Financial						
Total operating revenue	Lands	\$164.6m	\$172.4m	\$188.3m	9%	▲
Value of PPE and intangible assets	Lands	\$116.8m	\$140.7m	\$164.2m	17%	▲
Maintenance costs as a % of asset value	Lands	3%	2%	1%	1%	▲
Revenue from administered activities (Crown Entity)	CL	\$115.4m	\$64.1m	\$98.5m	54%	▼
Revenue collected from developed or vacant land and land sold to NSW Government agencies	CL	\$54.2m	\$21.06m	\$19.54m	-7.2%	►
Revenue collected from leases, permissive occupancies, royalties, water licences etc on behalf of the Crown Leasehold Entity	CL	\$45.57m	\$40.65m	\$41.04m	1%	▲
Operating profit before income tax	LPI	\$17m	\$94.5m	\$75.1m	-21%	▼
Return on assets	LPI	12%	63%	38%	-40%	▼
Total debt to total assets	LPI	112%	54%	38%	-30%	▼
Profit margin	LPI	11%	61%	46%	-25%	▼
Revenue (SCS)	Consult	\$6.6m	\$7.6m	\$11.5m	51%	▲
	Works	\$7.4m	\$7.4m	\$7.9m	7%	▲
	Operations	\$2.9m	\$3.1m	\$4.5m	45%	►

A snapshot of Lands performance and activity levels continued.

Indicators/activity			2004/05	2005/06	2006/07	% change against 2005/06	Expected trend
Internal processes							
Hectares treated with conservation earthworks		SCS	32,536ha	23,375ha	24,151	3%	►
Number of projects undertaken	Consult	SCS	216	263	338	29%	►
	Works		795	700	715	2%	▲
	Operations		24	33	32	-3%	▲
Number of weed control projects supported by Crown Lands		CL	120	100	125	25%	►
Survey control infrastructure improvement ¹		LPI			12,879	-	►
Land parcels added or updated to the Digital Cadastral Database ²		LPI			560,449	-	►
Feature changes to Digital Topographic Database		LPI	1.83m	.89m	.91m	0.2%	►
Aerial photographs		LPI	16,166	13,785	14,095	2.2%	►
LPI aircraft flying hours (for aerial photography)		LPI	387	413	447	8.2%	►
% non-computerised land parcels converted to the Integrated Titling System (cumulative)		LPI					
Old System			–	62%	89%	27%	▲
Manual Torrens (excl. lease folios)			–	57%	79%	22%	▲
Lease Folios			–	–	70%	–	▲
Crown Parcels			–	–	8.5%	–	▲
Learning and growth							
% of staff turnover		Lands	7.5%	5.1%	6.0%	0.9%	►
Number of employees as at 30 June		Lands	1,427	1,453	1,551	6.7%	►
Average age of employees		Lands	45	46.49	46.48	0%	▼
% of staff who identify as being of NESB		Lands	15.3%	16%	14.2%	-1.8%	▲
Women as a % of total staff as at 30 June		Lands	36.5%	36%	36.4%	0.4%	▲
Internal courses – number of staff attending		Lands	429	643	290	-55%	▲
External courses – number of staff attending		Lands	261	562	514	-8.5%	▲
No. of significant committees and statutory bodies involving Lands representatives		Lands	29	65	91	40%	►
No. of research partnerships		Lands	6	5	5	0%	►

1. Represents all new survey marks established and existing survey marks improved in positional accuracy.

2. Represents all new parcels added from Registered Plans as well as all changes to existing parcels.

SCS – Soil Conservation Service Division

LPI – Land and Property Information Division

CL – Crown Lands Division

Lands – Department of Lands

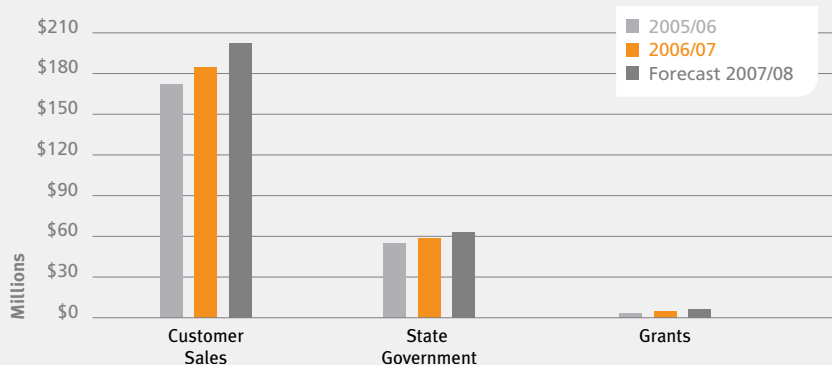
Financial overview

During 2006/07, Lands successfully met revenue and expenditure targets. Some decreases were experienced in revenue streams linked with the property market. The forecast for customer sales reflects an expectation for similar trends during 2007/08. Business operations are continually reviewed to identify fluctuations in activity levels, as well as opportunities for growth and efficiency improvements. During the 2006/07 financial year, Lands will have increasing savings targets to achieve, in line with overall efficiencies across the NSW Public Sector.

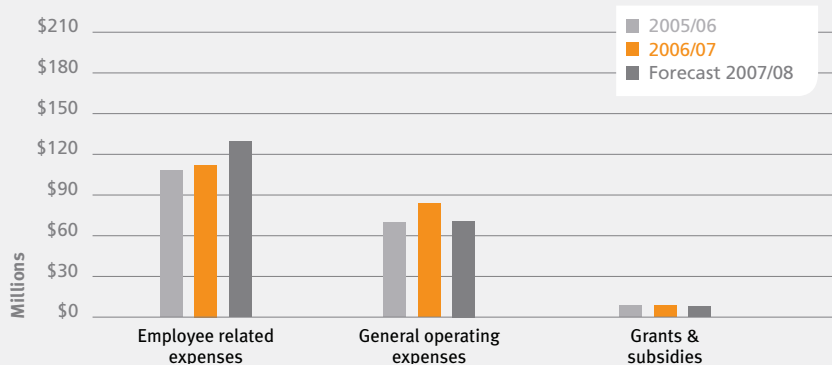
In addition to revenue shown in the table below, Lands generated revenue of \$98.5 million from Crown leases, licences, sales of Crown land and land transferred at no consideration, which was above the target of \$92.1 million. As these activities are administered on behalf of the Crown Entity, this revenue is not retained by Lands but is paid to the Crown Entity within the Consolidated Fund.

During 2006/07, a number of pricing reviews took place. For further details of price determinations see Appendix 26.

Revenue by source



Major expenditure categories



Revenue

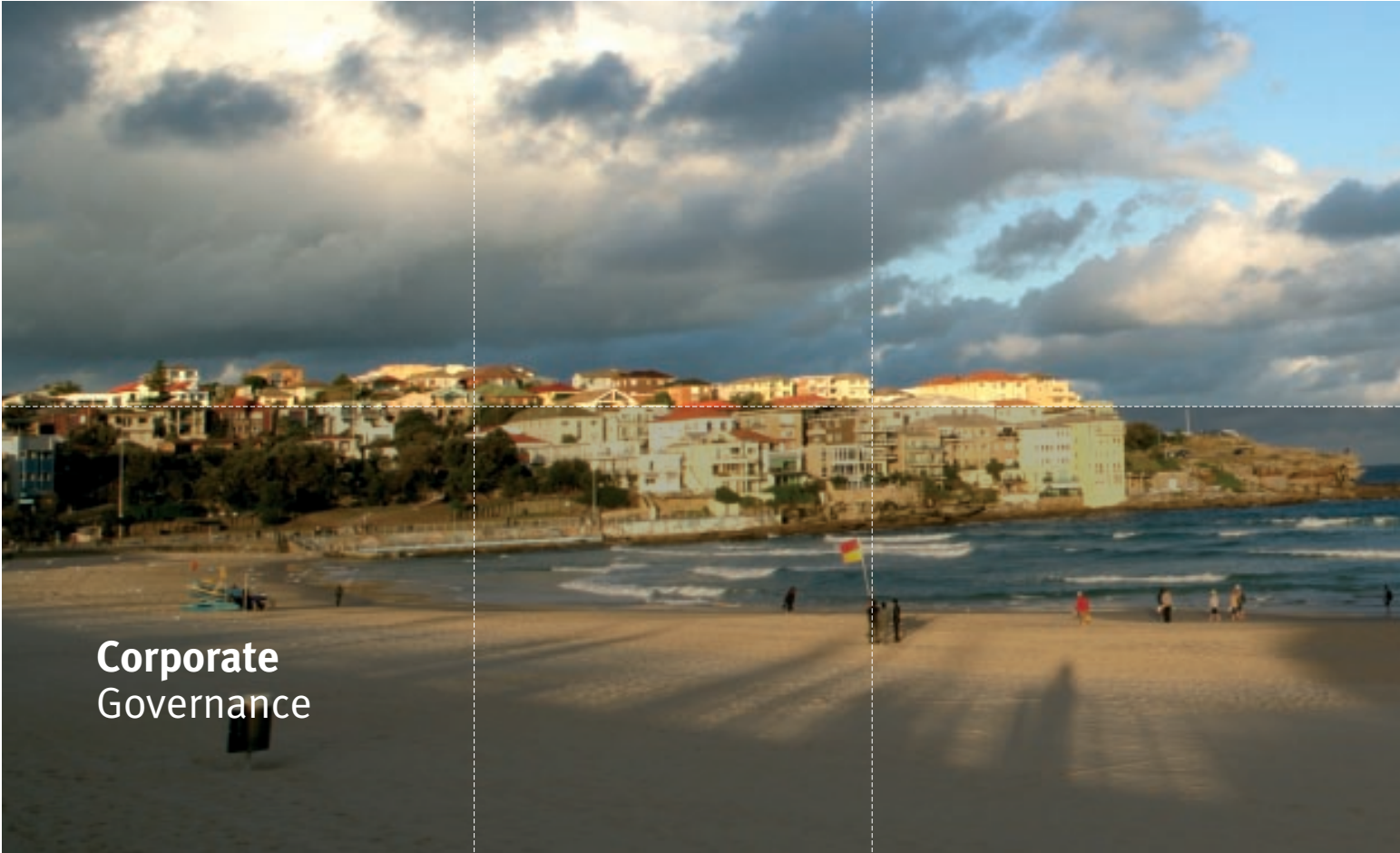
	Actual 2005/06	Actual 2006/07	Forecast 2007/08
Customer sales	\$170.2m (74%)	\$185.7m (75%)	\$192.9m (75%)
State Government ¹	\$56.8m (25%)	\$59.6m (24%)	\$62.1m (24%)
Grants	\$2.3m (1%)	\$2.5m (1%)	\$3.8m (1%)

1. State Government funding is provided to meet the costs of Crown land administration and policy development, community service obligation grants to LPI and funding to meet operating costs of the Office of Rural Affairs.

Expenditure

	Actual 2005/06	Actual 2006/07	Forecast 2007/08
Employee related expenses ²	\$108.2m (60%)	\$112.8m (56%)	\$127.6m (62%)
General operating expenses	\$67.3m (37%)	\$82.4m (41%)	\$71.4m (35%)
Grants & subsidies	\$5.7m (3%)	\$6.0m (3%)	\$6.8m (3%)

2. For comparative purposes, employee related expenses are shown excluding all superannuation costs.



Corporate Governance

Governance structure

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 the Director General of the Department of Lands.

The Director General is assisted by Lands’ Executive Team to oversee the activities of Lands. 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 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 members of Lands’ Executive Team. A divisional Executive Team or Board of Management has been established to oversee the roles and responsibilities of each division.

A Corporate Governance Unit has been established to assist the Director General in the oversight of internal controls, due diligence, accountability, compliance and risk management. In addition, the Lands Audit Committee, which reports directly to the Director General, provides

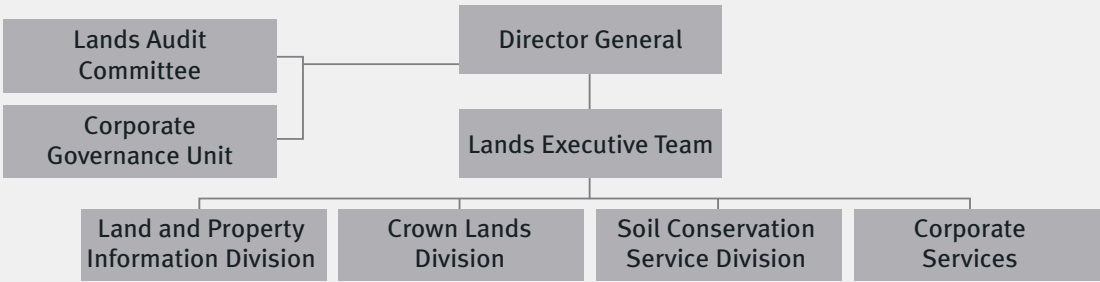
enhanced transparency, accountability and assists in identifying strategic improvements for Lands.

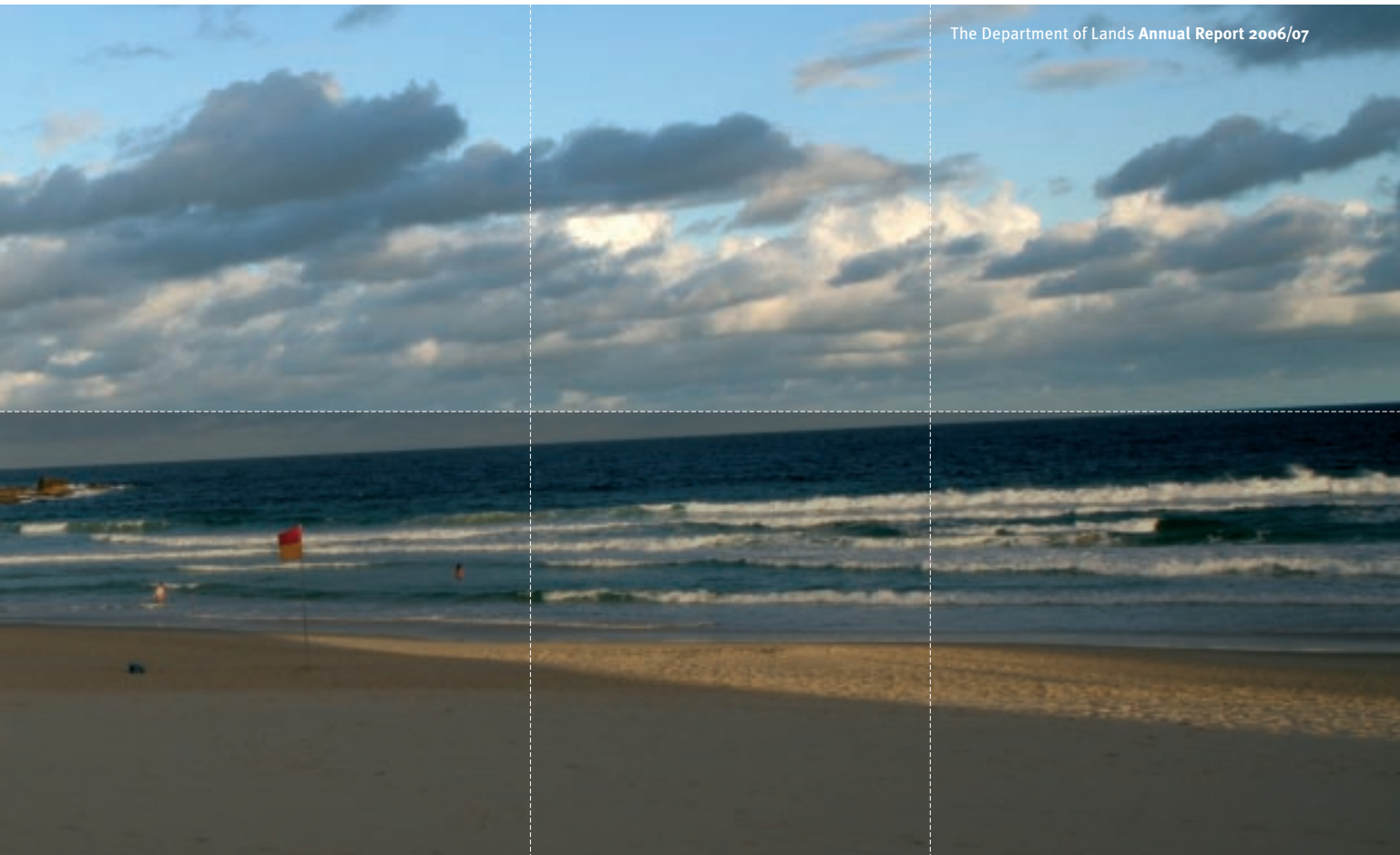
Audit Committee

The primary objective of the Audit Committee is to assist the Director General in fulfilling his corporate governance and overseeing responsibilities in relation to Lands’ financial reporting, internal control structure, risk management systems, legal compliance, and the external and internal audit functions. Specifically, the Committee is responsible for:

- the oversight of Lands’
 - financial management and reporting practices

Lands’ corporate governance structure





- business ethics, policies and practices
- accounting policies
- risk management systems and internal controls
- compliance with legal and regulatory obligations
- providing a structured reporting line for internal audit and facilitating the objectivity of the internal auditor
- providing a forum for communication between the Director General, senior management and both the internal and external auditors
- the oversight of reports on key results of audits of the internal

control system and outcomes from those audits

- review and recommendation to the Director General, of the internal audit plans, coverage of internal control, staffing and budgets related to the internal audit function
- communication and coordination with the external auditor
- improving the quality of internal and external reporting of financial and non-financial information and reports.

Members and attendance at meetings

The Committee comprises two independent members, one of whom presides as Chairman, and three internal

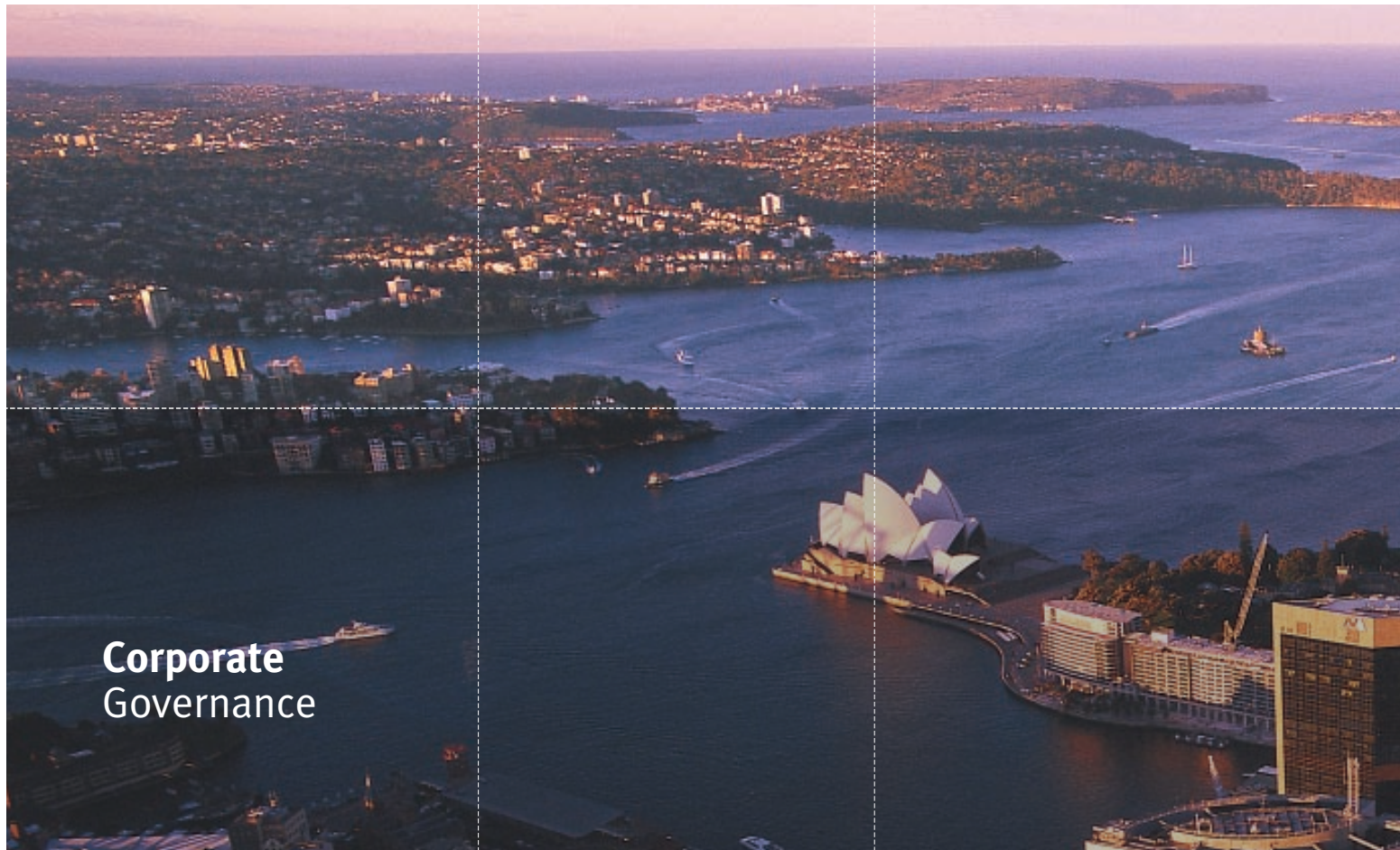
members. The term of appointment for the two independent members is on an annual basis. The five members provide expertise in financial management, business development, legal matters, audit and property information. The Committee held four formal meetings during the year.

Audit outcomes

During 2006/07 a total of 17 planned internal reviews were completed including project management, overtime management, asset recording, and boundary determinations.

A structured program of external audits undertaken by the Audit Office of New South Wales were also completed during 2006/07.

Audit Committee		
Members	Position	Attendance (4 meetings)
Joanne Rees	Chair, external member (resigned during October 2006)	0
Ron Cunningham	External member (Acting Chair)	4
Des Mooney	Deputy Director General	4
Philip Western	Valuer General	2
Eduardo Alegado	Director Corporate Governance	4



Corporate Governance

Risk management outcomes

During 2006/07 Lands has delivered on its commitment to the implementation and maintenance of a Risk Management Framework in managing its risks, to minimise adverse effects and enhance its potential in meeting its responsibilities and achieving its vision, objectives and goals aligned with the NSW State Plan. This follows on from earlier development of Lands' Risk Management Policy and Guidelines.

The Corporate Governance Unit is responsible for facilitating Risk Management in Lands. It has conducted the following facilitation and support activities during 2006/07, to assist Lands' divisions and business groups in implementing the Risk Management Framework in line with Lands' Risk Management Policy and Guidelines:

- a comprehensive review of the Risk Management Guidelines to ensure compliance with the Australian Standard on Risk Management AS/NZS 4360:2004
- development and endorsement of a project plan to implement the Risk Management Framework. This included tailoring the plan to fit in with different divisional needs and

differing current divisional levels of risk management 'maturity'

- providing managers with Risk Management awareness training and training in the use of Lands' Risk Management Guidelines
- development and introduction of an online Risk Management Awareness training course. This online course enables easier access to Risk Management training for Lands' regional staff across NSW
- commencement of a program of risk assessment and risk management planning workshops across Lands' divisions and business groups
- introduced regular reporting on progress of implementation of the Risk Management Framework to the Lands' Audit Committee and the Lands' Executive Team.

Implementation of the Risk Management Framework is planned to continue into 2007/08.

Corporate governance outcomes

During 2006/07 the Corporate Governance Unit achieved the following outcomes:

- managed and implemented a comprehensive internal audit program
- managed matters referred by external regulatory bodies
- supported the functions of Lands' Audit Committee
- continued to facilitate the implementation of Lands' Risk Management Policy
- continued to facilitate the development of Lands' Fraud Prevention Strategy
- provided strategic advice to management
- successfully managed investigations into complaints and allegations
- enhanced Lands' insurance processes
- established Lands' complaints handling policy and guidelines
- developed an Online Risk Management learning module.



Future corporate governance challenges

The following outcomes are planned for 2007/08:

- further enhance Lands' governance related policies
- continue to manage and implement a comprehensive internal audit program
- continue to support and manage Lands' response to issues arising from external regulatory bodies
- manage investigations into corrupt conduct and other related matters
- support the functions of Lands' Audit Committee
- continue to provide strategic advice on key projects and management issues
- review and enhance Committee Charters within Lands
- continue to facilitate the implementation of Lands' Risk Management Policy
- continue to facilitate the development of Lands' Fraud Prevention Strategy.

Management, strategy and Performance review Land and Property Information Division

Valuation Services restructure

The Valuation Services restructure project commenced in 2006 is close to finalisation. The implementation of the Valuation Audit, Compensation and Special Valuations and Objections and Appeals programs was completed in early 2007, with the structure for the Contracts and Business Administration group and the Land Data Management group currently under review. It is expected that the Valuation Services restructure will be fully implemented in 2007, providing a more effective structure that will allow Lands to achieve its goals of valuation accuracy and transparency with greater accountability and independence.

Major development programs

In August 2006 responsibility for strategic development programs was separated from operational management. The aim of this separation was to enable LPI to more effectively realise key development opportunities and ensure the input of operational expertise into the proposed changes while still maintaining

day to day operations. Senior Program Development Managers were appointed and governance arrangements established for five major capital programs:

- Data Conversion and Cleansing Program (DCCP)
- EPlan
- NECS Readiness
- Spatial Data Infrastructure Program
- Government Services Development Program (GSDP).

The existing Program Office, which previously provided project support services, was replaced by a Development Programs Support Unit (DPSU) providing expanded services in support of the major development programs. Recruitment action to resource the Unit was undertaken in early 2007 and is now almost complete. Specific accountabilities within the Unit include:

- advising on action to initiate, correct, expand or vary capital investment projects
- scrutinising and reporting to ensure the capital investment program is managed responsibly and accountably

Corporate Governance

- advising on the preparation, evaluation and recommendation of tender documents
- providing project support for Senior Project Development Managers and advice on project management methods and project resourcing.

Vision 2013

LPI's workforce planning program Vision 2013 continued in 2006/07 with detailed action planning taking place in key operational and corporate service branches. Results of this activity have been presented to Treasury and led to their agreement to LPI's investment in up to 32 trainee placements for 2007/08. Meanwhile, 14 of the trainees recruited in 2005 and 2006 have been successful in winning permanent positions in LPI's Titling and Registry Services. A further 24 trainees continue as temporary employees as they complete their tertiary studies and training.

Crown Lands Division

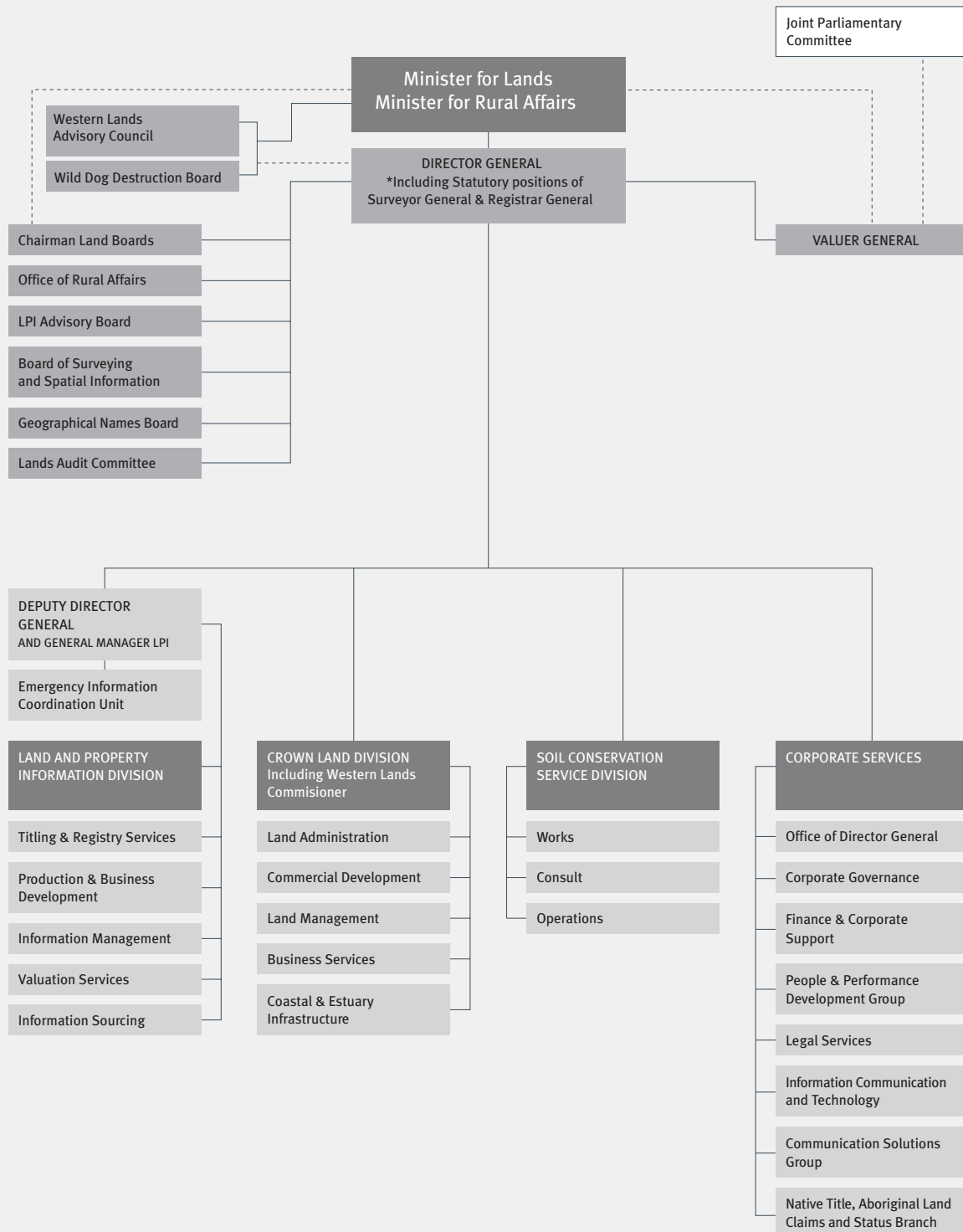
Crown Lands Division has developed a draft Strategic Plan for 2007-2011. The Strategic Plan forms part of Lands' corporate governance framework and outlines current priorities for Crown Lands Division through a number of strategic objectives and targets.

The Plan's content is influenced by Lands' reform agenda, Corporate Plan and Results and Services Plan, and more importantly the NSW Government's State Plan. From time to time Crown Lands Division is called upon to take on new projects or adjust priorities; therefore the objectives and targets will be reviewed annually.

Soil Conservation Service Division

- A revised business plan was submitted to Treasury addressing a number of issues raised and reviewing business strategies based on minimal ongoing budget support. Overall SCS's financial targets in 2006/07 were achieved or bettered as provided for in SCS's submitted business plan.
- SCS worked with Land's Communication Solution Group and a marketing consultant developing a division marketing strategy to focus effort on business development.
- An external audit of the SCS quality management system (ISO 9001:2000) was undertaken during the year with two further offices, Newcastle and Tamworth receiving accreditation.
- The SCS quality management system was loaded on to the upgraded departmental intranet site, improving staff access to current operating procedures. Twenty-nine improvement requests were received from staff, 19 related to procedure improvement, three customer complaints and seven non conformance issues. This formal system ensures continuous improvement to procedures and improved customer satisfaction,
- Lands' OH&S 'Take 5 Before You Start' program workshops were provided to SCS staff to enhance work place safety. SCS commenced review of staff work protocols and risk assessments prior to placement on the intranet in 2007/08.

NSW Department of Lands Organisation Chart



Principal Officers



Director General, Surveyor General and Registrar General

Warwick Watkins AMP:ISMP (Harv), MNatRes, DipScAgr, HDA (Hons), FAPI, FISA (NSW), 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), Commissioner of Soil Conservation Service, 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 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 and Deputy Chair of the Cooperative Research Centre for Spatial Information. He is also Deputy Chancellor of the University of Technology, Sydney and a past foundation director of Landcare Australia Limited and former Deputy Chair of Land and Water Australia Board.



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 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.

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.



Valuer General

**Philip Western BAgCom (VFM)
FAPI, AIMM, ANZPI**

Philip Western is the principal advisor to the NSW government on valuation issues. His responsibilities include the regulatory functions relating to statutory land valuations, ensuring the professional conduct and integrity of the valuation system, and the determination of compensation under the *Land Acquisition (Just Terms) Compensation Act 1991*.

Philip has been responsible for overseeing some significant enhancements to the NSW valuation system, in a drive to improve the accuracy and consistency of land values, and to enhance transparency and improve communication with the public.

Previously General Manager, Quotable Value Australia, Philip had responsibility for driving business growth for rating and valuation consultancy in NSW. This was undertaken in tandem with his role as General Manager, Rating and Taxation for Quotable Value New Zealand.

Philip is a Fellow of the NSW division of the Australian Institute of Valuers and a Divisional Councillor for NSW.

In his spare time, Philip is President of the Board of NSW Gymnastics and a member of the NSW Rhythmic Gymnastics Sports Management Committee.



General Manager Crown Lands Division

Graham Harding

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

With 39 years experience in public land management, Graham has been driving the most significant reforms for Crown land management in recent history.

The current major thrust of these reforms is working with local government agencies across NSW in the planning and appropriate development of the state's Crown reserve system. These initiatives support the NSW Government's commitment to the State Plan ensuring both built and natural infrastructure are sustained now and into the future and more people are encouraged to use Crown reserves for recreation.

Complementing these reforms, the structure of the Division has been streamlined to a program management model that will have greater capacity to respond to government priorities, delivering improved public value outcomes to communities across NSW.

Graham chairs the Interdepartmental Committee on Dredging and the Interstate Committee for the Tweed River Estuary Sand By-Pass.



General Manager Soil Conservation Service Division

Paul Jones BEng (Civil), Certified Professional Erosion and Sediment Control (CPESC)

Paul Jones joined the Department of Lands as acting General Manager, transferring from the former Department of Land and Water Conservation when the Soil Conservation Service Division was transferred to the new department in April 2003. Paul was appointed to the General Manager position in February 2004.

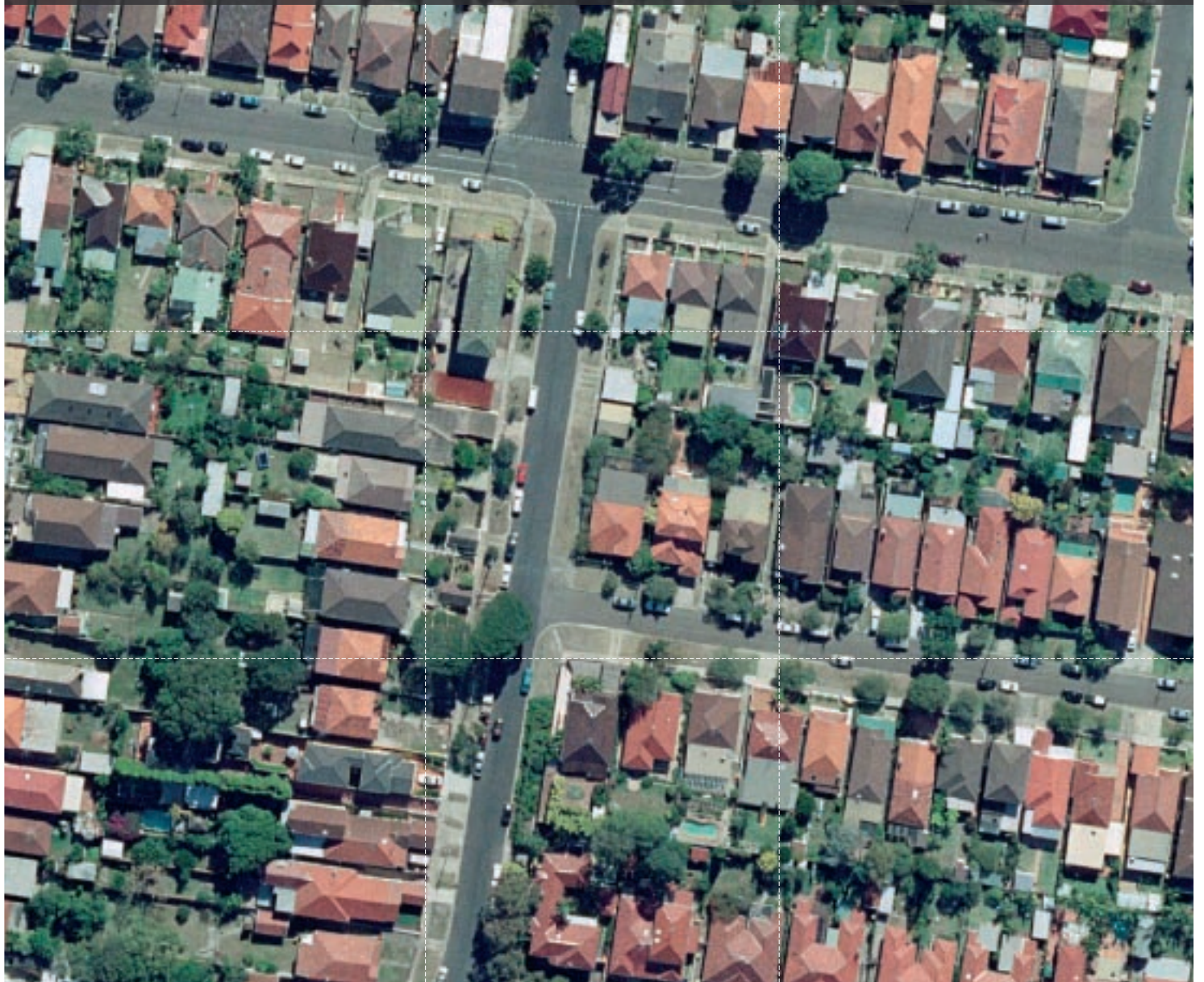
With the transfer of the division Paul has led the drive to improve the financial position of the group with a range of new marketing strategies, Works fleet rationalisation and upgrading and environmental consultancy expansion.

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

Valuer General's Report

Ensuring an open and
transparent valuation system
for the people of NSW

28



The Valuer General is a statutory position responsible for land valuations made under the *Valuation of Land Act 1916*.

The Valuer General oversees the valuation process managed by the Department of Lands to ensure the accuracy, consistency and transparency of land values for all stakeholders.

The Valuer General is also responsible for the determination of compensation under the *Land Acquisition (Just Terms Compensation) Act 1991* and the provision of valuation opinions in relation to other state legislation.

Vision

The Valuer General’s vision is to ensure the delivery of valuation services that are customer focused and outcome driven.

The Valuer General is committed to providing a valuation system that is focused on meeting the needs of a range of stakeholders and delivering outcomes that are accurate, consistent, transparent and provide value for money.

Objectives

- provide a quality, cost effective valuation process
- provide an open and transparent valuation system
- focus on continuous improvement as a cornerstone of the valuation system
- implement measurable quality standards for valuation services
- develop good working relationships with stakeholders through regular consultation and an open communication strategy
- improve communication with all stakeholders including members of the public
- provide professional leadership to and liaison with, the valuation industry.

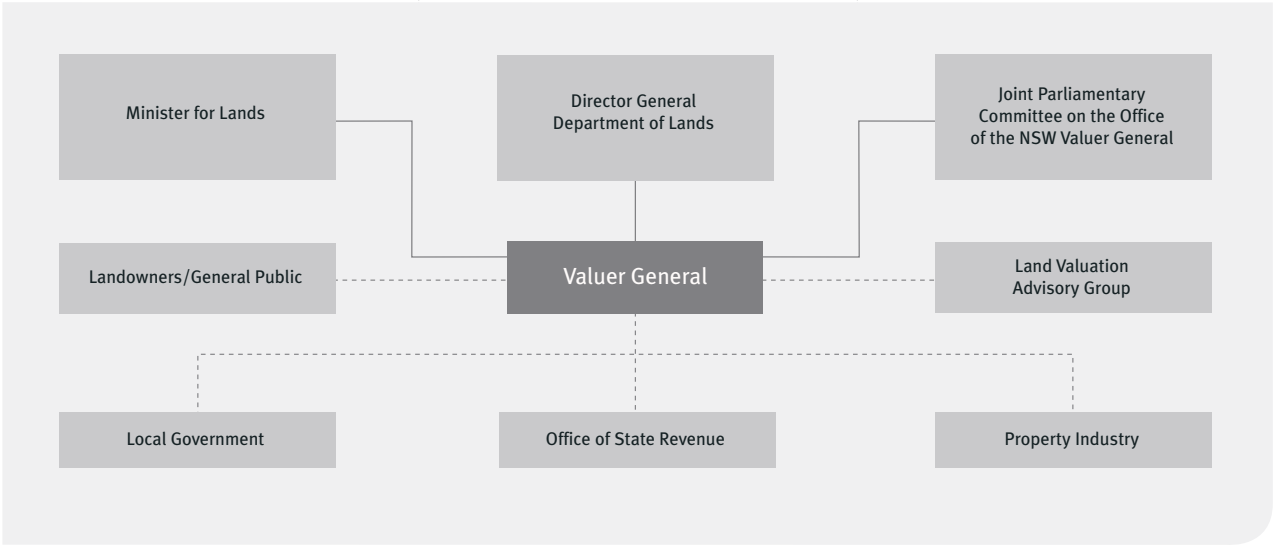
Valuation process

There are approximately 2.4 million land valuations produced annually in New South Wales. The Valuer General provides land values to local councils and the Office of State Revenue for rating and land tax purposes respectively.

Land value reflects the market value of the land as at 1 July in the year of valuation and is based on the land being vacant.

Most land in NSW is valued using the ‘component method’ of valuation, where properties are placed together and valued in groups called components. The properties in each component are similar, or are expected to reflect changes in value in a similar way.

Each valuation is recorded in the Register of Land Values.



Valuer General's Report

Governance

The Valuer General is the principal valuation adviser to the NSW Government.

The position reports administratively to the Minister of Lands and the Director General of Lands and is accountable to the Joint Parliamentary Committee on the Office of the Valuer General.

Parliamentary Committee

The NSW Government established the Joint Parliamentary Committee on the Office of the Valuer General in July 2003 under section 85 of the *Valuation of Land Act 1916*. The primary function of the committee is to monitor and review the exercise of the Valuer General's functions with respect to land valuations under the *Valuation of Land Act 1916* and the *Land Tax Management Act 1956*. In particular, the committee monitors the methodologies employed for the purpose of conducting valuations, the arrangements under which valuation service contracts are negotiated and entered into, and the standard of valuation services provided under the contracts.

The Valuer General attended two formal meetings and two informal briefing sessions with the committee to answer questions and update the committee regarding improvements to the valuation system.

Matters addressed at the formal meetings included:

- objection management
- valuation contract management
- valuation service pricing
- valuation information to the public including information for strata owners
- monitoring the implementation of

recommendations from the October 2005 Report of the Ombudsman 'Improving the Quality of Land Valuations issued by the Valuer General'

- valuation information provided to strata owners
- development of an annual performance report.

Land Valuation Advisory Group

The Land Valuation Advisory Group, comprises representatives of valuation industry groups and stakeholders. The group's primary focus is to provide advice to the Valuer General on the application of mass land appraisal techniques. The group also provides feedback to the Valuer General on general valuation matters.

The group met twice during the year. Principal matters for discussion, consideration and advice were:

- the implementation of the recommendations of the October 2005 Report of the Ombudsman 'improving the Quality of Land Valuations issued by the Valuer General'
- objection review process
- parallel valuation project
- integration of Property Valuation Services (Department of Commerce) with Land and Property Information (Department of Lands)
- availability of information to the public
- pricing of valuation services
- input into the development of a performance report for the Valuer General
- frequency of valuations.

Structure of the Office of the Valuer General

The Office of the Valuer General comprises the Valuer General and four permanent staff.

During 2006/07 a new senior position of Program Manager – Valuation Standards and Quality was created within the Office of the Valuer General. This position will provide the Valuer General with independent expert valuation advice and provide increased transparency of valuation policy advice within the valuation system.

Land and Property Information Division

The Land and Property Information Division (LPI) manages the valuation system under the governance of the Valuer General. LPI provides the link between the independent valuation service contractors and the Valuer General.

LPI provides a range of valuation services to the Valuer General, including valuation contract management, auditing of valuations, processing of objections, provision of property information and data to valuation service contractors and the day to day management of valuations completed under the *Land Acquisition (Just Terms Compensation) Act 1991*.

LPI's services to the Valuer General are formalised through a Service Level Agreement. The agreement for the next 12 months commences 1 July 2007.

The Service Level Agreement continues to evolve to provide greater focus on key performance areas and ongoing enhancement of the valuation system.

The agreement covers the areas of valuation services, valuation accuracy and consistency, data quality and the management of valuation data and systems, management of valuation contracts, provision of other valuation

services, customer service and external communication. Refer to LPI's Valuation Services report on page 40 for details on performance outcomes.

Report on Performance Tendering of valuation service contracts

All valuations for rating and taxing purposes are undertaken by independent contractors. The Valuer General retains the statutory responsibility for the final valuation.

Until February 2007, the Valuer General had the responsibility to enter into and monitor valuation contracts as part of his statutory duties.

Responsibility for rating and taxing valuation tenders and contracts has now been transferred from the Valuer General to LPI. This improves transparency, reinforcing the separation of the roles of the Valuer General and LPI.

Property Valuation Services (PVS) (Department of Commerce) has withdrawn from the provision of rating and taxing valuations as at 1 March 2007. A total of 15 rating and taxing contracts, previously serviced by PVS were put to tender.

The eleventh round of Valuation Service Contracts were let commencing as at 1 March 2007. This involved 20 contract areas (see table).

A tender evaluation panel, made up of various stakeholder groups, is responsible for evaluating the tenders and providing a recommendation as to the preferred valuation service provider.

Communication

The Valuer General continued to implement an improved communications strategy that applies to all stakeholders, including rate payers and land tax clients. The strategy ensures communication is open and transparent. In addition, the strategy encourages the provision of more information to stakeholders on the valuation process and more detailed information on the property market including or resulting in:

- positive feedback continues from stakeholders including the Office of State Revenue, Local Government and Shires Association, Department of Local Government, the Association of Mining Related Councils, individual councils, as well as individual landowners concerning the more consultative approach to valuation matters
- an open and informative approach to all correspondence
- priority is placed on Ministerial enquiries being answered with a thorough and timely response
- priority is placed on answering enquiries from landowners with a thorough and timely response
- the Valuer General's newsletter, developed in 2004 to improve access to valuation information, has continued to receive positive feedback and increasing support from local councils
 - the fourth newsletter was published in July 2006 and approximately 1.2 million copies were distributed by local councils with rates notices
 - the fifth newsletter published in January 2007 was distributed with 1 July 2006 Notices of Valuation, issued in January 2007 (approximately 820,000 copies were issued)

Tender outcomes - 1 March 2007

Contract area	Contractor
Bathurst	Aspect Property Consultants
Parramatta	Crown Valuation Service
Coffs Harbour	Inland Pacific Property Group
Bega	Langshaw Valuations
Penrith	Lunney Watt & Assoc
Sydney East	MVS Valuers Australia
Griffith	Quotable Value Australia
Queanbeyan	Quotable Value Australia
Sydney City	Quotable Value Australia
Wagga Wagga	Quotable Value Australia
Wollondilly	Quotable Value Australia
Deniliquin	Riverlink Valuers
Maitland	Robertson & Robertson
Burwood	Southern Alliance Valuation Services
Campbelltown	Southern Alliance Valuation Services
Taree	Tim Haffner & Assoc
Muswellbrook	Tremain Prowse
New England	Tremain Prowse
Tweed/Byron	Valuers Australia
Shoalhaven	Walsh and Monaghan

Valuer General's Report

- approximately 1.5 million copies of the sixth newsletter will be distributed by councils during July 2007
- the newsletter is distributed to all members of the NSW Parliament and through the Valuer General's mailing list
- the newsletter is also available on Lands' website www.lands.nsw.gov.au
- the brochure Your Objection Guide and improved objection form were developed in 2006 to assist landowners in lodging a valid objection. The new brochure provided detailed information about the objection process and examples of both valid and invalid objection criteria
- in 2007 we improved access to the objection process through landowners being able to lodge their objection online
- a fact sheet has been developed to assist landowners in understanding their Notice of Valuation
- an email address for feedback about the valuation system has been promoted to assist landowners and members of the public to contact the Valuer General about the valuation system
- Lands' website has continued to be upgraded with improved information to assist rate payers and tax clients in understanding how their land value was determined. Individual land values and the general valuation sales report are available through the website. Our publications are also available on the website. Enhancements to the website are ongoing.

Land Value Verification Project

In 2004, the Valuer General implemented a pilot study in two local government areas to examine the benefits of reviewing individual land values and associated data. Analysis provided evidence of improved accuracy and consistency of land values.

The NSW Ombudsman in his 2005 report, 'Improving the Quality of Land Values Issued by the Valuer General', recommended a structured review of land values across NSW, similar to the pilot study, be introduced.

With the support of the NSW Government, the Valuer General implemented the Land Value Verification Project on 1 May 2006 as part of the drive to enhance the quality of land values. Over the five year period of the project all land values and attributable data will be reviewed. The project will involve approximately 20% of the 2.4 million land values in NSW being reviewed each year.

In the period 1 May 2006 to 30 April 2007 the project reviewed 19.3% of land values within the state.

Water Management Act 2000

The *Water Management Act 2000* allows for the separation of water rights from the land title. Previously, water rights were included in valuations prepared under the *Valuation of Land Act 1916*.

Legislation now requires land values for irrigated rural land to ignore the added value of any water secured by a water right.

The Valuer General has issued all affected councils and landowners with new land values that ignore the existence of water access licences. The Valuer General has met with and assisted councils with the

implementation of the new land values for rating purposes.

Ombudsman's investigation

The NSW Ombudsman published a report in October 2005, 'Improving the Quality of Land Values Issued by the Valuer General'. This comprehensive report provided a total of 38 recommendations, of these 33 were the responsibility of the Valuer General. All 33 have now been implemented.

Objection Processing Group

The Valuer General is focused on improving the objection component of the valuation system. In January 2007 a new team specifically focused on processing objections and improving service to landowners was set up. The team has implemented new processes and continues to work towards improving objection processing. The review process will have improved transparency with landowners having access to the report prepared by the independent contract valuer reviewing the objection.

Statistical research

The research project in conjunction with the University of Western Sydney to examine and improve aspects of the valuation system including the composition of valuation components, benchmark selection and review, and the improved application of qualitative statistical techniques is continuing.

Business rule recommendations around increasing the number of benchmark and representative properties are being considered.

Research into further qualitative analysis tools for measuring valuation outcomes is occurring.

Legislation

The Valuer General regularly reviews the *Valuation of Land Act 1916* to determine where amendments are required. A number of amendments have been made during 2006/07 to improve the clarity, consistency and application of this legislation.

Further amendments will continue to be considered as the Valuer General strives for increased transparency and clarity within the *Valuation of Land Act 1916*.

Challenges for the Future Pricing of valuation services

The Valuer General, in consultation with the state government, local government and the Independent Pricing and Regulatory Tribunal (IPART), is seeking a review of pricing for valuation services to local government. The last review occurred in July 1996.

It is proposed that the review will commence in 2007, with the objective of any adjustment to pricing being reflected for the financial year commencing 1 July 2008.

Water Management Act 2000

In accordance with the *Water Management Act 2000*, the Valuer General will continue to provide councils with assistance to implement the new land values that ignore the existence of water access licences.

Enhancement of valuation quality

Work will continue towards improving the quality of valuations for the benefit of all stakeholders. Key projects:

- land value verification project
- review of the selection criteria and number of benchmark properties used in the valuation process

- parallel valuation project
- development of qualitative analysis tools for measuring valuation outcomes
- ongoing valuation audits.

Benchmarking of the valuation system

The Valuer General is committed to ensuring that the NSW valuation system is efficient in terms of cost, valuation quality and outcomes when measured against other leading valuation jurisdictions in Australia and the world.

Customer satisfaction surveys

Critical to the success of the valuation system is feedback from stakeholders, including landowners. The Valuer General, in conjunction with LPI will, in 2007, commence development of a customer satisfaction survey to gain a better understanding of the services and outcomes provided from the system.

The objection process

The improvement of objection processing times is a priority. The results of the new procedures developed and implemented from January 2007 will be closely scrutinised to ensure that the review of land values through the objection process are undertaken thoroughly and decisions with supporting information are provided to stakeholders in a timely manner.



Philip Western
Valuer General

Valuer General's Report

Indicators				
	Target	2004/05	2005/06	2006/07
Ratepayers				
% Notices of Valuation issued within 31 days	95%	86%	95%	98.2%
% Notices of Valuation for general valuation issued to property owners by 16 January	100%	100%	49%	100% ¹
Councils				
% general valuation land values issued to relevant councils by 30 November	100%	100%	64%	100%
% supplementary valuations to councils within 31 days	95%	95%	95%	96.4%
Office of State Revenue				
% objections to land values for land tax completed within 90 days	30%	55%	30%	8%
% objections to land values for land tax completed within 180 days	75%	84%	69%	27%
% objections to land values for land tax, where land value is greater than \$1m, within 120 days	95%	55%	40%	20%
% new land values issued to all property in NSW to OSR by 16 November	100%	100%	99%	100%
Supplementary Valuations				
Total supplementary valuations issued		46,806	41,987	40,350
Average days to complete	< 95 days	82 days	100 days	85 days
Average number of days to return from valuation contractor	< 45 days	27 days	31 days	26 days
% supplementary valuations returned from valuation contractor within 45 days	95%	92%	86%	87%
Total Valuations on Register @ 30 June		2,380,417 ²	2,394,352 ²	2,389,193
Valuations Issued (Rating and Land Tax)		1,413,362	1,097,000	1,508,534
Objections				
Number of objections received		16,515	8,559	11,133 ³
Number of objections received as a % of valuations issued		1.17%	0.78%	0.74%
Number of objections completed (all valuing years)		10,179	14,420	12,023
Average number of days to complete objections	< 90 days	116 days	157 days	169
% of objections completed within 90 days	90%	52%	26%	8%

1. The date for issuing Notices of Valuations has been changed to 9 February to avoid Christmas/New Year period.

2. These figures represent the total valuations prepared for all valuation dates during 2004/05 and 2005/06. The basis for calculation has changed to the total valuations on Register of land values at 30 June.

3. The basis for calculation has changed to the total objections received during the year for all valuing years therefore the number of objections has risen.



Land and Property Information Division Report

Providing fundamental land and property
data which underpins a vibrant and
robust NSW property market

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Land and Property Information Division Report

Land and Property Information (LPI) is a Government Business Enterprise (GBE) formed to integrate and operate the core activities of the state's land and property information services. The statutory functions of the Surveyor General, Registrar General and Valuer General are undertaken by LPI. These inter-related land and property statutory functions are associated with maintaining standards that ensure secure, consistent and quality information is provided to the community.

LPI provides mapping, titling, valuation, survey and related land information services to individuals, businesses, government agencies and non-profit organisations throughout NSW and Australia. LPI also:

- sources information from field observations and from organisations and individuals to compile maps, databases and registers of land and property information including information on locations, parcel descriptions, values, ownership, restrictions and financial interests
- provides services to the Registrar General, the Surveyor General and the Valuer General who have responsibilities for administering various Acts of Parliament related to land administration including the *Conveyancing Act 1919*, the *Real Property Act 1900*, the *Surveyors Act 1929* and the *Valuation of Land Act 1916*
- administers the systems which support the state guarantee of Torrens Title
- makes information available to the public and organisations for conveyancing, historical research, land development, land management purposes, for state economic and

social development and for planning and providing government services to the community

- licenses, sells, exchanges or gives the data it collects to organisations or individuals, to facilitate the above purposes.

Services

Key services provided by LPI include:

- land title registration services on behalf of the Registrar General, including registration of plans of survey and property transactions, issue of Certificates of Title, and conversion of Old System land to Torrens Title
- surveying services on behalf of the Surveyor General, including maintenance of official state control survey data, placement of permanent survey marks in the ground and determination of boundary disputes
- valuation services on behalf of the Valuer General, including valuation of land for local government rating and state government taxation purposes, determination of objections to land values and determination of compensation for dispossessed landowners following compulsory government acquisition of land.

LPI also offers a wide variety of land and property information products and services available through various delivery channels ranging from traditional over the counter delivery through to online delivery via specialist portals and value added resellers. These include:

- digital and hard copy mapping products
- satellite imagery and aerial photography

- title searches and related documents
- land value searches
- property sales data
- survey control information services
- property information enquiry services.

Customers

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.

Principal officers

Des Mooney, Deputy Director General, General Manager MBA (Syd), BSurv (Hons), MIS Aust, FAICD Dip, FAIM, Registered Surveyor, Registered Valuer, JP

Warrick Beacroft, Executive Manager, Information Sourcing GradCertMgt (Monash), CertCart

Ross Cleary, Executive Manager, Information Management BAppSc (Computer Science) (Hons)

Barry Douse, Executive Manager, Production and Business Development, BA (Hons), AQCI, EMPA, GAICD, JP

Simon Gilkes, Chief Valuer, Valuation Services EMPA, GradDip Land Economy, Associate of the Australian Property Institute, Registered Valuer

Doug Walsham, Executive Manager, Titling and Registration Services EMPA

Paul Mitchell, Executive Officer, GradDipMgmt (Public Sector)

Aims and objectives for 2006/07

LPI continued to strive to provide reliable, secure and efficient land administration services to the community and to invest in new technology to improve services to clients.

In delivering services LPI focused on its business objectives, which are to:

- maintain shareholder value
- provide quality customer service
- improve the quality of our products and services
- improve our business processes
- develop our people.

During 2006/07, LPI planned to:

- purchase an aerial digital camera to improve efficiency in the production of topographic data
- start converting Crown Parcels into the computerised Integrated Titling System to ensure that every land parcel in NSW is identifiable through one information system
- invest in the creation of the National Electronic Conveyancing System for future efficiencies in conveyancing and settlement processes across the country.

Performance highlights Information Management

LPI Business Continuity Plan

LPI developed a Business Continuity Plan (BCP) in December 2006 for its Queens Square Sydney operations. Forced closure of the Queens Square building would threaten the multi-million dollar land title business, with flow-on consequences for solicitors, conveyancers, buyers and sellers about

to settle on the transfer of property, and many other clients.

The BCP identifies and documents procedures which enable LPI to respond to disruptions, recover critical business functions, and return to normal operations in an orderly manner and within an acceptable timeframe. It facilitates response to problems of all orders of magnitude from day-to-day disruptions to services through to disaster, using the same methodology.

Information Sourcing

Maintaining spatial databases

- Digital Cadastral Database (DCDB)
 - 50,000 new land parcels were added to the DCDB. This was below the forecast volume of 60,000 owing to the slowing of the property development market.
 - 500,000 existing parcels were updated as a result of improved positional accuracy in the cadastral data, particularly in the metropolitan area.
- Digital Topographic Database (DTDB) – throughout 2006/07 maintenance focused on hydrology and transportation information to support natural resource programs and emergency services. Collective maintenance activity represented close to a million updates (in line with forecast).
 - Integration of Roads and Traffic Authority (RTA) roads data resulting in approximately 450,000 updates (due for completion in July 2007).
 - All fire trails in the DTDB updated using data from Forestry, National Parks and Crown Lands in readiness for State Emergency Service (SES) and Rural Fire Service (RFS) use.

- 75% of roads data for the Western Division of the state updated.
- 100% of all cadastral roads state-wide now incorporated into the DTDB.
- Primary and secondary electricity grid details updated using data from Transgrid.
- Rivers, streams, dams and other water bodies updated in collaboration with Geoscience Australia for the Central Division of the state including the Murrumbidgee Irrigation Area.

- Single Land Cadastre (SLC)
 - LPI continued to realign its cadastre to that of Sydney Water in order to attain one authoritative cadastral dataset to be maintained by LPI and used by all of government. While Sydney Water is no longer able to fully participate in the SLC due to reordered priorities, LPI will continue to supply Sydney Water with automatic data updates and will pursue ongoing enhancements to the SLC with other major utilities organisations.
 - Realignment covered the 45 LGAs which comprise the greater metropolitan area, Sydney Water's area of operation, and approximately 1.5 million land parcels. The project will be completed in July 2007.

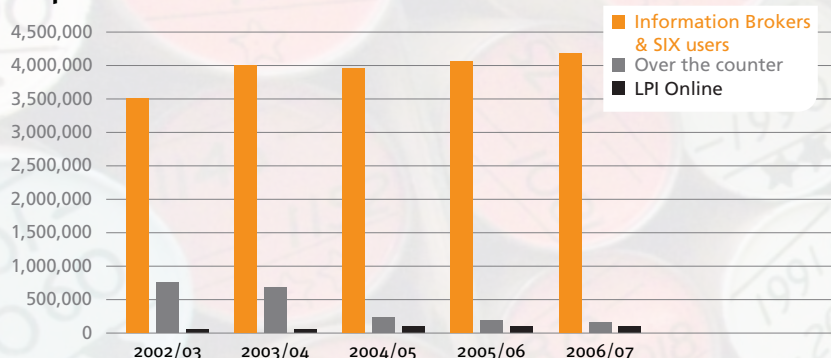
Aerial imagery/photography

Aerial imagery/photography is acquired on a program and project basis. During 2006/07 the number of flying hours and photographs taken exceeded forecasts:

- 430 flying hours (target 400) and 15,000 photographs (target 12,000)

Land and Property Information Division Report

Graph 1 - Demand for NSW land information



- 140,000 km² of land over the Hunter, Central Tablelands and north to Queensland border photographed for DTDB and state aerial photography library
- Coastline from Wollongong to Victorian border photographed at 1:8,000 to monitor erosion, foreshore development and government planning instruments
- 44 rural towns photographed at 1:16,000 to provide ortho rectified imagery to assist in valuing land, Crown land administration and imagery for NSW Road Directory.

Survey infrastructure

Survey performance focuses on supporting the titling system with survey investigation of lodged plan boundaries, maintenance of survey mark information for use by the industry and maintenance and improvement of control infrastructure.

- During 2006/07 there was an increase in registered users of the real-time Global Positioning System (GPS) network SYDNET growing from 10 to over 200.
- Survey control work in Wagga Wagga, Casino, Armidale, Gosford and Wyong to improve the

positional accuracy of the cadastral database.

- Survey adjustment and infrastructure support work over 15 local government areas (LGAs) with 3,200 rural permanent marks surveyed to sub-metre accuracy.
- Quality assurance testing of Airborne Laser Scanning (LiDAR) in support of Department of Environment and Climate Change (DECC) wetlands projects.

Electoral Atlas

The Electoral Atlas of NSW 1856-2006 was launched in December 2006. Produced by LPI's Electoral Mapping Unit and the Committee for the Sesquicentenary of Responsible Government in NSW, the atlas illuminates the state's political history by recreating from original sources all electoral mapping, voting systems and results since the introduction of responsible government in 1856.

IBM centre opens in Bathurst

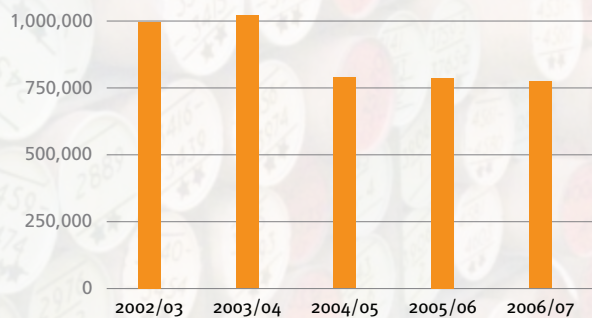
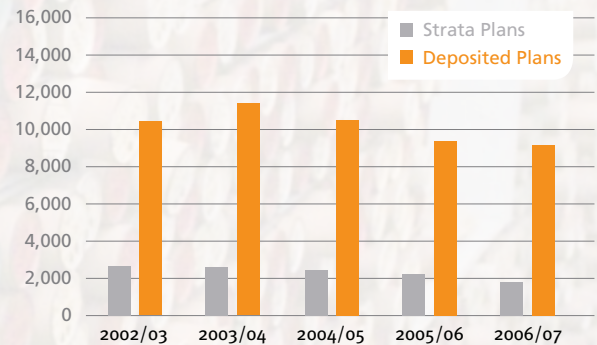
LPI facilitated the opening of IBM's software and applications centre within LPI's Bathurst office in late 2006. The regional centre is part of an agreement between the NSW Government and IBM Australia. Over the next three years state owned

Country Energy and IBM Australia will work together to develop and support specialist software for use by Country Energy. IBM's presence in Bathurst will provide close links with Charles Sturt University's technical staff and students and a strong base to encourage other technical businesses to move to the region.

Production and Business Development

New and enhanced online products and services

- LPI launched the Survey Services Portal (SSP) in July 2006. It is a dedicated portal for NSW Registered Surveyors and survey searchers delivering survey related products and services via a convenient single entry point.
- Access to the Security Interests in Goods index was also made available online through LPI's network of approved information brokers and Lands' website in July 2006. The index holds records relating to security interests such as bills of sale, stock mortgages and agricultural liens registered from November 1992.
- The Lease Premises Index enquiry was implemented in September

Graph 2 - Number of land transactions registered**Graph 3 - Number of plans registered**

2006 providing a schedule of lease folios for premises within a commercial complex. Online access to this information has been made possible as a result of conversion of previously manual records.

- In response to the needs of specialist sections of the conveyancing industry that have a particular interest in lease titles, another product, the Lease Folio Data Extract enquiry, was made available online in June 2007. It provides a list of lease folios and related data, including current notifications affecting lessee names and variations of leases.
- In May 2007 the Cadastral Record Enquiry (CRE) was made available online through information brokers. The service allows users to search for current and historical charting affecting land parcels and returns reports showing a graphical representation of the cadastre, list of titling notations, and/or a list of all plans with information as to their type and purpose.

Electronic service delivery

- Demand for land title information services rose by 2.2% in 2006/07 to 4.4 million transactions. This rise was unexpected given the

continuing downturn in the property market.

- 4.2 million requests were satisfied electronically via LPI's network of approved information brokers and LPI Online (see Graph 1).

Record conservation

- Return and integration of records affected by a flood in April 2003 was completed during 2006/07.
- The conservation program for records damaged in 2003 progressed significantly and is expected to be completed in 2007/08.

Graphic Services marketing plan

In the past LPI's Graphic Services direction has been largely driven by the organisation's need for products such as topographic maps and aerial photography. Where performance around project orientated work has provided a number of successful results, capacity in large format printing is currently underutilised and there is a clear opportunity to expand and increase revenue. After surveying current and potential customers from both private and public sector markets a marketing plan has been developed, set for launch in July 2007.

Titling and Registry Services

Document registration services

The slow recovery in the property market was reflected in business volumes during the year:

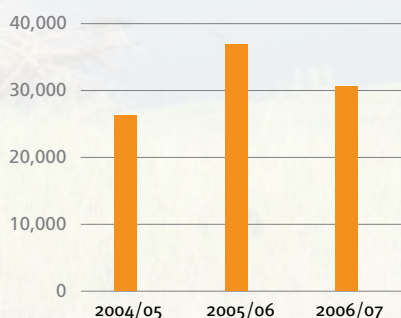
- 793,582 dealings were lodged (decrease of 2% compared to 2005/06) - see Graph 2
- 93% of dealings were processed within two days of lodgement.

Titling and plan services

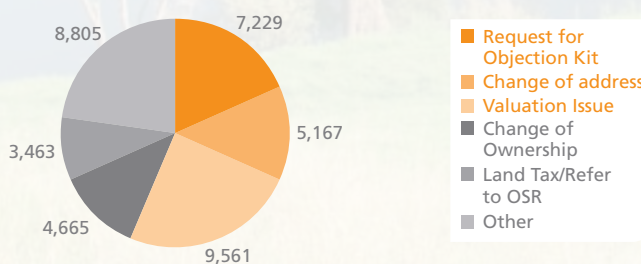
- 9,307 deposited plans were registered during 2006/07 (decrease of 3% compared to 2005/06) - see Graph 3.
- 1,933 strata plans were registered during 2006/07 (decrease of 15% compared to 2005/06) - see Graph 3.
- 42,686 new land titles were created as a result of all plan registrations (decrease of 17% compared to 2005/06);
 - 23,586 from deposited plans (decrease of 8% compared to 2005/06)
 - 19,100 from strata plans (decrease of 25% compared to 2005/06).
- The pre-examination service was utilised for 5% of deposited plans and 8% of strata plans.

Land and Property Information Division Report

Graph 4 - Valuation services call centre enquiries



Pie chart 1 - Valuation Services call centre enquiries by type



Note: Each call may involve two or three requests, therefore the totals in this chart won't equal the total number of enquiries.

- The electronic lodgement facility EPlan was used to lodge 15% of deposited plans and 13% of strata plans.

Fraud mitigation

New procedures and refinements to the process of document examination have been introduced during the year to protect the interests of land owners from the potential impact of fraud involving identity theft.

In addition a new unit has been established to examine high risk dealings and combat the growing incidence of fraud involving identity theft. The unit is staffed by highly skilled and experienced examining officers responsible for recommending new procedures and security measures to ensure public confidence in the integrity of the Torrens Title Register.

Call centre redevelopment

The call centre maintained by Titling and Registry Services handles hundreds of enquiries each day, either by telephone or online. To date it has been resourced by operational staff on a rotational basis. During 2006/07 a call centre redevelopment project was established to make more effective use of available resources and in-house knowledge. A project team and

governance committee is in place and a draft business case developed.

Customer liaison and education

Under the Surveyor Liaison Program LPI representatives attended 17 meetings of regional surveying groups to present on topics relevant to development in their regions.

Commercial strata interpretation seminars have been presented on seven occasions to over 240 participants throughout the year. The seminars target professional strata managers and those working in related industries.

LPI undertakes random field audits of recently registered strata plans and provides the Board of Surveying and Spatial Information (BOSSI) with industry results. During 2006/07 LPI conducted field audits on 120 plans across 15 local government areas. The audits are aimed at preserving the integrity of the cadastre and guarantee of land titles and on providing feedback on industry performance.

Valuation Services

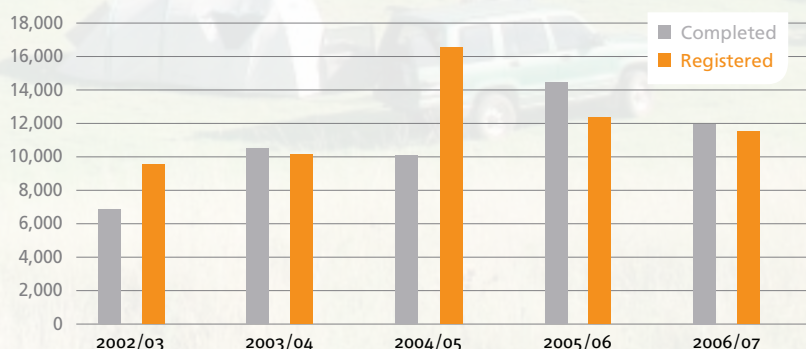
Customer relations

- Call centre enquiries fell during 2006/07 to 30,100 (a decrease of 19% on 2005/06) (see Graph 4).

- 88% of all enquiries were successfully and consistently resolved at first contact (an increase of 3%).

Objections to valuations

- Further improvements to the objection process were achieved during 2006/07 with the introduction in January of online objection lodgement.
 - 11,668 objections received during 2006/07 – 8,165 since January
 - 1,546 lodged online since January (13% of total for 2006/07 – 19% of total lodged since January).
- A restructure along functional lines in 2006 facilitated a renewed focus on clearing objections received prior to 1 January 2007. In November 2006 there were approximately 3,100 objections outstanding. The large numbers of objections and changes to land tax in prior years, combined with staff retirements and lack of objection contractors had reduced LPI's ability to process these outstanding objections. The adoption of a program approach to objection processing, which focused on establishing new administrative processes, seeking additional

Graph 5 - Valuation objections completed and registered

contract valuers and allocating experienced staff from other areas, resulted in the backlog of objections being cleared by mid April 2007.

- There remain continuing capacity constraints within the valuation industry for objection reporting. The market for objection reporting contractors is relatively undeveloped with many contractors coming to terms with the nature of the work and dealing with high volumes. There are still some areas throughout the state where industry capacity to provide objection reporting is limited, which has impacted on Valuation Services' ability to efficiently and effectively contract objections in some cases. However, there are many more providers willing to undertake objection services, indicating the potential for market growth in this area and potential for further improvements to performance in the future.

Transfer of Property Valuation Services from the Department of Commerce

In March 2007, Department of Commerce Property Valuation Services (PVS) was integrated with LPI's Valuation Services. Twenty seven

staff from PVS joined LPI around the state, providing increased services for government and increasing LPI's commercial capability. The integration of government valuation services within LPI has helped to address the significant age imbalance in Valuation Services, as identified in the Vision 2013 project (see page 24 for details on Vision 2013). LPI took on four PVS graduate valuers and has established a project for the creation of traineeships and further graduate valuer positions to address a significant number of expected retirements in the coming years.

PVS had held 15 of 36 contracts for rating and taxing valuation services. The decision to close PVS required these contracts to be offered to open tender and the commencement date of new contracts to be moved from 1 May to 1 March 2007, placing an increased demand on Valuation Services, with 20 contracts to be let. Although the closure of PVS placed initial strain on LPI, particularly with many new contractors taking on contracts and learning their new roles, it also provided many opportunities for the improvement of the valuation system. With contracts beginning on 1 March, contractors were given more time to prepare for making the

valuations as at 1 July. It also showed that the market for mass valuations is maturing with all contracts let to private operators, nine of which were new contractors (for details of contractors see page 31).

Following the transfer, a Compensation and Special Valuations (CSV) group was established as a self-funded part of Valuation Services. CSV provides a wide range of independent property valuation services to state and local government agencies including valuations to assist agencies with statutory reporting obligations and management of assets including the purchase, sale, and rental of public property. CSV also carries out and manages determinations of compensation in accordance with *Land Acquisition (Just Terms Compensation) Act 1991* on behalf of the Valuer General. In 2006/07 the group completed a revaluation of the Crown leasehold assets worth in excess of \$6 billion.

Supplementary valuations

Valuation Services has improved its services to clients in 2006/07 with improved turnaround times in the processing of supplementary valuations from an average of 100 days to 87 days. This allows local councils and the

Land and Property Information Division Report

Office of State Revenue to have faster access to and use new valuations for rating and taxing purposes. Valuation Services has also assisted the Office of State Revenue by providing provisional land values in September, to allow for earlier modelling of land tax. These values were also used by the Valuer General when analysing movements in value levels to adjust the land tax threshold.

Emergency Information Coordination Unit

During 2006/07 the Emergency Information Coordination Unit (EICU) continued to collect spatial information from local government, state and federal government agencies and private authorities, for the purpose of supplying emergency services and their support agencies.

The information is stored within Lands in the Emergency Services Spatial Information Library (ESSIL), in a large data-warehouse. The development, maintenance and delivery program for ESSIL is the main responsibility of the EICU, and to which at least 90% of its resources are applied.

The primary focus of the EICU during 2006/07 was the development within ESSIL of a geospatial information platform for APEC2007, which will be used in the state and main emergency operations centres during APEC Leaders Week, September 2007.

A component of the APEC requirements is the geospatial representation of buildings of interest, and has led to the development of a model for geospatial representation of all significant and special usage buildings in NSW. It will provide the framework for future development of the NSW Buildings Database as an ongoing service to Lands' customers, and for which Treasury has provided supplementary funding over four years to complete and maintain.

In 2006/07 the EICU completed a pilot 3-D geospatial model of the Sydney CBD, which provides access to floor plans, floor space use and occupancy.

As part of the ongoing support to the security of large pre-planned events, the EICU has been involved from the outset in the provision of geospatial information services for the Papal Visit and World Youth Week in 2008. In 2006/07, significant assistance has been provided to the organisers of the events, and this will increase considerably as the events approach.

The EICU continues its program with the Office for Emergency Services, to provide adequate spatial information to emergency managers in regional as well as central and state emergency operations centres. During 2006/07, the attention was directed to local and district emergency operations centres in five emergency management districts (covering about 60 local government areas). The systems and data provided by the EICU was further trialled in exercises as well as live bushfires and flood events. This has led to recommendation for further improvements to data and service delivery, which will be developed in 2007/08.

The development of the Fire and Hazards and Rail Channels within the Lands Spatial Information eXchange (SIX) in 2006/07, provides an important alternative for delivery of spatial information to users of ESSIL in the emergency sector. The prospects for further developments through SIX, will further extend the users of EICU services.

Report on operations Data Conversion and Cleansing Program

LPI's Data Conversion and Cleansing Program (DCCP) comprises of six operational projects, but the fundamental aims of all of these projects are common, to:

- allocate to every parcel of land in the state a unique and legal identifier, and to store and process information about all parcels in a single titling system
- allow online access to every parcel of land in the state
- collect and provide online the best available, most comprehensive attribute information for each parcel
- digitise every titling-related record, or consign these records to external storage with a strategy for retrieval.

Current projects under way are: Old System land conversion, manual Torrens Title conversion, Crown Land conversion, Bridge Street Plan Room conversion, and Aerial Photography Archive conversion.

Old System land conversion

The project commenced in October 2004 with an estimated 15,000 Old System parcels to be converted. Originally planned for completion by the end of 2006, the discovery of some 6,000 more Old System parcels over the course of the project has resulted in the completion date being extended to December 2007.

As at 30 June 2007, 17,806 (85%) of an estimated total of 21,000 Old System parcels have been converted to the Integrated Titling System (ITS).

Manual Torrens Title conversion

The conversion of lease titles will take longer than originally estimated as there have been significant data quality

issues with the titles to be converted. The project, which has developed into as much a data cleansing as a data conversion exercise, is still seen by our customers as an outstanding success.

The extended timeframe for conversion of lease titles has impacted on the conversion of other manual titles. It is currently estimated that the manual Torrens Title project will continue until December 2007.

As at 30 June 2007, 46,241 (79%) of a total 58,500 manual titles and 27,143 (70%) of a total 38,700 lease titles have been converted to the ITS.

Crown Land conversion

LPI and the Crown Lands Division (Crown Lands) are joining forces for a project that will greatly improve the commercial, sustainable and accountable management of Crown land in NSW.

Crown Lands is responsible for managing Crown reserves, as well as Crown land held under lease, license or permit. Traditionally, information about the Crown land for which Crown Lands is responsible has been captured in hard copy maps held by Crown Lands' regional offices. There have been several attempts over the years to develop a state wide computerised Crown Land Information Database to provide a central digital record of Crown land data for NSW.

The objective of the Crown Land conversion project is to allocate a unique identifier to every Crown parcel, within the project's scope, and convert them to the ITS. The project commenced in January 2007. It is estimated there are 100,000 parcels to be converted with 8,500 (8.5%) having been converted as at 30 June 2007.

Bridge Street Plan Room conversion

This project will ensure that high quality digital colour copies of the

state's Crown Plans remain available for public use, while the original hard copies are conserved and archived with State Records as a legacy for future generations.

The Bridge Street Plan Room houses the state's collection of original Crown Plans – almost one million unique hard copy records of the NSW Surveyor General that date back to the commencement of European settlement. The collection includes parish maps, charting maps, survey plans and survey field notebooks. The significance of the collection is the unique cadastral survey and land status information it contains. A large proportion of the collection comprises current survey plan and title diagram records which support the land title and cadastral boundary systems for NSW. The administrative history of Crown land in NSW is also uniquely recorded on the plans. Staff and customers use the Crown Plans as an essential resource in their day-to-day business.

There are approximately one million plans to be digitised. In April 2007 digitisation of the 500,000 'small flats' plans commenced. As at 30 June 2007 26,744 (5.3%) small flats had been digitised.

Aerial photography archive conversion

LPI and its predecessors have officially documented NSW through aerial photography since 1949. Aerial photographs are used in the preparation of maps and also to determine changes in land use and environmental conditions over time. They are also used within emergency services, farm and land management, environmental monitoring, soil conservation, civil engineering projects and site identification.

This library provides a unique and invaluable visual record of the state's historical development over the past 57 years. It includes more than 700,000 photos recorded on 3,000 films, which provide time sliced coverage of the whole of NSW.

Aerial photographic film perishes naturally over time and already a proportion of the older films held in our library have begun to show visible signs of decay. Unless these films are converted to a stable environment within an immediate timeframe, they will deteriorate to the point where they are rendered useless and priceless intellectual property will be lost.

The most efficient way to preserve the historical aerial films is by digital means. This also allows the data to be available online for business purposes, while preserving the heritage value of the original films for future generations. The project commenced in April 2007 with an audit of the films and purchase of refrigeration cabinets to conserve the more vulnerable film until digitisation commences in July 2007.

EPlan program

LPI has started work on a program that will build capability for the electronic processing of digital land title plans in NSW. The aim of the EPlan program is to deliver significant benefits to the surveying profession, property industry, LPI and other key stakeholders involved in land development.

A key driver for change is the need to reduce the time it currently takes between a plan being lodged for registration and when a new title is issued. By providing a more efficient electronic environment, the program will substantially enhance the quality of plan data, reduce requisitions and improve plan processing and turnaround times.

Land and Property Information Division Report

LPI engaged PricewaterhouseCoopers to liaise with key industry and internal stakeholders to prepare a Business Case for the program. LPI expects the development and introduction of an electronic plan processing system for NSW to deliver considerable benefits, particularly to surveyors and the property development community. LPI will continue to work with key stakeholders to develop a system that will deliver efficiencies across the whole land development industry.

During the year, LPI has initiated a number of projects to develop the internal business capabilities needed to achieve the new electronic information management system. A review of the relevant legislation and identification of the legislative changes needed to enable a fully operational ebusiness environment for land title plan processing has commenced. A pilot program to test the viability of issuing pre-allocated plan numbers (PPNs) commenced in May 2007. Under the pilot, surveyors can obtain plan numbers for proposed land developments on request before plans are ready for lodgement. The benefits of PPNs are that documentation such as contracts of sale and transfers can be prepared much earlier in the development process. Another key benefit is the ability to include notification of proposed development activity on the public record in LPI cadastral and titling datasets. In addition, local councils can access details of PPNs issued for land within their administrative boundaries.

LPI has engaged a technical consultant to assist with the development of a NSW Schema for EPlan. This initiative involves reviewing the Inter-government Committee on Surveying and Mapping (ICSM) EPlan Model and LandXML framework, defining and publishing NSW sub schemas and engaging software vendors to ensure that the

surveying profession are in a position to use and create digital plan data.

Redevelopment of the Government Property Register

Stage One of the Government Property Register (GPR) redevelopment, including migration of cleansed data from the old GPR, has now been fully deployed into a production environment. Training in the use of the GPR has been provided to central planning and other agencies with large property portfolios. Additionally, presentations are being made at regional centres through the Premier's Department Regional Co-ordination Group to ensure all users are aware of the functionality of the upgraded system. Key improvements to the GPR delivered by Stage One are:

- online access to and updating of the GPR through Lands' Spatial Information eXchange (SIX) portal and a web browser interface
- automatic updating of the GPR with changes to title and ownership captured and recorded by the Integrated Titling System (ITS) and Notice of Sales (NOS) system
- spatial representation of search results using the SIX viewer.

Following deployment of Stage One LPI is continuing with a program of improvements to GPR data quality and enhancements to GPR functions and services to ensure that government agencies receive the maximum value and benefit from the redeveloped GPR.

The next steps will include integrating ongoing GPR administration, operation and development of the GPR into the Government Services Development Program (GSDP), which is a broad corporate services delivery strategy to provide government, the commercial sector and private individuals with enhanced land and property information services.

NECS Readiness program

LPI is involved in a nationwide collaborative program that will deliver the most significant development in conveyancing practices since the introduction of the Torrens Title System almost 150 years ago.

LPI is playing a key role in the implementation of the National Electronic Conveyancing System (NECS) program, which will provide a single national system for the electronic settlement and lodgement of conveyancing transactions. The new system will ultimately replace the manual paper-based systems currently used in most states, including NSW.

The NECS program is under way and has already put in place governance arrangements to oversee its implementation.

NECS Readiness is a project which aims to develop NSW market readiness for implementation of NECS, so that LPI, the Office of State Revenue, industry participants and community members benefit from prompt conversion to NECS.

NECS Readiness activity in NSW currently envisages a range of project areas, including mandatory activity (to support NECS) and discretionary activity (potential to maximise benefits from mandatory developments):

- mandatory project areas: NSW Practices and Procedures, Legislation, Supplements to ITS, IT infrastructure assurance, Electronic Examination, NECS Business Rules, NSW Stakeholder Communications
- discretionary project areas: Paper Document Technology, Third Party Interfaces, Workflow system, national uniformity issues.

During Phase Two, each jurisdiction including NSW will continue to implement their NECS Readiness

program. Work will include the implementation of changes to legislation, business systems and channels to provide a smooth transition to NECS and achieve potential cost efficiencies for government agencies, industry members and landholders.

The responsibility to convert users from paper-based to electronic conveyancing ultimately lies with each state and territory. For the first 10 years of NECS operation, each jurisdiction expects to run parallel electronic and paper-based systems, along with programs to convert residual paper-based activity to NECS and automate examination and registration services.

Spatial Data Infrastructure program

The Spatial Data Infrastructure (SDI) program aims to ensure NSW's key spatial datasets are current, comprehensive, accurate and readily available for the benefit of government and other geospatial users as a foundation for planning and managing population growth, land use and development, environmental sustainability and importantly, emergency preparedness and consequence management.

Program objectives are:

- planning and managing a program of highly significant SDI projects in a way that is more beneficial than managing them individually
- delivering key programs, projects and operational activities that provide relevant, reliable land related spatial information that are fit for purpose in terms of accuracy, currency, completeness, availability etc
- supporting the sharing, utilisation and re-use of applicable spatial information, applications and organisational learning, without unnecessary and costly duplication of effort

- developing and maintaining user-friendly systems that will facilitate the discovery, access and retrieval of spatial datasets
- providing data management, systems operations and support capable of sustaining efficient operations that satisfy end-user requirements.

The scope of the SDI program includes those prioritised activities contained within the following projects:

- Digital Image Acquisition System Project (DIAS)
- Geocoded Urban and Rural Address Project (GURAP)
- Cadastral Improvements Project (CIP)
- Topographic Improvements Project (TIP)
- Survey Infrastructure Project (SIP)
- Spatial Services Project (SSP).

In 2006/07 effort was concentrated on the DIAS program.

Digital Image Acquisition System

In November 2006, LPI issued a tender for supply of a Digital Image Acquisition System which included the purchase of digital aerial camera technology to replace existing ageing analogue technology.

The digital camera technology provides a host of advantages compared to the previous analogue aerial camera:

- significantly reduced end to end processing time, i.e. time between when the photograph is taken to when it is available for use
- existing costs associated with the ongoing purchase of film, film processing and print reproduction are largely saved
- on a single pass the digital camera provides panchromatic, normal

colour and infra-red providing a range of post analysis capabilities

- film based technology is at the end of its development path whereas digital technologies will continue to develop rapidly into the future
- its acquisition complements LPI's electronic service delivery strategies and current developments for delivery of spatial information.

The tender process was concluded in May 2007. Leica Geosystems was the successful tenderer and the equipment, an ADS40 digital camera, installed and operational through June 2007. The many benefits of this technology are already being realised with the digital camera acquiring imagery for SES and other agencies of the Newcastle and Central Coast floods in June 2007.

Valuation Improvement program

LPI has continued to make improvements to the NSW Valuation System in 2006/07 through the ongoing Valuation Improvement program. The most significant improvement is the completion of the first year of the Land Value Review project, which requires contractors to inspect or individually verify all land values in the contract area over a five year period. Within the first year, approximately 445,000 land values were verified, significantly contributing to the quality of valuations. As part of the Valuation Improvement project we have also implemented a program approach to valuation audit, which has provided a new, more rigorous approach to reviewing valuations recorded on the register of land values. The valuation audit group is implementing new procedures for the auditing of valuations and new reports recording audit results. Valuation Services has also commenced a project that introduces greater accountability through the implementation of a

Land and Property Information Division Report

Management Information System that will enable improved management of resources and performance reporting. This system will also provide for enhanced records management and reporting of statutory obligations for rating and taxing functions.

A significant focus of the Valuation Improvement program is improving the objection process and communication with the public. In 2007, access to the objection process was improved through online objection lodgement, and communication with objectors was improved with the new Objection Kit, which provides more detailed information on lodging a valid objection. Over 7,200 requests for objection kits were received by the Valuation Services call centre, which received a total of 30,000 calls from December 2006. In 2007, an expanded panel of contractors for objection reporting services was established, with new requirements for improved objection reporting to owners. New processes have also been established for the auditing of independent objection decisions by the Valuation Objection Group to ensure quality of reports.

Future focus

In 2007/08 LPI will invest further in improving land information systems and enhancing and developing electronic service delivery capabilities.

New projects funded for 2007/08 include:

- improving government property holding information systems
- developing enhanced systems for electronic lodgement of plans
- improving the spatial data infrastructure including geographical coding of addresses, topographical

and cadastral data systems, and survey and spatial data delivery services

- maintaining and digitising historical aerial photography
- converting the Old Form Torrens Title Register to digital format.

Ongoing projects include:

- development of a National Electronic Conveyancing System
- conversion of Crown parcels
- conservation and digitisation of historical plans
- upgrade of rural addresses
- development of eChannel services.

Crown Lands Division Report

Ensuring responsible
and sustainable
management of Crown
lands for the people of NSW

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Crown Lands Division Report

When the Department of Lands (Lands) was recreated in 2003 the Crown Lands Division was established to provide a property management service to take over management of Crown land from the former Department of Land and Water Conservation. The Crown Lands Division has progressed since that time in its role as a responsible land manager optimising the environmental, economic and social outcomes on Crown land for the benefit of the people of NSW.

Following a significant reform program commenced in 2003 and the restructuring of the Crown Lands Division to a program management delivery model, Crown Lands Division has established a platform for Crown reserve management, commercial flexibility and a strengthened ability to protect environmental values, which are now starting to benefit the NSW community and the property sector.

Fundamental to the ethos of the Crown Lands Division is that Crown lands are a major asset of the state, and that these assets deliver important social, environmental and economic benefits including development opportunities, stronger regional and rural economies, regional jobs, improved access to public land, business investment, public infrastructure and opportunities to participate in the growth strategies of NSW, including public-private partnerships.

Crown Lands Division has developed and negotiated partnerships with state and local government agencies, local trust boards, private enterprise and industry to help identify and utilise the potential of Crown land assets in the maritime, industrial, residential and tourism development arenas.

In recognition of these achievements, the NSW Government has transferred the Western Lands Division from the Department of Natural Resource to Lands—under the direct management of the Crown Lands Division. After operating separately for some time Western Lands will now benefit from the new direction and initiatives being developed by the Crown Lands Division. For the first time in over 100 years, Crown land management in the Eastern, Central and Western Divisions will be coordinated and integrated as Western Lands becomes the fifth administrative region of the Crown Lands Division.

Crown Lands Division is the custodian of Crown land status information and under the *Crown Lands Act 1989* administers Crown land held under leases, licences or permit. Crown Lands Division manages land retained in public ownership for future public use and environmental protection purposes and the lands of the Crown public roads network.

Crown land is allocated for public uses, including schools, hospitals, sports grounds, community recreation, conservation and housing development. A significant portion of Crown land is also available for alternative uses, including leasing for commercial or agricultural purposes, through to land development and sale to meet the needs of expanding regional and rural communities.

Crown Lands Division recognises that land is a vital resource and aims to protect and manage Crown lands to provide public value to the community through the following programs:

- managing and administering Crown lands under lease, licence or permit; lands within the Crown public roads network, Crown lands within the Regional Reserve system and other reserves

- managing and administering Western Lands Leases under the *Western Lands Act 1901*
- allocating land to meet the needs of expanding regional communities by responding to demand and providing residential land for quality home sites and industrial and commercial lands to facilitate business development
- managing land sustainably by conserving natural resources for future generations through the creation of conservation reserves, whilst also providing development and production opportunities for local communities
- developing and enhancing our public reserves to meet contemporary and community expectations
- supporting farmers by enhancing agricultural opportunities with lease and licences to graze animals and for crop farming
- researching Aboriginal land claims and preparing advice to the Minister for Lands to determine claims under the *Aboriginal Land Rights Act 1983*
- managing applications made under the *Commonwealth Native Title Act 1993* affecting land in NSW
- supporting the Western Land Advisory Council in advising the Minister on and promoting the social, economic and environmental interests of the Western Division
- administering the *Wild Dog Destruction Act 1921*.

Services

Crown Lands Division offers a diverse range of services including:

- marketing and disposal of Crown land for residential, commercial, industrial and rural use

- application for lease, licences, enclosure permits and purchase of Crown land
- conversion/purchase of Crown leasehold tenures
- reservation of Crown land and assistance in management of local community reserves
- administration of Crown roads
- Native Title investigation
- management of 25 fishing ports along the east coast of NSW
- responsibility for management of the reserved Crown submerged land including all land up to three nautical miles to sea
- land survey and title creation for Crown lands including Mean High Watermark definitions and Aboriginal land claims
- general enquiries about Crown land and payment of Crown land accounts
- management of the Tweed River Entrance Sand Bypassing Project under joint project arrangement with the Queensland Government
- administering Western Lands Leases.

Customers

Crown Lands Division clients and customers are diverse and range from the Minister to other government and local government agencies, community groups and individuals.

Crown Lands Division actively promotes partnerships with local government authorities, reflecting the adoption of proactive management of the Crown estate. Councils have been supportive of this new focus of Lands.

Crown Lands Division is also developing professional business relationships to establish broad criteria that will assist both parties in achieving corporate goals.

Crown Lands Division recognises community support obligations to non-profit organisations, charity groups, pensioners and rural community members who occupy Crown lands and who encountered financial hardship by providing rental concessions to the value of \$6.5m.

Crown Lands Division is also working in cooperation with the community and its stakeholders to ensure the smooth implementation of a number of government reforms to Crown land management.

Principal Officers

Graham Harding, General Manager
Crown Lands Division

Stephen Francis, Director of Commercial Development, Fellow of Australian Property Institute, EngSurvCert, AssocDipSmBus, ProfCertPropLaw, GradDipTechMgmt, BBus(Land Economy)

Adrian Harte, Director of Land Management, BSc(Agric), MRurSc, GradDipPubSecMgmt

Graeme Ford, Director of Business Services Crown Lands, Land & Engineering Survey Drafting Cert, Post Land & Engineering Survey Drafting Cert

Craig Barnes, Regional Manager North Coast, Registered Surveyor, BSurv, GradCertBusTech

Leanne Taylor, Regional Manager South, BA, MEd

Andrew McAnespie, Regional Manager Sydney-Hunter, BSurv, GradDipPubSecMgmt

Peter Walker, Regional Manager Central, BSc(Agric)

Geoff Woods, Regional Manager Western, Western Lands Commissioner, DipAgric

Craig Abbs, Director Coastal and Estuary Infrastructure, BEng (Civil) Hons

Jennifer Jude, Director Native Title and Aboriginal Land Claims, BA, LLB(Hons), LLM, GradDipInf/Sci (Lib)

Richard Hunt, Director Crown Lands Policy, BSc, MTCP, MBA, Solicitor

Aims and objectives for 2006/07

- Responsible Crown land management to optimise environmental and socio-economic benefit to the state.
- Development of a Regional Crown Reserve Network.
- Development of Master Plans for the future direction and development of Crown land maritime precincts at Coffs Harbour, Southern Harbour, Tweed Heads, Ulladulla, Batemans Bay and Port Stephens.
- Develop partnerships with local government at Port Macquarie, Great Lakes, Ballina, Tweed Heads and Wollongong.
- Continue development of a commercial entity business framework to guide the operations of Crown Lands Division.
- Improve environmental outcomes by collaborating with Catchment Management Authorities (CMA).
- Negotiate and allocate Crown land for controlled feral animal reduction in conjunction with the Game Council of NSW.
- Streamline processes and reduce cost of administration of Crown land.
- Implement IPART reforms for telecommunication sites.
- Improve return on operational Crown lands.



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- Prepare and implement a fire management program.
- Improve management of reserves held under trust.
- Identify appropriate strategic training opportunities for Crown Lands Division.
- Development of rail trails and walking tracks.
- Continue to achieve the objectives of keeping the Tweed River Entrance navigable and Gold Coast beaches nourished.

Key projects **Responsible Crown land management to optimise environmental and socio-economic benefit to the state**

Lightning Ridge residential leases (camps on claims)

'Residential' Western Lands Leases (WLLs) are being granted over minerals claims on Lightning Ridge opal fields which have residential status. This scheme has been developed to provide bankable title for residential mineral claims. Approximately 800 invitations have been issued for claims holders located on Crown land immediately surrounding Lightning Ridge to apply

for a WLL. The project completion is dependent upon the state government being able to purchase those parts of the WLLs affected by residential minerals claims.

Pied Oystercatcher Project

Following concerns raised by the local community in South Ballina (far north coast of NSW) of the poor breeding success of Pied Oystercatchers in the local area, Crown Lands Division worked in partnership with other government agencies, local landholders and the local community to facilitate cooperative land management.

The project aimed to minimise impacts on the threatened Pied Oystercatcher through the development of the 'Threatened Species (Pied Oystercatcher) Management Strategy'. This strategy was formally adopted by Lands in February 2007 and plans for implementation over a five-year period with a review at the end of this period.

The key outcomes of the strategy include the continuation of a fox abatement program on both public and private lands, raising of the community awareness and involvement in the protection of the Pied Oystercatcher, implementation of a 4WD and horse riding permit and code of conduct, provision of strategic 4WD and pedestrian beach access and

encouragement of scientific research into sustainable visitor use and ecology of pipis as a Pied Oystercatcher food source. The strategy has also had direct benefit to 26 threatened flora and fauna species within the area.

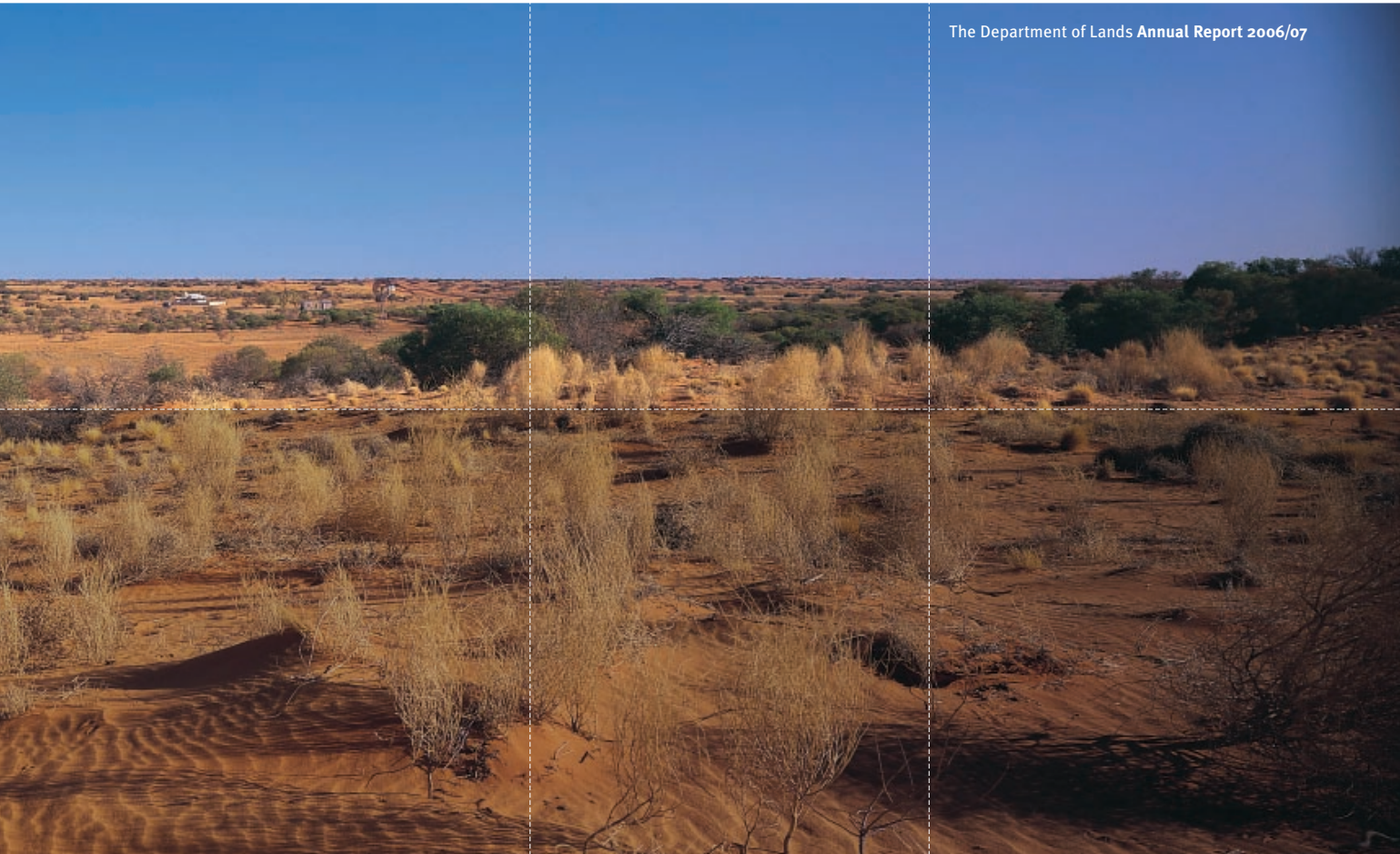
Oyster industry

At the initiative of the Premier's Department, the Crown Lands Division has participated in a whole of government review into the oyster industry.

Crown Lands Division is now working to implement a range of reforms to meet government, industry and community expectations.

The work involves negotiation of new long-term leases for the land component, including a leaseholder Work Plan for rehabilitation of their degraded Crown land and the capture of survey information of existing and orphaned Crown land used by oyster growers.

A standard oyster lease and a work plan template has been developed and adopted. Methodology has been established to efficiently and economically capture accurate survey information. The three coastal regions have commenced work on the project which is expected to take three years to complete.



Development of master plans for the future direction and development of Crown land maritime precincts

Batemans Bay

Batemans Bay marina is a rare opportunity on the south coast of NSW to design, construct and operate a marina and associated tourist facility under a long term lease with all 12.3 hectares of Crown land remaining in public ownership.

The existing marina has a maximum capacity of 126 berths and has not been increased since 1982. The marina structure is also nearing the end of its useful life and needs upgrading to current standards. Crown Lands Division has embarked on a major project to redevelop the marina into a world-class facility for the region.

Ulladulla Harbour

In this beautiful South Coast port, Crown Lands Division has taken the lead in consulting with the Ulladulla Fishing Co-op, other Ulladulla Harbour users, the Department of Planning, Premier's Department and Shoalhaven City Council to understand the community needs for the future of Ulladulla Harbour. A \$30,000 Lands grant was made available to council to

link planning for the town with these plans for the harbour.

Outcomes for the new harbour will be enhanced public infrastructure and expanded commercial opportunities.

Nelson Bay foreshore

Crown Lands Division is working with Port Stephens Council to implement a planned and integrated approach to the development, ongoing maintenance and use of Crown land assets for the benefit of the local community and visitors alike.

A new office has been established in Nelson Bay, providing the focal point for continued consultation with council, the community and local industry to improve the recreational, economic and tourism potential of the Nelson Bay foreshore. Crown Lands Division has a commitment to ensure significant tracts of Crown reserved land in the Port Stephens area are managed in the best interests of the community.

Coffs Harbour

At Coffs Harbour, Crown Lands Division is working with council and community representatives on a vision for the harbour precinct that will support this dynamic and vibrant city by providing for family, fun, jobs, culture and the environment.

The project aims to provide a safe and sustainable outer harbour entrance, an expanded number of marina berths, an improved boat ramp and loading facilities and improved recreational, commercial and tourism opportunities.

A \$316,000 repair program to the northern Coffs Harbour break wall has been underway with completion set for June this year.

Improving returns on operational Crown lands

Lot 490, Kingscliff

A Crown Lands Plan of Management was the primary driver for the appropriate environmental and responsible development and management of Lot 490 at Kingscliff, located immediately between the village of Kingscliff to the north and Salt Village Resort to the south. The drafting of the plan required and warranted extensive public consultation, as the Crown Lands Division recognised the importance of appropriate environmental management of this strategic Crown land reserve for tourist facilities and services.

The Lot 490 Plan of Management provides for an eco-tourism style resort to be developed on the site under a

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long-term lease arrangement. Leighton Properties (Brisbane) Pty Ltd has been chosen as the preferred developer for Lot 490 and is proceeding under contractual agreement to further investigations, including community consultation, before a Development Application is lodged. The proposed resort combines a range of recreational options while ensuring protection and enhancement of the whole and larger site's environmental values.

The re-alignment of the Tweed Coast Way is a further key outcome from this project and will resolve longstanding issues including road status, safe public access to beach areas and improved management of the adjoining coastal and river reserves.

Extractive industries

A project has commenced to review the use of Crown land for extractive industries and determine a process that will ensure a fair and reasonable return to the state.

The allocation of resources should be balanced in terms of the best use of the resource and the economic, social and environmental factors.

Royalty income from extractive industries exceeds \$3.6 million.

Caravan and Camping Extension Program

Crown Lands Division manages 267 of the 900-plus caravan and camping grounds across NSW, and is working to create further opportunities in this area.

Crown Lands Division is identifying potential new caravan parks and camp sites on Crown land in partnership with the NSW Caravan and Camping Industry Association. This initiative will be a boost to this expanding industry and will provide jobs, a range of recreational opportunities and enjoyment for an increasing number of people across NSW.

Improve environmental outcomes by collaborating with Catchment Management Authorities

Crown Lands Division has continued its collaboration with all Catchment Management Authorities (CMAs) in NSW to ensure that the enhanced management of Crown lands and direction of the Division's programs contributes appropriately to the achievement of natural resource management targets described by Catchment Action Plans. The most significant agreement to date is with the Border River/Gwydir CMA who will contribute funds to ensure that critical native vegetation of former perpetual leases occurs into perpetuity. Other examples include:

- removal of environmental weeds to ensure enhanced management of endangered ecological communities in the Clyde Estuary Batemans Bay and at Seven Mile beach (Southern Rivers CMA)
- stabilising public access points on the dune complex at Empire Vale on the north coast (Northern Rivers CMA)
- stabilising eroding pedestrian access ways on ocean headlands with critical vegetation at Crescent Head (Northern Rivers CMA).

Streamline process and reduce costs of administration of Crown land

Crown land reforms

Crown Lands Division has continued implementation of the Crown land reforms through disposal of perpetual leases and Crown roads held under enclosure permits. The conversion of these tenures to private freehold ownership will provide significant reductions in the administration costs of the Crown Lands Division.

White Cliffs dugouts

This project aims to provide secure title for the current 120 residential dugouts that are currently permissive occupancies/licences issued under the *Crown Lands Act 1989*. The proposed scheme is dependent on the local council amending its Local Environmental Plan and dedicating access roads to the dugout sites. A White Cliffs Dugouts working group has been established to review the opportunities to provide secure title for dugouts at White Cliffs.

This will provide substantial reductions to the Crown Lands Division in the costs of administering Western Lands leases.

Development of regional Crown reserves

Development of Regional Crown Reserves System

A Regional Crown Reserves System has been established across NSW to ensure Crown land management remains relevant to the modern needs of local communities and continues to fulfil the Crown Lands Division's commitment to making land available to the people of NSW for public use, enjoyment and protection.

To ensure the use and management of Crown land supports regional economies and public requirements, and to increase our capacity to direct resources where they are needed most, the Crown Lands Division's regional reserve strategy aggregates Crown land into larger units for improved planning and management. Regional Crown reserves mean land can be assessed and managed in a holistic way, in consultation with the community rather than in isolation.

Regional Crown reserves allow for the sustainable management of the environmental values of land, natural resources and heritage, as well as allowing for rural and urban services to promote active public use, tourism opportunities and regional growth.

Completion of Coleambally Regional Crown Reserve

Situated on 1,492 hectares of Crown land, the Coleambally Regional Crown Reserve situated within the Coleambally Irrigation Area was gazetted on 2 March 2007. Consisting of 17 parcels of Crown land, the Coleambally Regional Crown Reserve was created to integrate single parcels of land under one single management framework in order to preserve significant areas of native vegetation and endangered wildlife and to maintain and preserve the natural bush corridor for future generations. Crown Lands Division has developed a management strategy for the Crown reserve in consultation with Coleambally Irrigation Co-operative Limited and the Murrumbidgee Management Catchment Authority.

Development of rail trails and walking tracks

The aim of the Recreational Trails Strategy is to broaden the range of opportunities available to the public to undertake recreational activities on Crown land. Accordingly there are a number of initiatives being developed including:

- using the new Goolawah State Park to add a coastal walking trail to the suite of inland walking tracks currently managed by Lands
- in conjunction with Canoe NSW, Crown Lands Division is piloting a system of canoe trails linking Crown reserves on inland and coastal river systems (initially Macquarie and Murrumbidgee Rivers)

- selecting and promoting, in association with Rural Land Protection Boards, a number of iconic Travelling Stock Routes that link into existing trail networks to broaden the opportunities for recreational horse riding
- supporting and managing existing recreational trail assets to broaden their appeal
- facilitating and encouraging the development of rail trails by offering to manage disused rail corridors under the *Crown Lands Act 1989*
- working cooperatively with local government to use Crown reserves for public access and recreation.

Performance highlights Batemans Bay

Ariadne Australia Ltd has been announced the successful proponent for the redevelopment of the Batemans Bay Marina, chosen on its ability to meet the challenge of redeveloping this important marina precinct into a world-class facility for the region.

The proposal, developed in consultation with industry and the community, includes a new 240-wet berth marina, a 250-vessel drystack facility, a commercial precinct that will provide services such as a chandlery, cafes, restaurants and tourism-related businesses and a tourist accommodation precinct.

This project will generate job opportunities, economic growth and a greater variety of services, not only for Batemans Bay, but the entire south coast of NSW.

Angourie National Surfing Reserve

Crown Lands Division worked in partnership with the local community,

the National Surfing Reserves Committee (NSRC) and Clarence Valley Council to create the first legally protected surfing reserve under the *Crown Lands Act 1989* on 12 January 2007. This provides a statutory significance to the symbolic dedication and identifies the significance of the Crown estate in the surfing culture and Australian lifestyle.

Angourie is an internationally iconic surfing site on the north coast of NSW, near Yamba. The project recognises the cultural and historic importance of Australian surfing and helps raise awareness about the importance of protecting our precious coastal environment.

A community celebration was held to commemorate the dedication with hundreds of people attending on the day. A booklet was produced and a plaque installed to commemorate the event.

Vessel sewage pump out facility, Huskisson

Under the Waterways program, an amount of \$100,000 was funded for a new environmentally friendly service for pumping out effluent from boats in Huskisson, Jervis Bay.

The facility was the first of its kind to be provided in the bay improving water quality and encouraging tourism and recreational vessels to visit the area. The project was a partnership with Shoalhaven City Council who has taken over responsibility for maintenance of the facility. Its day-to-day operation is managed by the Huskisson Wharf Management Committee.

State Rail transfer of land to the Crown

The Minister for Transport vested seventeen surplus rail sites in the Sydney/Hunter, Central West and



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Southern Regions in the Crown. A number of these sites have heritage significance which includes the former Meadowbank Rail Bridge over the Parramatta River which is used as a shared pathway for cyclists and pedestrians connecting Meadowbank and Rhodes. The seventeen sites are now part of the State Rail Crown Reserve managed by the Lands Administration Ministerial Corporation. State Rail has provided funds for management of the Meadowbank Bridge and the establishment of the Porcupine Track at Helensburgh.

Prince Henry at Little Bay Reserves

Landcom is currently redeveloping the former Prince Henry Hospital site at Little Bay as a major urban development precinct. The NSW Government has determined the major recreational, heritage, environmental and community facilities will be managed as Crown reserves by a trust. The facilities include the Coast Golf Course and Club, the Nurses Museum and Chapel, site for Aboriginal Women's Health, Surf Life Saving, land on which rare geological features occur and land containing a rare community of Eastern Suburbs Banksia.

The first parcel of land was gifted to the Crown in May 2007 for the creation of a new reserve which will be managed by the Prince Henry at Little Bay Reserve Trust. Subsequent parcels of land and buildings will be reserved as the development timetable for the site permits. The trust is currently controlled by Landcom. Its role will cease at the completion of the development after which a new management body will be appointed. The government is providing funding to the trust to manage these lands.

Ashfield School of Arts

The 2005 amendments to the *Crown Lands Act 1989* allowed for the transfer of schools of arts into the Crown Reserve System.

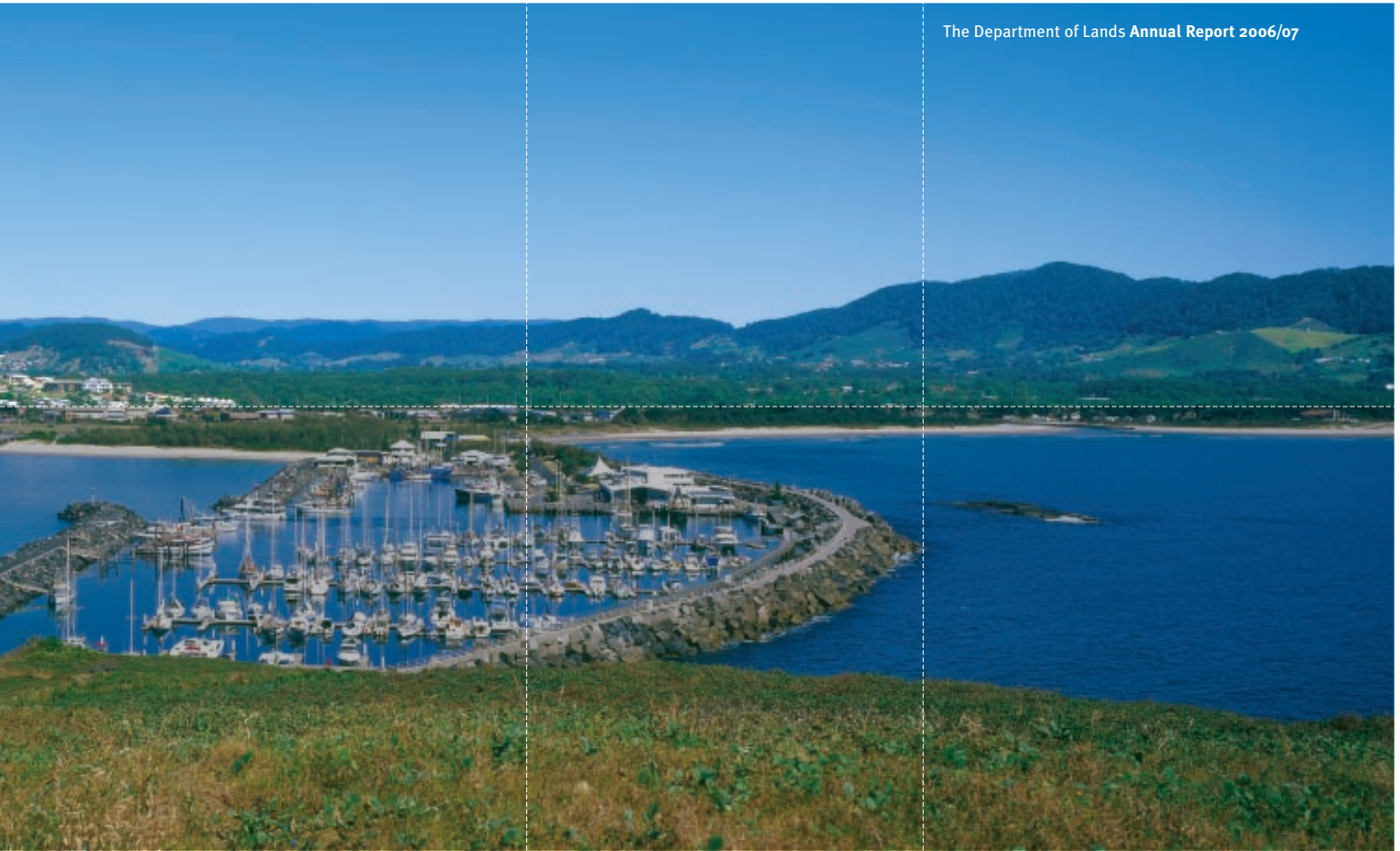
The Ashfield School of Arts building had been abandoned and derelict for many years. The remaining trustees agreed to transfer the site to the Crown on the basis that it be reserved for community purposes and the Exodus Foundation installed as the Reserve Trust Manager.

Minister Kelly attended the handover of the Ashfield building to Exodus Foundation in February 2007. It is the intention of the Exodus Foundation to

conduct youth services and counselling from this site and a fundraising campaign aimed at upgrading the building has already been undertaken that will be complemented with significant grant funding from the government.

Presentation of 118 Long Service Awards

The presentation of Long Service Awards for trust members of Crown reserves was presented during the year to acknowledge 10 or more years representation of various trusts throughout Land Administration (West) area. A total of 43 awards were presented at Deniliquin and Goolgowi representing the Hay area of administration; 63 awards were presented at West Wyalong and Leeton representing the Griffith area; and 12 awards were presented at Ganmain, Tumut and Junee representing the Wagga area. The awards were presented at ceremonies to signify Lands' appreciation of time, effort and commitment given by trust members in representing Lands.



Transfer of Western Division to Crown Lands Division

Implementation of the transfer of Western Lands from Department of Natural Resources to Lands to consolidate the administration and management of all Crown land in NSW into the one agency which will result in the delivery of better services to Western NSW.

Bloomfield

A draft assessment went on public exhibition for 240 hectares of Crown land at Bloomfield, on the southern outskirts of Orange. The review includes reserved land covering the Agricultural Institute, TAFE, rifle range, various recreation reserves and a minor travelling stock reserve on the periphery of the city.

Newcastle Bowling Club

A draft Plan of Management was launched for community comment on the former Newcastle Bowling Club site. The draft plan aimed to achieve the optimal use of the site taking into account its magnificent strategic location and the strong interest of the broader community.

Enclosure permits

To ease the financial burden of rural landholders as a result of the drought, the \$350 rent fee for enclosure permits has been extended for a further three years until 2010. This means the holder will only pay a \$350 fee for the next three years instead of an annual rent. Enclosure permit rents will be reviewed again towards the end of June 2010.

Land holders are still able to purchase enclosed roads permits under the government's initiative and, to date, almost 7,000 permit holders have chosen this option.

Nelson Bay foreshore

The next phase of planning the future of the Nelson Bay foreshore is underway after strong community response to the vision document issued by Crown Lands Division and Port Stephens Council. Formal submissions on the Nelson Bay Foreshore Vision are currently being evaluated providing a basis for the development of a draft Plan of Management.

Killalea

A development agreement was signed to build eco-tourism holiday facilities at Killalea State Park on the south coast and to improve public access to the park

with board walks, viewing areas and other publicly accessible amenities. The development will ensure Killalea's future as a top tourist destination and secure a sustainable future for the park.

Trust Handbook

The Trust Handbook was comprehensively revised and updated, and expanded to provide support and information to local councils and other corporate trust managers of Crown reserves. The handbook gives guidance and assistance to management, staff and board members of reserve trusts and commons in performing the duties they have accepted. It contains general information and guidelines as well as regulatory requirements on how to manage a reserve.

Carbon sequestration

The *Crown Lands Legislation (Carbon Sequestration) Act 2006* commenced on 9 February 2007. This legislation enables Crown lands to be used as carbon sinks in the same manner as freehold lands across NSW. Carbon sinks may be established through planting trees to sequester carbon from the atmosphere. Carbon sequestration through forestry relies on the natural process of photosynthesis in which carbon dioxide from the atmosphere

Crown Lands Division Report

and water from the soil are converted to starch and oxygen. The carbon is effectively captured in the structure of the tree. Tradeable carbon credits are currently granted under the NSW Greenhouse Gas Abatement Scheme administered by IPART (the Independent Pricing and Regulatory Tribunal), though a national market is proposed.

This Act amends the *Crown Lands Act 1989* and the *Western Lands Act 1901* to provide for the grant of carbon sequestration rights over Crown leasehold lands, including Western Lands Leases and other Crown land. In respect of Crown land held under lease, the Minister for Lands may grant a carbon sequestration right with the consent of the lessee. Where the lease is a lease in perpetuity, the lessee may also grant the rights with the consent of the Minister, but subject to such terms and conditions as the Minister sees fit.

Any grant of carbon credits will result in the imposition of forestry covenants and restrictions on use of the land. These covenants and restrictions require the establishment and maintenance of plantations on affected lands for at least 100 years.

Crown lands, native title, Aboriginal land claims and status directorate

Crown Lands Legal has continued to provide legal support to the Crown Lands Division and has assisted in the drafting and review of a number of leases for proposed development on Crown lands.

A proforma lease and licence document has been developed for reserve trusts and a proforma licence is under development for the Lands Administration Ministerial Corporation.

The Native Title Branch continued to provide assistance to the Minister in his provision of a response to the native title process in NSW and negotiated

four Indigenous Land Use Agreements to resolve native title applications and one future act Indigenous Land Use Agreement for a wind-farm. Forty two native title applications are filed in the Federal Court and this number is expected to reduce to 38 once the Indigenous Land Use Agreements are registered.

The Aboriginal Land Claims Investigation Branch has continued to support the Minister in the Aboriginal land claims process pursuant to the *Aboriginal Land Rights Act 1983*. This process has continued to result in a very high number of Aboriginal Land Claims being lodged over Crown lands in NSW and in 36 appeals to the Land and Environment Court from the Minister's determinations. One appeal has been made to the Supreme Court by an Aboriginal Land Council from a decision in the Land and Environment Court in respect of a land claim at Wagga Wagga where the claimed land contains a building.

Status branch has continued to assist in providing tenure history and mapping support for the Native Title and Aboriginal Land Claims Branches in respect of the mapping required for Indigenous Land Use Agreements and the evidence required to be filed on behalf of the state in the Federal Court in the native title process and on behalf of the Minister in the Land and Environment Court in the Aboriginal Land Claims process.

Report on operations Minor Ports, River Entrances and Waterways Programs

Crown Lands Division manages three NSW Government programs related to maritime infrastructure for coastal regional NSW. These programs contribute strongly to achievement of NSW State Plan objectives related

to stronger regional and rural economies, maintaining and investing in infrastructure and encouraging more people to use recreational facilities.

Minor Ports Program

The Minor Ports Program provides and maintains port infrastructure as well as safe, secure port access to 25 fishing ports along the NSW east coast, with a total replacement value of approximately \$700 million.

Minor ports cater for the commercial fishing industry, the growing tourism industry, the recreational boating industry and local communities. They play an important role in contributing to healthy NSW coastal communities, providing opportunities for economic growth, jobs, tourism and recreation.

Projects under this program include road works and port services to improve operations, public access works to promote visitation to foreshore areas, infrastructure such as unloading wharves and mooring jetties, breakwater repairs and maintenance dredging.

Highlights of projects undertaken during 2006/07 include wharf and retaining wall repairs at Ulladulla (\$400,000); roadworks, car parking and drainage at Crowdy Head (\$270,000) and breakwall repairs at Coffs Harbour (\$320,000).

Ulladulla Harbour

Lands undertook significant works in Ulladulla Harbour under the Minor Ports Program to ensure that assets in this key south coast port continued to operate in a safe and sustainable manner.

Major repairs were carried out on the tuna wharf, with some \$300,000 invested in repairs to corroded sheet piling, upgrading of the fender system and additional bollards providing for safe mooring within the harbour for larger vessels.

In addition, a \$100,000 repair program was undertaken to the heritage-listed sandstone wall built in 1864 in the historic precinct of the harbour. These works were required to overcome local undermining of the wall.

River Entrances Program

The principal objectives of the River Entrances Program are to maintain breakwaters and half tide training walls at 21 river entrances along the NSW coastline and to minimise public risk liability at these breakwaters. With a total estimated value of \$900 million, these structures play a pivotal role in the safe navigation of marine vessels, including commercial fishing fleets and recreational boaters.

Works funded under this program include maintenance of breakwaters and river training walls, dredging of river entrance bars and improved access to breakwaters for community use.

Projects completed in 2006/07 include breakwater repairs and upgrading at Tweed River (\$259,000) and Camden Haven (\$150,000).

Tweed River Entrance Sand Bypassing Project

Lands manages the Tweed River Entrance Sand Bypassing Project, which is a joint initiative of the NSW and Queensland governments.

The objectives of the project are to ensure the entrance to the Tweed River remains navigable and the southern Gold Coast beaches are nourished with a regular supply of sand. The sand bypassing system intercepts and removes sand that is moving naturally northward along the coastline towards the river entrance.

Sand bypassing operations reduce the sand fed into the river entrance area and have maintained a clear navigation channel at the entrance since the start of operations in 2001. Recent

monitoring has revealed a substantial increase in the number of recreational and commercial vessels using the entrance.

\$259,000 was provided to undertake important repairs to the Tweed River Breakwater critical to ensure continued functioning and safe public access. Some 3,000 cubic metres of additional armour rock were added to the southern slopes of the breakwater.

Waterways Program

The Waterways Program aims to ensure sustainable use of waterways and foreshores which are Crown land and to improve public access for recreation and amenity for public use. These projects operate in partnership with local government.

Works under this program include waterway planning, recreational boating infrastructure studies, launching ramps, wharves and associated facilities such as car parking, landscaping and lighting. The program also caters for maintenance dredging and assistance in the reduction of waterway pollution by providing Vessel Sewage Pump-out Facilities (VSPFs).

The major project completed in 2006/07 was a new vessel sewage pump-out facility at Huskisson, for which \$100,000 was provided. The project was carried out in partnership with Shoalhaven City Council (see page 53 for further details).

Drought Communities Crown Reserves Improvement Program

This program was instigated to provide relief for people and communities in areas severely affected by the current drought. The program provided small grants to Crown reserve trusts, located in declared Drought Exceptional Circumstances areas, to engage local landholders, rural workers and other

residents in improvement and maintenance projects on Crown Reserves.

The program aimed to provide honorary direct or indirect payment for the participants and opportunity for diversion from the everyday stresses caused by the drought, whilst at the same time providing lasting and visible improvements to local community assets such as public halls, recreation grounds and showgrounds.

A special allocation of \$1 million was made from the Public Reserves Management Fund, with a limit of \$10,000 per project and an emphasis on labour remuneration. (see Appendix 14 for details of grants) Encouragement was given to use the grants as leverage to attract additional funds from other sources.

Reserve trusts have undertaken the responsibility of organising and supervising the projects submitted, and providing short reports on completion.

The program was initiated in the Central Region of the Crown Lands Division, where the effects of drought and the impacts on the health, well-being and financial plight of rural landholders and workers were very evident.

The Office of Rural Affairs was also actively involved in development of the program, with a particular interest in value-adding by identifying supplementary funding sources and assisting trusts in their governance ability.

Applications received from the drought declared areas of the state exceeded available funds.

The applications have been reviewed and submitted for the Minister's approval, with emphasis given to small communities, community trusts and high labour component projects.

Most of the applications and recommended projects came from

Crown Lands Division Report

the central and southern inland regions of the state, and the far west (where there are fewer community trusts). They included projects such as painting, repair and replacement of deteriorated sections of buildings, drainage and water supplies, fencing, removal of rubbish, tree planting, showground improvements, provision of disabled access and sun shelters and many others.

Crown land bushfire management

Lands has a statutory responsibility under the *Rural Fires Act 1997* for bushfire protection on land under its control.

In the past year fire trails and asset protection zones have been maintained and constructed by Lands to reduce potential property losses and damage to the environment from wild fire.

With the assistance of the Soil Conservation Service Division and the Rural Fire Service, Lands has also undertaken significant fire trail and hazard reduction works on Crown land.

In cooperation with Rural Fire Service, Crown Lands Division has developed a program to record all fire trails on Crown land. The majority of fire trails on Crown land have been inspected and programs put in place to bring them up to the accepted standard.

Western Lands Legal Road Network

The *Western Lands Act 1901* includes provisions for the formal establishment of a legal road and access network for the Western Division. The project aims to:

- legalise existing road access network
- provide surety of access for the public to cities, towns and villages and places of significant public interest

- eliminate public liability concerns for landholders
- control access through landholdings.

The project involves definition and dedication of in excess of 20,000 km of road and creation of easements to properties where road frontage does not exist.

Future focus

Based on assessment and evaluation of the NSW Government's State Plan, Lands' reform agenda, Corporate Plan and Results and Services Plan, Crown Lands Division's strategic objectives for 2007/08 are:

- create opportunities for economic growth by:
 - establishing agreed business model
 - developing Crown land, where appropriate, for commercial purposes by the private sector for public benefit
 - improving economic performance
- delivering better services by:
 - maintaining and investing in Crown land infrastructure
 - achieving better environmental outcomes for natural resources on Crown lands
 - providing better access to, and use of crown lands for broader community benefit
 - undertaking targeted review of business administration process to improve service delivery
- building the organisation and its networks by:
 - establishing and maintaining collaboration with key stakeholders and partners

- delivering business objectives through a Project Management discipline
- building technical capacity to deliver business objectives
- developing staff capacity to meet the needs of the organisation.

Soil Conservation Service Division Report

Experienced people
protecting your resources

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Soil Conservation Service Division Report

The Soil Conservation Service Division (SCS) is a soil conservation and environmental consulting business within the Department of Lands (Lands) specialising in environmental protection, rehabilitation and land management services to both rural and urban clients. SCS offers competitive and cost effective services and consultancy to land users for the assessment, development, implementation and promotion of best practice land and water use systems. Maintenance of state government assets on behalf of other government entities are also undertaken by SCS.

Aims and objectives

- Provide a cost-effective conservation earthmoving service to protect and conserve the soil and water resource of NSW.
- Set the industry standard for conservation earthworks design and construction.
- Provide a specialist consulting service in environmental protection, resource planning and assessment, environmental engineering and training in soil and water conservation.
- Assist Lands to meet its objective of managing the natural resource of NSW in a sustainable manner.

Services

Conservation Earthworks (Works)

Through its plant hire scheme Works, SCS offers a cost competitive earthmoving service to design and implement soil and water conservation earthworks, setting the industry standard for quality. Services include:

- extensive conservation broadacre banking and waterway systems used to contain and divert runoff to

stable disposal areas. These works complement conservation farming practices such as reduced and no-tillage to provide effective control of sheet, rill and gully erosion

- conservation earthworks include dams, catch banks, waterways, contour banks and integrated watershed soil and water conservation schemes to harvest and store water for domestic use
- grade reducing structures, gully head control, shaping and filling to stabilise actively eroding flow lines
- mine restoration works, access tracks, poly pipe laying, sand dune shaping and other specialist works
- specialist works, such as concrete or rock lined chutes, pipe installation and revegetation.

Projects are undertaken on either a fixed fee or hourly rate basis. Subcontractors are often engaged to assist with the provision of specialist equipment such as excavators, scrapers and rollers.

Soil Consulting (Consult)

Consultancy and contracting services are offered on a fully commercial basis in a broad range of areas associated with environmental protection, rehabilitation and education. Many of the consultancies undertaken involve the works teams and enable SCS to offer clients a complete package from planning, designing and layout through to final implementation. The work is founded on a thorough understanding of what is practical and cost effective and at all times is concerned with the protection of the environment. These practical skills and knowledge have also been packaged to provide well recognised training programs to the construction industry.

Services offered have expanded and include the following areas:

- project management, rehabilitation and revegetation of degraded areas
- resource planning and assessment
- soil surveying and landscape mapping
- soil and water testing services
- catchment and property planning
- erosion and sediment control on infrastructure developments
- design and construction of soil and water conservation works
- groundwater mapping and salinity control
- flood detention basins, drainage works and artificial wetlands
- training in urban erosion and sediment control, access track construction and rehabilitation techniques
- coastal dune stabilisation and beach reclamation.

Consult services are supported by National Association of Testing Authorities (NATA) registered soil and water testing laboratory at Scone and a hydroseeder/hydromulcher unit at Bathurst.

Operations

Services included under this category relate to maintenance of NSW State Government assets on behalf of other government entities on a full cost recovery basis.

- Riverworks – includes maintenance of assets constructed for flood mitigation and prevention under the *Hunter Valley Flood Mitigation Act 1956*. Under Memorandums of Understanding, SCS is offered the work in this program as well as that involved in the construction of new flood mitigation works funded from the Natural Disasters Relief Fund, for repairs to assets damaged

by flooding. Works in the Upper Hunter are funded through the Hunter Central Rivers Catchment Management Authority. Funding for the maintenance of assets in the Lower Hunter continue to remain with the Department of Environment and Climate Change. This group also tenders for river type projects on a commercial basis as resources permit.

- Great North Walk - established in the 1988 bicentennial year as a 250 kilometre walking track from Sydney to Newcastle. The route includes Sydney Harbour, Lake Macquarie and the Newcastle coastline. The walk is managed by SCS with cooperation and assistance of Forests NSW, Department of Environment and Climate Change (DECC) and 14 local councils. The physical on-ground maintenance works are undertaken by divisional staff.
- Dam Foreshores - SCS is currently responsible for operational management of the dam foreshores at Glenbawn, Glennies Creek, Lostock, Split Rock, Chaffey, Keepit and Copeton Dams. These 50,000 hectares are managed in accordance with management plans, ensuring their continued long-term stability and environmental protection. SCS staff are engaged in pest and weed control, asset maintenance, fire control and agistment management on a full recovery cost basis on behalf of NSW State Water.

Customers

SCS clients include the landholders of NSW (primarily farmers and graziers), government agencies that include Catchment Management Authorities (CMAs), Department of Primary Industries – Mineral Resources, Sydney Catchment Authority, Roads

and Traffic Authority, DECC - Parks & Wildlife Division, Telstra, TransGrid, local government, conservation groups and commercial companies. (see Table 1 for customer breakdown)

Principal officers

Paul Jones, General Manager BEng (civil), Certified Professional Erosion and Sediment Control (CPESC)

Garry Chapman, Area Manager Northern, DipAgr, CPESC

Michael Fletcher, Area Manager Eastern, DipAgr, CPESC

Col Adams, Area Manager Central, DipAgr, CPESC

Guy Van Owen, Area Manager, Southern, BSc (Hons) MSc, DipAgr, CPESC

Aims and objectives for 2006/07

- Provision of a range of practical environmental services to work with agencies in the implementation of the NSW Government's State Plan, in particular Environment for Living priorities:
 - E1: A secure and sustainable water supply for all users
 - E4: Better outcomes for native vegetation, biodiversity, land, rivers and coastal waterways
 - to a lesser extent priorities:
 - E2: A reliable electricity supply with increased use of renewable energy
 - E8: More people using parks, sporting and recreation facilities, and participating in the arts and cultural activity

- To develop a broader commercial recognition of the SCS through contract and partnering agreements with government agencies.
- Develop strong working relationships with CMAs to assist in their catchment plans, particularly in the area of degraded land management and rehabilitation.
- Work closely with Crown Lands Division in the program areas of fire trail maintenance, bushfire hazard reduction and minor dams project management.
- Through the business planning process demonstrate to Treasury the viability and need of an ongoing plant replacement program. Decrease operational costs and increase revenues to improve financial viability and demonstrate SCS's commitment to stated business plan financial targets.
- Monitor customer satisfaction and continue ongoing review of SCS's quality management system to ISO9001:2000. Increase the number of external accredited offices.
- In recognition of SCS's age profile, identify and fill key staff positions ensuring mentoring to retain workforce knowledge. Recruit additional Consult staff to meet an increasing work demand.

Performance highlights

- Marketing consultant engaged and worked with staff to develop a division marketing strategy. Field days at Henty, Mudgee, Orange and Agquip (Gunnedah) were attended to promote Lands services and local operations. Poster series developed for field days and promotional Lands displays.

Soil Conservation Service Division Report

Table 1 - Percentage of customers by group

Customer group	Works (% of customers)		Consult (% of customers)		Operations (% of customers)		Total
	2005/06	2006/07	2005/06	2006/07	2005/06	2006/07	2006/07
Landholders	67.5	68.6	1.6	2.9	30.4	17.6	27.3
State government	11.4	17.2	76.7	68.8	67.2	71.7	52.9
Local government	4.0	3.5	10.0	7.9	2.4	2.8	5.3
Corporate	16.3	9.3	11.5	20.2	-	7.8	14.0
Other	0.7	1.5	0.2	0.2	-	-	0.5
Total	100	100	100	100	100	100	100

- Eleven service agreements with government agencies operated during the year providing preferred supplier status won through public tender or through direct negotiations with SCS clients. A further four agreements are in negotiation.
- CMAs relationships have developed well over the year. CMAs are now a major client for professional services and project implementation with 32 projects directly for CMAs totalling \$1.726m. A large number of CMA funded projects were also directly undertaken for landholders in excess of \$0.5m.
- A revised SCS 2005-2010 Business Plan was submitted to Treasury in August 2006. Financial targets identified in the plan for 2006/07 were exceeded.
- A customer survey was undertaken over December 2006 to April 2007, with questionnaires included with all final invoices for both Works and Consult clients (further details available in Appendix 5).
- A range of major environmental rehabilitation consultancies and conservation earthworks undertaken for the year included:

- Department of Primary Industries, Mineral Resources – rehabilitation works at 15 derelict mine sites across NSW to the value of \$585,000
- Department of Environment and Climate Change, Parks and Wildlife Division – 31 projects including access and fire trail rehabilitation works valued at \$1.22m
- Sydney Catchment Authority – six projects including drainage work, access track repairs and fire trail maintenance to inner catchment areas valued at \$494,000
- Roche Mining, Baal Bone Colliery progressive rehabilitation of mine area including design and construction works, earthworks and revegetation \$772,500
- Department of Education and Training, Public and Private Schools – projects including design, planning, drainage, earthworks and revegetation of degraded school grounds. The Entrance Public School emergency asbestos remediation \$312,000 was one of 64 projects totalling \$1.49m

- conservation and rehabilitation earthworks to Whitehaven and Namoi coal mines in the Northern Tablelands \$84,000
- design and construction of farm water supplies, pipe installation and access track work for W Montague, Tumbarumba \$268,600
- project management of Moore Creek Dam safety works for Lands \$759,000
- RTA Hume Highway Duplication provision of site soil conservation services to plan, monitor and assess erosion mitigation works \$152,000
- Transgrid access track maintenance within Central/Metropolitan area \$293,500
- Sydney Metropolitan CMA erosion and sediment control bushland areas project management \$200,000.

Report on operations Works

Works income at \$7.9 million was an improvement on last year's income and just exceeded the budgeted income of

**Table 2 - Cash receipts by customer group**

Customer group	Works (sales \$000)		Consult (sales \$000)		Operations (sales \$000)		Total
	2005/06	2006/07	2005/06	2006/07	2005/06	2006/07	2006/07
Landholders	4,382	5,002	156	305	938	883	6,190
State government	743	1,253	7,676	7,151	2,071	3,591	11,996
Local government	262	252	1,001	822	73	139	1,214
Corporate	1,056	676	1,149	2,105	-	391	3,172
Other	47	107	25	16	1	2	125
Total	6,490	7,292	10,007	10,399	3,083	5,006	22,697

\$7.8 million. Increased fixed cost plant hire and fuel levy income contributed to this improvement. This was a good result as operational costs also came in beneath forecast by 10.5%. Chargeable plant hours at 1,053 hours per unit, improved on 2005/06 (930 hours) but still well below the annual target of 1,300 hours (19%↓). CMA funded projects and Lands' bushfire management projects accounted for this improvement in hours rather than traditional landholder works. Plant hours were again impacted by the ongoing widespread drought conditions for the majority of the year. With the apparent improvement in drought conditions with widespread rains in June, an improvement in chargeable hours may still be 12 months away. Operational units remained at 39 bulldozers and two excavators. Approximately 24,150 hectares of land was treated with conservation earthworks including broadacre banks/waterways, dams and sediment detention structures. There was again a strong demand during the fire season for staff and plant to attend bushfire emergencies. SCS attended seven major fires across the state at the request of the Rural Fire Service and local government, often operating 24 hour days.

Consult

Total Consult income for the year at \$11.5 million exceeded budgeted income of \$10.9 million (5%↑). Importantly, Consult contract acceptances totalled \$11 million (12%↑), an outstanding result for existing staff resources, and again provides a solid workload to commence the new year. The unit successfully bid for a number of preferred contractor and project tenders including work for SMEC, Parks and Wildlife (DECC), Mineral Resources (DPI) and RTA. Commonwealth funded environmental programs also provided a number of project opportunities through CMAs in the Murray, Murrumbidgee, Southern Rivers, Lachlan, Central West, Hunter and Border/Gwydir Rivers areas to undertake works for rural landholders. Four preferred service agreements were arranged with CMAs and a further four are being negotiated reflecting the increasing importance of this client area. With the large consult demand evident, three of four new consult staff positions were filled early in the year at Wollongong, Nowra and Parramatta, the fourth position at Orange only recently being filled. With major new projects a further three new staff positions were filled and located at Coffs Harbour, Moss Vale and Henty.

Operations

Hunter Valley flood mitigation works, Great North Walk and dam foreshore programs were completed during the year to the value of \$4.5 million. Riverworks teams had a very strong year, successfully sourcing eight additional projects to ensure full operational costs were met and significantly improving revenue, up 62% on 2005/06. Two projects of note being the Stroud Fishway construction for Mid Coast Water \$178,000 and Hunter River, Hexham design and construction of river bank stabilisation works for Newcastle City Council \$382,500. Riverworks teams were also involved in emergency call outs during the Hunter floods in June 2007, operating and clearing flood mitigation structures and emergency sand bagging. Extensive damage occurred to the Great North Walk during the Newcastle June storms resulting in closure of sections of the walk to repair washouts and remove fallen timber. Earlier in the year staff assisted Oxfarm in another very successful charity walk event on the track. Dam foreshore staff management works during the year were commended by our client, NSW State Water.

Soil Conservation Service Division Report

Future focus

SCS will work to expand services to CMAs and natural resource agencies with a view to implementing the NSW Government's State Plan 'Environment for Living' priorities, through the provision of technical advice and a range of cost effective practical solutions to environmental issues.

Consult operations continue to provide a substantial stream of income for the division and again showed a strong increase in sales for the year. The division will look to further expand these operations to improve overall financial position.

Works plant operation continues to experience excessive fleet repair costs due to the ageing fleet. There was no progress during the year on fleet replacement, delayed by ongoing negotiations with Treasury on the future of this important service to rural NSW. The cost of providing conservation earthmoving services, previously assisted by the payment of a community service obligation, are higher than the revenue gained. The government's intention that the division maintains soil conservation services in rural NSW requires a financial recognition of the community benefits provided.

These challenges will continue to be addressed in 2007/08.

Office of Rural Affairs Report

Working with rural
communities to harness
economic, social and
environmental opportunities
for country NSW

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Office of Rural Affairs Report

Working within the framework of NSW Government objectives, the Office of Rural Affairs (ORA) actively seeks opportunities for government and community to work together on economic, social and environmental developments involving country NSW.

The ORA provides leadership and strategic advice to the Minister for Lands on government and community approaches to issues. It seeks to develop cooperative relationships and partnerships with the community.

Vision

To enhance the wellbeing of people and communities in country NSW, to increase ease of access to services for

country people, and to prioritise the government focus on local needs and the strengthening of local communities.

Objectives

To facilitate the objectives of the NSW State Plan, ORA has the following key priority areas:

Rights, respect and responsibility

- reduced levels of antisocial behaviour
- increased participation and integration in community activities.

Delivering better services

- increasing levels of attainment for all students

- more students complete Year 12 or recognised vocational training
- safer roads
- increased customer satisfaction with government services.

Fairness and opportunity

- improved health and education for Aboriginal people
- increased employment and community participation for people with disabilities
- improved outcomes in mental health
 - mental health readmissions
 - increased employment and community participation for people with a mental health problem

RCCC members and attendance at meetings

Member	Interest	Nominated by	Attendance
Diana Gibbs (Chair till March 2007) <i>Term expired March 2007</i>	Independent	-	5(6)
Lynda Summers (Deputy Chair till March 2007, Chair from March 2007) <i>Term expired March 2007 – reappointed as Chair until March 2009</i>	Independent	-	5(7)
John Ainsworth <i>Term expired March 2007 – reappointed until March 2009</i>	Farmers	NSW Farmer's Association	5(7)
Fr Tim Cahill <i>Term expired March 2007 – reappointed until March 2009</i>	Religious communities	NSW Ecumenical Council	3(7)
Michael Madden <i>Term expired March 2007 – reappointed until March 2009</i>	Trade union	Unions NSW	4(7)
Iris White <i>Term expired March 2007 – reappointed until March 2009</i>	Aboriginal communities	Minister for Aboriginal Affairs	4(7)
Peter Quarmby <i>Term expired March 2007 – reappointed until March 2009</i>	Social services	NSW Council of Social Services	4(7)
Ruth Shanks <i>Term expired March 2007 – reappointed until March 2009</i>	Womens' interests	NSW Country Women's Association	3(7)

- embedding the principle of prevention and early intervention into government service delivery in NSW
- increased proportion of children with skills for life and learning at school entry
- reduced rates of child abuse and neglect.

Growing prosperity across NSW

- maintain and invest in infrastructure
- cutting red tape
- more people participating in education and training throughout their life
- increased business investment in rural and regional NSW

- better access to training in rural and regional NSW to support local economies.

Environment for living

- a secure and sustainable water supply
 - saving and recycling water
 - water reliability and sustainability
- better outcomes for native vegetation, biodiversity, land, rivers, and coastal waterways
- housing affordability
- more people using parks, sporting and recreational facilities, and participating in the arts and cultural activity.

Governance

The ORA develops and maintains close links with stakeholders and communities across NSW and through providing secretariat and policy support to the Regional Communities Consultative Council (RCCC).

The ORA is made aware of issues that have statewide country community implication by:

- responding to issues that have statewide implication that are raised through the Regional Coordination Management Groups across country NSW
- maintaining strong links with key stakeholder and Non-Government

RCCC members and attendance at meetings continued

Member	Interest	Nominated by	Attendance
Lyall Wilkinson <i>Term expired March 2007 – reappointed until March 2009</i>	Education	Federation of Parents and Citizens Association of NSW	6(7)
Rashmere Bahatti <i>Term expired March 2007</i>	Ethnic communities	Ethnic Communities Council of NSW & the Community Relations Commission	3(6)
Jenny Bonfield <i>Term expired March 2007</i>	Local government	Local Government Association of NSW and the Local Government Shires Association	2(6)
Simon Davies <i>Resigned January 2007</i>	Youth	Minister for Youth	-
Michael Schultz <i>Term expired March 2007</i>	Environment	Nature Conservation Council of NSW	4(6)
New members appointed in March 2007			
Diane Erika <i>Appointed March 2007 – March 2009</i>	Ethnic communities	Ethnic Communities Council of NSW & the Community Relations Commission	1(1)
Janet Hayes <i>Appointed March 2007 – March 2009</i>	Local government	Local Government Association of NSW and the Local Government Shires Association	1(1)
Bernadette Wenner <i>Appointed March 2007 – March 2009</i>	Youth	Minister for Youth	1(1)
Vacant	Environment	Nature Conservation Council of NSW	-
Vacant	Economic development	Economic Development Australia NSW	-



Office of Rural Affairs Report

Organisation (NGO) groups working in country NSW

- mapping statewide implications of ad-hoc requests by community through the RCCC Freecall 1800 number
- responding to country issues raised through Ministerial requests.

The RCCC

Established in August 1996, the RCCC is an independent advisory body comprised of thirteen members representing community interests, with an independent Chair and Deputy Chair. The RCCC provides advice to the Premier and the Minister for Rural Affairs on a wide range of community matters.

Functions of the RCCC

The RCCC develops recommendations about ways in which government and country communities can work together to strengthen the capacity of communities to respond to local issues by:

- advocating on behalf of and raising the views of country people to government
- advising on service provision, rural policy and initiatives
- advising on access and delivery of

government information to country communities

- identifying opportunities to enhance the quality of life for country people.

RCCC members and attendance at meetings

RCCC members are appointed for a two-year term. The 2005–2007 Council term expired in March 2007. Eight members were reappointed and three new members appointed for two year terms expiring in March 2009. There are currently two vacant positions for which nominations will be sought from the representative organisations.

During the July 2006–March 2007 period, the council met on six occasions undertaking meetings and consultations in Orange, Bingara, Warialda and Menindee. During the April 2007–June 2007 period, the RCCC met for a two-day workshop to develop the new council workplan.

Administration

The ORA provides support to the Minister for Rural Affairs and the RCCC, and reports directly to the Director General of the Department of Lands.

The ORA is a small secretariat comprising the manager and two

full-time support staff. Employees of Lands provide further support.

Manager, Office of Rural Affairs

Fran Schonberg

Budget

The ORA budget allocation includes funds related to the operation of the RCCC (\$150,000) and employee and related operating costs of the ORA itself (\$265,000). No capital works funding was allocated to the ORA in 2006/07.

Report on performance Supporting 'Broadband for the Bush'

Telecommunications and broadband expansion is a major vehicle for regional development and social enhancement. The range of community benefits enabled through the use of such technologies supports community sustainability both economically and socially.

To facilitate access for rural communities the ORA is participating in the Commonwealth Government Clever Networks program, part of the \$1.1 billion Connect Australia package. Under the program the ORA has



applied for a Broadband Development Officer as well as provided a significant commitment to the NSW Government's Broadband for the Bush program.

To support communities ORA is undertaking a technology awareness program that will assist country towns to:

- attract new business into rural and regional communities
- facilitate growth and development for traditional businesses competing in the global marketplace
- provide better access to services, improving quality of life and reducing the pressure on young people to relocate from the country to the city for training
- retain skills and support skills transfer in regional and rural communities
- create jobs in new information based sectors
- deliver better information and service provision outcomes
- support lifestyle choices – better balancing work, family and recreation.

The following programs are supported by the ORA.

The Community Technology Centre Program

The Community Technology Centre Program (CTC) transferred to the Minister for Rural Affairs in 2006. The ORA is the government representative on the management committee and supports the centres by ensuring they deliver government and community services as well as offer free computer access to NSW State Government information.

Community technology centres are a resource hub that provides infrastructure and resources to support service delivery in over 80 rural towns. The centres employ regional people and have over 1,200 volunteers committed to serving their local communities.

It is estimated that 2,700 first time computer users were trained in a CTC in the last financial year with a total average of 6,160 people being trained in computers throughout the centres. In 2006 154 volunteers in 24 centres gained employment from volunteering at a CTC.

Australia's First Annual Public Broadband Summit

The ORA promoted and was a sponsor for rural and remote community leaders to participate in 'Australia's First Annual Public Broadband Summit'. The summit brought together public officials, policy-makers, service providers and technology providers to explore key aspects of the industry.

Expert speakers from Australia and the US shared their experiences about the economic impact, the digital divide, competition and consumer choice, emerging technologies, case studies, public policy implications and opportunities for communities using new technologies.

The Gwydir Learning Region

The ORA has been facilitating the expansion of the Gwydir Learning Region model to other rural and remote communities. The model supports communities to invest time and access training locally for their young people and adults to encourage them to continue their education and access work experience in their local towns.

The vocational education program for the Gwydir area has been fully evaluated and has won a number of state and national awards.

Office of Rural Affairs Report

The Gwydir Learning Region enables individuals and community to regain control of their futures to build confidence and maintain a sense of pride and achievement. The key to success is getting a whole community to value learning, emphasising the value of youth, actively seeking opportunities and possibilities, flexibility and the use of new technologies to deliver training locally and strong partnerships between local and state governments, business and industry, education providers and the community.

Pilliga and Gwabegar CommunityLink, Community Technology Centres

The ORA has developed an alternate governance model for these small community organisations and committees. Pilliga and Gwabegar CommunityLink, Community Technology Centres required support to be able to deliver the services their community required.

A partnership model has been developed that links local and state government and the community to support the centres. Each partner provides expertise, support and shares responsibility of community activity and local service provision. Local government supports the infrastructure, the Community Technology Centre Association provides the financial and grant seeker support and the ORA coordinates the management of the centres.

The communities feel they are supported to take advantage of programs that previously were seen as too much of a burden for a small local management committee. This now allows a vast range of activities to be run in the towns as well as providing a secure management base for the funding bodies.

Keeping in touch with communities

The ORA undertook community consultations and meetings in Gwabegar, Pilliga, Bingara, Coolamon, Baradine, Cootamundra, Mungindi, Boggabilla, Wialda, Walgett, Coonamble, Moree, Narrabri, Menindee, Wallaga Lake and Bermagui.

The ORA is a member of the rural NSW Department of Premier and Cabinet, Regional Coordination Management Groups and meets with the constituent groups of the RCCC.

The ORA and the RCCC provided rural communities' views and issues to the Minister for Rural Affairs which were used to inform priority areas of the NSW Government State Plan. Information gained during these consultations and meetings was also disseminated across a number of Ministerial portfolios.

Future focus

To support the work of the NSW Government Rural and Regional Task Force and the NSW Government State Plan the ORA and the RCCC will be undertaking community consultations across rural NSW.

Issues to be identified for the Taskforce are:

- demographic trends in individual rural and regional areas
- current and emerging factors driving changes in demand for, and the delivery of, services to rural and regional communities
- identifying potential actions to address current and emerging economic, environmental and social issues affecting rural and regional communities across NSW.

Geographical Names Board of NSW Report

Preserving the history, culture
and identity of NSW

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Geographical Names Board Report

Since the 1950s the United Nations has recognised the need to standardise geographical names and has published many guidelines and directives in respect to this issue. In 1966 the NSW Government complied with United Nations' directions and established the Geographical Names Board of NSW (the Board) to administer place names within the state. The Board is empowered by the *Geographical Names Act 1966* which provides it the power to assign names to places; to investigate and determine the form, spelling, meaning, pronunciation, origin and history of any geographical name; and to determine the application of each name with regard to position, extent or other reference.

The Board is committed to providing NSW with the best possible service. As such, the Board is at the forefront of international 'best practice' methodologies in the field of toponymy. The Board ensures its practices, guidelines and policies adhere to international standards in this area. By doing this, issues dealing with duplication, orthography, position and extent in regards to place names are minimised.

Organisations such as local councils and map publishers rely heavily on the Board to provide authoritative toponyms for use on signs and maps. The Board's determinations with respect to official suburbs and localities are used by the real estate industry for describing property locations.

Aims and objectives

The Board's aims and objectives are to continue to:

- preference Aboriginal place names in a manner which seeks to recognise and publicise these names and in so doing promote the use of traditional Aboriginal languages within NSW
- develop and implement initiatives that enforce authoritative addresses thus ensuring a robust system for the delivery of emergency services to the community
- recognise the contribution to the community by everyday Australians through commemoratively naming geographical features within the state
- redevelop the Board's information systems so as to ensure effective communication with the community
- accomplish over four hundred place name determinations in the reporting year thus minimising issues relating to duplication and confusion in orthography, position and extent with regard to place names
- ensure high standards for the naming of roads, schools and National Parks in NSW through a continued commitment to a concurrence role for toponyms that fall outside the Board's jurisdiction
- encourage the standardisation and promotion of geographical names on a state, national and international basis.

Governance Functions of the Board

As set out in the *Geographical Names Act 1966*, the Board has the following powers and functions:

- assign names to places
- approve that a recorded name of a place shall be its geographical name
- alter a recorded name or a geographical name
- determine whether the use of a recorded name or a geographical name shall be discontinued
- adopt rules of orthography, nomenclature and pronunciation with respect to geographical names
- investigate and determine the form, spelling, meaning, pronunciation, origin and history of any geographical name
- the application of any geographical name with regard to position, extent or otherwise
- compile and maintain a vocabulary of Aboriginal words used or suitable for use in geographical names and to record their meaning and tribal origin
- compile and maintain a dictionary of geographical names with a record of their form, spelling, meaning, pronunciation, origin and history
- publish a gazetteer of geographical names
- inquire into and make recommendations on any matters relating to the names of places referred to it by the Minister
- may compile, maintain and publish a list of road names.

The Board proactively seeks to abide by these statutory provisions through the adoption of nomenclature policies and procedures which are both nationally and internationally recognised.

Members of the Board during 2006/07	Board meetings (4 meetings)
Warwick Watkins AMP:ISMP (Harv), MNatRes, DipScAgr, HDA (Hons), FAPI, FISA, JP Surveyor General of NSW <i>Ex-officio position.</i>	4 (Chair)
Paul Harcombe BSurv (UNSW), MGeom (Melb) Chief Surveyor, Department of Lands <i>Ex-officio position.</i>	4
Cheryl Evans State Library <i>Reappointed December 2006, position to be reviewed in December 2007.</i>	4
Peter Woods Emeritus Mayor OAM, CMC, JP, BA, MLitt, TTC, CertCommMed, MACE, FAICD Local Government and Shires Association of NSW <i>Appointed December 2001, term expired December 2006.</i>	2
Alan Ventress BA, DipLIB Royal Australian Historical Society <i>Reappointed December 2006, term expires December 2011.</i>	4
Jack Devery BSc, MTCP Geographical Society of New South Wales <i>Appointed December 2001, term expired December 2006.</i>	2
Murray Chapman (deceased)* NSW Aboriginal Land Council <i>Appointed December 2001 - December 2006.</i>	1
Stepan Kerkyasharian AM Community Relations Commission <i>Appointed April 2004, term expired December 2006.</i>	0
New members appointed in March 2007	
Cr Fran Teirney Local Government and Shires Association of NSW <i>Appointed December 2006, term expires December 2011.</i>	1
Dr John Emery BA, MA, PhD, DipEd, DipT&CP Geographical Society of New South Wales <i>Appointed December 2006, term expires December 2011.</i>	1
Wajiha Ahmed BA, LLB, DipLaw Community Relations Commissioner <i>Appointed December 2006, term expires December 2011.</i>	2
Counsellors**	
Dr Peter Orlovich	4
Dr Jakelin Troy	4
Terry Pendleton	2
Gerard Herbert	4
* The Board has initiated the process to fill the positions of nominees of the Director General Department of Planning and the NSW Aboriginal Land Council. ** In accordance with the provision of the Geographical Names Act 1966 the Board may appoint counsellors to advise it on matters within its powers and functions. The Board has appointed four counsellors to advise it on issues such as linguistics, history and addressing.	

Geographical Names Board Report

Board members

Members are appointed to the Board in accordance with the provisions set out in Section 3 of the *Geographical Names Act 1966*. The Act allows for a total of nine members, four of which are those people who hold the office of, or are a respective nominee of, the Surveyor General of NSW, the Director General of the Department of Planning, the State Librarian and an officer of the Department of Lands (Lands) nominated by the Director General of that department.

The remaining five positions are to be nominated by:

- the governing bodies of the Local Government Association of NSW and the Shires Association of NSW (joint nomination)
- the governing body of the Royal Australian Historical Society
- the governing body of the Geographical Society of NSW
- the NSW Aboriginal Land Council
- the Chairperson of the Community Relations Commission.

These members are 'Appointed' by the Governor and hold office for a period not longer than five years. They are also eligible for re-appointment after the completion of their respective term.

A number of the 'Appointed' positions on the Board fell vacant in the reporting year and these were filled by new members.

Board meetings

The Board met formally on four occasions during the year. Five members form a quorum. The Surveyor General of NSW in his position as Chair has a deliberative vote and casting vote.

Board committees

The Technical and Scientific Sub-Committee

The Technical and Scientific Sub-Committee (the Committee) is tasked with investigating issues pertaining to linguistic consistency for various names relating to traditional Aboriginal languages, the investigation and development of reports relating to nomenclature issues and ongoing training and research programs for the Board. The Committee met on two occasions during the year and is made up of academics and experts in the area of history, linguistics and toponymy.

Administration

Section 4 of the *Geographical Names Act 1966* makes provision for a secretary and such officers to administer the affairs of the Board. To

carry out this function Lands employs a small secretariat which consists of four staff members. Lands also provides 'back office' support to assist the Board in its day to day operations.

Report on performance Legal addressing in NSW

Road and address locality names are important navigation tools, not only for residents but for councils, emergency services and mapping services. The gazettal of these names reduces confusion, lowers the incidents of duplication and ensures appropriate names are made official. Consequently, the naming process has been standardised to ensure that any changes are easily understood by community members and service providers.

The Board has a statutory responsibility to determine definitive boundaries for suburbs and localities throughout NSW. The Board works closely with local councils when defining boundaries because local residents are one of the most significant users of the names. The process of determining boundaries is one of acknowledging existing names and formalising their extent according to common local usage.

The Board is also required to be notified of all road naming proposals.

Indicators			
Designation	2004/05	2005/06	2006/07
Address locality names and boundaries	180	280	188
Road names concurred	991	1099	908
Dual names	22	1	1
Other place names	172	124	259

The Surveyor General and/or the Registrar General can object to any road naming proposal that doesn't meet the Board's guidelines.

In the reporting year the Board has formally assigned over 180 address locality names and concurred with 908 new road names.

Recognising excellence in the community

The Board honours community members who have made an exceptional contribution to society through commemorative naming. Commemorative place names recognise both famous and everyday Australians whose achievements are deemed outstanding.

The Board has honoured over 40 individuals in the reporting year by naming various geographical features after them. These names commemorate a wide variety of achievements from a broad cross section of citizens. Returned service men and women, famous sporting identities, educators, industry leaders, former elected civic officials, famous Aboriginals, community leaders and everyday Australians have all been commemorated in this fashion.

Aboriginal naming and cultural diversity

The Board is committed to acknowledging Aboriginal culture through place naming in NSW. The Board does this by preferencing traditional Aboriginal place names or names with Aboriginal origin wherever it can. The Board is also dedicated to restoring traditional Aboriginal names to features with introduced names through its dual naming policy. In the reporting year the Board officially recognised six place names of Aboriginal origin and assigned the

dual name 'Kolety' as the traditional Aboriginal name for the Edward River.

The Board also encourages place names that acknowledge the multicultural nature of our society. In the reporting year the Board assigned two names that have culturally diverse origins.

Future focus

In an effort to ensure its relevance to the community the Board has committed to undertake a strategic planning session in the next reporting year. As the membership of the Board has changed considerably within the past twelve months, the Board noted that it would be an opportune time to conduct a review of this nature. It is envisaged that this review will cover topics such as:

- vision, mission and values
- goals and objectives
- risks and threats (situation analysis)
- other topics deemed relevant.

The Board has also carried out an independent assessment on its information systems in an effort to ensure it meets increasing community expectation. This review highlighted the need for both the Board and Lands to invest in system re-engineering so as to ensure positive outcomes in the areas of:

- authoritative addressing
- authoritative nomenclature access by primary databases
- representation of accurate spatial extent
- collection and management of postcodes
- compliance with the *Geographical Names Act 1966*

- temporal control of data
- integration with other key databases.

Further work will be carried out by both the Board and Lands in this area over the next twelve months.

Statutory reporting Consumer response

The Board's secretariat is administered by Lands. As such, all policies, systems and guidelines relating to complaints and customer satisfaction are dealt with as per Lands directions.

Grants to non-government organisations

There were no grants given to non-government organisations in the reporting year.

Legislation

There were no changes made to the *Geographical Names Act 1966* in the reporting year.

Publications

The Board publishes various documents which are designed to inform the community on issues concerning place names within NSW. The following publications are available through the Board's website or at the Board's office.

- Geographical Names Board – The NSW Road and Address Locality Naming Process.
- Geographical Names Board – Preserving the history, culture and identity of NSW.
- Determining Suburbs and Localities in NSW.
- Dual Naming – Supporting cultural recognition.

Geographical Names Board Report

- Road Naming in NSW.
- Commemorative Naming.
- Glossary of Status Values in the Geographical Names Register.
- Glossary of Designation Values in the Geographical Names Register.
- Guidelines for the Determination of Place names.
- Rural Addressing for NSW.
- Place name Application Form.
- The Naming and Addressing of Private Roads and Roads in Community Subdivisions.
- Guidelines for the Naming of Roads.

For information on consultants, payment performance, risk management and insurance, and all other administrative procedures, policies and processes for this report please refer to Lands' Annual Report Appendices.

Board of Surveying and Spatial Information Report

Ensuring public confidence in
the provision of survey and
spatial information services

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Board of Surveying and Spatial Information Report

The Board of Surveying and Spatial Information (the Board), constituted under the *Surveying Act 2002*, to provide for the registration of land and mining surveyors, is the statutory body responsible for standards in surveying and spatial information in NSW and advises the Minister on spatial information. The Board, on 25 June 2003, took over the functions previously managed by the Board of Surveyors of NSW which was constituted under the *Surveyors Act 1929*, which has been repealed.

Mission

The Board in all its dealings strives for excellence and has an ongoing quest for quality. The Board accepts that the community is entitled to expect reliable and professional service at reasonable cost. The Board's philosophy is to ensure that public confidence is maintained in the provision of survey and spatial information services.

Aims and objectives Qualifications

- To maintain the register of registered land and mining surveyors.
- To grant registration to surveyors under the provisions of the *Surveying Act 2002*.
- To establish minimum competency standards.
- To maintain the credibility of the register by ensuring surveyors with overseas and interstate academic

Board members and attendance

Members of the Board	Board meetings (6 meetings)
Mr Warwick Watkins AMP:ISMP (Harv), MNatRes, DipScAgr, HDA (Hons), FAPI, FISA, JP Surveyor General of NSW Appointed Jan 2005 term expired Dec 2006. Reappointed Jan 2007 term expires Dec 2010.	6 (Chair)
Mr Paul Harcombe BSURV (UNSW), MGeom (Melb) Chief Surveyor, Department of Lands Appointed Jan 2005 term expired Dec 2006. Reappointed Jan 2007 term expires Dec 2008.	6
Mr Mark Gordon BSURV (Hons) Institute of Surveyors NSW Inc Appointed Jan 2005 term expired Dec 2006. Reappointed Jan 2007 term expires Dec 2008.	6
Mr Andrew Campbell MSURVSc (UNSW), MPlanning (UTS) Institute of Surveyors NSW Inc Appointed Jan 2005 term expired Dec 2006. Reappointed Jan 2007 term expires Dec 2008.	5
Dr Michael Elfick DSURV (Newcastle) DipSURVSc (Sydney), DipTownPlanning (Sydney) Institute of Surveyors NSW Inc Appointed Jan 2005 term expired Dec 2006. Reappointed Jan 2007 term expires Dec 2008.	6
Mr Phillip Orr BSURV (Hons) Australian Institute of Mine Surveyors Ltd Appointed Jan 2005 term expired Dec 2006. Reappointed Jan 2007 term expires Dec 2008.	5
Mr Robert Regan BMining Engineering (Hons 1) Minister for Mineral Resources Appointed Oct 2006 term expires Oct 2007.	3
Mr David Bruce BSURV (Hons) (UNSW) Spatial Sciences Institute of Australia Appointed Jan 2007 term expires Dec 2008.	4
Mr Ronald Lister BSURV (Hons) (UNSW), GradDipAdmin (UTS) Geospatial Information and Technology Association – Australia and New Zealand Division Appointed Oct 2006 term expires Oct 2007.	5

qualifications meet the standards required under the *Surveying Act 2002*.

Education

- To work with education and professional institutions to develop educational and training programs to ensure quality standards in education and professional development are maintained.
- To encourage spatial information practitioners and registered surveyors to undertake appropriate education and relevant continuing

professional development to maintain competency.

- To assist surveyor's assistants, survey drafters and students of surveying gain qualifications by determining, recording and accepting accrued practical experience.

Spatial information

- To define the scope of spatial information, identify key spatial industry stakeholders, develop communication and promotion strategies and benefits for the Board, the public and private sectors.

- To identify a vision for spatial information.
- To develop policies, assess and recommend quality standards for collection, collation, management and dissemination of all identified types of spatial information relevant to the NSW Spatial Data Information (SDI).

Board members and attendance continued

Members of the Board	Board meetings (6 meetings)
Mr Vinayan PK DipBusMgt (DET, NSW) MAppGeo, PhD (Remote Sensing) IIT Spatial Science Institute of Australia Appointed Oct 2006 term expires Oct 2007.	4
Ms Margaret Hole AM, DipLaw, Barristers Admission Board Representing Minister for Fair Trading Appointed Oct 2006 term expires Oct 2007.	6
Advisors and observers	
Graham Leatherland Registrar Part year – July 2006 to 26 February 2007.	4
Stephen Glencorse Registrar Part year – from 14 May 2007.	1
Professor John Fryer FISA, BSurv (UNSW), PhD (UNSW) University of Newcastle – advisor to the Board.	5
Anna Allen MSurvSc (UNSW), BEngSurv (Pol) Advisor to the Board.	5
Grahame Wallis BSurv (UNSW) Advisor to the Board.	6
Frank Blanchfield AssocSurv (RMIT) ACT Commissioner for Surveys – Observer.	5
William Hirst ACT Chief Surveyor – Observer.	1
Greg Windsor Secretary NSW Geographical Names Board – Observer.	1

Board of Surveying and Spatial Information Report

Revenue

	Actual 2005/06	Actual 2006/07
Registration fees	\$384,980 (76%)	\$404,786 (71%)
Candidate enrolment and workshop fees	\$37,220 (7.5%)	\$28,622 (5%)
Examination fees	\$24,750 (5%)	\$19,291 (3%)
Conference and seminars	-	\$2,195 (0.4%)
Investment income	\$32,939 (6.6%)	\$37,884 (6.6%)
Other revenue and contributions	\$24,556 (5%)	\$78,069 (14%)
Total	\$504,455	\$570,847

Note: These figures have been audited

Governance Functions of the Board

The principal functions of the Board are:

- registration of land and mining surveyors and ongoing administration of the register
- investigation of complaints against registered land and mining surveyors and the taking of disciplinary action which may arise as a result of the investigation
- investigation of surveyor licensing schemes in other states and territories; the practice to be followed in relation to surveying or in the collection, collation and dissemination of any other kinds of spatial information; any matters referred to it by the Minister in relation to surveying or the spatial information industry
- provision of advice to the Minister with respect to matters outlined above and all other matters in connection with the administration of the Act.

Board members

The Board consists of 10-12 board members representing the areas of land and mining surveying, spatial information, an academic from an educational facility and the Department of Fair Trading. The Board calls for nominations of a selected number of candidates from each relevant organisation, the nominations are then placed before the Minister for approval. Upon approval, the Board members are appointed for a term of up to two years. A Board member may be elected for consecutive terms.

Board meetings

During the 2006/07 reporting period there were 11 members on the Board. The Registrar, three advisers and three observers also attended the meetings. The Board met formally on six occasions.

To ensure the Board is accessible to the wider surveying community, meetings were held in Sydney, Penrith and Kurri Kurri.

Board committees established or abolished

To maximise the use of the time available at board meetings the Board has a number of subcommittees which

operate within the Board's structure: Training Committee, Finance and Audit Committee, Spatial Information Committee, Professional Audit and Investigation Committee, Discipline Committee, Land and Mining Surveyor Committee and Legislation Committee.

Administration

Administrative support to the Board is undertaken by a small secretariat which includes the Registrar, one full time statutory officer, one part time statutory officer and one full time statutory assistant. Employees of the Department of Lands provide further support.

Registrar

Graham Leatherland (part year)
Stephen Glencorse (part year)

Funding

The Board is primarily funded by fees levied on surveyors and also some contributions from spatial information stakeholders.

Expenditure

	Actual 2005/06	Actual 2006/07
Personnel Services (provided by Lands)	\$206,822 (36%)	\$221,429 (41%)
Board member fees	\$27,810 (5%)	\$25,565 (5%)
Depreciation	\$15,332 (3%)	\$12,061 (2%)
Other expenditure	\$325,765 (56%)	\$284,886 (52%)
Total	\$575,729	\$543,941

Note: These figures have been audited.

Report on performance Stakeholder engagement

The Board continued its practice of meeting and consulting with surveyor board representatives from interstate and overseas jurisdictions. The Board also met with the Commissioner for Surveys ACT to further advance cooperative arrangements implemented six years ago. Representatives of the Board have also met with the Western Australian Mines Survey Board and representatives of the Queensland Surveyors Board to discuss reciprocal arrangements for mining surveyors.

During the reporting year, meetings were held with representative members from NSW professional associations to ensure that both land and mining surveyors fulfil their responsibilities to consumers and for these associations to be more involved in the training of candidates.

The Board continued to explore additional pathways to registration involving assistance from the Institution of Surveyors NSW (ISNSW) and the Association of Consulting Surveyors (ACS). Both these agencies have

instituted training programs to assist candidate surveyors achieve registration as land surveyors.

Qualifications

The Board was active in its continuing role of promoting professional development and standards, and has played a significant role in legislative reform following the enactment of the Surveying Bill on 25 June 2003.

The Board maintained the Register of Surveyors. The Register contains the names of 1,066 registered surveyors who are considered competent by the Board to perform land and mining surveys in NSW.

Arrangements with surveyor's boards or other competent authorities from other countries, and states and territories of Australia and New Zealand enable land surveyors with appropriate qualifications and experience to be registered in this state. A similar arrangement exists for mining surveyors between this jurisdiction and Queensland. During the 2006/07 financial year, the Board reviewed five overseas academic qualifications and issued 16 letters of accreditation to interstate boards. These reciprocal arrangements are in

accordance with National Competition Policy (NCP) Principles and the *Trans-Tasman Mutual Recognition (NSW) Act 1996*.

Continuing Professional Development (CPD)

On 1 July 2005 the Board implemented a revised CPD Determination. Compliance with CPD requirements is a condition of annual renewal of registration each financial year. The Board's CPD determination is located on the BOSSI website and can be found at www.bossi.nsw.gov.au. Compliance with the Board's CPD requirements is mandatory for surveyors renewing their registration.

The Board has ratified the following five organisations for CPD purposes which include the conduct and assessment of CPD activities and issue of CPD compliance certificates.

- Institution of Surveyors NSW Inc.
- Association of Consulting Surveyors NSW.
- Australian Institution of Mine Surveyors Limited NSW Division.
- University of Newcastle.
- Spatial Sciences Institute ACT.

Board of Surveying and Spatial Information Report

Performance indicators			
	2004/05	2005/06	2006/07
Registered Surveyors in NSW	1051	1044	1066
New registrations			
By way of Certificate of Competency	17	28	33
By way of Letters of Accreditation from reciprocating boards	4	5	4
Removal of name from register¹			
Non-payment of annual roll fees	89	126	98
At own request	23	22	6
Deceased	2	1	2
Restoration of name to register	76	109	91
Letter of accreditation issued to reciprocating boards	5	9	16
Candidate enrolments	46	46	60
Total financial candidates	153	177	184
Assessment of overseas academic qualifications	4	8	5
Assessment of interstate academic qualifications	0	6	-
Emeritus certificates awarded	19	12	17 ²
1. Reasons for people being removed from the register include retirement, relocation interstate, or no longer practicing surveyors. 2. One Emeritus certificate was awarded posthumously.			

A CPD Committee has been formed by the Board and is comprised of Board members and representatives from the five organisations ratified by the Board. Reporting to the committee is the CPD Audit Panel, which undertakes an audit of CPD compliance involving 20% of surveyors renewing their annual registration in accordance with the policy. 228 surveyors were audited this year and eight of these were deemed not to have complied with the Policy by the Audit Panel.

Education

Examination

The Board met for a total of eight working days during September 2006 and March 2007 for the purpose of assessing the professional competence of graduate surveyors through examinations. The Board also assessed candidate surveyors undertaking

Professional Training Agreements (PTA). A total of 33 applicants successfully completed the examinations or PTAs and were issued with Certificates of Competency.

Professional training agreements

The Board introduced Performance Training Agreements (PTAs) as an alternative method of assessment of the competency of candidate surveyors. There were 23 candidate land surveyors undertaking training under PTAs to ascertain competency as a land surveyor during the year of which four candidates successfully completed competency requirements.

Candidate training

To assist candidate surveyors attempting assessment the Board conducts a weekend workshop at Kurri Kurri TAFE. This year 40 candidate surveyors and four supervising surveyors attended. Board members, invited guests, local

surveyors and candidate surveyors attending the workshop were able to discuss matters of mutual interest including proposed changes to Board operations affecting both land and mining surveying industries.

The Board continued to improve and expand the information available at the workshop and improve standards of presentation using the latest technology. Comprehensive manuals, produced by the Board, for the urban cadastral, town planning, engineering design and supervision components of the urban development process were distributed. The set Town Planning project, an alternative to a candidate surveyor's own project, was also made available on CD ROM. These resources and the information sessions provided by guest presenters have proved to be valuable to candidates. An additional face-to-face interview component was

added to this year's workshop which proved both popular and productive.

Candidate workshops have been successfully conducted by the Association of Consulting Surveyors NSW to assist in the training of land surveyor candidates in Town Planning and Engineering Design. These have proven to be a very useful tool in advancing candidates toward registration.

During the second half of 2006 the Association of Consulting Surveyors (ACS) conducted two candidate training courses for both Civil Engineering and Town Planning. Each set of courses involve twelve candidates in each topic. During the first half of 2007 ACS has conducted a further two sets of courses and plan a third set commencing in July.

These courses have tapped a significant number of candidates who were having difficulty in obtaining appropriate training in Civil Engineering and Town Planning and were also having difficulty finding acceptable projects for completion and assessment by the Board. Board members continue to be involved in the assessment of candidates completing these courses. The result of conducting these courses has been to significantly increase the number of candidates being registered by the Board and going some way to arresting the decline in the number of Registered Land Surveyors in NSW.

The Institution of Surveyors NSW (ISNSW) has been running training courses in Boundary Surveys for candidate surveyors in an endeavour to lift the standard of training in this area of practice. Again, this has been of great assistance to the Board.

Both the ISNSW and the ACS courses are in accordance with the Board's strategy of involving the professional bodies in training candidate surveyors.

Awards granted

The Board awards a number of prizes each year: the Board of Surveying and Spatial Information Medals for the most successful students in the final year of tertiary study, four prizes to recipients of Certificates of Competency, and the Surveyor General's prize for performance in a Professional Training Agreement.

The following awards were granted during 2006/07.

The Board of Surveying and Spatial Information Medals

Presented to Peter Smith from the University of New South Wales.

Presented to Adrian Keith Williams from the University of Newcastle.

Barr Prize

Presented to Philip McKensie for the best cadastral survey project.

Harvey Prize

Presented to Andrew Thurlow for the best town planning project.

Augustus Alt Prize

Presented to Andrew McNamara for the best engineering project.

Neil Ryan Memorial Award

Presented to Darren Booth for the best urban cadastral project.

Surveyor General's Prize

Presented to Scott Barker for the successful completion of his Professional Training Agreement.

Mining Prize

Presented to Michael Millage.

Strategic development

Following the development and adoption of the Road Map and Framework for the NSW Spatial Information Strategy in 2005, the Board in May 2007 adopted and published the 'Common Spatial Information Initiative, NSW Spatial Information Strategy: Executive Briefing of CS2i'. This strategy proposes a unified whole of government vision for spatial information to facilitate the delivery of an enabling framework that will:

- improve efficiency of government's business processes involving spatial information, particularly those which span several agencies
- simplify access to government spatial information
- build a strong whole of government engagement model
- facilitate improved data quality, currency and consistency
- build the capacity of the spatial information production environment.

Ultimately the Common Spatial Information Initiative (CS2i) is an opportunity for agencies to improve their service delivery capabilities and access to their spatial information and related data sets in a more cost effective manner by leveraging off the proposed infrastructure and services.

During 2007/08 the Board will focus on implementation of the 'CS2i Action Plan'.

A copy of this publication is available from the Board's website www.bossi.nsw.gov.au.

Board of Surveying and Spatial Information Report

Statutory reporting Action plan for women

The Board has continued to sponsor the Surveyor General's Women in Surveying Scholarship at both the University of Newcastle and the University of New South Wales. The Board uses the scholarship to encourage women to enter the surveying profession. This year's scholarship was awarded to Jessica Monagle who was enrolled in her first year of studies for the Bachelor of Surveying course at the University of Newcastle.

Consumer response

During the reporting year the Registrar received more than 27 telephone complaints related to the performance of surveyors. All telephone enquiries were responded to within 24 hours. Written applications received a reply within six to eight weeks due to the frequency of Board meetings but any urgent matters were dealt with out of session.

In accordance with the Board's Complaints Policy, the Professional Audit and Investigation Committee investigates complaints against surveyors. The policy is located on the BOSSI internet site at www.bossi.nsw.gov.au.

Nine complaints against surveyors made in the reporting year have been either fully investigated or are the subject of ongoing investigation by the committee. Two complaints were referred to the Disciplinary Committee for disciplinary action against the surveyor involved.

The committee continues to use the standard 'complaints form' template to facilitate the making of complaints by members of the public and other government agencies.

The successful use of complaint resolution methods by the Board has resulted in few formal complaints.

Grants to non-government organisations

During the reporting year the Board granted \$2,000 to the University of Newcastle for the Surveyor General's Women in Surveying Scholarships.

Legislation

The Surveying Bill was enacted on 25 June 2003, and the statutory body with the corporate name 'Board of Surveying and Spatial Information' (BOSSI) was constituted. The Surveying Regulation 2001, has been reviewed and replaced by the Surveying Regulation 2006 on 1 September 2006, as required by the *Subordinate Legislation Act 1989*.

For information on consultants, payment performance, risk management and insurance, and all other administrative procedures, policies and processes for this report please refer to the Department of Lands Annual Report Appendices.



Department of Lands Financial Statements

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GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Department of Lands

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Department of Lands (the Department), which comprises the balance sheet as at 30 June 2007, and the operating statement, statement of recognised income and expense, cash flow statement, program statement - expenses and revenues, and summary of compliance with financial directives for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Department as of 30 June 2007, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

Director-General's Responsibility for the Financial Report

The Director-General is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Department's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Director-General, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Department,
- that it has carried out its activities effectively, efficiently and economically,
- about the effectiveness of its internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial report.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



S R Stanton
Director, Financial Audit Services

19 October 2007
SYDNEY

Department of Lands

Statement by
Director General

Pursuant to section 45F (1B) of the *Public Finance and Audit Act 1983*, we state that:

- (a) the accompanying financial report has been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the *Public Finance and Audit Regulation 2005* and the Treasurer's Directions;
- (b) the financial report exhibits a true and fair view of the financial position and financial performance of the Department of Lands for the year ended 30 June 2007; and
- (c) there are no circumstances which would render any particulars included in the financial report to be misleading or inaccurate.



18 OCT 2007

Bob Costello
Director Finance and Corporate Support
Department of Lands



Warwick Watkins
Director General
Department of Lands

18 OCT 2007

Department of Lands

Operating Statement
For the year ended
30 June 2007

		Actual	Budget	Actual
	Note	2007	2007	2006
	s	\$'000	\$'000	\$'000
Expenses excluding losses				
Operating expenses				
Employee related	2(a)	75,156	127,805	51,791
Other operating expenses	2(b)	71,925	57,409	60,675
Depreciation and amortisation	2(c)	13,723	15,955	13,309
Grants and subsidies	2(d)	5,987	25,134	5,663
Finance costs	2(e)	52	1,094	45
Other expenses	2(f)	10,453	4,142	9,871
Total Expenses excluding losses		177,296	231,539	141,354
Less:				
Revenue				
Sale of goods and services	3(a)	170,935	159,190	158,182
Investment income	3(b)	5,115	1,222	3,550
Retained taxes, fees and fines	3(c)	3,534	3,183	3,569
Grants and contributions	3(d)	2,536	16,879	2,272
Other revenue	3(e)	6,165	1,479	4,868
Total Revenue		188,285	181,953	172,441
Gain / (loss) on disposal	4	(24)	-	(295)
Other gains / (losses)	5	(23)	(59)	(70)
Net Cost of Services	26	(10,942)	49,645	(30,722)
Government Contributions				
Recurrent appropriation	6	57,793	55,202	55,143
Capital appropriation	6	1,797	2,652	1,710
Acceptance by the Crown Entity of employees benefits and other liabilities	8	3,411	2,292	3,600
Total Government Contributions		63,001	60,146	60,453
SURPLUS FOR THE YEAR	21	73,943	10,501	91,175

The accompanying notes form part of these financial statements

Department of Lands

Balance Sheet

As at 30 June 2007

	Note	Actual 2007	Budget 2007	Actual 2006
	s	\$'000	\$'000	\$'000
ASSETS				
Current Assets				
Cash and cash equivalents	10	48,741	45,064	48,984
Receivables	11	27,435	26,323	26,271
Inventories	12	332	546	498
Total Current Assets		76,508	71,933	75,753
Non-Current Assets				
Receivables	11	19,357	13,672	13,672
Inventories	12	1,555	1,476	1,440
Other financial assets	13	707	707	707
Property, Plant and Equipment	14			
Land and Buildings		86,094	82,054	80,684
Plant and Equipment		18,491	18,062	17,172
Infrastructure systems		28,791	15,326	15,676
Total Property Plant and Equipment		133,376	115,442	113,532
Intangible assets	15	30,870	31,655	27,203
Prepaid Superannuation	19	33,771	-	-
Total Non-Current Assets		219,636	162,952	156,554
TOTAL ASSETS		296,144	234,885	232,307
LIABILITIES				
Current Liabilities				
Payables	17	40,588	38,596	35,340
Borrowings	18	1,430	990	1,249
Provisions	19	49,814	50,663	46,622
Other	20	301	79	79
Total Current Liabilities		92,133	90,328	83,290
Non-Current Liabilities				
Borrowings	18	12,504	12,684	13,234
Provisions	19	4,086	17,806	19,984
Total Non-Current Liabilities		16,590	30,490	33,218
TOTAL LIABILITIES		108,723	120,818	116,508
NET ASSETS		187,421	114,067	115,799
EQUITY				
Reserves	21	35,249	21,545	21,545
Accumulated Funds	21	152,172	92,522	94,254
TOTAL EQUITY		187,421	114,067	115,799

The accompanying notes form part of these financial statements

Department of Lands

Statement of Recognised

Income & Expense

For the year ended

30 June 2007

	Notes	Actual 2007 \$'000	Budget 2007 \$'000	Actual 2006 \$'000
Net increase / (decrease) in property, plant and equipment asset revaluation reserve		-	-	20,899
Net increase / (decrease) in infrastructure asset revaluation reserve		13,704	-	-
Increase in investment in Public Sector Mapping Services (PSMA)		-	-	116
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY		13,704	-	21,015
Surplus / (Deficit) for the year		73,943	10,501	91,175
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR	21	87,647	10,501	112,190
EFFECT OF CHANGES IN ACCOUNTING POLICY				
Increase / (Decrease) in opening retained earnings				
- Adjustment on adoption of AASB 139		-	-	(830)

The accompanying notes form part of these financial statements

Department of Lands

Cash Flow Statement

For the year ended

30 June 2007

	Notes	Actual 2007 \$'000	Budget 2007 \$'000	Actual 2006 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		(117,858)	(127,661)	(117,117)
Grants and subsidies		(5,987)	(25,134)	(5,663)
Finance costs		(42)	(1,094)	(42)
Other		(88,841)	(69,544)	(80,887)
Total Payments		(212,728)	(223,433)	(203,709)
Receipts				
Sale of goods and services		175,167	160,618	164,319
Retained taxes, fees and fines		3,309	3,183	3,668
Interest received		4,029	1,184	3,990
Other		5,585	27,754	12,115
Total Receipts		188,090	192,739	184,092
Cash Flows From Government				
Recurrent appropriation		57,793	55,202	55,143
Capital appropriation		2,098	2,652	1,789
Cash transfer to the Consolidated Fund		(79)	-	(67)
Net Cash Flows from Government		59,812	57,854	56,865
NET CASH FLOWS FROM OPERATING ACTIVITIES	26	35,174	27,160	37,248
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of Land and Buildings, Plant and Equipment		166	-	257
Purchases of Land and Buildings, Plant and Equipment and Intangible Assets		(21,771)	(22,402)	(16,849)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(21,605)	(22,402)	(16,592)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings and advances		674	-	-
Repayment of borrowings and advances		(1,233)	(550)	(1,146)
Contribution to the NSW Treasury		(14,555)	(8,128)	(25,804)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(15,114)	(8,678)	(26,950)
NET INCREASE / (DECREASE) IN CASH		(1,545)	(3,920)	(6,294)
Opening cash and cash equivalents		48,984	48,984	55,278
Cash transferred in as a result of administrative restructuring		1,302	-	-
CLOSING CASH AND CASH EQUIVALENTS	10	48,741	45,064	48,984

The accompanying notes form part of these financial statements

Department of Lands

Supplementary Financial Statements

Program Statement - Expenses and Revenues

For the year ended

30 June 2007

AGENCY EXPENSES & REVENUES	Program 1*		Program 2*		Commercial Activity		Not Attributable		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Expenses excluding losses										
Operating expenses										
- Employee related	32,169	30,150	8,787	6,515	34,200	15,126			75,156	51,791
- Other operating expenses	12,314	8,823	10,493	10,901	49,118	40,951			71,925	60,675
Depreciation and amortisation	1,486	1,214	209	506	12,028	11,589			13,723	13,309
Grants and subsidies	5,567	5,201	11		409	462			5,987	5,663
Finance costs	10	3	42	42					52	45
Other expenses	10,019	9,707			434	164			10,453	9,871
Total Expenses excluding losses	61,565	55,098	19,542	17,964	96,189	68,292	0	0	177,296	141,354
Revenue										
Sale of goods and services	5,466	3,630	20,112	14,829	145,357	139,723			170,935	158,182
Investment revenue	1,963	1,072	333	290	2,819	2,188			5,115	3,550
Retained taxes, fines and fees	3,534	3,569			0				3,534	3,569
Grants and contributions	1,676	1,942		20	860	310			2,536	2,272
Other revenue	5,578	3,908	565	937	22	23			6,165	4,868
Total Revenue	18,217	14,121	21,010	16,076	149,058	142,244	0	0	188,285	172,441
Gain / (Loss) on Disposal		(151)	(1)	(78)	(23)	(66)			(24)	(295)
Other gains / (losses)	39	(14)	(69)	(46)	7	(10)			(23)	(70)
Net Cost of Services	43,309	41,142	(1,398)	2,012	(52,853)	(73,876)	0	0	(10,942)	(30,722)
Government Contributions**							(63,001)	(60,453)	(63,001)	(60,453)
Net Expenditure / (Revenue) for the year	43,309	41,142	(1,398)	2,012	(52,853)	(73,876)	(63,001)	(60,453)	(73,943)	(91,175)
ADMINISTERED EXPENSES & REVENUES	Program 1*		Program 2*		Commercial Activity		Not Attributable		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Administered Expenses										
Other	83,160	88,660							83,160	88,660
Total Administered Expenses	83,160	88,660	0	0	0	0	0	0	83,160	88,660
Administered Revenues										
Transfer receipts	98,498	64,081							98,498	64,081
Consolidated Fund									0	0
- Taxes, fees and fines									0	0
- Other									0	0
Total Administered Revenues	98,498	64,081	0	0	0	0	0	0	98,498	64,081
Administered Revenue Less Expenses	15,338	(24,579)	0	0	0	0	0	0	15,338	(24,579)

Notes:

* The name and purpose of each program are summarised in Note 9.

** Appropriations are made on an agency basis and not to individual programs. Consequently, government contributions must be included in the "Not Attributable" column.

Department of Lands

Supplementary Financial Statements

Summary of Compliance

With Financial Directives

For the year ended

30 June 2007

	2007				2006			
	Recurrent Appropriation	Expenditure / Net Claim on Consolidated Fund	Capital Appropriation	Expenditure / Net Claim on Consolidated Fund	Recurrent Appropriation	Expenditure / Net Claim on Consolidated Fund	Capital Appropriation	Expenditure / Net Claim on Consolidated Fund
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ORIGINAL BUDGET APPROPRIATION / EXPENDITURE								
- Appropriation Act	54,746	54,746	2,567	1,712	53,318	53,318	2,907	1,710
- Additional Appropriations								
- s 21A PF&AA – special appropriation								
- s 24 PF&AA – transfers of functions between departments	402	402	85	85	-	-	-	-
- s 26 PF&AA – Commonwealth specific purpose payments								
OTHER APPROPRIATIONS / EXPENDITURE								
- Treasurer's Advance	1,275	1,275	-	-	795	795	-	-
- Section 22 – expenditure for certain works and services								
- Transfers to / from another agency (s28 of the Appropriation Act)	-	-	-	-	1,030	1,030	-	-
Total Appropriations Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	56,423	56,423	2,652	1,797	55,143	55,143	2,907	1,710
Amount drawn down against Appropriation Liability to Consolidated Fund								
		56,423		2,098		55,143		1,789
		-		301		-		79

Notes:

1 The summary of compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed)

2 The Liability to Consolidated Fund represents the difference between the "Amount drawn down against Appropriation" and the "Total Expenditure / Net Claim on Consolidated Fund"

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. *Reporting Entity*

The Department of Lands (the Department), as a reporting entity, was created on 2 April 2003, following an administrative restructure. It is responsible for the provision of land and property related spatial information, the management of Crown lands and the provision of soil conservation and land management services. The land and property information activities are operated as a non budget-dependent activity through Land and Property Information (LPI). The semi-commercial conservation and land management services are operated through Soil Conservation Services (SCS). The administration of Crown entities is operated through budget dependent Crown Lands. With effect from 27 April 2007, the Department of Lands includes Western Lands division, previously part of the Department of Natural Resources. This financial report does not include the results of the Crown entities administered by the Department, which are reported elsewhere. The Department primarily operates in New South Wales, Australia. The Head Office is located at 1 Prince Albert Road, Queens Square, Sydney NSW 2000.

The Department of Lands is a NSW government department. The Department of Lands is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

This consolidated financial report for the year ended 30 June 2007 has been authorised for issue by the Director General on the date on which the accompanying Statement by the Director General is signed.

When reporting as a single economic entity, all inter entity transactions and balances, income and expenses and profit and losses resulting from inter entity transactions have been eliminated in full.

b. *Basis of Preparation*

The Department's financial report is a general-purpose financial report, which has been prepared in accordance with:

- applicable Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS) and Interpretations;
- the requirements of the *Public Finance and Audit Act 1983* and Regulation; and
- financial reporting directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer.

Property, plant and equipment, investment property, assets (or disposal groups) held for sale and financial assets at 'fair value through profit or loss' and available for sale are measured at fair value. Other financial report items are prepared in accordance with historical cost convention.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial report.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

c. Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include AEIFRS.

d. Administered Activities

The Department administers, but does not control, certain activities on behalf of the Crown Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of the Department's own objectives.

Transactions and balances relating to the administered activities are not recognised as the Department's revenues, expenses, assets and liabilities, but are disclosed in Notes 27 to 30 as "Administered Assets", "Administered Liabilities", "Administered Revenue", and "Administered Expenses".

The accrual basis of accounting and all applicable accounting standards have been adopted for the reporting of the administered activities.

e. Income Recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of revenue are discussed below:

(i) Parliamentary Appropriations and Contributions

Parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as income when the Department obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are accounted for as liabilities rather than revenue.

The liability is disclosed in Note 20 as part of Current / Non-Current Liabilities – Other. The amount will be repaid and the liability will be extinguished next financial year.

(ii) Sale of Goods

Revenue from the sale of goods is recognised as revenue when the Department transfers the significant risks and rewards of ownership of the assets.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

e. *Income Recognition (continued)*

(iii) **Rendering of Services**

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

(iv) **Investment Revenue**

Interest revenue is recognised using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement. Rental revenue is recognised in accordance with AASB 117 Leases on a straight-line basis over the lease term. Royalty revenue is recognised in accordance with AASB 118 Revenue on an accrual basis in accordance with the substance of the relevant agreement. Dividend revenue is recognised in accordance with AASB 118 when the Department's right to receive payment is established.

f. *Employee Benefits and other provisions*

(i) **Salaries and Wages, Annual Leave, Sick Leave and On-costs**

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services to the reporting date at undiscounted amounts, based on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 Employee Benefits. Market yields on government bonds of 6.25% are used to discount long-term annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

(ii) **Long Service Leave and Superannuation**

The Department's liabilities (apart from the commercial and semi-commercial activities) for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Department accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

f. Employee Benefits and other provisions (continued)

(ii) Long Service Leave and Superannuation (*continued*)

Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. This is based on the application of certain factors (specified by TC07/04 – Accounting for Long Service Leave and Annual Leave) to the employees with 5 or more years of service using current rates of pay. These factors were determined based on an actuarial review undertaken to approximate present value. The actuarial review was conducted in March 2006 and is applicable to years 2006 through 2008.

The Department's semi-commercial activity is a member of the Non-Budget Long Service Leave Pool and its long service leave liability is measured at nominal value as specified by TC 07/04. An actuarial review has confirmed that there is no material difference between the present value and the nominal value.

The Department's semi-commercial activity makes long service leave liability contributions to the Treasury Special Deposits (Extended Leave and Leave on Termination Pool) Account. This contribution discharges all liability for long service leave and is expensed as incurred. However, in accordance with Treasury requirements the nominal value of long service leave is recognised both as a liability and as an asset.

The Department's commercial activity's long service liability is measured at present value as per AASB 119. The present value is based on the application of the Commonwealth government bond rate at the reporting date to the liability for employees with five or more years of service, using current rates of pay.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employee's salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

The Department's commercial (LPI) and semi-commercial (SCS) activities are responsible for employee superannuation entitlements under defined contribution plans and defined benefit plans.

Contributions to defined contribution superannuation plans are expensed when incurred. For defined benefit plans, the actuarial valuations are carried out at each reporting date by Pillar Administration and the actuarial gains and losses are recognised through profit or loss in the period in which they occur, as per Treasury's mandate.

The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, net of the fair value of the plan assets.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

f. Employee Benefits and other provisions (continued)

(iii) Other Provisions

Other provisions exist when the Department has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Any provisions for restructuring are recognised only when the Department has a detailed formal plan and the Department has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

If the effect of the time value of money is material, provisions are discounted at 6.25%, which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

g. Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's mandate to general government sector agencies.

h. Insurance

The Department's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claim experience.

i. Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except that:

- GST incurred by the Department as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the acquisition cost of an asset, or as part of an item of expense;
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to the taxation authority, is included as part of receivables or payables.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

j. Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Department. Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost or for nominal consideration are initially recognised at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

k. Capitalisation Thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually are capitalised. Individual items of computer equipment costing \$1,000 and above are capitalised when they form part of a network.

l. Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the TPP 07-1 *Valuation of Physical Non-Current Assets at Fair Value*, Policy and Guidelines Paper. This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

Except for certain heritage assets, property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use. Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Department re-values each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The Department's Land and Buildings were re-valued at 30 June 2006 and the Tweed River Sands Bypass infrastructure was re-valued as at 30 June 2007, based on an independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

l. Revaluation of Property, Plant and Equipment (continued)

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation existing at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus/deficit, the increment is recognised immediately as revenue in the surplus/deficit.

Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within the same class of non-current assets but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

m. Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, the Department is effectively exempt from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

Department of Lands

Notes to the Financial

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For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

n. Depreciation of Property, Plant and Equipment

Except for certain heritage assets, depreciation is provided for on a straight-line basis for all depreciable assets, so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Department.

All material separately identifiable components of assets are depreciated over their shorter useful lives. The normal life expectancies of major asset categories are as follows:

Asset Class	Number of Years
Buildings—Cottages and Dwellings/ Office Buildings/ Accommodation	40
Leasehold Improvements	Life of lease
Plant and Equipment	5-15
Computers	4
Motor Vehicles	5
Marine Craft	5
Furniture and Major Fitouts	10
Infrastructure Systems	50

Land is not a depreciable asset. Certain heritage assets have an extremely long useful life, including heritage buildings. Depreciation for these items cannot be reliably measured because the useful life and the net amount to be recovered at the end of the useful life cannot be reliably measured. In these cases, depreciation is not recognised. The decision not to recognise depreciation for these assets is reviewed annually.

o. Major Inspection Costs

When each major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

p. Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

q. Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

q. Leased Assets (*continued*)

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense. The Department does not have any finance leases. Operating lease payments are charged to the Operating Statement in the periods in which they are incurred.

r. Intangible Assets

The Department recognises intangible assets only if it is probable that future economic benefits will flow to the agency and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives.

Development costs are only capitalised when certain criteria are met. Internally developed software costs that are directly associated with the production of identifiable and unique software products controlled by the Department and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development employee costs and an appropriate portion of relevant overheads. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

The useful lives of intangible assets are assessed to be finite. Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for intangible assets, the assets are carried at cost less any accumulated amortisation.

The Department's intangible assets are amortised using the straight line method over a period of 4 years, for software and internally developed software. In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity with no cash generating units, the Department is effectively exempted from impairment testing (refer Note 1(m)).

s. Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Operating Statement when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

t. Inventories

Inventories held for distribution are stated at the lower of cost and current replacement cost. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. In the case of raw materials and spare parts, cost is assigned on the basis of weighted average "first in first out" method. Work-in-progress cost is determined by specific identification method and includes direct materials, direct labour and an appropriate proportion of overheads determined by reference to the percentage completed on each contract.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost at the date of acquisition. Current replacement cost is the cost the Department would incur to acquire the asset. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

u. Impairment of financial assets

All the financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the Department will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the Operating Statement.

When an available for sale financial asset is impaired, the amount of the cumulative loss is removed from equity and recognised in the Operating Statement, based on the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss previously recognised in the Operating Statement.

Any reversals of impairment losses are reversed through the Operating Statement, where there is objective evidence, except reversals of impairment losses on an investment in an equity instrument classified as "available for sale" must be made through the reserve. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

v. De-recognition of financial assets and financial liabilities

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire; or
- the Department transfers the financial asset, where substantially all the risks and rewards have been transferred; or if the Department has not transferred substantially all the risks and rewards, the Department has not retained control.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

v. *De-recognition of financial assets and financial liabilities (continued)*

Where the Department has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Department's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged, is cancelled, or expires.

w. *Other Financial Assets*

The Department has an investment of one share in PSMA Australia Limited, an unlisted public company limited by shares and registered under the Corporations Act. PSMA Australia was formed in 1993 as a joint venture between the nine mapping agencies of the state and territory and Australian Governments. The investment is reflected in the Department's financial statements in accordance with AASB 139 *Financial Instruments* (refer to note 13).

x. *Other Assets*

Other assets are recognised on a cost basis.

y. *Restricted Assets*

Legislation or Treasury Directions impose restrictions on the use of certain assets of the Department.

The Department administers the Torrens Assurance Fund. The Torrens Assurance Fund was established under s134 (1) of the *Real Property Act 1900* as a Special Deposit Account administered by the Registrar-General (refer to note 16).

The Department administers the Public Reserves Management Fund (PRMF) which provides funds for the development, maintenance and protection of Crown land reserves throughout NSW. Crown land reserves are generally managed by reserve trusts which are incorporated bodies administered by local government councils, volunteer boards of management or other responsible organisations such as Rural Lands Protection Boards (refer to note 16). The PRMF was established by the *Public Reserves Management Fund Act 1987*.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

z. Equity transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfer of programs / functions and parts thereof between NSW public sector agencies is designated as a contribution by owners and is recognised as an adjustment to "Accumulated Funds". This treatment is consistent with Interpretation 1038 *Contributions by Owners Made to Wholly Owned Public Sector Entities*.

Transfers arising from an administrative restructure between government departments are recognised at the amount at which the asset was recognised by the transferor government department immediately prior to the restructure. In most instances this will approximate fair value. All other equity transfers are recognised at fair value.

aa. Payables

These amounts represent liabilities for goods and services provided to the Department and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

ab. Borrowings

Loans are recognised at amortised cost using the effective interest method. Gains or losses are recognised in the Operating Statement on de-recognition.

Finance lease liability is determined in accordance with AASB 117 *Leases*.

ac. Contribution to Consolidated Fund

The Department operates a commercial activity through Land and Property Information NSW. From this operation the Department pays income tax equivalents and contributions to the Consolidated Fund. Tax effect accounting is not required to be applied. Income tax is calculated by applying the prevailing company tax rate to profits earned by LPI after adjusting for any cash paid to defined benefit superannuation plans impacting the Operating Statement. The contributions to the Consolidated Fund were paid at the rate of 85% of after tax profit adjusted for cash paid to defined benefit superannuation plans in two equal instalments, in August and December.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

ad. Budgeted Amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year with any adjustments for the effects of additional appropriations, s 21A, s 24 and / or s 26 of the *Public Finance and Audit Act 1983*.

The budgeted amounts in the Operating Statement and the Cash Flow Statement are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However in the Balance Sheet, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts. That is, as per the audited financial statements, rather than carried forward estimates.

ae. New Australian Accounting Standards issued but not effective

The financial statements and notes comply with Australian Accounting Standards, which include AEIFRS.

The following new Accounting Standards and Interpretations, that have been issued but are not yet effective, have not been adopted for the annual reporting period ending 30 June 2007:

- AASB 7 *Financial Instruments: Disclosures* (issued August 2005)
- AASB 101 *Presentation of Financial Statements* (issued October 2006)
- AASB 123 *Borrowing Costs* (issued June 2007)
- AASB 1049 *Financial Reporting of General Government Sectors by Governments* (issued September 2006)
- AASB 2005-10 *Amendments to Australian Accounting Standards* (issued September 2005)
- AASB 2007-01 *Amendments to Australian Accounting Standards arising from AASB Interpretation 11* (issued February 2007)
- AASB 2007-04 *Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments* (issued April 2007)
- AASB 2007-05 *Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities* (issued May 2007)
- AASB 2007-06 *Amendments to Australian Accounting Standards arising from AASB 123* (issued June 2007)
- AASB 2007-07 *Amendments to Australian Accounting Standards* (issued June 2007)
- AASB Interpretation 4 *Determining whether an Arrangement contains a Lease* (issued February 2007)
- AASB Interpretation 10 *Interim Financial Reporting and Impairment* (issued September 2006)
- AASB Interpretation 11 *AASB 2 – Group and Treasury Share Transactions* (issued February 2007)
- AASB Interpretation 12 *Service Concession Arrangements* (issued February 2007)
- AASB Interpretation 129 *Service Concession Arrangements: Disclosures* (issued February 2007)

The application of these standards will not have a material impact on the Department's financial report.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

2. EXPENSES EXCLUDING LOSSES

a. *Employee Related Expenses*

	2007 \$'000	2006 \$'000
Salaries & wages (including Recreation Leave)	98,811	92,309
Superannuation – defined benefit plans	(40,592)	(58,887)
Superannuation – defined contribution plans	2,891	2,451
Long service leave	6,444	6,873
Workers compensation insurance	1,075	1,066
Payroll tax and fringe benefits tax	6,978	6,421
Redundancies	186	25
Other on-costs	(637)	1,533
	75,156	51,791

In addition to the \$75.156m (2006 - \$51.791m), \$711,657 (2006 - \$756,235) was incurred in employee related expenses in respect of the Tweed River Sand Bypass project directly undertaken and/or managed by the Department. \$3.137m (2006 - \$2.668m) of salaries and wages were capitalised as part of a computerisation project for the titling system.

b. *Other Operating Expenses*

Valuation services contractors	17,914	12,859
Operating lease rental expense - minimum lease payments	3,750	4,251
EDP – Information Technologies Services	3,696	3,339
Furniture, plant and equipment	511	559
Cost of sales	3,236	3,873
Consultancies & Other Contractors	11,230	7,537
Promotion, publicity and events management	519	474
Travel expenses	1,542	1,318
Telecommunication expenses	2,988	2,705
Motor vehicle expenses	8,358	7,149
Insurance	1,800	2,091
Audit of financial reports	51	298
Freight & postage	918	949
Legal fees	557	234
Staff related & development	1,282	1,268
Administration	1,552	634
Taxes	8,673	7,684
Maintenance*	2,439	2,588
Other	909	865
	71,925	60,675

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

2. EXPENSES EXCLUDING LOSSES (*continued*)

b. Other Operating Expenses (*continued*)

The audit fee for the audit of the Department's 2007 financial report is \$259,500 (2006- \$258,000).

* Reconciliation of Maintenance expenses:

	2007 \$'000	2006 \$'000
Maintenance expenses – contracted labour and other (non-employee related), as above	2,439	2,588
Maintenance related employee expenses included in Note 2(a)	245	224
Total maintenance expenses included in Note 2(a) and 2(b)	2,684	2,812

In addition to the \$71.925m (2006 - \$60.675m) \$5.790m (2006 - \$6.099m) was incurred in other operating expenses in respect of the Tweed River Sand Bypass project managed by the Department.

c. Depreciation and Amortisation Expense

Depreciation of:

Buildings and Leasehold Improvements	400	969
Plant and Equipment	5,138	5,499
Infrastructure Systems	350	350
	5,888	6,818
Amortisation of Intangible Assets	7,835	6,491
	13,723	13,309

The Queens Square building in Sydney and seven other buildings in country NSW are classified as heritage buildings. In prior years, these building have been depreciated over 40 years, similar to other building assets of the Department. During 2006/07, the residual value, useful life and depreciation method of these heritage buildings were reviewed, in accordance with AASB 116 *Property, Plant and Equipment*. The useful lives have been determined to be indefinite, in line with the intention of NSW Treasury TPP 07-1 *Valuation of Physical Non-Current Assets at Fair Value*. Depreciation has therefore not been charged in 2006/07 for these buildings. Under the previous treatment, the 2006/07 and future period depreciation expenses for the heritage buildings would have been approximately \$800,000 annually.

d. Grants and Subsidies

Fishing Ports Annual Provisions	140	966
Public Reserve Management Fund	2,596	1,401
State Park Trusts	1,648	1,498
Other	1,603	1,798
	5,987	5,663

Department of Lands

Notes to the Financial

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For the year ended

30 June 2007

2. EXPENSES EXCLUDING LOSSES (*continued*)

e. Finance Costs

	2007 \$'000	2006 \$'000
Interest	42	42
Unwinding of discount rate	10	3
	52	45

In addition to the \$52,000 (2006 - \$45,000), \$938,000 (2006- \$1.050m) was incurred in borrowing cost in respect of the Tweed River Sand Bypass project managed by the Department.

f. Other Expenses

Fishing Port Maintenance	2,377	1,756
Tweed River Sand Bypass Project	7,440	7,905
Waterways Maintenance	202	46
Torrens Assurance Fund	434	164
	10,453	9,871

3. REVENUE

a. Sale of Goods and Services

Sales of goods

Mapping	1,869	3,128
Other	41	530
	1,910	3,658

Rendering of services

Title	104,066	103,660
Valuation	33,175	27,993
Torrens Assurance Fund	3,167	3,240
Fees for Services	1,579	1,420
Soil Services	19,598	13,885
Search Fees	354	340
Agistment Fees	850	919
Other	6,236	3,067
	169,025	154,524
	170,935	158,182

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

3. REVENUE (continued)

b. Investment Revenue

	2007 \$'000	2006 \$'000
Rents	53	27
Interest	5,062	3,523
	5,115	3,550

c. Retained Fees

Caravan Park Levy	3,534	3,569
	3,534	3,569

d. Grants and Contributions

Contributions	2,536	2,272
	2,536	2,272

e. Other Revenue

Tweed River Sand Bypass Project – Queensland Government's contribution	3,170	3,387
PRMF income – levies	2,400	473
Diesel Fuel Rebate	547	833
Other revenue	48	175
	6,165	4,868

4. GAIN / (LOSS) ON DISPOSAL

Gain / (loss) on disposal of land and buildings

Proceeds from disposal	75	160
Written down value of assets disposed	(76)	(301)
Net (loss) on disposal of land and buildings	(1)	(141)

Gain / (loss) on disposal of plant and equipment

Proceeds from disposal	91	97
Written down value of assets disposed	(114)	(251)
Net (loss) on disposal of plant and equipment	(23)	(154)

Net (Loss) on disposal of Non-Current Assets

	(24)	(295)
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Department of Lands

Notes to the Financial

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For the year ended

30 June 2007

5. OTHER GAINS / (LOSSES)

	2007 \$'000	2006 \$'000
Impairment of receivables	(23)	(70)
	(23)	(70)

6. APPROPRIATIONS

Recurrent Appropriations

Total recurrent draw-downs from NSW Treasury
(per Summary of Compliance)

Transfer in from DNR for Western Lands

56,423	55,143
1,370	-
57,793	55,143

Comprising:

Recurrent appropriations (per Operating Statement)

57,793	55,143
57,793	55,143

Capital Appropriations

Total capital draw-downs from NSW Treasury
(per Summary of Compliance)

Less: Liability to Consolidated Fund (per Summary of Compliance)

2,098	1,789
(301)	(79)
1,797	1,710

Comprising:

Capital appropriations (per Operating Statement)

1,797	1,710
1,797	1,710

7. INDIVIDUALLY SIGNIFICANT ITEMS

Offsetting employee related expenses is \$42.079m (2006 - \$60.238m) for actuarial gains recognised from defined benefit superannuation funds.

8. ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE BENEFITS AND OTHER LIABILITIES

The following liabilities and/or expenses have been assumed by the Crown Entity:

Superannuation	1,487	1,351
Long service leave	1,838	2,168
Payroll tax on superannuation	86	81
	3,411	3,600

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

9. PROGRAMS / ACTIVITIES OF THE DEPARTMENT

a. Program 1 – Crown Lands Services

Objectives: Effective and sustainable use of the Crown Estate of New South Wales to achieve economic, environmental and community benefits.

b. Program 2 – Soil Conservation Services and the Office of Rural Affairs

Objectives: To achieve the protection and conservation of farm water supplies, soil and related resources. Facilitate the development of sustainable rural communities.

c. Commercial Activity – Land and Property Information New South Wales

Objectives: To provide integrated and enhanced land and property information services through innovative use of information and communications technology and expand the range of services delivered online.

10. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

	2007 \$'000	2006 \$'000
Cash at bank and on hand	48,741	48,984
Closing Cash and Cash Equivalents	48,741	48,984

For the purpose of the Cash Flow Statement, cash and cash equivalents includes cash on hand and cash at bank.

Cash and cash equivalent assets recognised in the Balance Sheet are reconciled at the end of the financial year to the Cash Flow Statement as follows:

Cash at bank and on hand (per Balance sheet)	48,741	48,984
Closing Cash and Cash Equivalents (per Cash Flow Statement)	48,741	48,984

The Department has credit standby arrangements with the bank for:

	Limit \$'000	Limit \$'000
Cheque cashing authority	68	66
Guarantee	20	20
Mastercard	454	550
Tape negotiation authority	8,150	8,150
	8,692	8,786

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

11. CURRENT / NON-CURRENT ASSETS – RECEIVABLES

	2007 \$'000	2006 \$'000
Current Receivables:		
Sale of goods and services	13,457	14,310
Less: Allowance for impairment	(382)	(410)
Accrued income – Sale of goods and services	2,853	1,536
GST receivable	1,015	1,165
Short-term loans (PRMF)	4,222	5,805
Retained taxes, fees and fines	264	39
Interest Receivable	2,131	1,098
Long Service Leave (note 19)	1,028	982
Prepayments	2,036	1,668
Other	811	78
	27,435	26,271
Non-Current Receivables:		
Public Reserve Management Fund	16,274	10,726
Long Service Leave (note 19)	3,083	2,946
	19,357	13,672

12. CURRENT / NON-CURRENT ASSETS – INVENTORIES

Current Inventories

At Cost		
Goods for resale	202	360
Consumables and spare parts	130	138
	332	498

Non-Current Inventories

At Cost		
Goods for resale	1,555	1,440
	1,555	1,440

Goods for resale (map stocks) are split 11.5% (2006 - 20%) current which is expected to be sold within the twelve months after the reporting date and 88.5% (2006 - 80%) non-current. The split is based on the entity's normal operating cycle.

There was no write down of inventories during the financial year ended 30 June 2007 (2006 - NIL).

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

13. NON-CURRENT ASSETS – OTHER FINANCIAL ASSETS

	2007 \$'000	2006 \$'000
Non-Current		
Investment in PSMA Australia Limited (Refer to Note 1(w))	707	707
	707	707

The Department has a one-eighth (1/8) interest in the equity of PSMA. This valuation is based on advice from PSMA Australia.

Investment in PSMA Australia is treated as a non-current asset as it is not readily tradeable in the market and is the subject of a NSW Government Regulation that is unlikely to change in the short-term.

14. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	Land and Buildings \$'000	Plant and Equipment \$'000	Infrastructure Systems \$'000	Total \$'000
At 1 July 2006				
At fair value	80,929	41,891	16,376	139,196
Accumulated depreciation and impairment	(245)	(24,719)	(700)	(25,664)
Net Carrying Amount	80,684	17,172	15,676	113,532
At 30 June 2007				
At fair value	86,774	46,656	30,980	164,410
Accumulated depreciation and impairment	(680)	(28,165)	(2,189)	(31,034)
Net Carrying Amount	86,094	18,491	28,791	133,376

Reconciliation

A reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

Year ended 30 June 2007

Net carrying amount at start of the year	80,684	17,172	15,676	113,532
Additions	3,702	6,571	-	10,273
Disposals	(76)	(114)	-	(190)
Revaluation increment	239	-	13,465	13,704
Depreciation expense	(400)	(5,138)	(350)	(5,888)
Reclassification	(6)	-	-	(6)
Acquisition through Administrative restructure	1,951	-	-	1,951
Net carrying amount at end of year	86,094	18,491	28,791	133,376

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14. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT *(continued)*

	Land and Buildings \$'000	Plant and Equipment \$'000	Infrastructure systems \$'000	Total \$'000
At 1 July 2005				
At fair value	60,778	58,058	16,376	135,212
Accumulated depreciation and impairment	(2,167)	(31,744)	(350)	(34,261)
Net Carrying Amount	58,611	26,314	16,026	100,951
At 30 June 2006				
At fair value	80,929	41,891	16,376	139,196
Accumulated depreciation and impairment	(245)	(24,719)	(700)	(25,664)
Net Carrying Amount	80,684	17,172	15,676	113,532

Reconciliation

A reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below:

Year ended 30 June 2006				
Net carrying amount at start of the year	58,611	26,314	16,026	100,951
Additions	2,918	3,618	-	6,536
Disposals	(301)	(251)	-	(552)
Revaluation increment	20,526	373	-	20,899
Depreciation expense	(969)	(5,499)	(350)	(6,818)
Reclassification	(101)	(7,383)	-	(7,484)
Acquisition through Administrative restructure	-	-	-	-
Net carrying amount at end of year	80,684	17,172	15,676	113,532

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15. INTANGIBLE ASSETS

	Software \$'000	Total \$'000
At 1 July 2006		
Cost (gross carrying amount)	51,473	51,473
Accumulated amortisation and impairment	(24,270)	(24,270)
Net Carrying Amount	27,203	27,203
At 30 June 2007		
Cost (gross carrying amount)	62,967	62,967
Accumulated amortisation and impairment	(32,097)	(32,097)
Net Carrying Amount	30,870	30,870
Year ended 30 June 2007		
Net carrying amount at start of year	27,203	27,203
Additions:		
- externally acquired	1,643	1,643
- internally developed	9,853	9,853
Reclassification	6	6
Amortisation expense	(7,835)	(7,835)
Net carrying amount at end of year	30,870	30,870
At 1 July 2005		
Cost (gross carrying amount)	33,500	33,500
Accumulated amortisation and impairment	(17,605)	(17,605)
Net Carrying Amount	15,895	15,895
At 30 June 2006		
Cost (gross carrying amount)	51,473	51,473
Accumulated amortisation and impairment	(24,270)	(24,270)
Net Carrying Amount	27,203	27,203
Year ended 30 June 2006		
Net carrying amount at start of year	15,895	15,895
Additions		
- externally acquired	385	385
- internally developed	9,930	9,930
Reclassification	7,484	7,484
Amortisation expense	(6,491)	(6,491)
Net carrying amount at end of year	27,203	27,203

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16. RESTRICTED ASSETS

Legislation or Treasury Directions impose restrictions on the use of certain assets of the Department. As such, the following are considered to be restricted assets:

a. *Public Reserve Management Fund (PRMF)*

The Department administers the PRMF under the *Public Reserve Management Fund Act 1987* within the Special Deposit Account in NSW Treasury called the Public Reserves Management Fund. The fund is only to be used for grants and loans allocated for the following programs:

- Caravan park levy income development works
- Showgrounds assistance scheme
- Local parks, reserves and walking tracks
- Reserves of high visitation/regional significance
- Consultancies for plans of management and business plans
- Commercial initiatives on Crown reserves
- Major regional recreation projects (across a number of reserves) managed by the Department of Lands.

The following is a summary of balances in the PRMF:

	2007 \$'000	2006 \$'000
Current Assets		
Cash	12,535	11,323
Receivables	4,222	5,805
	<u>16,757</u>	<u>17,128</u>
Non-Current Assets		
Receivables	16,274	10,726
	<u>33,031</u>	<u>27,854</u>

b. *Torrens Assurance Fund – Special Deposit Account*

The Department operates the Torrens Assurance Fund within the Special Deposit Accounts. The Fund was established under Section 134(1) of the *Real Property Act 1900*. It meets claims for loss arising out of fraud or agency error and is funded by a \$4 charge on each land dealing lodged. The following is a summary of transactions in the Torrens Assurance Fund (note 24(a)).

Opening cash balance	14,821	11,745
<i>Add:</i>		
Revenue	3,167	3,240
<i>Less:</i>		
Expenditure	(434)	(164)
Cash balance at year end	<u>17,554</u>	<u>14,821</u>

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17. CURRENT LIABILITIES – PAYABLES

	2007	2006
	\$'000	\$'000
Accrued salaries, wages and on-costs	2,180	2,121
Creditors	10,098	8,202
Fees in Advance	5,307	5,398
Contributions to Consolidated Fund (note 21)	16,512	14,555
Income Tax Equivalent payable	6,029	4,818
Other	462	246
	40,588	35,340

18. CURRENT / NON-CURRENT LIABILITIES - BORROWINGS

Current Liabilities

Promissory Note	1,329	1,228
Advance from NSW Treasury	101	21
	1,430	1,249

Non-Current Liabilities

Promissory Note	8,726	10,055
Advance from NSW Treasury	3,778	3,179
	12,504	13,234

Repayment of Borrowings (excluding finance leases)

Not later than 1 year	1,430	1,249
Between 1 year and 5 years	7,064	6,183
Later than 5 years	5,440	7,051
Total borrowings (excluding finance leases)	13,934	14,483

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19. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS

	2007 \$'000	2006 \$'000
Current employee benefits and related on-costs		
Recreation leave	12,100	10,470
Long service leave	35,625	34,168
Oncosts on employee benefits	2,042	1,931
Fringe Benefits Tax	47	53
Total current provisions	49,814	46,622
Non-Current employee benefits and related on-costs		
Long service leave	116	163
Superannuation *	-	16,134
Oncosts on employee benefits	3,970	3,687
Total non-current provisions	4,086	19,984
Total provisions	53,900	66,606
Aggregate employee benefits and related on-costs		
Provisions – current	49,814	46,622
Provisions – non-current	4,086	19,984
Accrued salaries, wages and on-costs (note 17)	2,180	2,121
	56,080	68,727
The amount of leave liability expected to be settled:		
Within the 12 months	17,178	16,199
After more than 12 months	30,663	28,602
	47,841	44,801

Superannuation in 2007 is classified as an asset of \$33.771m (2006: liability of \$16.134m). See note 19(b).

a. Employees' long service leave liability

The Department's semi-commercial service's long service leave liability and the corresponding receivable from the Treasury are reported as follows:

Current Liability	1,028	982
Non-Current Liability	3,082	2,946
	4,110	3,928
Current Receivable (note 11)	1,028	982
Non-Current Receivable (note 11)	3,082	2,946
	4,110	3,928

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19. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (*continued*)

b. Superannuation liability

The Department's commercial and semi-commercial activities are responsible for funding the employer's superannuation liability through monthly contributions to the Department's reserve account held at the Pillar Administration. Superannuation payments to retiring employees are made out of this reserve account. Periodically the Department's reserve account balance is augmented by interest distributions made at the discretion of the Pillar Administration. The Department has no control over interest distributions. The reserve account can only be used for the settlement of superannuation liabilities.

Actuarial gains and losses are recognised in the profit or loss in the year they occur.

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Superannuation Scheme (SSS)
- State Authorities Non-contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the Schemes are closed to new members.

Superannuation position using AASB 119 basis

	SASS		SANCS		SSS		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Superannuation position for AASB 119 purposes								
Accrued liability	41,023	35,971	18,282	17,210	335,697	333,692	395,002	386,873
Estimated reserve account balance	(41,311)	(33,891)	(19,594)	(16,807)	(367,868)	(320,041)	(428,773)	(370,739)
Net (asset) / liability	(288)	2,080	(1,312)	403	(32,171)	13,651	(33,771)	16,134
Future Service Liability	(10,144)	(10,680)	(7,151)	(7,684)	(17,704)	(22,618)	(34,999)	(40,982)
Surplus in excess of recovery available from schemes	-	-	-	-	-	-	-	-
Net (asset)/liability to be recognised in balance sheet	(288)	2,080	(1,312)	403	(32,171)	13,651	(33,771)	16,134

The Department has three separate accounts under administration. One accounts for staff in the LPI corporate services division, one for those in the LPI operational business division and the other for staff in Soil Conservation Service division. Whilst on consolidation, the net asset position is reported as stated above, in practice the surplus in excess of the future service liability in one account cannot be used to offset the deficit in other superannuation accounts. On consolidation for reporting purposes as at 30 June 2007, the surplus in excess of the future service liability of \$6.9m in the LPI operational business division account has been utilised to offset deficits in the corporate services division and Soil Conservation Service division accounts. Actuarial advice was used to provide the consolidated position for the Department's reporting. The balance sheet reports the SASS, SANCS and SSS scheme assets of \$33,771 in Non-Current Assets.

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19. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (continued)

b. Superannuation liability (continued)

Reconciliation of the present value of the defined benefit obligation

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
<i>Present value of partly funded defined benefit obligations at beginning of year</i>	35,971	33,912	17,210	17,064	333,692	351,521	386,873	402,497
Current service cost	1,537	1,576	987	986	2,935	4,104	5,459	6,666
Interest cost	2,088	2,007	976	856	19,490	19,532	22,554	22,395
Contributions by fund participants	839	766	-	-	3,498	3,144	4,337	3,910
Actuarial (gains)/losses	1,318	(667)	(272)	(1,068)	(14,235)	(32,806)	(13,189)	(34,541)
Benefits paid	(730)	(1,623)	(619)	(628)	(9,683)	(11,803)	(11,032)	(14,054)
<i>Present value of partly funded defined benefit obligations at end of the year</i>	41,023	35,971	18,282	17,210	335,697	333,692	395,002	386,873

Reconciliation of the fair value of fund assets

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
<i>Fair value of Fund assets at beginning of the year</i>	33,891	28,385	16,807	14,183	320,041	271,408	370,739	313,976
Expected return on fund assets	2,591	2,157	1,266	1,071	24,276	20,497	28,133	23,725
Actuarial gains/(losses)	3,170	2,693	1,117	1,184	24,482	27,157	28,769	31,034
Employer contributions	1,551	1,513	1,023	997	5,253	9,638	7,827	12,148
Contributions by Fund participants	838	766	-	-	3,499	3,144	4,337	3,910
Benefits paid	(730)	(1,623)	(619)	(628)	(9,683)	(11,803)	(11,032)	(14,054)
<i>Fair value of Fund assets at end of the year</i>	41,311	33,891	19,594	16,807	367,868	320,041	428,773	370,739

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19. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (continued)

b. Superannuation liability (continued)

Reconciliation of the assets and liabilities recognised in the balance sheet:

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Present value of partly funded defined benefit obligations at end of year	41,023	35,971	18,282	17,210	335,697	333,692	395,002	386,873
Fair value of fund assets at end of year	(41,311)	(33,891)	(19,594)	(16,807)	(367,868)	(320,041)	(428,773)	(370,739)
<i>Subtotal</i>	(288)	2,080	(1,312)	403	(32,171)	13,651	(33,771)	16,134
Unrecognised past service cost	-	-	-	-	-	-	-	-
Unrecognised gain/(loss)	-	-	-	-	-	-	-	-
Adjustment for limitation on net asset	-	-	-	-	-	-	-	-
Net (asset)/liability to be recognised in balance sheet	(288)	2,080	(1,312)	403	(32,171)	13,651	(33,771)	16,134

All Fund assets are invested by SAS Trustee Corporation (STC) at arm's length through independent fund managers.

Expense recognised in income statement

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Current service cost	1,537	1,576	986	986	2,935	4,104	5,458	6,666
Interest cost	2,088	2,007	977	856	19,490	19,532	22,555	22,395
Expected return on fund assets (net of expenses)	(2,591)	(2,157)	(1,266)	(1,071)	(24,276)	(20,497)	(28,133)	(23,725)
Actuarial losses/(gains) recognised in year	(1,851)	(3,360)	(1,389)	(2,252)	(38,718)	(59,963)	(41,958)	(65,575)
Past service cost	-	-	-	-	-	-	-	-
Movement in adjustment for limitation on net asset	-	-	-	-	-	-	-	-
Curtailment or settlement (gain)/loss	-	-	-	-	-	-	-	-
Expense/(income) recognised	(817)	(1,934)	(692)	(1,481)	(40,569)	(56,824)	(42,078)	(60,239)

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19. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (*continued*)

b. Superannuation liability (continued)

Fund assets

The percentage invested in each asset class at the balance sheet date:

	2007	2006
Australian equities	33.6%	37.4%
Overseas equities	26.5%	27.9%
Australian fixed interest securities	6.8%	9.9%
Overseas fixed interest securities	6.4%	6.8%
Property	10.1%	8.6%
Cash	9.8%	5.0%
Other	6.8%	4.4%

Fair value of Fund assets

All Fund assets are invested by Superannuation Trustee Corporation (STC) at arm's length through independent fund managers.

Expected rate of return on assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual return on Fund Assets:

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Actual return on Fund assets	4,999	4,367	2,383	2,255	45,774	42,014	53,156	48,636

Valuation method and principal actuarial assumptions at the balance sheet date

(i) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligations.

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19. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (*continued*)

b. Superannuation liability (*continued*)

(ii) Economic Assumptions

	2007 %	2006 %
Salary increase rate (excluding promotional increases)	4.0pa to June 2008; 3.5pa thereafter	4.0pa to June 2008; 3.5pa thereafter
Discount rate	6.4 pa	5.9 pa
Expected rate of return on assets backing current pension liabilities	7.6 pa	7.6 pa
Expected rate of return on assets backing other liabilities	7.6 pa	7.6 pa
Rate of CPI Increase	2.5 pa	2.5 pa

Historical information

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Present value of defined benefit obligation	41,023	35,971	18,282	17,210	335,697	333,692	395,002	386,873
Fair value of Fund assets	(41,311)	(33,891)	(19,594)	(16,807)	(367,868)	(320,041)	(428,773)	(370,739)
(Surplus)/Deficit in Fund	(288)	2,080	(1,312)	403	(32,171)	13,651	(33,771)	16,134
Experience adjustments – Fund liabilities	1,318	(667)	(272)	(1,068)	(14,235)	(32,806)	(13,189)	(34,541)
Experience adjustments – Fund assets	(3,170)	(2,693)	(1,117)	(1,184)	(24,482)	(27,157)	(28,769)	(31,034)

Expected Contributions

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Expected employer contributions	1,594	1,455	1,074	1,029	5,598	5,030	8,266	7,514

Funding arrangements for employer contributions

(i) Surplus / Deficit

The following is a summary of the 30 June 2007 financial position of the Fund calculated in accordance with AAS 25 – Financial Reporting by Superannuation Plans.

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Accrued benefits	40,557	34,447	18,120	16,344	304,015	280,853	362,692	331,644
Net market value of Fund assets	(41,311)	(33,891)	(19,594)	(16,807)	(367,868)	(320,041)	(428,773)	(370,739)
Net (surplus)/deficit	(754)	556	(1,474)	(463)	(63,853)	(39,188)	(66,081)	(39,095)

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19. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (*continued*)

b. Superannuation liability (continued)

(ii) Contribution recommendations

Recommended contribution rates for the entity are:

SASS		SANCS		SSS	
multiple of member contributions		% member salary		multiple of member contributions	
2007	2006	2007	2006	2007	2006
1.9	1.9	2.5	2.5	1.6	1.6

(iii) Funding method

The method used to determine the employer contribution recommendations at the last actuarial review was the *Aggregate Funding* method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

(iv) Economic assumptions

The economic assumptions adopted for the last actuarial review of the Fund were:

Weighted-Average Assumptions

Expected rate of return on Fund assets backing current pension liabilities
 Expected rate of return on Fund assets backing other liabilities
 Expected salary increase rate
 Expected rate of CPI Increase

2007 %	2006 %
7.7 pa	7.7 pa
7.0 pa	7.0 pa
4.0 pa	4.0 pa
2.5 pa	2.5 pa

Nature of asset / liability

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary. Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

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20. CURRENT / NON-CURRENT LIABILITIES - OTHER

	2007 \$'000	2006 \$'000
Liability to Consolidated Fund	301	79
	301	79
Reported as follows:		
Current Liabilities	301	79
	301	79

21. CHANGES IN EQUITY

	Accumulated Funds		Asset Revaluation Reserve		Total Equity	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Balance at the beginning of the financial year	94,254	18,465	21,545	529	115,799	18,994
AASB 139 first-time adoption		(830)		-		(830)
Restated opening balance	94,254	17,635	21,545	529	115,799	18,164
Changes in equity-transactions with owners as owners						
Fair value of net assets transferred in on administration restructure (Note 22)	2,916	-	-	-	2,916	-
Movement in assets – Western Lands	(2,430)	-	-	-	(2,430)	-
Contributions to Consolidated Fund	(16,511)	(14,556)		-	(16,511)	(14,556)
Total	78,229	3,079	21,545	529	99,774	3,608
Changes in equity - other than transactions with owners as owners						
Surplus for the year	73,943	91,175		-	73,943	91,175
Increment on revaluation of land and buildings	-	-	-	20,526	-	20,526
Increment on revaluation of plant and equipment	-	-	-	373	-	373
Increment on revaluation of other financial asset	-	-	-	117	-	117
Increment on revaluation of infrastructure	-	-	13,704	-	13,704	-
Total	73,943	91,175	13,704	21,016	87,647	112,191
Balance at the end of the financial year	152,172	94,254	35,249	21,545	187,421	115,799

Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. This accords with the Department's policy on the revaluation of property, plant and equipment as discussed in Note 1(l).

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22. INCREASE IN NET ASSETS FROM EQUITY TRANSFERS

The administration of Western Division under the Western Lands Act was transferred to the Department of Lands from the former Department of Natural Resources on 27 April 2007.

	2007 \$'000	2006 \$'000
Cash	1,302	-
Land	1,267	-
Buildings & cottages	716	-
Buildings & cottages – Accumulated depreciation	(33)	-
Total Assets	3,252	-
Creditors	(19)	-
Provision for recreation leave	(317)	-
Total Liabilities	(336)	-
Increase in net assets	2,916	-

23. COMMITMENTS FOR EXPENDITURE

a. Capital Commitments

Aggregate capital expenditure for acquisition of items contracted for at balance date and not provided for:

Not later than 1 year	1,664	1,681
Total (including GST)	1,664	1,681

b. Other expenditure commitments

Aggregated below are commitments for the acquisition of items contracted for at reporting date including mass valuation contracts with various suppliers and other expenditures.

Not later than 1 year	18,811	18,484
Later than 1 and not later than 5 years	17,970	14,109
Total (including GST)	36,781	32,593

c. Operating lease commitments – as lessee

The Department has entered into commercial property leases and commercial leases on certain motor vehicles and items of telecommunication equipment. These leases have an average life of between 3 and 7 years with no renewal option included in the contracts. There are no restrictions placed upon the lessee by entering into these leases.

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23. COMMITMENTS FOR EXPENDITURE *(continued)*

c. *Operating lease commitments – as lessee (continued)*

Future minimum rentals payables under non-cancellable operating leases for accommodation and motor vehicle for varying contract periods/suppliers.

	2007 \$'000	2006 \$'000
Not later than 1 year	4,451	4,266
Later than 1 year but not later than 5 years	5,677	6,482
Later than 5 years	99	749
Total (including GST)	10,227	11,497

The total capital commitments, other expenditure commitments and operating lease commitments above include input tax credits of \$4.425m (2006 - \$4.043m) that are expected to be recovered from the Australian Taxation Office.

24. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Torrens Assurance Fund	22,784	14,730
	22,784	14,730

a. *Torrens Assurance Fund*

The Department maintains a special deposit account for claims arising through fraud or Departmental error (Torrens Assurance Fund). These liabilities have been estimated on the assumption that all disputed claims will be lost by the Department.

b. *Insurance Claims*

The Department may be liable for payment of compensation payments arising from claims and other matters subject to litigation. The amounts involved cannot be accurately determined and in some instances are subject to arbitration. These claims are covered by the Treasury Managed Fund.

c. *Other contingent liabilities*

In addition, applications for native title under the *Native Title Act 1993* and *Aboriginal Land Rights Act 1983* have been made over various areas of land and water in New South Wales which might ultimately result in a liability being incurred by the Department. It is not possible to estimate this potential liability.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

25. BUDGET REVIEW

a. Net Cost of Services

The Employee related expenses comparison between Budget and Actual was primarily impacted by the actuarial gains on superannuation reserve assets, which in turn significantly reduced the superannuation expenses.

Increased Operating Expenses against budget primarily relate to increased Tax payments, land valuation costs and bushfire mitigation works funded by the Rural Fire Service and the Commonwealth.

Grants & subsidies expenditure reflects the Australian Accounting Standard requirement to eliminate payments made between divisions of the same economic entity. As a result the community service obligation subsidy paid to LPI in 2006/07 does not appear in these accounts. This is the reason for the lower than budget expenditure in this area. Costs incurred in delivering the community service obligations are in general operating expenses.

Retained revenues in 2006/07 increased against Budget by \$6.3m. Variances include increased interest on invested funds; increased Sale of Goods and Services for Office of State Revenue valuation services provided; costs recovered from Treasury for asset revaluation work and additional revenue raised through the Public Reserves Management Fund. Grant and contributions income appears to have fallen in 2006/07, however, this presentation is due to the accounting treatment required as mentioned above.

b. Assets and Liabilities

Receivables related to employer's contribution to the invested superannuation reserves increased significantly during the year following the strong growth in the equity market.

Property Plant & Equipment increased by \$17m during the year compared to Budget, due primarily to the Tweed River Sand Bypassing project infrastructure assets being revalued. Asset purchases were primarily software and other information technology assets categorised under intangible assets.

Current and non current liabilities declined by \$11.6m compared to budget mainly due to the above benchmark returns achieved on invested employee and employer reserve assets in superannuation.

c. Cash Flows

Net operating cash flows reflect minimal growth in the property related transactions and positive earnings on superannuation fund assets resulting in lower than budget superannuation expenditure in respect to the Land and Property Information business.

Investing cash flows reflect the capital asset investment strategy for the Department with the majority of this investment in 2006/07 in new and improved business systems and information technology infrastructure. During 2006/07 \$6.4m more than budgeted was paid in contributions to Treasury.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

26. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES

	2007 \$'000	2006 \$'000
Net Cash flow from Operating Activities	35,174	37,248
Depreciation	(13,723)	(13,309)
Non-cash revenue	(10)	895
Asset transfer adjustment from DNR – Western Lands	2,766	-
Acceptance by the Crown Entity of Employee entitlements and other liabilities	(3,411)	(3,600)
Net (loss)/gain on sale of non-current assets	(24)	(295)
Cash flows from Government	(59,813)	(56,932)
Decrease/(Increase) in Provisions	12,706	67,785
(Decrease)/increase in Receivables	40,619	(386)
Increase/(Decrease) in Inventories	(51)	51
(Increase)/Decrease in Current liabilities	(3,291)	(735)
Net Cost of Services	10,942	30,722

27. ADMINISTERED ASSETS AND LIABILITIES

	Crown Leaseholds Entity \$'000	Land Development Working Account \$'000	2007 \$'000	2006 \$'000
Administered Assets				
Cash	12,671	26,091	38,762	30,608
Receivables	47,026	19	47,045	40,986
Land in course of development	-	7,193	7,193	6,647
Vacant Crown land & Land under Tenure	6,155,335	-	6,155,335	5,773,265
Plant and Equipment	-	11	11	-
Total Administered Assets	6,215,032	33,314	6,248,346	5,851,506
Administered Liabilities				
Unearned revenue	22,486	-	22,486	24,054
Accounts payable & provisions	1,012,779	13,055	1,025,834	1,040,024
Liability to Consolidated Fund	872	-	872	-
Amount due to Crown Leasehold	-	9,164	9,164	6,313
Total Administered Liabilities	1,036,137	22,219	1,058,356	1,070,391

28. ADMINISTERED REVENUE - DEBTS WRITTEN OFF

Administered debts for lease income of \$135,490 were written off during the year (2006 - \$41,056).

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

29. ADMINISTERED REVENUE - SCHEDULE OF UNCOLLECTED AMOUNTS

	2007 \$'000	2006 \$'000
Analysis of uncollected amounts in respect of Land revenue – Crown Leaseholds Entity:		
Less than 90 days	8,287	6,283
Greater than 90 days	15,341	13,289
	23,628	19,572
Less: allowance for impairment	752	3,956
	22,876	15,616
Amounts not yet called – incomplete purchases	28,630	26,845
Total	51,506	42,461

30. ADMINISTERED REVENUE AND EXPENSES

	Crown Leaseholds Entity \$'000	Land Development Working Account \$'000	2007 \$'000	2006 \$'000
Revenue	78,961	19,537	98,498	64,081
Expenses	(74,279)	(8,881)	(83,160)	(88,660)
Operating surplus/(loss)	4,682	10,656	15,338	(24,579)

Details of Crown revenue collected by the Department and remitted to the Treasury:

	2007 \$'000	2006 \$'000
Land sales, term purchase instalments and other miscellaneous land sales	19,718	24,235
Leases, licences and related land receipts	35,080	35,854
	54,798	60,089

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

31. FINANCIAL INSTRUMENTS

The Department's principal financial instruments are outlined below. These financial instruments arise directly from the Department's operations or are required to finance the Department's operations. The Department does not enter into or trade financial instruments for speculative purposes. The Department does not use financial derivatives.

a. Cash

Cash comprises cash on hand and bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation 11.00 am unofficial cash rate adjusted for a management fee to Treasury.

b. Receivables

All trade and other debtors are recognised as amounts receivable at balance date. Collectability of all debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable, are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are generally made on 30 day terms.

c. Bank Overdraft

The Department does not have any bank overdraft facility.

d. Trade Creditors and Accruals

The liabilities are recognised for amounts due to be paid in the future for goods or services received whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made not later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was paid during the year (30 June 2006-Nil).

e. Borrowings

The borrowings are the promissory notes issued by ANZ bank which are used to fund the Department's Tweed River Sand Bypass project jointly with Queensland Government. New South Wales Government owns 75% of the project and 25% is owned by the Queensland Government. The total face value of the promissory notes is \$21m, 75% of which is recognised by the Department as borrowings. The promissory notes are repayable over a 12 year term with 4 quarterly repayments a year.

Department of Lands

Notes to the Financial

Statements

For the year ended

30 June 2007

31. FINANCIAL INSTRUMENTS (continued)

f. Interest Rate Risk

Interest rate risk is the risk that the value of the instruments will fluctuate due to changes in market interest rates. The Entity's exposure to interest rate risk and the weighted average effective interest rates of financial assets and liabilities at the balance date are as follows:

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$'000	Fixed Interest Rate Maturities			Non Interest Bearing \$'000	Total Carrying Amount as per the Balance Sheet \$'000
			1 year or less \$'000	1 to 2 years \$'000	Over 5 years \$'000		
30 June 2007							
Financial Assets							
Cash and cash equivalents	5.15	48,741	-	-	-	-	48,741
Trade and other receivables	4.55	20,496	-	-	-	24,260	44,756
Total Financial Assets		69,237	-	-	-	24,260	93,497
30 June 2006							
Cash and cash equivalents	4.54	48,984	-	-	-	-	48,984
Trade and other receivables	5.07	16,531	-	-	-	21,744	38,275
Total Financial Assets		65,515	-	-	-	21,744	87,259
30 June 2007							
Financial Liabilities							
Trade and other payables						41,067	41,067
Borrowings	8.81		1,430	7,064	5,440	-	13,934
Other						301	301
Total Financial Liabilities			1,430	7,064	5,440	41,368	55,302
30 June 2006							
Trade and other payables		-	-	-	-	35,340	35,340
Borrowings	8.81	-	1,249	6,183	7,051	-	14,483
Other		-	-	-	-	79	79
Total Financial Liabilities		-	1,249	6,183	7,051	35,419	49,902

g. Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract/or financial position failing to discharge a financial obligation thereunder. The Department's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the Balance Sheet.

32. AFTER BALANCE DATE EVENTS

There were no after balance date events which would have a material impact on the financial report.

END OF AUDITED FINANCIAL REPORT



Land and Property Information Financial Statements

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GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Land and Property Information New South Wales

To Members of the New South Wales Parliament

I have audited the accompanying financial report of Land and Property Information New South Wales (LPI), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of LPI as of 30 June 2007, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

Director-General's Responsibility for the Financial Report

The Director-General of the Department of Lands is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Director-General, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of LPI,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



S R Stanton
Director, Financial Audit Services

19 October 2007
SYDNEY

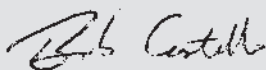
Land and Property Information

Statement by
Director General

Pursuant to section 41C (1B) of the *Public Finance and Audit Act 1983*, we state that:

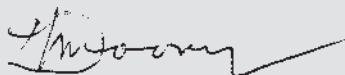
- (1) the accompanying financial report exhibits a true and fair view of the financial position and financial performance of Land and Property Information NSW, a business unit of the Department of Lands for the year ended 30 June 2007.
- (2) the financial report has been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2005* and the Treasurer's Directions.

Further, we are not aware of any circumstance which would render any particulars included in the financial report to be misleading or inaccurate.



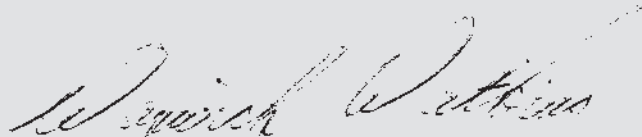
18 OCT 2007

Bob Costello
Director Finance and Corporate Support
Department of Lands



18 OCT 2007

Des Mooney
General Manager
Land and Property Information NSW



Warwick Watkins
Director General
Department of Lands

18 OCT 2007

Land and Property Information

Income Statement
For the year ended
30 June 2007

	Notes	2007 \$'000	2006 \$'000
Revenue			
Sale of goods	2(a)	1,889	3,642
Rendering of services	2(b)	144,218	136,226
Investment revenue	2(c)	2,819	2,188
Other revenue	2(d)	14,028	13,478
Total Revenue		162,954	155,534
Expenses			
Employee related expenses	3(a)	(34,346)	(15,126)
Other operating expenses	3(b)	(38,520)	(31,399)
Maintenance		(2,121)	(2,231)
Depreciation and amortisation	3(c)	(12,029)	(11,589)
Grants and subsidies	3(d)	(409)	(463)
Other expenses	3(e)	(434)	(164)
Loss on disposal	3(f)	(23)	(66)
Total Expenses		(87,882)	(61,038)
Profit before income tax equivalent expense		75,072	94,496
Income tax equivalent expense	3(g)	(8,325)	(7,339)
PROFIT FOR THE YEAR		66,747	87,157

The accompanying notes form part of these financial statements

Land and Property Information

Balance Sheet

As at 30 June 2007

	Notes	2007 \$'000	2006 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	38,941	36,812
Trade and other receivables	6	12,546	10,837
Inventories	7	202	360
Total Current Assets		51,689	48,009
Non-Current Assets			
Inventories	7	1,557	1,440
Property, Plant and Equipment	8		
Land and Buildings		66,540	64,372
Plant and Equipment		13,586	12,256
Total Property Plant and Equipment		80,126	76,628
Intangible Assets	9	28,901	24,810
Prepaid Superannuation	12	32,899	-
Total Non-Current Assets		143,483	102,878
TOTAL ASSETS		195,172	150,887
LIABILITIES			
Current Liabilities			
Trade and other payables	11	31,500	25,219
Provisions	12	39,182	37,148
Total Current Liabilities		70,682	62,367
Non-Current Liabilities			
Provisions	12	4,450	18,715
Total Non-Current Liabilities		4,450	18,715
TOTAL LIABILITIES		75,132	81,082
NET ASSETS		120,040	69,805
EQUITY			
Reserve	13	14,119	14,119
Retained earnings		105,921	55,686
TOTAL EQUITY		120,040	69,805

The accompanying notes form part of these financial statements

Land and Property Information

Statement of Recognised
Income and Expense
For the year ended
30 June 2007

	Notes	2007 \$'000	2006 \$'000
Net increase / (decrease) in property, plant and equipment asset revaluation reserve		-	14,119
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY		-	14,119
Profit / (Loss) for the year		66,747	87,157
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR	13	66,747	101,276

The accompanying notes form part of these financial statements

Land and Property Information

Cash Flow Statement
For the year ended
30 June 2007

	Notes	2007 \$'000	2006 \$'000
Cash flows from operating activities			
Sale of goods and services		146,727	139,690
Interest received		2,419	2,682
Other		18,636	17,585
Employee related		(79,451)	(79,890)
Income tax equivalent		(7,114)	(7,449)
Other		(44,987)	(39,441)
Net cash flows from operating activities	16	36,230	33,177
Cash flows from investing activities			
Purchases of Land & Buildings, Plant & Equipment and Intangible Assets		(19,547)	(14,715)
Net cash flows used in investing activities		(19,547)	(14,715)
Cash flows from financing activities			
Contribution to Consolidated Fund		(14,554)	(25,804)
Net cash flows used in financing activities		(14,554)	(25,804)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		2,129	(7,342)
Opening cash and cash equivalents		36,812	44,154
CLOSING CASH AND CASH EQUIVALENTS	5	38,941	36,812

The accompanying notes form part of these financial statements

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Reporting Entity

Land and Property Information New South Wales (LPI) is a non budget dependent commercial entity within the Department of Lands. LPI provides integrated land and property information services to the Government and community of New South Wales.

Under Section 45E of the *Public Finance and Audit Act 1983*, (the Act), the Treasurer has directed the Department of Lands to prepare a separate financial report for LPI. The format of the financial report is to be in accordance with the requirements of Section 41A and Section 41B of the Act.

LPI is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The reporting entity is consolidated within the financial report of the Department of Lands and as part of the NSW Total State Sector Accounts.

The financial report for the year ended 30 June 2007 was authorised for issue by the Director-General on the date on which the accompanying statement was signed by the Director General.

b. Basis of Preparation

LPI's financial report is a general purpose financial report which has been prepared in accordance with:

- applicable Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AEIFRS) and Interpretations; and
- the requirements of the *Public Finance and Audit Act 1983* and Regulation.

Property, plant and equipment, investment property, assets (or disposal groups) held for sale and financial assets held for trading and available for sale are measured at fair value. Other financial report items are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

c. *Statement of Compliance*

LPI's financial statements and notes comply with Australian Accounting Standards, which include AEIFRS.

The following new Accounting Standards and Interpretations, that have been issued but are not yet effective, have not been adopted for the annual reporting period ending 30 June 2007:

- AASB 7 *Financial Instruments: Disclosures* (issued August 2005)
- AASB 101 *Presentation of Financial Statements* (issued October 2006)
- AASB 123 *Borrowing Costs* (issued June 2007)
- AASB 1049 *Financial Reporting of General Government Sectors by Governments* (issued September 2006)
- AASB 2005-10 *Amendments to Australian Accounting Standards* (issued September 2005)
- AASB 2007-01 *Amendments to Australian Accounting Standards arising from AASB Interpretation 11* (issued February 2007)
- AASB 2007-04 *Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments* (issued April 2007)
- AASB 2007-05 *Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities* (issued May 2007)
- AASB 2007-06 *Amendments to Australian Accounting Standards arising from AASB 123* (issued June 2007)
- AASB 2007-07 *Amendments to Australian Accounting Standards* (issued June 2007)
- AASB Interpretation 4 *Determining whether an Arrangement contains a Lease* (issued February 2007)
- AASB Interpretation 10 *Interim Financial Reporting and Impairment* (issued September 2006)
- AASB Interpretation 11 *AASB 2 – Group and Treasury Share Transactions* (issued February 2007)
- AASB Interpretation 12 *Service Concession Arrangements* (issued February 2007)
- AASB Interpretation 129 *Service Concession Arrangements: Disclosures* (issued February 2007)

The application of these standards will not have a material impact on LPI's financial report.

d. *Significant accounting judgements, estimates and assumptions*

In the application of AEIFRS, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision effects both current and future period.

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

e. *Revenue Recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to LPI and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) **Sale of Goods**

Revenue from the sale of goods is recognised as revenue when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transactions can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

(ii) **Rendering of Services**

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

(iii) **Investment revenue**

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

(iv) **Grants and Contributions**

Grants and contributions are recognised as income when all the following conditions are satisfied: LPI obtains control over the assets comprising the grants/contributions or the right to receive the contribution; it is probable that the economic benefits comprising the contribution will flow to LPI; and the amount can be measured reliably.

f. *Employee Benefits and other provisions*

(i) **Salaries and Wages, Annual Leave, Sick Leave and On-costs**

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Long-term annual leave is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds of 6.25% are used to discount long-term annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. *Employee Benefits and other provisions (continued)*

(i) **Salaries and Wages, Annual Leave, Sick Leave and On-costs (continued)**

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

(ii) **Long Service Leave and Superannuation**

LPI is responsible for the long service leave liability for employees with 5 or more years of service and all superannuation liabilities. These liabilities are recognised in the Balance Sheet.

The long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of the valuation ratio at the Commonwealth government bond rate at the reporting date to employees with five or more years of service, using current rates of pay. This ratio is determined based on an actuarial review to approximate present value.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when incurred.

Defined benefit plans

For defined benefit plans, the actuarial valuations are carried out at each reporting date by Pillar Administration and the actuarial gains and losses are recognised immediately through profit and loss in the period in which they occur as per NSW Treasury's mandate.

The defined benefit position recognised in the Balance Sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, net of the fair value of the plan assets.

(iii) **Other Provisions**

Other provisions are recognised when LPI has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the legal or constructive obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

g. Borrowing Costs

Borrowing costs are recognised as expenses in the period in which they are incurred.

h. Insurance

LPI's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past claim experience.

i. Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except for:

- GST incurred by LPI as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the acquisition cost of an asset, or as part of an item of expense;
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to the taxation authority, is included as part of receivables or payables.

j. Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by LPI. Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost or for nominal consideration are initially recognised at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

k. Capitalisation Thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually are capitalised. Individual items of computer equipment costing \$1,000 and above are capitalised when they form part of a network.

Land and Property Information

Notes to the Financial
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For the year ended
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

I. Revaluation of Physical Non-Current Assets

Physical non-current assets are valued in accordance with TPP 07-1 *Valuation of Physical Non-Current Assets at Fair Value*". This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

Except for certain heritage assets, property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

LPI revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation was completed on 30 June 2006 and was based on an independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation existing at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the Income Statement, the increment is recognised immediately as revenue in the Income Statement.

Revaluation decrements are recognised immediately as expenses in the Income Statement, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not for-profit entity, revaluation increments and decrements are offset against one another within the same class of non-current assets but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to retained earnings.

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Notes to the Financial
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For the year ended
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

m. Impairment of Property, Plant and Equipment

As a not-for-profit entity with no cash generating units, LPI is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

n. Depreciation of Non-Current Physical Assets

Except for certain heritage assets, depreciation is provided for on a straight-line basis for all depreciable assets, so as to write off the depreciable amount of each asset as it is consumed over its useful life to LPI.

All material separately identifiable components of assets are depreciated over their shorter useful lives. The normal depreciation rates of major asset classes are as follows:

Asset Classes	Rates (%)
Heritage Assets	0.00
Buildings and Improvements	2.50
Printing Press	6.67
Aeroplane / Aerial Photographic Equipment	14.25
Motor Vehicles	20.00
Plant and Equipment	20.00
EDP Equipment	25.00

Land is not a depreciable asset. Certain heritage assets have an extremely long useful life, including heritage buildings. Depreciation for these items cannot be reliably measured because the useful life and the net amount to be recovered at the end of the useful life cannot be reliably measured. In these cases, depreciation is not recognised. The decision not to recognise depreciation for these assets is reviewed annually.

o. Major Inspection Costs

When each major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

p. Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or a component of an asset, in which case the costs are capitalised and depreciated.

Land and Property Information

Notes to the Financial Statements
For the year ended
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

q. Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Income Statement in the periods in which they are incurred.

r. Intangible Assets

The agency recognises intangible assets only if it is probable that future economic benefits will flow to the agency and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives.

Development costs are only capitalised when certain criteria are met. Internally developed software costs that are directly associated with the production of identifiable and unique software products controlled by LPI and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development employee costs and an appropriate portion of relevant overheads. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

The useful lives of intangible assets are assessed to be finite. Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for LPI's intangible assets, the assets are carried at cost less any accumulated amortisation.

LPI's intangible assets are amortised using the straight line method over a period of 4 years, for software and internally developed software. In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity with no cash generating units, LPI is effectively exempted from impairment testing (refer note 1(m)).

s. Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectable amounts. An allowance for doubtful debts is made when there is objective evidence that LPI will not be able to collect the debts. Bad debts are written off when identified.

Land and Property Information

Notes to the Financial
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For the year ended
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

t. Inventories

Inventories held are valued at the lower of cost and net realisable value.

Inventories are comprised of raw materials for map printing and maps stock. Raw materials are valued on a first-in-first-out basis. Maps stocks are valued at the weighted average cost of printing from the map masters at full absorption of labour, materials and overhead. Stock is used on a first-in-first-out basis.

The cost of inventories acquired at no cost or for nominal consideration is the current replacement cost LPI would incur to acquire the asset on the reporting date. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

u. Restricted Assets – Torrens Assurance Fund

This fund is administered by LPI. The Torrens Assurance Fund was established under S134(1) of the Real Property Act 1900 as a Special Deposit Account administered by the Registrar-General. Refer to Note 10.

v. Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to LPI prior to the end of the financial year that are unpaid and arise when LPI becomes obliged to make future payments in respect of the purchase of these goods and services. Short term payables with no interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

w. Contribution to Consolidated Fund

LPI is required to pay income tax equivalents and contributions to the Consolidated Fund. Tax effect accounting is not required to be applied. Income tax is calculated by applying the prevailing company tax rate to profits earned by LPI after adjusting for any cash paid to defined benefit superannuation plans impacting the income statement. Contributions to the Consolidated Fund are paid at the rate of 85% of after tax profit adjusted for cash paid to defined benefit superannuation plans, in two equal instalments, in August and December.

Land and Property Information

Notes to the Financial
Statements
For the year ended
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2. REVENUE

a. Sale of Goods

	2007 \$'000	2006 \$'000
Mapping	1,881	3,147
Printing and Publishing	8	495
	1,889	3,642

b. Rendering of services

Title	106,283	103,762
Valuation	33,175	27,993
Torrens Assurance Fund (see note 10)	3,167	3,240
Digital Database Sales	2	-
International Projects	125	151
Corporate Support	458	150
Miscellaneous Income	1,008	930
	144,218	136,226

c. Investment Revenue

Interest	2,819	2,188
	2,819	2,188

d. Other Revenue

Government grants	13,168	13,168
Grants from other entities	860	310
	14,028	13,478

Government grants have been received for the community service obligations. Grants from other entities have been received for the operations of the National Office for the National Electronic Conveyancing System. There are no unfulfilled conditions or contingencies attaching to these grants.

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

3. EXPENSES

a. Employee related expenses

	2007 \$'000	2006 \$'000
Salaries and wages (including recreation leave)	64,759	60,571
Superannuation – defined contribution plans	1,423	1,234
Superannuation – defined benefit plans	(40,135)	(56,724)
Long Service Leave	4,191	4,265
Workers Compensation	480	624
Payroll and Fringe Benefits Tax	4,595	4,309
Other employee on-costs	(967)	847
	34,346	15,126

The entity charges the full cost of long service leave and current cost of superannuation to operations.

b. Other operating expenses

Valuation contractors & expenses	17,873	12,817
Cleaning & utilities	1,320	1,329
Property rental costs	707	721
EDP – information technology services	3,314	2,966
Furniture, plant & equipment	269	369
Cost of sales	1,786	1,831
Consultancies & other contractors	5,971	4,028
Promotions, publicity, events management	221	186
Travel expenses	844	733
Telecommunication expenses	1,690	2,010
Motor vehicle expenses	917	743
Insurance	159	195
Auditor's remuneration – audit of the financial report	40	164
Freight & postage	697	696
Staff related & development	986	959
Administration	863	822
Legal fees	65	108
Land taxes	347	344
Bad debts	(7)	10
Other	458	368
	38,520	31,399

The method of accounting for Auditors remuneration was changed in 2006/07 from previously accepted practice of expensing total audit fees in the financial year under review, to expensing the fee when service is actually provided. This change resulted in a reduced expense being reported for 2006/07. The total audit fee for LPI's 2006/07 Financial Report is \$168,675 (2005/06 - \$164,000)

Land and Property Information

Notes to the Financial Statements
For the year ended
30 June 2007

3. EXPENSES (*continued*)

c. Depreciation and amortisation

	2007 \$'000	2006 \$'000
Buildings depreciation	276	810
Plant and Equipment depreciation	4,646	4,806
	4,922	5,616
Amortisation of Intangible Assets	7,107	5,973
	12,029	11,589

The Queens Square building in Sydney is classified as a heritage building. In prior years, this building has been depreciated over 40 years, similar to other building assets of LPI. During 2006/07, the residual value, useful life and depreciation method of this heritage building was reviewed, in accordance with AASB 116 Property, Plant and Equipment. The useful life has been determined to be indefinite, in line with the intention of NSW Treasury TPP 07-1 Valuation of Physical Non-Current Assets at Fair Value. Depreciation has therefore not been charged in 2006/07 for the Queens Square building. Under the previous treatment, the 2006/07 and future period depreciation expenses for the heritage building would have been approximately \$700,000 annually.

d. Grants and Subsidies

Grants paid to other organisations	409	463
	409	463

e. Other Expenses

Torrens Assurance Fund	434	164
	434	164

f. Loss on disposal

Written Down Value of assets disposed	23	66
Net loss on disposal of Property, Plant & Equipment	23	66

Land and Property Information

Notes to the Financial Statements
For the year ended
30 June 2007

3. EXPENSES (continued)

g. Income Tax Equivalent Expense

	2007 \$'000	2006 \$'000
Accounting profit for the year	75,072	94,496
Less: defined benefit superannuation expense adjustment	(47,321)	(70,033)
Adjusted accounting profit for the year	27,751	24,463
Income tax equivalent expense for the year at 30%	8,325	7,339
	8,325	7,339

h. Distributed Costs

Included in the expenses listed above are the costs of corporate services provided by LPI to the other divisions of the Department of Lands for which no revenues are received.

Employee related	3,773	3,700
Other operating expenses	746	739
	4,519	4,439

4. INDIVIDUALLY SIGNIFICANT ITEMS

Offsetting employee related expenses is \$40.135m (2006- \$56.724m) for actuarial gains recognised from defined benefit superannuation funds.

5. CURRENT ASSETS – CASH AND CASH EQUIVALENTS

Cash at bank and on hand	38,941	36,812
	38,941	36,812

For the purposes of the Cash Flow Statement, cash includes cash on hand and cash at bank. Cash and cash equivalents assets recognised in the Balance Sheet are reconciled to cash at the end of the financial year as shown in the Cash Flow Statement as follows:

Cash and cash equivalents (per Balance Sheet)	38,941	36,812
Closing cash and cash equivalents (as per Cash Flow Statement)	38,941	36,812

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Notes to the Financial Statements
For the year ended
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6. CURRENT / NON-CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

	2007 \$'000	2006 \$'000
Current Receivables		
Sale of goods and services	7,736	7,341
Less: Allowance for impairment	(8)	(63)
GST Receivable	991	832
Interest Receivable	1,354	955
Other Receivables	468	104
Prepayments	2,005	1,668
	12,546	10,837

7. CURRENT / NON-CURRENT ASSETS – INVENTORIES

Current Inventories

At cost		
Goods for resale	202	360
	202	360

Non-current Inventories

At cost		
Goods for resale	1,557	1,440
	1,557	1,440

Goods for resale (map stocks) are split 11.5% (2006 – 20%) current which is expected to be sold within the twelve months after the reporting date and 88.5% (2006 – 80%) non-current. The split is based on the entity's normal operating cycle.

There was no write down of inventories during the financial year ended 30 June 2007 (2006 - NIL).

8. NON-CURRENT ASSETS – PROPERTY, PLANT & EQUIPMENT

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
At 1 July 2006			
At fair value	64,521	34,565	99,086
Accumulated depreciation and impairment	(149)	(22,309)	(22,458)
Net Carrying Amount	64,372	12,256	76,628
At 30 June 2007			
At fair value	66,966	38,869	105,835
Accumulated depreciation and impairment	(426)	(25,283)	(25,709)
Net Carrying Amount	66,540	13,586	80,126

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Notes to the Financial
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8. NON-CURRENT ASSETS – PROPERTY, PLANT & EQUIPMENT (*continued*)

Reconciliation

Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below:

	Land and Buildings \$'000	Plant and Equipment \$'000	Total \$'000
Year ended 30 June 2007			
Net carrying amount at start of the year	64,372	12,256	76,628
Additions	2,451	5,999	8,450
Disposals	-	(23)	(23)
Reclassification	(6)	-	(6)
Depreciation expense	(277)	(4,646)	(4,923)
Net carrying amount at end of year	66,540	13,586	80,126

At 1 July 2005

At fair value	50,915	43,758	94,673
Accumulated depreciation and impairment	(1,573)	(24,730)	(26,303)
Net Carrying Amount	49,342	19,028	68,370

At 30 June 2006

At fair value	64,521	34,565	99,086
Accumulated depreciation and impairment	(149)	(22,309)	(22,458)
Net Carrying Amount	64,372	12,256	76,628

Reconciliation

Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below:

Year ended 30 June 2006

Net carrying amount at start of the year	49,342	19,028	68,370
Additions	1,794	3,018	4,812
Disposals	-	(66)	(66)
Reclassification	(36)	(4,955)	(4,991)
Revaluation increment	14,081	38	14,119
Depreciation expense	(809)	(4,807)	(5,616)
Net carrying amount at end of year	64,372	12,256	76,628

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Notes to the Financial Statements
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9. INTANGIBLE ASSETS

	Software \$'000	Total \$'000
At 1 July 2006		
Cost (gross carrying amount)	48,561	48,561
Accumulated amortisation and impairment	(23,751)	(23,751)
Net Carrying Amount	24,810	24,810
At 30 June 2007		
Cost (gross carrying amount)	59,750	59,750
Accumulated amortisation and impairment	(30,849)	(30,849)
Net Carrying Amount	28,901	28,901
Year ended 30 June 2007		
Net carrying amount at start of year	24,810	24,810
Additions		
- external acquired	649	649
- internally developed	10,543	10,543
Reclassification	6	6
Amortisation expense	(7,107)	(7,107)
Net carrying amount at end of year	28,901	28,901
At 1 July 2005		
Cost (gross carrying amount)	33,494	33,494
Accumulated amortisation and impairment	(17,604)	(17,604)
Net Carrying Amount	15,890	15,890
At 30 June 2006		
Cost (gross carrying amount)	48,561	48,561
Accumulated amortisation and impairment	(23,751)	(23,751)
Net Carrying Amount	24,810	24,810
Year ended 30 June 2006		
Net carrying amount at start of year	15,890	15,890
Additions		
- external acquired	277	277
- internally developed	9,625	9,625
Reclassification	4,991	4,991
Amortisation expense	(5,973)	(5,973)
Net carrying amount at end of year	24,810	24,810

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10. RESTRICTED ASSETS

Torrens Assurance Fund – Special Deposit Account

LPI operates the Torrens Assurance Fund within the Special Deposit Accounts. The Fund was established under Section 134 (1) of the *Real Property Act 1900*. It meets claims for losses arising out of fraud or agency error and is funded by a \$4 charge on each land dealing lodged. The following is a summary of transactions in the Torrens Assurance Fund.

	2007 \$'000	2006 \$'000
Opening cash balance	14,821	11,745
Add: Revenue	3,167	3,240
Less: Expenditure	(434)	(164)
Cash balance at end of Year	17,554	14,821

The above transactions and balances have been recognised in LPI's financial statements.

11. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

Accrued salaries, wages and on-costs	1,502	1,477
Creditors	6,920	3,861
Income received in advance	88	341
Contribution to Consolidated Fund	16,512	14,555
Income Tax Equivalent payable	6,029	4,818
Other	449	167
	31,500	25,219

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12. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS

	2007 \$'000	2006 \$'000
Current employee benefits and related on-costs		
Recreation leave	6,899	6,204
Long service leave	31,370	30,082
Oncosts on employee benefits	913	862
	39,182	37,148
Non-Current employee benefits and related on-costs		
Long service leave	82	127
Superannuation	1,323	15,714
Oncosts on employee benefits	3,045	2,874
	4,450	18,715
Aggregate employee entitlements		
Provisions – current	39,182	37,148
Provisions – non-current	4,450	18,715
Accrued salaries and wages	1,502	1,477
	45,134	57,340
The amount of leave liability expected to be settled:		
Within the 12 months	13,550	12,490
After more than 12 months	24,801	23,923
	38,351	36,413

a. Superannuation liability

LPI is responsible for funding the employer's superannuation liability through monthly contributions to LPI's reserve account held by Pillar Administration. Superannuation payments to retiring employees are made out of this reserve account. Periodically LPI's reserve account balance is augmented by interest distributions made at the discretion of Pillar Administration. LPI has no control over interest distributions. The reserve account can only be used for the settlement of superannuation liabilities.

Actuarial gains and losses are recognised immediately in profit and loss in the year in which they occur.

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Superannuation Scheme (SSS)
- State Authorities Non-contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. All the Schemes are closed to new members.

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Notes to the Financial
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12. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (*continued*)

a. Superannuation liability (*continued*)

Superannuation position using AASB 119 basis

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Superannuation position for AASB 119 purposes								
Accrued liability	32,860	28,443	16,699	15,688	320,234	318,175	369,793	362,306
Estimated reserve account balance	(31,537)	(25,395)	(17,859)	(15,254)	(351,973)	(305,943)	(401,369)	(346,592)
Net (asset)/liability	1,323	3,048	(1,160)	434	(31,739)	12,232	(31,576)	15,714
Future Service Liability	(8,768)	(9,192)	(6,559)	(7,035)	(17,048)	(21,702)	(32,375)	(37,929)
Surplus in excess of recovery available from schemes	-	-	-	-	-	-	-	-
Net (asset)/liability to be recognised in balance sheet	1,323	3,048	(1,160)	434	(31,739)	12,232	(31,576)	15,714

LPI has two separate accounts under administration. One accounts for staff in the corporate services division and one for those in the operational business division. Whilst on consolidation, the net asset position is reported as stated above, in practice the surplus in excess of the future service liability in one account cannot be used to offset the deficit in other superannuation accounts. On consolidation for reporting purposes as at 30 June 2007, the surplus in excess of the future service liability of \$6.9m in the operational business division account has been utilised to offset the deficit in the corporate services division account. Actuarial advice was used to provide the consolidated position for LPI reporting.

The balance sheet reports the SANCS and SSS scheme assets of \$32.899m in Non-Current Assets and the SASS scheme liabilities of \$1.323m in Non-Current Liabilities.

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Notes to the Financial Statements
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12. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (continued)

a. Superannuation liability (continued)

Reconciliation of the present value of the defined benefit obligation

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
<i>Present value of partly funded defined benefit obligations at beginning of the year</i>	28,443	26,207	15,688	15,417	318,175	334,365	362,306	375,989
Current service cost	1,290	1,284	901	893	2,799	3,879	4,990	6,056
Interest cost	1,655	1,551	890	774	18,582	18,558	21,127	20,883
Contributions by fund participants	696	621	-	-	3,302	2,937	3,998	3,558
Actuarial (gains)/losses	1,098	(242)	(288)	(993)	(13,778)	(30,863)	(12,968)	(32,098)
Benefits paid	(322)	(978)	(492)	(403)	(8,846)	(10,701)	(9,660)	(12,082)
Past service cost	-	-	-	-	-	-	-	-
Curtailments	-	-	-	-	-	-	-	-
Settlements	-	-	-	-	-	-	-	-
Business Combinations	-	-	-	-	-	-	-	-
Exchange rate changes	-	-	-	-	-	-	-	-
<i>Present value of partly funded defined benefit obligations at end of the year</i>	32,860	28,443	16,699	15,688	320,234	318,175	369,793	362,306

Reconciliation of the fair value of fund assets

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
<i>Fair value of Fund assets at beginning of the year</i>	25,395	20,694	15,254	12,721	305,943	258,741	346,592	292,156
Expected return on fund assets	1,949	1,578	1,150	962	23,203	19,532	26,302	22,072
Actuarial gains/(losses)	2,535	2,308	1,015	1,074	23,433	26,112	26,983	29,494
Employer contributions	1,284	1,172	932	900	4,938	9,322	7,154	11,394
Contributions by Fund participants	696	621	0	0	3,302	2,937	3,998	3,558
Benefits paid	(322)	(978)	(492)	(403)	(8,846)	(10,701)	(9,660)	(12,082)
Settlements	-	-	-	-	-	-	-	-
Business combinations	-	-	-	-	-	-	-	-
Exchange rate changes	-	-	-	-	-	-	-	-
<i>Fair value of Fund assets at end of the year</i>	31,537	25,395	17,859	15,254	351,973	305,943	401,369	346,592

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Notes to the Financial Statements
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12. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (continued)

a. Superannuation liability (continued)

Reconciliation of the assets and liabilities recognised in the balance sheet

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Present value of partly funded defined benefit obligations at end of year	32,860	28,443	16,699	15,688	320,234	318,175	369,793	362,306
Fair value of fund assets at end of year	(31,537)	(25,395)	(17,859)	(15,254)	(351,973)	(305,943)	(401,369)	(346,592)
Subtotal	1,323	3,048	(1,160)	434	(31,739)	12,232	(31,576)	15,714
Unrecognised past service cost	-	-	-	-	-	-	-	-
Unrecognised gain/(loss)	-	-	-	-	-	-	-	-
Adjustment for limitation on net asset	-	-	-	-	-	-	-	-
Net (asset)/liability to be recognised in balance sheet	1,323	3,048	(1,160)	434	(31,739)	12,232	(31,576)	15,714

Expense recognised in income statement

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Current service cost	1,290	1,284	901	893	2,799	3,878	4,990	6,055
Interest cost	1,655	1,550	890	774	18,582	18,558	21,127	20,882
Expected return on fund assets (net of expenses)	(1,949)	(1,578)	(1,150)	(961)	(23,203)	(19,532)	(26,302)	(22,071)
Actuarial losses/(gains) recognised in year	(1,437)	(2,549)	(1,302)	(2,068)	(37,211)	(56,973)	(39,950)	(61,590)
Past service cost								
Movement in adjustment for limitation on net asset								
Curtailment or settlement (gain)/loss								
Expense/(income) recognised	(441)	(1,293)	(661)	(1,362)	(39,033)	(54,069)	(40,135)	(56,724)

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

12. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (*continued*)

a. Superannuation liability (*continued*)

Fund assets

The percentage invested in each asset class at the balance sheet date:

	2007	2006
Australian equities	33.6%	37.4%
Overseas equities	26.5%	27.9%
Australian fixed interest securities	6.8%	9.9%
Overseas fixed interest securities	6.4%	6.8%
Property	10.1%	8.6%
Cash	9.8%	5.0%
Other	6.8%	4.4%

Fair value of Fund assets

All Fund assets are invested by Superannuation Trustee Corporation (STC) at arm's length through independent fund managers.

Expected rate of return on assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual return on Fund Assets

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Actual return on Fund assets	3,779	3,203	2,164	2,036	43,782	40,089	49,725	45,328

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

12. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (*continued*)

a. Superannuation liability (*continued*)

Valuation method and principal actuarial assumptions at the balance sheet date

(i) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

(ii) Economic Assumptions

Salary increase rate (excluding promotional increases)

Discount rate

Expected rate of return on assets backing current pension liabilities

Expected rate of return on assets backing other liabilities

Rate of CPI Increase

2007 %	2006 %
4.0pa to June 2008; 3.5pa thereafter	4.0pa to June 2008; 3.5pa thereafter
6.4 pa	5.9 pa
7.6 pa	7.6 pa
7.6 pa	7.6 pa
2.5 pa	2.5 pa

Historical information

Present value of defined
benefit obligation
Fair value of Fund assets
(Surplus)/Deficit in Fund
Experience adjustments –
Fund liabilities
Experience adjustments –
Fund assets

SASS		SANCS		SSS		Total	
2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
32,860	28,443	16,699	15,688	320,234	318,175	369,793	362,306
(31,537)	(25,395)	(17,859)	(15,254)	(351,973)	(305,943)	(401,369)	(346,592)
1,323	3,048	(1,160)	434	(31,739)	12,232	(31,576)	15,714
1,098	(242)	(288)	(993)	(13,778)	(30,863)	(12,968)	(32,098)
(2,535)	(2,308)	(1,015)	(1,075)	(23,433)	(26,111)	(26,983)	(29,494)

Expected Contributions

Expected employer
contributions

SASS		SANCS		SSS		Total	
2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
1,322	1,180	980	931	5,284	4,699	7,586	6,810

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

12. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (continued)

a. Superannuation liability (continued)

Funding arrangements for employer contributions

(i) Surplus / Deficit

The following is a summary of the 30 June financial position of the Fund calculated in accordance with AAS 25 – *Financial Reporting by Superannuation Plans*.

	SASS		SANCS		SSS		Total	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Accrued benefits	32,495	27,249	16,553	14,897	289,927	267,672	338,975	309,818
Net market value of Fund assets	(31,537)	(25,395)	(17,859)	(15,254)	(351,973)	(305,943)	(401,369)	(346,592)
Net (surplus)/deficit	958	1,854	(1,306)	(357)	(62,046)	(38,271)	(62,394)	(36,774)

(ii) Contribution recommendations

Recommended contribution rates for the entity are:

SASS		SANCS		SSS	
multiple of member contributions		% member salary		multiple of member contributions	
2007	2006	2007	2006	2007	2006
1.9	1.9	2.5	2.5	1.6	1.6

(iii) Funding method

The method used to determine the employer contribution recommendations at the last actuarial review was the *Aggregate Funding* method. The method adopted affects the timing of the cost to the employer.

Under the Aggregate Funding method, the employer contribution rate is determined so that sufficient assets will be available to meet benefit payments to existing members, taking into account the current value of assets and future contributions.

(iv) Economic assumptions

The economic assumptions adopted for the last actuarial review of the Fund were:

Weighted-Average Assumptions

Expected rate of return on Fund assets backing current pension liabilities
Expected rate of return on Fund assets backing other liabilities
Expected salary increase rate
Expected rate of CPI Increase

2007 %pa	2006 %pa
7.7	7.7
7.0	7.0
4.0	4.0
2.5	2.5

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

12. CURRENT / NON-CURRENT LIABILITIES – PROVISIONS (*continued*)

a. Superannuation liability (*continued*)

Nature of asset / liability

If a surplus exists in the employer's interest in the Fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

13. CHANGES IN EQUITY

	Retained Earnings		Asset Revaluation Reserve		Total Equity	
	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000	2007 \$'000	2006 \$'000
Balance at the beginning of the financial year	55,686	(16,915)	14,119	-	69,805	(16,915)
Opening balance	55,686	(16,915)	14,119	-	69,805	(16,915)
Changes in equity-transactions with owners as owners						
Contributions to Consolidated Fund	(16,512)	(14,556)	-	-	(16,512)	(14,556)
Total	39,174	(31,471)	14,119	-	53,293	(31,471)
Changes in equity - other than transactions with owners as owners						
Profit for the year	66,747	87,157	-	-	66,747	87,157
Increment on revaluation of land	-	-	-	14,081	-	14,081
Increment on revaluation of plant and equipment	-	-	-	38	-	38
Total	66,747	87,157	-	14,119	66,747	101,276
Balance at the end of the financial year	105,921	55,686	14,119	14,119	120,040	69,805

Land and Property Information

Notes to the Financial Statements
For the year ended
30 June 2007

14. COMMITMENTS FOR EXPENDITURE

a. Capital Commitments

Aggregate capital expenditure for acquisition of items contracted for at balance date and not provided for:

	2007 \$'000	2006 \$'000
Not later than 1 year	1,596	1,681
Later than 1 and not later than 5 years	-	-
Later than 5 years	-	-
Total (including GST)	<u>1,596</u>	<u>1,681</u>

b. Other expenditure commitments

Aggregated below are commitments for the acquisition of items contracted for at reporting date including mass valuation contracts with various suppliers and other expenditures.

Not later than 1 year	16,824	15,302
Later than 1 and not later than 5 years	17,970	14,109
Later than 5 years	-	-
Total (including GST)	<u>34,794</u>	<u>29,411</u>

c. Operating lease commitments – as lessee

LPI has entered into commercial property leases and commercial leases on certain motor vehicles and items of telecommunication equipment. These leases have an average life of between 3 and 7 years with no renewal option included in the contracts. There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payables under non-cancellable operating leases for accommodation and motor vehicle for varying contract periods/suppliers.

Not later than 1 year	901	1,031
Later than 1 year but not later than 5 years	807	572
Later than 5 years	-	-
Total (including GST)	<u>1,708</u>	<u>1,603</u>

The total capital commitments, other expenditure commitments and operating lease commitments above include input tax credits of \$3.464m (2006 - \$2.848m) that are expected to be recovered from the Australian Taxation Office.

Land and Property Information

Notes to the Financial Statements
For the year ended
30 June 2007

15. CONTINGENT LIABILITIES

LPI maintains a special deposit account for claims arising through fraud or Departmental error (Torrens Assurance Fund). As at 30 June 2007 known claims were assessed to have an estimated gross liability of \$22.784m (2006 - \$14.730m). These liabilities have been estimated on the assumption that all disputed claims will be lost by LPI.

16. RECONCILIATION OF PROFIT FOR THE YEAR TO CASH FLOWS FROM OPERATING ACTIVITIES

	2007 \$'000	2006 \$'000
Net profit	66,747	87,157
<i>Adjustment for non-cash items:</i>		
Depreciation and amortisation	12,029	11,589
Accrual of capital	(95)	-
Net loss/(profit) on disposal of property, plant and equipment	23	66
Changes in Assets and Liabilities		
(Increase) in trade and other receivables	(1,372)	(785)
(Increase)/decrease in inventories	41	(55)
(Increase)/decrease in other assets	(33,236)	(82)
(Decrease)/increase in provisions	(12,231)	(64,768)
Increase/(decrease) in trade and other payables	4,324	55
Net cash from operating activities	36,230	33,177

17. FINANCIAL INSTRUMENTS

LPI's principal financial instruments are outlined below. These financial instruments arise directly from LPI's operations or are required to finance LPI's operations. LPI does not enter into or trade financial instruments for speculative purposes. LPI does not use financial derivatives.

a. Cash and cash equivalents

Cash comprises cash on hand and bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation 11.00 am unofficial cash rate adjusted for a management fee to Treasury. Interest is reported in the financial statements as it is earned. For the purposes of the Cash Flow Statement, cash comprises cash on hand and at bank.

Land and Property Information

Notes to the Financial Statements
For the year ended
30 June 2007

17. FINANCIAL INSTRUMENTS *(continued)*

b. Trade and other receivables

All trade and other debtors are recognised as amounts receivable at balance date. Collectability of all debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are generally made on 30 day terms.

c. Trade creditors and accruals

The liabilities are recognised for amounts due to be paid in the future for goods or services received whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made not later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was paid during the year (30 June 2006-Nil). The carrying amount approximates net fair value.

d. Interest rate risk

Interest rate risk is the risk that the value of the instruments will fluctuate due to changes in market interest rates. LPI's exposure to interest rate risk and the weighted average effective interest rates of financial assets and liabilities at the balance date are as follows:

	Weighted Average Effective Interest Rate %	Floating Interest Rate \$'000	Fixed Interest Rate Maturities			Non Interest Bearing \$'000	Total Carrying Amount as per the Balance Sheet \$'000
			1 year or less \$'000	1 to 2 years \$'000	Over 5 years \$'000		
30 June 2007							
Financial Assets							
Cash	5.65	38,941	-	-	-	-	38,941
Trade and other receivables		-	-	-	-	10,541	10,541
Total Financial Assets		38,941	-	-	-	10,541	49,482
30 June 2006							
Cash	5.04	36,812	-	-	-	-	36,812
Trade and other receivables		-	-	-	-	9,169	9,169
Total Financial Assets		36,812	-	-	-	9,169	45,981
30 June 2007							
Financial Liabilities							
Trade and other payables		-	-	-	-	31,500	31,500
Total Financial Liabilities		-	-	-	-	31,500	31,500
30 June 2006							
Trade and other payables		-	-	-	-	25,219	25,219
Total Financial Liabilities		-	-	-	-	25,219	25,219

Land and Property Information

Notes to the Financial
Statements
For the year ended
30 June 2007

17. FINANCIAL INSTRUMENTS (*continued*)

e. *Credit risk*

Credit risk is the risk of financial loss arising from another party to a contract/or financial position failing to discharge a financial obligation there under. LPI's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the Balance Sheet.

18. EVENTS AFTER THE BALANCE SHEET DATE

There were no after balance date events which would have a material impact on the financial report.

END OF AUDITED FINANCIAL REPORT

Board of Surveying and Spatial Information Financial Statements

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GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Board of Surveying and Spatial Information

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Board of Surveying and Spatial Information (the Board), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of recognised income and expenses and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Board as of 30 June 2007, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

Board's Responsibility for the Financial Report

The members of the Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the Board, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Board,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



S R Stanton
Director, Financial Audit Services

12 October 2007
SYDNEY

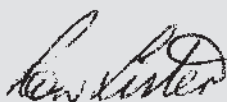
Board of Surveying and Spatial Information

Statement by
Members of the Board

Pursuant to Section 41C (1B) of the *Public Finance and Audit Act 1983* and in accordance with a resolution of the members of the Board of Surveying and Spatial Information, we declare on behalf of the Board that in our opinion:

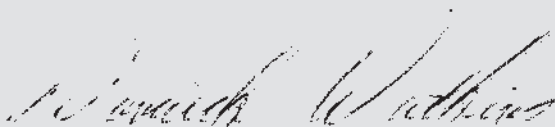
1. the accompanying financial report exhibits a true and fair view of the financial position and financial performance for the year ended 30 June 2007 of the Board of Surveying and Spatial Information;
2. the accompanying financial report has been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2005* and the Treasurer's Directions.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



Ron Lister
Member - Board of Surveying and Spatial Information

Date: 10/10/07



Warwick Watkins
President and Surveyor-General

Date: 10 OCT 2007

Board of Surveying and Spatial Information

Income Statement
For the year ended
30 June 2007

	Notes	2007 \$	2006 \$
Revenue	2(a)	458,174	450,860
Other revenue	2(b)	112,673	53,585
Depreciation	4(a)	(12,061)	(15,332)
Other operating expenses	4(b)	(530,357)	(560,397)
Loss on disposal of asset	4(c)	(1,523)	-
SURPLUS / (DEFICIT) FOR THE YEAR		26,906	(71,284)

The accompanying notes form part of these financial statements

Board of Surveying and Spatial Information

Balance Sheet

As at 30 June 2007

	Notes	2007 \$	2006 \$
ASSETS			
Current Assets			
Cash and cash equivalents	8(a)	482,769	535,525
Trade and other receivables	5	28,463	25,551
Total Current Assets		511,232	561,076
Non-Current Assets			
Plant & Equipment	7	19,016	26,892
Total Non-Current Assets		19,016	26,892
TOTAL ASSETS		530,248	587,968
LIABILITIES			
Current Liabilities			
Trade and other payables	6	4,760	89,386
Total Current Liabilities		4,760	89,386
TOTAL LIABILITIES		4,760	89,386
NET ASSETS		525,488	498,582
EQUITY			
Retained earnings	12	525,488	498,582
TOTAL EQUITY		525,488	498,582

The accompanying notes form part of these financial statements

Board of Surveying and Spatial Information

Statement of Recognised
Income and Expense
For the year ended
30 June 2007

	Notes	2007 \$	2006 \$
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY		-	-
Surplus / (Deficit) for the year		26,906	(71,284)
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR	12	26,906	(71,284)

The accompanying notes form part of these financial statements

Board of Surveying and Spatial Information

Cash Flow Statement

For the year ended

30 June 2007

	Notes	2007 \$	2006 \$
Cash flows from operating activities			
Receipts from customers		466,754	457,092
Interest and other income		36,312	35,685
GST refund		35,279	48,048
Payments to suppliers		(585,393)	(544,125)
Net cash provided by / (used in) operating activities	8(b)	(47,048)	(3,300)
Cash flows from investing activities			
Purchases of plant and equipment		(5,708)	-
Net cash (used in) / provided by investing activities		(5,708)	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(52,756)	(3,300)
Cash and cash equivalents at the beginning of the financial year		535,525	538,825
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	8(a)	482,769	535,525

The accompanying notes form part of these financial statements

Board of Surveying and Spatial Information

Notes to the Financial
Statements
For the year ended
30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Reporting Entity

The Board of Surveying and Spatial Information (the Board), is constituted under the *Surveying Act 2002* to provide for the registration of Land and Mining surveyors, to regulate the making of surveys and to advise the Government on Spatial Information.

The financial report for the year ended 30 June 2007 was authorised for issue by the Board on the date the accompanying 'Statement by members of the Board' was signed.

b. Basis of Accounting

The Board's financial report is a general purpose financial report, which has been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AIFRS)) and Interpretations;
- the requirements of the *Public Finance and Audit Act 1983* and Regulation.

Plant and equipment are measured at fair value. Other financial report items are prepared in accordance with historical cost convention.

The Board is a not-for-profit entity and has no cash generating units.

All amounts are rounded to the nearest dollar, unless otherwise stated and are expressed in Australian currency.

Board of Surveying and Spatial Information

Notes to the Financial Statements

For the year ended
30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c. Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include AEIFRS.

The following new Accounting Standards and Interpretations, that have been issued but are not yet effective, have not been adopted for the annual reporting period ending 30 June 2007:

- AASB 7 *Financial Instruments: Disclosures* (issued August 2005)
- AASB 101 *Presentation of Financial Statements* (issued October 2006)
- AASB 123 *Borrowing Costs* (issued June 2007)
- AASB 1049 *Financial Reporting of General Government Sectors by Governments* (issued September 2006)
- AASB 2005-10 *Amendments to Australian Accounting Standards* (issued September 2005)
- AASB 2007-01 *Amendments to Australian Accounting Standards arising from AASB Interpretation 11* (issued February 2007)
- AASB 2007-04 *Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments* (issued April 2007)
- AASB 2007-05 *Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities* (issued May 2007)
- AASB 2007-06 *Amendments to Australian Accounting Standards arising from AASB 123* (issued June 2007)
- AASB 2007-07 *Amendments to Australian Accounting Standards* (issued June 2007)
- AASB Interpretation 4 *Determining whether an Arrangement contains a Lease* (issued February 2007)
- AASB Interpretation 10 *Interim Financial Reporting and Impairment* (issued September 2006)
- AASB Interpretation 11 *AASB 2 – Group and Treasury Share Transactions* (issued February 2007)
- AASB Interpretation 12 *Service Concession Arrangements* (issued February 2007)
- AASB Interpretation 129 *Service Concession Arrangements: Disclosures* (issued February 2007)

The application of these standards will have no impact on the Board's financial report.

d. Significant accounting judgments, estimates and assumptions

In the application of AEIFRS, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Board of Surveying and Spatial Information

Notes to the Financial
Statements
For the year ended
30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

e. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Board and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Member fees and Subscriptions

Registration revenue is recognised once the registration renewal applications and fees are received and the receipt is issued. Invoices are no longer raised prior to the renewal date as registration renewal is now optional and cannot be reliably measured until the application and fees are received.

(ii) Rendering of Services

Revenue is recognised when services such as workshops or training are provided.

(iii) Investment Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

f. Employee Benefits

The Board has no employees. All the Board's human resources are provided by the Department of Lands on a fee for services rendered basis. This fee includes employee related costs (salaries, superannuation, leave entitlements, payroll tax and workers' compensation insurance) and administration costs.

Accordingly the Board has no liability for employee entitlements.

g. Insurance

The Board's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund manager, based on past claim experience.

h. Accounting for Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except for:

- GST incurred by the Board as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the acquisition cost of an asset, or as part of an item of expense;
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to the taxation authority, is included as part of receivables or payables.

Board of Surveying and Spatial Information

Notes to the Financial
Statements

For the year ended
30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

i. Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisition of assets controlled by the Board. Cost is determined as the amount of cash paid or fair value of other consideration given, plus costs incidental to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenue at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller, in an arm's length transaction.

j. Capitalisation Threshold

Plant and equipment costing \$5,000 and above are capitalised. Individual items of computer equipment costing \$1,000 and above are capitalised when they form part of a network.

k. Depreciation

Depreciation is provided for on a straight line basis against all depreciable assets, so as to write off the depreciable amount of each depreciable asset, as it is consumed over its useful life to the Board.

Depreciation Rates:

Plant and Equipment	20%
Furniture and fittings	10%
EDP Equipment	25%

l. Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. The ability to collect trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the Board will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates fair value.

m. Trade and other payables

Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Board of Surveying and Spatial Information

Notes to the Financial
Statements
For the year ended
30 June 2007

2. REVENUE

Registration and other fees collected by the Board in accordance with the *Surveying Act 2002* are retained by the Board to fund their operations. The Board does not receive any funding by way of grants from the Department of Lands or NSW Treasury and its operating expenditure is solely funded by revenue from Registration and other fees.

	2007 \$	2006 \$
a. Revenue		
Annual Registration	388,556	367,100
Application for Registration	2,280	1,980
Candidate Workshop Fees	11,240	23,828
Certificate of Registration	300	-
Enrolment as Candidate	17,382	13,392
Examination Fees	19,291	24,750
Letters of Accreditation	900	420
Professional Training Agreement Fees	2,380	3,490
Conferences and Seminars	2,195	-
Restoration to Register	13,650	15,900
	458,174	450,860
b. Other Revenue		
Interest – Investment Income	37,884	32,939
Other income	30	88
In-kind contributions	74,759	20,558
	112,673	53,585

3. BOARD MEMBER FEES

Board members' fees payable for 2006-2007 amounted to \$24,720 (2005-2006 - \$27,810). In addition Board members received \$13,131 (2005-2006 - \$17,030) for acting as examiner; other Board related activities (included under other service fees); and travelling and accommodation expenses incurred in connection with the Board's operations (included under travelling and subsistence).

Board of Surveying and Spatial Information

Notes to the Financial Statements
For the year ended
30 June 2007

4. EXPENSES

	2007 \$	2006 \$
a. Depreciation		
Plant and Equipment	4,448	6,641
EDP Equipment	7,613	8,691
	12,061	15,332
b. Other Operating Expenses		
Audit	1,000	9,377
Board/Committee Member Fees	25,565	27,810
Continuing Professional Development Assessment	1,083	1,897
Lands Administration Fee	28,062	29,772
Personnel Services	221,429	206,822
Lands rent	17,000	15,176
Examination Related Expenses	61,111	72,569
Maintenance	1,289	1,770
Postage Telephone and Courier	4,083	7,098
Stores and Stationery	3,022	9,222
Travel and Subsistence	28,664	35,402
Services received free of charge	74,859	20,558
Other Service Fees	63,190	122,924
	530,357	560,397

The method of accounting for Auditors remuneration was changed in 2006/07 from previously accepted practice of expensing total audit fees in the financial year under review, to expensing the fee when service is actually provided. This change resulted in a reduced expense being reported for 2006/07. The total audit fee for the 2006/07 Financial Report is \$9,100 (2005/06 - \$9,000).

c. Loss on disposal of fixed asset	1,523	-
	1,523	-

5. TRADE AND OTHER RECEIVABLES

Trade debtors	-	1,647
Interest receivable	17,243	15,641
GST receivable	11,220	8,263
	28,463	25,551

Board of Surveying and Spatial Information

Notes to the Financial
Statements
For the year ended
30 June 2007

6. TRADE AND OTHER PAYABLES

	2007 \$	2006 \$
Trade payables and accruals	3,176	44,098
Prepaid registration fees	1,584	45,288
	<u>4,760</u>	<u>89,386</u>

7. PLANT AND EQUIPMENT

	Plant and Equipment \$	EDP Equipment \$	Total \$
At 1 July 2006			
At Fair Value	33,203	37,124	70,327
Accumulated depreciation and impairment	(20,892)	(22,543)	(43,435)
Net Carrying Amount	<u>12,311</u>	<u>14,581</u>	<u>26,892</u>
At 30 June 2007			
At Fair Value	33,202	29,105	62,307
Accumulated depreciation and impairment	(25,340)	(17,951)	(43,291)
Net Carrying Amount	<u>7,862</u>	<u>11,154</u>	<u>19,016</u>

Reconciliation

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the financial year are set out below:

Year ended 30 June 2007

Net carrying amount at start of year	12,311	14,581	26,892
Addition	-	5,708	5,708
Disposal	-	(1,523)	(1,523)
Depreciation expense	(4,449)	(7,612)	(12,061)
Net carrying amount at end of year	<u>7,862</u>	<u>11,154</u>	<u>19,016</u>

Board of Surveying and Spatial Information

Notes to the Financial Statements

For the year ended
30 June 2007

8. CASH AND CASH EQUIVALENTS

a. Cash

For the purposes of the Statement of Cash Flows cash consists of cash at bank. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

	2007 \$	2006 \$
Cash at bank	482,769	535,525
Cash at the end of financial period	482,769	535,525

b. Reconciliation of net profit / (loss) to cash flows from operating activities

Surplus / (Deficit)	26,906	(71,284)
Adjustment for non – cash items:		
Depreciation	12,061	15,332
Loss on disposal of fixed asset	1,523	-
Changes in Assets & Liabilities		
(Increase)/decrease in trade and other receivables	(2,912)	10,214
(Decrease)/increase in trade and other payables	(84,626)	42,438
Net cash flows from operating activities	(47,048)	(3,300)

9. COMMITMENTS FOR EXPENDITURE

a. Capital Commitments

At 30 June 2007 there were no capital commitments (2006 - NIL).

b. Other Expenditure Commitments

At 30 June 2007 there were other expenditure commitments totalling \$2,538 (2006 – NIL).

10. CONTINGENT LIABILITIES

At 30 June 2007 there were no contingent liabilities (2006 - NIL).

Board of Surveying and Spatial Information

Notes to the Financial
Statements
For the year ended
30 June 2007

11. ASSISTANCE FROM OTHER AGENCIES

The Department of Lands provided the Board with assistance for development of the spatial information project free of charge. The fair value of the assistance provided was \$74,759 (2006 – \$20,558). The fair value of assistance is recognised as other revenue of \$74,759 (2006 – \$20,558) and also as other operating expenses of \$74,759 (2006 – \$20,558) in the income statement.

12. EQUITY

	2007 \$	2006 \$
Balance at the beginning of financial year	498,582	569,866
Surplus / (Deficit) for the year	26,906	(71,284)
Balance at the end of financial year	525,488	498,582

13. FINANCIAL INSTRUMENTS

The Board's principal financial instruments include cash and cash equivalents, trade and other receivables, trade and other payables and other liabilities. These financial instruments arise directly from the Board's operations or are required to finance the Board's operations. The Board does not enter into or trade financial instruments for speculative purposes. The Board does not use financial derivatives.

Financial instruments give rise to positions that are a financial asset of either the Board or its counterparty and a financial liability (or equity instrument) of the other party. For the Board these include cash and cash equivalents, receivables, and creditors. These are recorded at cost, being the contractual amount owing or owed. All financial instrument cash flows are recognised on an accruals basis.

In accordance with AASB 132 *Financial Instruments: Disclosure and Presentation* information is disclosed here in respect of the interest rate risk and credit risk of financial instruments. Such amounts are carried in the accounts at net fair value unless otherwise stated. Financial instruments applicable to this Board consist of cash at bank, receivables and creditors.

a. Interest rate risk

Interest rate risk is the risk that the value of the instruments will fluctuate due to changes in market interest rates. The Board's exposure to interest rate risk and the weighted average effective interest rates of financial assets and liabilities at the balance date are as follows:

Board of Surveying and Spatial Information

Notes to the Financial Statements

For the year ended
30 June 2007

13. FINANCIAL INSTRUMENTS *(continued)*

	Weighted average effective interest rate %	Floating interest rate	Non interest bearing	Carrying amount as per balance sheet
30 June 2007				
Financial Assets				
Cash and cash equivalents	5.64	482,769	-	482,769
Trade and other receivables	-	-	28,463	28,463
Total Financial Assets	-	482,769	28,463	511,232
30 June 2006				
Cash and cash equivalents	5.03	535,525	-	535,525
Trade and other receivables	-	-	25,551	25,551
Total Financial Assets	-	535,525	25,551	561,076
30 June 2007				
Financial Liabilities				
Trade and other payables	-	-	3,176	3,176
Total Financial Liabilities	-	-	3,176	3,176
30 June 2006				
Trade and other payables	-	-	44,098	44,098
Total Financial Liabilities	-	-	44,098	44,098

b. Cash

Cash comprises cash on hand and bank balances within the Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11am unofficial cash rate, adjusted for a management fee to Treasury.

c. Trade Creditors and Accruals

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment.

14. AFTER BALANCE DATE EVENTS

There are no after balance date events.

END OF AUDITED FINANCIAL REPORT

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1. Acts administered by Lands

Access to Neighbouring Land Act 2000 No 2

Australian Lubricating Oil Refinery Limited Agreement Ratification Act 1962 No 16

Australian Oil Refining Limited Agreement Ratification Act 1954 No 34

Australian Oil Refining Pty. Limited Agreement Ratification (Amendment) Act 1961 No 35

Botany Bay National Park (Helicopter Base Relocation) Act 2004 No 27

Botany Cemetery and Crematorium Act 1972 No 6

Camperdown Cemetery Act 1948 No 14

Chipping Norton Lake Authority Act 1977 No 38

Christ Church Cathedral, Newcastle, Cemetery Act 1966 No 20

Commons Management Act 1989 No 13

Community Land Development Act 1989 No 201

Conversion of Cemeteries Act 1974 No 17

Conveyancing Act 1919 No 6

Conveyancing and Law of Property Act 1898 No 17

Crown Lands Act 1989 No 6 (except parts, jointly the Minister for Climate Change, Environment and Water and the Minister Assisting the Minister for Climate Change, Environment and Water (Environment), and parts, the Minister for Sport and Recreation)

Crown Lands (Continued Tenures) Act 1989 No 7

Crown Lands (Validation of Revocations) Act 1983 No 55

Dividing Fences Act 1991 No 72

Encroachment of Buildings Act 1922 No 23

Forestry (Darling Mills State Forest Revocation) Act 2005 No 2

Geographical Names Act 1966 No 13

Gore Hill Memorial Cemetery Act 1986 No 116

Gosford Cemeteries Act 1970 No 84

Hay Irrigation Act 1902 No 57

Irrigation Areas (Reduction of Rents) Act 1974 No 83

Land Agents Act 1927 No 3

Land Sales Act 1964 No 12

Mudgee Cemeteries Act 1963 No 2

Murrumbidgee Irrigation Areas Occupiers Relief Act 1934 No 52

Native Title (New South Wales) Act 1994 No 45

Old Balmain (Leichhardt) Cemetery Act 1941 No 12

Old Liverpool Cemetery Act 1970 No 49

Old Roman Catholic Cemetery, Crown Street, Wollongong, Act 1969 No 56

Old Wallsend Cemetery Act 1953 No 5

Parramatta Methodist Cemetery Act 1961 No 44

Perpetuities Act 1984 No 43

Powers of Attorney Act 2003 No 53

Public Reserves Management Fund Act 1987 No 179

Queanbeyan Showground (Variation of Purposes) Act 1995 No 14

Real Property Act 1900 No 25

Real Property (Legal Proceedings) Act 1970 No 92

Registrar-General Act 1973 No 67

Roads Act 1993 No 33, Parts 2, 4 and 12 (section 178 (2) excepted) and section 148; and the remaining provisions of the Act so far as they relate to Crown roads (remainder, jointly the Minister for Climate Change, Environment and Water and the Minister Assisting the Minister for Climate Change, Environment and

Water (Environment), the Minister for Roads, and the Minister for Local Government)

Rookwood Necropolis Act 1901 (1902 No 20)

St. Andrew's Church of England, Mayfield, Cemetery Act 1957 No 39

St. Andrew's Presbyterian Church, Woonona, Cemetery Act 1966 No 6

St. Anne's Church of England, Ryde, Act 1968 No 47

St. George's Church of England, Hurstville, Cemetery Act 1961 No 63

St. Peter's Church of England, Cook's River, Cemetery Act 1968 No 48

St. Thomas' Church of England, North Sydney, Cemetery Act 1967 No 22

Security Interests in Goods Act 2005 No 69

Strata Schemes (Freehold Development) Act 1973 No 68

Strata Schemes (Leasehold Development) Act 1986 No 219

Surveying Act 2002 No 83

Transfer of Records Act 1923 No 14

Trustees of Schools of Arts Enabling Act 1902 No 68

Tweed River Entrance Sand Bypassing Act 1995 No 55

Valuation of Land Act 1916 No 2

Voluntary Workers (Soldiers' Holdings) Act 1917 No 25

Voluntary Workers (Soldiers' Holdings) Amendment Act 1974 No 27 (except parts, the Attorney General)

Wagga Wagga Racecourse Act 1993 No 109, sections 4 and 5 (remainder, the Minister for Gaming and Racing)

Wentworth Irrigation Act 1890 54 Vic No 7

Western Lands Act 1901 No 70

Wild Dog Destruction Act 1921 No 17

2. Chief and senior executive service

Chief and senior executive service numbers – as at 30 June 2007

SES Level	2004/05		2005/06		2006/07	
	Male	Female	Male	Female	Male	Female
8						
7	1		1		1	
6						
5	2		2		1	
4	1		2		2	
3	2		1		1	
2	6		6		7	
1		1	1	1	1	
Total	12	1	13	1	13	0

Warwick Watkins, Director General, Surveyor General, Registrar General, AMP:ISMP (Harv), MNatRes, DipScAgr, HDA (Hons), FAPI, FISA (NSW), JP

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

Graham Harding, General Manager Crown Lands Division

Paul Jones, General Manager Soil Conservation Service Division, BEng (Civil), CPESC

Craig Abbs, Director Coastal and Estuary Infrastructure, Crown Lands Division, BEng (Civil) (Hons)

Warrick Beacroft, Executive Manager, Information Services, Land and Property Information Division, GradCertMgt, CertCart

Philip Boyce, Acting General Counsel Legal Division, DipLaw (SAB)

Ross Cleary, Executive Manager, Information Management, Land and Property Information Division, BAppSc (Computer Science) (Hons)

Bob Costello, Director, Finance and Corporate Support, DipTech (Com), CPA

Barry Douse, Executive Manager, Production and Business Development, Land and Property Information Division, BA (Hons), AQCI, EMPA, GAICD, JP

Pedro Harris, Chief Information Technology Officer, MPA (Monash)

Peter Houghton, Manager, State Reserves Strategy, Crown Lands Division, DipAppSc (Hons), BA (Land Mgmt), GradCertPubServMgmt, EMPA

Doug Walsham, Executive Manager, Titling and Registry Services, Land and Property Information Division, EMPA

Appendices

Chief and senior executive performance

Warwick Watkins

Director General, Surveyor General and Registrar General, SES level 7

Total Remuneration package \$393,600

Period in position - whole year

Performance review by Minister for Lands

Performance highlights

- Engaged in development and implementation of whole of government strategies and plans, including active participation in the preparation of the NSW State Plan and its alignment to Lands' activities.
- Continued targeted reviews of legislation, policy and programs relating to Crown land administration and management and the security and integrity of the land and property information systems held within the department.
- Focused upon business development, improvement of delivery mechanisms and access to services including information related services and activities concerning soil and earth works, environmental consultancy and government held property.
- Initiated strategies to address emerging workforce issues including training and development and workforce planning strategies to encourage Aboriginal representation in Lands and decision making.
- Maintained leadership role of the agency in relation to land and spatial information through the provision of quality information and supporting and enhancing appropriate information sharing between sectors and agency clusters.
- Developed and implemented strategies designed to improve OH&S performance.

- Implemented balanced reporting mechanisms and undertook research and development of programs and strategies to ensure the corporate sustainability, including further development of the knowledge capability mapping and recording within Lands.
- Managed the operations of Lands such that revenue targets for LPI and Crown Lands Divisions were exceeded.
- Chaired and actively participated on deliberations of the Geographic Names Board and Board of Surveying and Spatial Information.
- Strategic deliberations as a Commissioner of the Electoral Boundaries Commission, particularly in relation to recent NSW and Federal electoral boundary determinations.
- Activated the development of the Common Spatial Information Initiative (CS2i) Project and oversaw the collaborative development of the Executive Summary and Action Plans.
- Facilitated strong inter-organisational engagement in education, research and cross jurisdictional activities through the following positions: Deputy Chancellor University of Technology Sydney, Chair ANZLIC Deputy Chair CRC Spatial Information.
- Fostered research partnerships relating to issues confronting the agency including intellectual capital reporting and spatial information.

Des Mooney

Deputy Director General of Lands and General Manager, Land and Property Information Division, SES level 5

Remuneration package \$274,300

Period in position – whole year

Performance review by Director General

Performance highlights

- Despite a continuing soft property market, LPI provided a before tax profit in excess of \$50 million.
- Obtained agreement from the National Steering Committee for the adoption of the National Business Model for NECS.
- Expanded the spatial information exchange to allow web browsing and ordering of satellite imagery and other spatial information not only from Lands but for other agencies information.
- Progressive implementation of LPI's workforce planning initiative (Vision 2013) is ensuring LPI is transitioning through its ageing workforce issues.
- Upgraded our analogue aerial photography capability to a fully integrated digital imagery system.
- Former Property Valuation Services valuers from the Department of Commerce were successfully merged into LPI providing greater capability and addressing the Ombudsman's concerns.
- Converted over 17,800 old system parcels to Torrens title, 27,000 lease titles, 46,000 manual titles and 8,500 crown parcels.
- Digitisation of hard copy Crown plans commenced with over 26,000 digitised to date.

Philip Western

Valuer General

The Valuer General is a statutory appointee with remuneration packaging equivalent to a SES level 5; however, is not subject to annual SES performance appraisal.

3. Code of conduct

All Lands' administrative areas and the Board of Surveying and Spatial Information fall under Lands' Code of Conduct. There were no amendments or additions to the Code during the reporting year.

A copy of Lands' Code of Conduct is available on request:
lands@lands.nsw.gov.au

4. Committees Significant Lands committees

During 2006/07 two committees were abolished: Strategic Asset Management Committee and Counter Terrorism Information Group (Emergency Information Coordination Unit).

Significant committees established during 2006/07

Committee	Function of committee
Geospatial Technical Working Group (APEC07)	Cross-agency, cross-government working group for spatial information needs for APEC07.
NSW Spatial Advisory Group for Counter-terrorism/emergency management/critical infrastructure protection	Whole of government (emergency sector) reference group for spatial activities, including direction of the Emergency Information Coordination Unit. The committee includes the NSW representatives on the National Spatial and Information Management (NISM) Working Group.

Significant Lands committees and the internal and external representatives

Committee	Internal representatives	External representatives
Lands Audit Committee	Des Mooney Philip Western Eduardo Alegado	Joanne Rees (Chair) Ron Cunningham
Lands Executive Team	Warwick Watkins (Chair) Des Mooney Graham Harding Paul Jones Bob Costello Pedro Harris Laurie Ryan (part of year) Philip Boyce (part of year) Eduardo Alegado Tracey Prescott Garry Greedy Julie King Ron Smith Mark Matchett	
Lands Budget Committee	Warwick Watkins (Chair) Des Mooney Graham Harding Paul Jones Bob Costello Kimberley Taylor Neville Hind Ian Holt George Georgijevic	

Appendices

Significant Lands committees and the internal and external representatives cont.		
Committee	Internal representatives	External representatives
LPI Advisory Group	Warwick Watkins (Chair) Des Mooney	Graeme Couch Olaf (Ollie) Hedberg
Land Valuation Specialist Advisory Group	Warwick Watkins (Chair) Philip Western Simon Gilkes	John Hill Nikki Kempson Phil Lyons Shawn McBride Tim Gavan
Joint Consultative Committee	Garry Greedy (Chair) Warwick Watkins Des Mooney Graham Harding Paul Jones Mark Matchett Lesley Hume Ray Docwra (Chair Lands DC) Lands PSA delegates	Stephen Spencer (PSA Industrial Officer) Nick Player (PSA Industrial Officer)
Crown Lands Board of Management	Graham Harding Bob Costello Stephen Francis Adrian Harte Graeme Ford Craig Barnes Craig Abbs Leanne Taylor Andrew McAnespie Peter Walker Geoffrey Woods	
Organisational Capability Improvement Group	Des Mooney (Chair) Doug Walsham (part year) Paul Mitchell (part year) Leanne Taylor Donal O'Shea (part year) Michael Fletcher Tracey Prescott Pedro Harris Bob Costello Garry Greedy Kimberley Taylor Julie King	John Dumay (observer)
LPI National Electronic Conveyancing System steering committee	Des Mooney (Chair) Ross Cleary Laurie Ryan (part year) Philip Boyce (part year) Doug Walsham Christopher White Barry Douse Paul Mitchell Eamon Mooney	Chris Ailwood

Significant statutory body and inter-departmental committees with Lands representatives

Committee	Lands representatives
Aboriginal Heritage Mapping and Assessment Program (AHMAP) Working Group	Warrick Beacroft, Executive Manager Information Sourcing
API Statutory Valuations Study Group	Simon Gilkes, Chief Valuer (Secretary)
Aquaculture Industry Steering Committee	Adrian Harte, Director Land Management
ARC Research Network for a Secure Australia (RNSA)	Warwick Watkins, Director General
AUDA National Reference Group, Community Use of Geographic Names	Paul Harcombe, Chief Surveyor
Auscope GNSS Committee	Doug Kinlyside, Manager Survey Infrastructure & Geodesy
Australia and New Zealand Land Information Council (ANZLIC)	Warwick Watkins, Surveyor General (Chair)
Australian Government Consultative Committee on Knowledge Capital	Warwick Watkins, Director General Julie King, Manager Strategic Policy and Reporting
Board of Surveying and Spatial Information	Warwick Watkins, Director General (Chair) Paul Harcombe, Chief Surveyor
Broken Hill Defeating the Weeds Menace Project Group	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner
CEOs Counter Terrorism Group	Warwick Watkins, Director General
CEOs Natural Resources and Environment Cluster Group	Warwick Watkins, Director General
CEOs Network Committee	Warwick Watkins, Director General
CEOs Metropolitan Strategy	Warwick Watkins, Director General
Centre for Excellence for Ultra High Bandwidth Devices for Optical Systems (CUDOS)	Warwick Watkins, Director General
Coffs Harbour Jetty, Harbour, Village, Marina & Foreshore Strategic Working Group	Stephen Francis, Director Commercial Development
Commercial Lease Policy Development	Stephen Francis, Director Commercial Development
Committee for Geographical Names in Australasia (CGNA)	Paul Harcombe, Chief Surveyor
Committee for the Master Plan Project for the redevelopment of Coffs Harbour Port	Graham Harding, General Manager Crown Lands (Joint Project Director with the General Manager Coffs Harbour Council)
Committee for the Master Plan Project for the redevelopment of Foster/ Tuncurry Harbour	Craig Barnes, Regional Manager North Coast (Joint Project Director with the General Manager Great Lakes)
Cooperative Research Centre for Spatial Information (CRC-SI)	Warwick Watkins, Director General (Deputy Chair) Des Mooney, Deputy Director General & General Manager LPI (Alternate Director)
Council for Reciprocating Boards of Australia/New Zealand	Paul Harcombe, Chief Surveyor
Darling River Floodplain Management Committee	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner

Appendices

Significant statutory body and inter-departmental committees with Lands representatives cont.

Committee	Lands representatives
Data and Information Management Working Group	Warwick Watkins, Director General (Chair) Warrick Beacroft, Executive Manager Information Sourcing
Department of Local Government Internal Audit Committee	Leanne Taylor, Regional Manager South
Derelict Mines Steering Committee	Paul Jones, General Manager Soil Conservation Service
Far West District Emergency Management Committee	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner
Geographical Names Board	Warwick Watkins, Surveyor General (Chair) Paul Harcombe, Chief Surveyor
Geospatial Technical Working Group (APEC07)	Rob Colless, Deputy Director Emergency Information Coordination Unit (Chair)
Government Property Register Project	Doug Walsham, Executive Manager Titling & Registry Services Graham Harding, General Manager Crown Lands
ICSM Committee 'Permanent Committee on Topographic Information Imagery Special Interest Group'	David Abernethy, Team Leader Products & Imagery Services
Illawarra & SE Regional Coordination Management Group	Leanne Taylor, Regional Manager South
Illawarra & SE Region Economic Development Committee	Leanne Taylor, Regional Manager South
Illawarra & SE Region Natural Resources Committee	Leanne Taylor, Regional Manager South
Interdepartmental Camps on Claims Working Group	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner
Interdepartmental Dredging Strategy for NSW Committee	Graham Harding, General Manager Crown Lands
Interdepartment Committee on Burial Space	Pieta Laing, Manager Land Policy (Facilitator)
Intergovernmental Committee on Surveying and Mapping (ICSM)	Paul Harcombe, Chief Surveyor
Intergovernmental Committee on Topographic Information	Ian Paxton, Manager Regional
Interstate Working Party with NSW / Queensland for the Tweed Estuary Sand Bypass	Graham Harding, General Manager Crown Lands (Chair) Craig Abbs, Director Coastal Estuary Infrastructure (NSW Project Director)
IPART Review of Rental Arrangements for Crown Land Communication Tower Sites	Stephen Francis, Director Commercial Development
Joint Committee Necropolis – Finance sub Committee	Andrew McAnespie, Regional Manager Sydney/Hunter
Joint Committee Necropolis Trust	Andrew McAnespie, Regional Manager Sydney/Hunter
Lightning Ridge Mining Board	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner

Significant statutory body and inter-departmental committees with Lands representatives cont.

Committee	Lands representatives
Mapping Science Institute Australia, NSW Division	Colin Mitford, Manager Spatial Information Services (President)
Melbourne University School of Geomatics Advisory Board	Paul Harcombe, Chief Surveyor
Mobile Carriers Forum (MCF)	Stephen Francis, Director Commercial Development
Murrumbidgee Region Regional Coordination Management Group	Leanne Taylor, Regional Manager South
National Board of the Institute for Information Management	Peter Goddard, Manager Strategic Projects
National Consultative Committee on Security and Risk (NCCSR)	Warwick Watkins, Director General (chair)
National Electronic Conveyancing System State Project Team	Ross Cleary, Executive Manager Information Management
National Roads Working Group	Ian Paxton, Manager Regional
National Spatial Information Management Working Group (NSIM)	Warwick Watkins, Director General
National Steering Committee for Electronic Conveyancing	Des Mooney, Deputy Director General & General Manager LPI
Natural Resources & Information Needs Committee	Adrian Harte, Director Land Management
Natural Resources & Planning Spatial Data Infrastructure Sub-Group (NRP-SDI)	Warrick Beacroft, Executive Manager, Information Sourcing (Chair)
North Coast Regional Coordination	Craig Barnes, Regional Manager North Coast
North Tuncurry Project Control Group	Stephen Francis, Director Commercial Development Craig Barnes, Regional Manager North Coast
Noxious Weed Advisory Committee	Adrian Harte, Director Land Management
NSW Aquaculture Strategy Working Group	Adrian Harte, Director Land Management
NSW Branch Institute for Information Management	Peter Goddard, Manager Strategic Projects (President)
NSW Coastal Council Acquisition Task Force	Graham Harding, General Manager Crown Lands
NSW Game Council	Warwick Watkins, Director General
NSW National Spatial Information Management Advisory Group	Warwick Watkins, Director General
NSW Maritime Access and Infrastructure Council	Craig Abbs, Director Coastal Estuary Infrastructure (NSW Project Director)
NSW Rating Professionals	Simon Gilkes, Chief Valuer
NSW Spatial Advisory Group for Counter-terrorism/emergency management/critical infrastructure protection	Warwick Watkins, Director General Tony Sleight, Director Emergency Information Coordination Unit

Appendices

Significant statutory body and inter-departmental committees with Lands representatives cont.	
Committee	Lands representatives
Organising Committee for the 2010 FIG World Congress	Paul Harcombe, Chief Surveyor (Congress Director)
Pest Animal Control Council	Adrian Harte, Director Land Management
Planning for Later Life Forum	Alan King, Manager Legislation
Program Steering Committee Association	Warwick Watkins, Director General (ex Officio Member)
Property Disposal Assessment Panel	Greg Foster, Manager Strategic Development & Marketing
Public Sector Mapping Authority (PSMA)	Des Mooney, Deputy Director General & General Manager LPI
Public Sector Risk Management Association	Eduardo Alegado, Director Corporate Governance
Randwick Literary Institute Reserve Trust	Andrew McAnespie, Regional Manager Sydney/Hunter (Administrator)
Remote Sensing Steering Committee	Peter Clydesdale, Senior Program Development Manager Paul Field, Manager Sales and Customer Service Rob Colless, Manager GIS and Operations
Seafood Industry Advisory Council – Pricing & Charging Working Group	Stephen Francis, Director Commercial Development
Silverton Village Committee	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner
Standards Australia Image Management Committee	Peter Goddard, Manager Strategic Projects
Standards Australia Subcommittee IT-027-02 Data Management and Interchange	Doug Kinlyside, Manager Survey Infrastructure & Geodesy
State Mapping Advisory Committee	Warrick Beacroft, Executive Manager Information Sourcing (Chair)
Survey & Mapping Managers Forum (SMMF)	Paul Harcombe, Chief Surveyor (Chair) Colin Mitford, Manager Spatial Information Services
Surveying and Mapping Industry Council of NSW	Paul Harcombe, Chief Surveyor (Treasurer) Colin Mitford, Manager Spatial Information Services
Tibooburra Village Committee	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner
Travelling Stock Route Working Group	Adrian Harte, Director Land Management
Unincorporated Area Road Network Reference Group	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner
University of NSW, Dean's Industry Advisory Council (DIAC)	Paul Harcombe, Chief Surveyor
University of NSW, School of Surveying and Spatial Information Systems Advisory Board	Paul Harcombe, Chief Surveyor
Urban Development Institute of Australia NSW Division - Committee on Strata and Community Schemes	Leanne Hughes, Senior Legal Officer Gavin Bartier, Senior Legal Officer

Significant statutory body and inter-departmental committees with Lands representatives cont.

Committee	Lands representatives
West 2000 Plus	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner
Western Lands Advisory Council	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner
White Cliffs Dugout Working Group	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner
Wild Dogs Destruction Board	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner
Willandra Lakes World Heritage Area Community Council Steering Committee	Geoffrey Woods, Regional Manager Western Division, Western Lands Commissioner

5. Consumer response

Land and Property Information (LPI)

LPI maintains a customer feedback system called 'Customer is our focus'. In 2006/07, 28 responses were received, comprising 20 complaints and 8 compliments. The majority of the complaints (13) related to waiting times for face to face service. Five complaints concerned service provided by staff.

Provision is also made for online feedback to LPI via Lands' website. In 2006/07, 39 complaints were received online, including 18 about fees for LPI services, five about valuation services and four relating to privacy concerns in relation to data held on LPI public registers.

Soil Conservation Service (SCS)

The SCS quality management system has specific procedures dealing with non-conformance, client complaints, preventive action control and internal quality audits. Non conformance in process and services are addressed through an Improvement Request. Any complaints received or improvement opportunities are recorded. Requests are dealt with promptly, reviewed by a management representative

and incorporated into an annual management review of the quality system. A register is maintained and during 2006/07 of the 29 requests logged, three related to client complaints all in relation to earthworks.

A further requirement to the above is an assessment of customer satisfaction. A customer survey was undertaken over a four month period with questionnaires posted out with final invoices to all clients during this period. The survey provided clients with the opportunity to comment on service quality, workmanship, timeliness, communication, professionalism, after sales service and several other aspects. Of 428 surveys posted 179 were received providing a 42% response. Overall the survey responses were very positive for example 93% of replies rating quality/overall performance as good to exceptional, communication a 97% good to exceptional rating, would you use SCS again a 91% yes rating. Issues with ageing plant/breakdowns were expected and minor issues with invoicing details were identified. There was a strong recognition of the SCS name with clients. Results will be further analysed by management and used to improve service and content of future surveys.

Crown Lands

Crown Lands Division has developed a Complaints Handling System to improve

- client satisfaction
- the reputation of Crown Lands Division
- systems and processes to reduce the incidence of complaints
- organisational knowledge and performance through analysis of complaints information.

Complaints guidelines have been developed to set standards and responsibilities for staff in handling and investigating complaints and disclosures. The guidelines are consistent with the requirements of the 'Effective Complaint Handling June 2004' and the 'Good Conduct and Administrative Practice – Guidelines for state and local government' (May 2006) issued by the NSW Ombudsman.

An extensive staff training program has been undertaken to ensure staff are aware of procedures and responsibilities. Approximately 110 staff have been trained in Complaints Handling and Investigation Procedures.

86 complaints have been received since the inception of the Complaints Register in March 2007. The majority of complaints were responded to within in 21 days.

Appendices

6. Consultants

Consultancies under \$30,000		
Nature of consultancy	Number of consultancies	Cost (GST incl.)
Finance and accounting/tax	1	\$11,299
Information technology	3	\$53,845
Legal	7	\$98,407
Management services	6	\$118,292
Environmental	7	\$87,566
Engineering	3	\$9,141
Organisational review	6	\$92,980
Training	1	\$299
Total consultancies under \$30,000	34	\$471,829
Consultancies over \$30,000		
Nature of consultancy	Consultant name, title and nature of project	Cost (GST incl.)
Finance and accounting/tax	KPMG Pricing Review	165,431
Information technology	SMS Management and Technology Business Continuity Development Plan	128,920
	Systems Science Develop eGovt Services	172,040
Legal	Gilbert Tobin Lawyers Regulatory review of NECS	248,568
	Dench McClean Carlson NECS Governance Arrangements	172,383
	Freehills Electronic Conveyancing Victoria	57,802
	Maddocks Lawyers Lot 490 Ecotourism Development	65,142
Management services		
Environmental		
Engineering		
Organisational review	Fyusion Asia Pacific Pty Limited Valuation Services Structure Review	42,489
	Clayton Utz Risk Assessment of e-conveyancing	351,378
Training		
Total consultancies equal to or over \$30,000		1,404,153
TOTAL CONSULTANCIES		1,875,982

7. Credit card certification

During the 2006/07 financial year, credit card use within Lands was in accordance with Premier's Memoranda and Treasurer's Directions.

Credit card use

Credit card use within Lands is largely limited to:

- claimable work related travel expenses
- expenditure for minor purchases, where the use of credit cards is a more efficient means of payment.

Monitoring credit card use

The following measures are used to monitor the use of credit cards within Lands:

- Lands' credit card policy is documented and issued to relevant staff

- officers issued with a credit card receive monthly statements when purchases have been made. They are required to certify that all charges were incurred for official purposes and acquittals are examined and authorised by supervisors or other officers with appropriate delegation
- a review of usage levels and appropriateness of credit card limits is conducted at least annually
- a report is submitted to Treasury each year certifying that Lands' credit card use is within guidelines.

8. Disability action plan

Lands is committed to the continued implementation of access facilities for clients and staff with a disability through its Disability Action Plan.

There has been a major program to increase disabled access to the Queens Square building. A wheelchair lift has been installed to allow access between the old three storey and new five

storey parts of the building and the rear loading dock has been completely remodelled to allow disabled access to the rear of the heritage building.

Lands continues to support the public sector Hearing Impaired Network. This network is chaired by a Lands employee.

Lands continues to provide signing for hearing impaired staff to attend training and meetings particularly Spokeswomen events.

9. Employee relations Exceptional movements in salaries and wages during 2006/07

The Crown Employees (Public Sector - Salaries 2004) Award provided three salary increases of 4% over the life of the award. This included an increase of 4% from the first full pay period on or after 1 July 2005 and 4% from the first full pay period on or after 1 July 2006. The Crown Employees Wages Staff (Rates of Pay) Award also provided for the same salary increases.

Staff numbers												
	2003/04			2004/05			2005/06			2006/07		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent <i>Full-time</i>	874	399	1,273	849	470	1,319	861	467	1,328	897	489	1,386
<i>Part-time</i>	4	78	82		2	2	1	22	23	2	28	30
Temporary <i>Full-time</i>	33	22	55	44	40	84	44	25	69	54	36	90
<i>Part-time</i>		5	5		4	4	3	8	11	7	8	15
Contract <i>SES</i>	12	1	13	12	1	13	13	1	14	13		13
<i>Non-SES</i>										2		2
Training		1	1									
Casual	9	4	13	2	2	4	6	2	8	11	4	15
TOTAL	932	509	1,441	907	520	1,427	928	525	1,453	986	565	1,551

Appendices

Personnel policies and practices

The People and Performance Development Group continued to focus on aligning human resource services with strategic business operations and working closely with senior management to review and align function and structures to develop a workplace environment that is supportive of employees maximising their contribution to the business of Lands. There has been a continuing focus on job evaluation with the restructure of the majority of business units now completed.

There has also been a close partnership with Land and Property Information Division management in developing a strategic workforce plan for the next seven years. This plan entitled 'Vision 2013' has been the catalyst for a number of changes in workforce planning activities and an increasing emphasis on more up-to-date attraction and recruitment strategies.

Lands is working closely with staff from the Department of Premier and Cabinet on these initiatives and were part of a NSW Government presence

at a very successful Career Expo held in Darling Harbour in June.

There has been an increasing use of technology with the majority of staff now receiving their fortnightly payslips via email rather than by printed paper copy.

Learning and development

Lands recognises that only by supporting and growing our people will we be able to support and grow our businesses into the future. Learning continues to be promoted as a core philosophy which contributes to continuous improvement in processes, services and management.

With the recognition that our working environment is changing, we are asking more of our employees to promote new behaviours and work styles and deliver on our business strategies. Because the Lands' workforce is ageing and successive generations have different expectations of work, Lands needs to attract, develop, motivate and retain quality people by being an employer of choice. The impact of change on learning and development is that the Learning and

Development Unit (LDU) must continue to offer the businesses and Lands' employees greater flexibility in the delivery of training and development, and develop innovative approaches to meet their changing needs.

The LDU has continued to work with the Crown Lands Division and Illawarra Institute of TAFE to develop learning modules for Certificate III in Government (Land Administration). Our decision to develop training units for on-line/blended learning means that staff all over the state will have access to high quality training which they can access at times of business and personal convenience. Our innovative approach to the challenge of training staff across a wide geographical spread through e-learning has been recognised by the Australian Flexible Learning Framework, which awarded Lands a grant of \$25,000 to complete the first three units of Certificate III. This exciting project involves liaison with equivalent agencies across all states and the Northern Territory and will lead to a widespread industry uptake of an up-to-date national qualification in Land Administration.

Learning and development

	2003/04	2004/05	2005/06	2006/07
No. staff who received study time leave	18	75	92 ¹	86
No. staff who received fee reimbursement for tertiary study	18	45	72	32
No. staff who began and/or are working towards completion of an Executive Master of Public Administration	4	4	4	2
No. staff who completed the Executive Development Program	2	3	3	3
No. staff completing a Graduation Diploma in Public Administration	1	5	4	2
No. staff completing a Masters in Public Administration			2	3
No. staff who completed or are working towards completing a Graduate Certificate in Public Sector Management through the Public Sector Management Program		1	8	8

1. 15 of these staff were existing worker trainees

Staff continue to pursue tertiary study and fee reimbursement. An additional 14 trainees commenced work in January 2007 and were inducted by the LDU.

Staff from all divisions continue to participate in the International Computer Driving Licence (ICDL), with 50 employees currently working towards gaining their licence. This program was Lands first use of a blended learning approach, with participants using a combination of online learning, private study and/or face-to-face instruction.

LDU staff conducted a number of Job Application Skills courses during the year, and also continued to provide support to individual staff through feedback on job applications and practice for job interviews.

Funding for attendance by staff at external courses, conferences and seminars continued in 2006/07. 514 staff attended external courses, conferences and seminars and 290 staff attended internal courses.

Industrial relations policies and practices

The majority of Lands' employees are covered by the Crown Employees (NSW Department of Lands – Conditions of Employment) Award 2005. This award rationalised salary scales and classifications to bring the majority of officers from Crown Lands, Soil Conservation Service and the Office of Rural Affairs under the one classification and grading process. The number of employees covered by the award is increasing as positions are created or evaluated according to the Departmental Officer classification. The other major awards covering Lands 38 hours per week employees are the Crown Employees (Graphic Service Operators Department of Lands) Award and the Conservation Field Officers

(Department of Lands, Department of Infrastructure, Planning and Natural Resources and State Water Corporation Award).

There continues to be very harmonious and consultative working relationships between management and association and union representatives. The Joint Consultative Committee comprising management and Association/Union representatives meets quarterly to discuss reforms occurring within Lands and major issues affecting the organisation and staff.

Organisation change and job evaluation

People and Performance Development Group has continued to assist managers across Lands in reviewing structures, functions and positions to support business objectives. Position descriptions are evaluated using the agreed Mercer, Cull Egan and Dell System. All business divisions have continued to realign structures to meet changing business needs.

10. Environmental management

Energy efficiency

Corporate commitment

Lands is committed to minimise its impact on the environment by:

- achieving energy savings
- incorporating sustainable energy management practices where cost effective
- using whole of government energy contracts to achieve cost savings
- purchasing Green Power to reduce greenhouse gas emissions

- undertaking Australian Building Greenhouse Ratings (ABGR) and other rating schemes for office buildings.

The nomination of an Energy Manager, Mr Barry Mason and Energy Co-ordinator, Mr Peter Farthing, has established accountability and responsibility for energy management.

Energy Conservation and Efficiency Plan

An Energy Conservation and Efficiency Plan was prepared in 2005 to identify cost effective energy efficiency opportunities. The strategies provide a means for Lands to produce substantial improvement in performance and to ensure continued progress towards its energy management and Australian Building Greenhouse Rating (ABGR) objectives.

Appendices

Energy Conservation Efficiency Plan	
Strategy	2006/07 achievements
Create an appropriate structure to implement the Government Energy Management Policy (GEMP).	Department of Commerce was engaged to prepare annual energy reports for Lands.
Develop and maintain an energy management information system.	Information system developed by Department of Commerce and utilised in annual report (ongoing development).
Energy benchmarking and performance analysis of facilities.	In place and ongoing.
Conduct energy audits of selected facilities with high energy performance indicators or low ABGR scheme star ratings.	ABGR benchmarking conducted at Queens Square and Bathurst (see below for further details).
Negotiate contracts with energy retailers to maximise cost reductions and environmental benefits resulting from the national electricity and natural gas markets.	Majority of Lands' sites are on State Contracts 777 Large sites and 776 small sites. Both include 6% Green Power.
Develop and implement a communication plan to raise the awareness of energy management among employees.	Plan prepared in 2006/07. Implementation during 2007/08.
Review and evaluate operation of office equipment.	Ongoing.
Energy Management Program review.	Ongoing.
Cleaner Fleet	Review Ongoing.

Australian Building Greenhouse Rating (ABGR)

Under the ABGR policy, agencies are required to obtain an accredited ABGR rating for their office buildings or for their tenancies with a net lettable area greater than 1,000m². Lands' Queen Square building in Sydney achieved a three star rating in December 2005. The rating was reviewed in February 2007 and Queens Square has retained its three star rating.

An ABGR review of Lands' Bathurst building at Panorama Avenue will be scheduled following the completion of the following energy efficiency upgrades:

- installation of sub-metering to enable the consumption of the large printing facility to be subtracted from the incoming metered supply (completed June 2007)
- replacement of chillers and cooling towers with energy efficient systems (completed May 2007)
- installation of a new Building Management Control System (to be installed 2007/08)
- installation of sub-metering of electrical supply to Graphic Services, printing areas (completed 2006/07)
- installation of Variable Speed Drives (VSDs) on mechanical plant (completed 2006/07)
- replacement of Main Mechanical Switchboard which included Smart Metering (completed 2006/07)
- upgrade of the Domestic Hot water System (completed December 2006).

Energy consumption

2005/06 performance

Due to a change over in energy contracts in May 2006, energy performance data was not available in time to be included in Lands' 2005/06 Annual Report. The table below provides performance data for the 2005/06 reporting period.

Lands' total energy consumption increased between 2004/05 and 2005/06 by 6.9%. Electricity increased by 5% and diesel automotive fuel

increased by 18.4% (the increase in diesel fuel was due to an increase in the number of vehicles over 3.5 tonnes). Aviation fuel consumption decreased by 2.9%.

2006/07 performance

During the 2006/07 reporting period Lands acquired additional assets and leases from former government agencies. As a result, total energy consumption increased by 2.3% compared with 2005/06. Consumption of Green Power and natural gas increased by 16.6% and 18.5%

respectively. Due to an increase in the number of sites now on State Contract Control Board (SCCB) electricity contracts, fuel costs only increased by less than 1%.

2006/07 performance against the Energy Use in Government Operations average

The table over the page compares Lands' 2006/07 energy consumption with the average energy performance indicators from the 2001/02 Energy Use in Government Operations.

Energy consumption								
Fuel	Total energy consumed (GJ)		% of total energy		Annual cost (excl. GST)		Carbon Dioxide (CO ₂) Greenhouse emissions (tonnes)	
	2005/06	2006/07	2005/06	2006/07	2005/06	2006/07	2005/06	2006/07
Electricity (black coal)	30,101.3	30,131	43.2%	42.3%	\$824,374	\$863,033	7,994.9	8,003
Electricity (green power)	1,630.9	1,902	2.3%	2.7%	\$61,236	\$69,770	0	0
Natural gas	6,923.7	8,206	9.9%	11.5%	\$80,756	\$96,884	355.9	422
Liquefied petroleum gas (LPG)	97.4	97	0.1%	0.1%	\$1,910	\$1,910	5.8	6
Automotive diesel	18,941.3	18,551	27.2%	26.0%	\$607,364	\$554,885	1,320.2	1,293
Petrol (unleaded)	9,701.6	9,917	13.9%	13.9%	\$325,318	\$325,049	640.3	655
Petrol (Ethanol Blended)		187		0.3%		\$6,323		12
Aviation Gasoline	2,250.8	2,251	3.2%	3.2%	\$92,000	\$92,000	153.1	153
TOTAL	69,647	71,242	100%	100%	\$1,992,958	\$2,009,854	10,470.2	10,544

Appendices

Performance against Energy Use in Government Operations average

Category	MJ/Area/a		MJ/Occupant/a		MJ/Distance travelled	
	Average energy performance indicator (2001/02)	Lands (2006/07)	Average energy performance indicator (2001/02)	Lands (2006/07)	Average energy performance indicator (2001/02)	Lands (2006/07)
Office buildings – tenant services	504	307 ¹	10,265	10,202		
Office buildings – combined services	866	1,164 ²	17,830	38,068 ²		
Laboratories and research facilities	540	74	n/a	15,446 ³		
Transport – passenger vehicles ⁴					4.18	3.86 ⁵

Notes:

1. Office area increased from 3,415m² in 2005/06 to 5,616m² during 2006/07 as assets were transferred to Lands.

2. All tenanted space in Government Office Blocks (GOBs) is reported as Office Buildings - combined services category as the energy reported contains a respective pro-rata portion of central services and tenant services. The high MJ/occupant performance indicator and high MJ/Area (m²)/annum indicator is mainly due to the high electricity and natural gas consumption at the Land Information Centre, Panorama Avenue, Bathurst, (18,384.5 GJ) and the Land Titles Office, Queens Square, Sydney (14,561 GJ). In both of these cases, electricity and natural gas consumption has significantly increased. These sites are both on Contract 777.

3. The Scone Research Centre was the only site reported in the Laboratories and research facilities category in 2006/07. The high MJ/Occupant/a is due to a reduction in staffing levels from 19 staff in 2004/05 to 8 staff in 2006/07. Overall energy consumption was reduced.

4. This category includes vehicles <3.5 tonnes, >3.5 tonnes (e.g. aircraft) and marina, jetty and other foreshore infrastructures.

5. Some passenger and other vehicles <3.5 tonnes commenced using Ethanol Blended petrol (E10) during 2006/07. There was a slight increase in fuel consumption for vehicles <3.5 tonnes due to increased mileage. Passenger vehicles and vehicles >3.5 tonnes consumed slightly less fuel.

Energy contracts

Lands currently has four large office sites that purchase electricity on the contestable market. These four sites are on the NSW State Government Contract for Large Sites Contract No.777. The majority of the remaining Lands' sites are on Contract 776 Energy Supply for small sites. Any new sites will be progressively placed on contracts as existing billing periods are completed. All sites on contract will purchase 6% of their electricity from renewable sources (Green Power).

Tenancies in eight larger Government Office Blocks also consumed 6%

green power in 2006/07 as these Government Office Blocks purchase electricity on the contestable market.

The purchase of electricity on the contestable market has minimised costs and achieved a reduction of greenhouse gas emissions by purchasing a percentage of green power.

Energy review

Energy Conservation Systems (ECS) has been engaged to conduct energy audits at both Queens Square and Panorama Avenue Bathurst. The purpose of the audits is to identify any energy and water saving initiatives. Feasible recommendations will

be included in future Capital and Recurrent Maintenance Plans.

Water efficiency

The NSW Government's water savings initiatives include a requirement for certain high water users – including government agencies – to prepare Water Savings Action Plans. Lands is not identified as an agency that is required to have a Water Savings Action Plan. However any new capital or recurrent works planning will include identification of any energy and water savings and will be a key factor in evaluation and acceptance of works proposals.

11. Equal employment opportunity (EEO)

Major EEO outcomes for 2006/07

- Lands has reviewed the pilot mentoring program for senior women and anticipates offering the program more widely later in 2007.
- The Spokeswomen's Program is also actively supported with a number of events held state-wide for both female and male employees.

- A number of women have attended Woman in Leadership forums. These have been offered in regional locations allowing wider participation.
- Lands facilitated the involvement of deaf staff in the state-wide Deaf Support Network. Interpreters are provided for deaf staff applying for positions.
- Lands continued its ongoing support to its very active Aboriginal Support Network. This network is a combination of Lands and

Department of Natural Resources employees. Meetings have been held in state-wide locations and have resulted in increased collegial support for aboriginal staff.

- Lands continued to use a range of merit recruitment strategies to attract a diverse field of job applicants.
- Lands continued to offer all employees a full range of flexible work arrangements.

Table A – trends in the representation of EEO Groups¹

EEO Group	Benchmark or target %	% of total staff ²			
		2004	2005	2006	2007
Women	50	35	36.5	36	36.4
Aboriginal people and Torres Strait Islanders	2	1.5	1.3	1.3	1.4
People whose first language was not English	20	15.7	15.3	16	14.2
People with a disability	12	10.5	10.2	7	7
People with a disability requiring work-related adjustment	7	4	3.8	1.3	1.5

Table B – trends in the distribution of EEO Groups¹

EEO Group	Benchmark or target %	Distribution index ³			
		2004	2005	2006	2007 ⁴
Women	100	84	89	89	
Aboriginal people and Torres Strait Islanders	100		76	n/a	
People whose first language was not English	100	81	89	92	
People with a disability	100	91	98	102	
People with a disability requiring work-related adjustment	100	84	92	n/a	

Notes:

1. Staff numbers are as at 30 June 2007. 2. Excludes casual staff. 3. A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The Distribution Index is automatically calculated as part of the Workforce profile return sent to Premier's Department annually. 4. Distribution index not yet available for 2007.

Appendices

Major EEO outcomes for 2007/08

- Involvement of Lands' women in the EEO initiative for the development of women in the NSW public sector.
- Focus on family friendly conditions in all recruitment activities.
- Ensuring women's issues are considered in the workforce planning projects underway in Lands.
- Review of the Aboriginal Support Network structure following the machinery of government changes implemented following the state election in March 2007.

12. Ethnic Affairs Priorities Statement (EAPS)

Lands is committed to the principles of multiculturalism as outlined in the *Community Relations Commission and Principles of Multiculturalism Act 2000*. The Ethnic Affairs Priorities Statement (EAPS) is our commitment to improving access to our services to culturally and linguistically diverse communities throughout New South Wales.

Lands' EAPS was finalised in 2006 and outlines how Lands will:

- deliver services, which are appropriate to a culturally diverse client group, as part of the core business
- put in place flexible and inclusive consultation processes that are integrated into agency planning
- provide training for staff on cultural diversity issues
- provide language services and information in ways that will reach all clients.

Key outcomes for 2006/07 include:

- review and modification of staff training programs, selection criteria and induction programs to include cultural awareness requirements
- continued inclusion of the principles of multiculturalism in corporate planning and evaluation processes
- continued utilisation of the telephone interpreting service provided by the Commonwealth Department of Immigration and Citizenship in responding to enquiries from members of the public
- promotion on general land valuation notices sent to property owners of the availability of the telephone interpreting services
- continued utilisation of the staff register which lists staff members from different cultural backgrounds who make themselves available to assist customers visiting Lands offices in person who request an interpreter
- promotion of diverse representation on committees, working groups, advisory structures, and Crown land trusts.

In 2007/08 Lands will continue to implement its EAPS through merit based recruitment practices, staff training, flexible working arrangements, corporate planning and client services.

13. Freedom of information Statement of affairs

The Department of Lands was created on the 2 April 2003 and delivers strategies, policies and projects for Crown Lands administration and management, Native Title, Aboriginal lands Claims, Soil Conservation Service, Minor Ports and Land and Property Information in New South Wales.

One of the primary objectives of Lands is the sustainable and commercial management of state owned lands for the benefit of the people of New South Wales.

Over 30,000 parcels of land are currently reserved under the *Crown Lands Act 1989*, which is administered by the Crown Lands Division of Lands. Maintenance of the public reserves system by Lands is essential for the preservation of biodiversity in the environment of New South Wales.

Further, Lands, through Soil Conservation Service, operates a specialist conservation earthmoving and soil consultancy business, specialist 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.

Land and Property Information Division (LPI) within Lands, is the key provider of land and property information for NSW. LPI provides mapping, titling, valuation, survey and related land and spatial information services to individuals, businesses, government agencies and non profit organisations

throughout NSW, Australia and internationally.

The Minor Ports Program of Lands provides and maintains port infrastructure facilities as well as safe, secure port access.

Freedom of information procedures

Requests for documents under the *Freedom of Information Act 1989* or *Privacy and Personal Information Protection Act 1998* in the possession of Lands should be directed to:

The FOI Coordinator
Office of the Director General
Department of Lands
1 Prince Albert Road
Queens Square
SYDNEY NSW 2000

T: 61 2 9236 7773
F: 61 2 9236 7632
Office Hours Monday – Friday 8.30 am – 4.30 pm

Charges for FOI applications

Nature of application	Application fee	Processing charge
Access to personal records	\$30.00	\$30.00 per hour (up to 20 hours of free processing time for information about your personal affairs is allowed)
All other requests	\$30.00	\$30.00 per hour
Amendment of records	\$30.00	\$30.00 per matters not on public record

Freedom of information statistics

FOI requests	Personal		Other		Total	
	2005/06	2006/07	2005/06	2006/07	2005/06	2006/07
New (incl transferred in)	29	19	49	63	78	82
Brought forward	3	1	3	1	6	2
Total to be processed	32	20	52	64	84	84
Completed	32	15	52	60	84	75
Transferred out	0	0	0	0	0	0
Withdrawn	0	0	0	0	0	0
Total processed	32	20	52	64	84	84
Unfinished (carried forward)	1	5	1	4	2	9

Appendices

FOI statistics continued				
Results of FOI request	Personal		Other	
	2005/06	2006/07	2005/06	2006/07
Granted in full	31	15	37	56
Granted in part	1	0	4	0
Refused	0	0	11	4
Deferred	0	0	0	0
Completed	32	15	52	60

	Initial		Total	
	2005/06	2006/07	2005/06	2006/07
Number of requests requiring formal consultation	30	24	30	24

Basis of disallowing or restricting access	Personal		Other	
	2005/06	2006/07	2005/06	2006/07
Section 19 (application incomplete, wrongly directed)	0	0	0	0
Section 22 (deposit not paid)	0	0	0	0
Section 25(1)(a1) (division of resources)	0	0	0	0
Section 25(1)(a) (exempt)	0	0	5	4
Section 25(1)(b),(c),(d) (otherwise available)	0	0	0	0
Section 28(1)(b) (documents not held)	0	0	4	0
Deemed refused – 21 day time limit expired	0	0	0	0
Section 31(4) (released to Medical Practitioner)	0	0	0	0
Total	0	0	9	4

	Incurred Costs \$		Fees received \$ (appl+dep-frnd+rvw)	
	2005/06	2006/07	2005/06	2006/07
All completed requests	3,380.00	3,120.00	3,380.00	3,120.00

FOI statistics continued				
Type of discount	Personal		Other	
	2005/06	2006/07	2005/06	2006/07
Public interest	0	0	0	0
Financial hardship pensioner	2	0	5	0
Financial hardship non-profit	0	0	1	0
Under 18 years	0	0	0	0
Totals	2	0	6	0
Significant correction of records	0	0	0	0

Elapsed time (including withdrawn)	Personal		Other	
	2005/06	2006/07	2005/06	2006/07
0-21 days	22	15	30	36
22 to 35 days (consultation period)	10	0	20	24
Over 35 days (extended consultation)	0	0	0	0
Over 21 days (out of time determinations)	0	0	0	0
Over 35 days (out of time determinations after consultation)	0	0	0	0
Totals	32	15	50	60

Processing hours (including withdrawn)	Personal		Other	
	2005/06	2006/07	2005/06	2006/07
0-10 hours	32	18	48	51
11-20 hours	0	1	0	11
21-40 hours	0	0	1	0
Over 40 hours	0	0	1	1
Totals	32	19	50	63

Reviews/appeals		2005/06	2006/07
Number of internal reviews finalised		4	5
Number of Ombudsman reviews finalised		1	1
Number of District Court actions finalised		0	0

Appendices

FOI statistics continued								
Bases of internal review Grounds on which requested	Personal				Other			
	Upheld		Varied		Upheld		Varied	
	2005/06	2006/07	2005/06	2006/07	2005/06	2006/07	2005/06	2006/07
Access refused	0	0	1	0	0	5	0	0
Deferred	0	0	0	0	0	0	0	0
Exempt matter	0	0	0	0	3	0	0	0
Unreasonable charges	0	0	0	0	0	0	0	0
Charge unreasonably incurred	0	0	0	0	0	0	0	0
Amendment refused	0	0	0	0	0	0	0	0
Totals	0	0	1	0	3	5	0	0

Documents held by Lands

Corporate

Acceptable Use of Information
Technology and Telecommunications
Policy

Access Control Policy

Accounting Manual

Anti Virus Policy

Asset Control Policy

Business Continuity Management
Policy

Change Management Policy

Code of Conduct

Complete Guide to Staff
(Induction Manual)

Conflict of Interest Policy

Corporate Clothing Policy

Corrupt Conduct, Maladministration
and Serious and Substantial Waste, and
Protected Disclosures Policy

Desktop Replacement Policy

Equal Employment Opportunity Policy

Filling of Short Term Vacancies Policy

Internal Reporting (Protected
Disclosures) Policy

Information Security Policy

Gifts and Benefits Policy

Grievance Resolution

Harassment Free Workplace Policy

Information Security Policy

Interim Privacy Management Plan

Job Evaluation Policy

Learning and Development Policy

Management of Consultants and
Contractors Policy

Managing Email Resources Policy

Mail Server Policy

Media Policy

Mobile Phone Policy

Occupational Health and Safety Policy

Outside Employment Policy

Policy for Protection against
Malicious Software

Queens Square Security Policy

Records Management Policy

Risk Management Policy

Travel Policy

Workforce Management Plan

Working From Home Policy

Land and Property Information

Intellectual Property Copyright
and Licensing

LPI Privacy Statement

Suppression of Personal Information in
LPI Public registers

WebGov Policy

Rating and Taxing Valuations
Procedures Manual

Valuation Contract Management
Procedures Manual

Objection Procedures Manual

Administering Procedures

Valuer-General's Instructions

Chief Valuer's Instructions

Technical Instructions

Land Valuation

Rating and Taxing Valuations
Procedures Manual

Valuation Contract Management
Procedures Manual

Objection Procedures Manual

Administering Procedures

Valuer-General's Instructions

Chief Valuer's Instructions

Technical Instructions

Surveying

Surveyor General's Directions for Survey Practice

Redefining the Queensland-New South Wales Border: Guidelines for Surveyors

Guidelines for the Determination of the State border between New South Wales and Victoria along the Murray River

Rural Addressing: A Model for Systematic Addressing for Rural Properties in New South Wales

Land Titling

Registrar General's Directions

Electronic Settlement, Electronic Lodgement and Automatic Registration of Real Property Dealings in NSW – Public Consultation Document, May 2004

Agreement on principles for the development of a roadmap to a national electronic conveyancing system

National business model for the implementation of a national electronic conveyancing system (Draft)

National governance arrangements for the establishment of a national electronic conveyancing system (Draft)

Electronic Settlement, Electronic Lodgement and Automatic Registration of Real Property Dealings in NSW: Public consultation feedback report March 2005

Manual owner inquiry search requests – policy and procedures

Lodgement Services Terms and Conditions

National Implementation Strategy for a National Electronic Conveyancing System (Draft)

National Funding Model for the Implementation of a National Electronic Conveyancing System (Draft)

NECS Operations Description for a National Electronic Conveyancing System (Draft)

Board of Surveying and Spatial Information

Consideration of Complaints Against Surveyors Policy

Determination for Continuing Professional Development

Rules for the Conduct of Examinations for Certificate of Competency as Mine Surveyor

Geographical Names Board of NSW

Dual Naming Policy

Road Naming in NSW Policy

Guidelines for the Naming of Roads

Guidelines for Determining Suburbs and Localities in NSW

Policy on the Position and Extent of Geographical Names

Policy on the Concurrence for Government Departments for Names Assigned under Other Acts

Cultural Designation Guidelines

Generic Reserve Naming Policy

Guidelines for the Determination of Place Names

Policy on Web Based Submissions for Advertised Proposals

Policy on Welcome to Country Signs

Policy on Board Member Induction

Primary Source Policy

Crown Lands

Caravan Park Levy Committee Guidelines for the Administration of Applications for Financial Assistance

Coastal Crown Lands Policy 1991 – under review

Crown Lands Caravan Park Policy 1990 – under review

Crown Lands Foreshore Tenures Policy (Non-commercial Occupations) 1991 – under review

Crown Lands NSW Business Directive 2004 for Commercial Leasing and Licensing of Crown Land

Crown Lands Policy for Marinas and Waterfront Commercial Tenures 2005

Natural Disaster Relief Scheme Guidelines

Tourist Facilities and Services on Crown Reserves 1997

Food and Beverage Outlets on Crown Reserves 1997

Managing Crown Land Reserves and Commons, and Trustees of School of Arts 2007

Fire Protection Policy For Caravan Parks on Crown Reserves and Leasehold Land 2005

Investment Policy for Trust Boards Managing Crown Reserves and Commons 2005

Soil Conservation Service

Staff Borrowing of Equipment Policy

Non-smoking in the Workplace

Some policy documents are available, free of charge, from Lands' website www.lands.nsw.gov.au which has links to our administrative units. Geographical Names Board policies and guidelines may be accessed at their website www.gnb.nsw.gov.au.

Appendices

14. Funds granted to non-government community organisations Public Reserve Management Fund

Showgrounds program				
Trust Manager	Project	Grant \$	Loan \$	Total \$
Gwydir Shire Council	Kiosk building at Bingara Showground	3,000	2,000	5,000
Mid-Western Regional Council	Electrical upgrading works at Mudgee Showground	10,000	20,000	30,000
Narrandera Showground Trust	Maintenance works	3,920		3,920
Mullumbimby Showground Trust	Grass slashing machinery	3,000	18,000	21,000
Ashford Showground Trust	Construction of twenty steel framed stables	3,000	6,000	9,000
June Showground Trust	Electrical works	2,970		2,970
Coonabarabran Showground Trust	Pressure pump for animal watering and the erection of light poles	1,000	2,500	3,500
Lockhart Shire Council	Removal of two old buildings and the replacement with a multi-purpose pavilion at Lockhart Showground	20,000		20,000
Inverell Showground Trust	Installation of a bore	4,000	5,000	9,000
Young Showground Trust	Fencing of the eastern boundary, new entrance gates and irrigation system	21,800	19,000	40,800
Bogan Shire Council	Electrical works, fencing, horse stalls and portable grandstands at Nyngan Showground	8,000	8,000	16,000
North Coast National Agricultural & Industrial Society Inc	Electrical upgrading works at Lismore Showground	15,000	21,000	36,000
Eurobodalla Shire Council	Stage two development works program at Moruya Showground pavilion	20,000		20,000
Cobargo Showground Trust	Electrical upgrading works and lighting	5,679	6,000	11,679
Yass Show Society Inc	Electrical upgrading works	10,000	20,000	30,000
Clarence Valley Council	Fencing works at Maclean Showground	5,000		5,000
Bellingen Showground Trust	Replacement of guttering and drainpipes on barbecue/bar shelter and grandstand	3,000		3,000
Gilgandra Showground Trust	Fencing works	5,000		5,000
Woodenbong Reserve Trust	Replacement of the announcer's booth	2,000	2,000	4,000
Gulgong Showground Trust	Construction of shower block	4,000	4,000	8,000
Liverpool Plains Shire Council	Paint for works at Ouirindi Showground	4,300		4,300
Barradine Showground and Racecourse Trust	Replacement of bore pump	1,154		1,154
Hay Shire Council	Construction of a club house and a grandstand for the Hay Pigeon Club	11,328	12,000	23,328
Eurobodalla Shire Council	Pathway to connect pavilions and toilets and the installation of a toilet for the disabled	5,000		5,000
	Total	172,151	145,500	317,651

Local parks and reserves program				
Trust Manager	Project	Grant \$	Loan \$	Total \$
Ganmain Sports Ground Trust	Watering system	5,000	7,000	12,000
Bidjigal Reserve Trust	Establishment grant	3,000		3,000
Eatonville Recreation Reserve Trust	Amenities block, repairs to shelter shed and cricket pitch	4,500		4,500
Belmont Wetlands State Park Trust	Establishment grant	5,000		5,000
Six Foot Track Heritage Trust	On-going maintenance and rehabilitation works	10,000		10,000
Tumbarumba Shire Council	Replacement of barbecues at Henry Angel Trackhead	4,000		4,000
Central Darling Shire Council	Fencing works at Menindee Racecourse Reserve	14,462		14,462
Cumborah Recreation Reserve Trust	Construction of toilet facilities	12,563		12,563
Lightning Ridge Historical Society Trust	Installation of verandah blinds in the Bush Nurses Association building	1,500		1,500
Lila Leigo Centre Reserve Trust	Restumping of building	14,707		14,707
Cobar Roosters Rugby League Club Inc.	Safety improvements to the grandstand	8,000		8,000
Paterson Street Hilltop Reserve Trust	Trust's establishment costs and bush regeneration control works	3,150		3,150
Coffs Harbour Preservation of Native Flora Reserve Trust	Bollards and plantings	500		500
Ellangowan Public Hall Reserve Trust	Public address system	1,050		1,050
Rileys Hill Dry Dock Reserve Trust	Ride-on mower and small trailer	890		890
Ashby Community Centre and Public Recreation Reserve Trust	Shade sails and poles	709		709
Borah Creek Public Hall Trust	Refurbishment of kitchen cupboards	2,553		2,553
Carrathool Racecourse Trust	Connection of town water to reserve	6,886		6,886
Laggan Hall Trust	Removal of asbestos and electrical works	2,645		2,645
Towrang Recreation Reserve Trust	Fencing, seating, shelter tanks and stand	13,396		13,396
Tallong Public Hall and Recreation Reserve Trust	Replacement of rear stairs, decking and toilet cisterns, restumping of kitchen floor, demolish old toilet blocks	9,770		9,770
Inverell Shire Council	Boat ramp stabilisation works and improved access to camping area at Pindari Dam	6,000		6,000
Mendooran Racecourse Reserve Trust	Purchase of ride-on mower	5,795		5,795
Norah Head Lighthouse Reserve Trust	Construction of public toilet incorporating facilities for the disabled	7,500		7,500
Gore Hill Memorial Cemetery Trust	General maintenance works	11,000		11,000
Moonan Flat Public Hall Trust	Installation of a new water tank	3,500		3,500
Upper Manilla Reserve Trust	Construction of a new amenities block with disability access	20,000		20,000

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Local parks and reserves program cont..

Trust Manager	Project	Grant \$	Loan \$	Total \$
Bellata Tennis Club Trust	Replace and upgrade two old toilets	2,000		2,000
Wallangra Recreation Reserve Trust	Storage unit	1,200		1,200
Moorland Recreation Reserve Trust	Construction of a multi-purpose shed	3,000		3,000
Gulgong Racecourse Reserve Trust	Operational expenses for 2006/07	35,000		35,000
Burringbar Recreation Reserve Trust	Drainage works, fencing and seating	7,175	6,575	13,750
Nundle School of Arts Trust	Amenities block with disabled facilities	20,000	10,000	30,000
Zig Zag Railway Cooperative Limited	Installation of a bore		19,000	19,000
Eramboo Reserve Trust	Construction of an amenities block	30,000	40,000	70,000
Mallanganee Public Hall Trust	Exterior and interior painting	9,000	9,000	18,000
Randwick Literary Institute Reserve Trust	Exterior mural painting of building	3,000		3,000
Boggabri Showground and Public Recreation Reserve Trust	Cementing of pavilion floor	10,000		10,000
Wiangaree Reserve Trust	Installation of water tanks, pump and fittings	8,570		8,570
Old Bega Hospital Reserve Trust	Removal of asbestos in buildings	7,792		7,792
Lambton Mechanics Institute Trust	Operational costs	26,000		26,000
Land of Beadies Reserve Trust	Removal of pine tree and old tree stump	1,720		1,720
Forbes P A & H Association	Electrical upgrading works at Forbes Racecourse	31,000	30,000	61,000
Bribbaree Recreation Reserve Trust	Urgent electrical works	700		700
Bermagui Flora and Fauna Reserve Trust	Repair and maintenance of coastal walk, signage and administration costs	5,640		5,640
Jerilderie Shire Council	Restoration of old Police Stables	25,000		25,000
	Total	404,873	121,575	526,448

Caravan park development works program

Trust Manager	Project	Grant \$	Loan \$	Total \$
Port Macquarie-Hastings Council	Preparation of a master plan and business plan for Patonga Caravan and Camping Park Bonny Hills and North Haven caravan parks	27,335		27,335
Gosford City Council	Preparation of a master plan and business plan for Patonga Caravan and Camping Park	20,000		20,000
Lake Macquarie Council	Preparation of a plan of management for Belmont Pines Tourist Park	20,000		20,000
Shoalhaven City Council	Construction of a shared bike path at Crown reserve 76522 at Huskisson		150,000	150,000

Caravan park development works program cont...

Trust Manager	Project	Grant \$	Loan \$	Total \$
Shoalhaven City Council	Construction of an adventure playground and car park at Crown reserve 52790 at Mollymook		150,000	150,000
Shoalhaven City Council	Upgrading of an amenities block at Voyager Park at Huskisson		200,000	200,000
Bega Valley Shire Council	Installation of four deluxe cabins at Zane Grey Caravan Park		150,000	150,000
Kempsey Shire Council	Upgrading of services and infrastructure at Hat Head Caravan Park		135,000	135,000
Port Stephens Council	Upgrading the recreation room amenities and electrical services and switchgear and the installation of cabins at Fingal Bay Holiday Park		860,000	860,000
Port Stephens Council	Installation of fencing and budget and ensuite cabins at Halifax Holiday Park		1,170,000	1,170,000
Port Stephens Council	Construction of driveways to cabins and roadworks and the installation of cabins at Shoal Bay Holiday Park		230,000	230,000
Red Rock Public Recreation Reserve Trust	Sewerage treatment and disposal infrastructure works		90,000	90,000
Port Macquarie-Hastings Council	Signage, sewerage and landscaping works at North Haven Caravan Park		125,000	125,000
Port Macquarie-Hastings Council	Amenities, signage, fencing, roads and landscaping works at Bonny Hills Caravan Park		125,000	125,000
Great Lakes Council	Relocation and extension of pontoon, new pontoon and associated rock wall works at Forster Boat Harbour		170,000	170,000
Wyong Shire Council	Master plan and improvements to entry road, entry landscaping and shade cover to playground at Canton Beach Holiday Park	20,000	137,500	157,500
Wyong Shire Council	Master plan and improvements to entry road, entry landscaping and shade cover to playground at Norah Head Holiday Park	20,000	152,500	172,500
Wyong Shire Council	Master plan and improvements to entry road, entry landscaping and shade cover to playground at Budgewoi Holiday Park	20,000	135,700	155,700
Wyong Shire Council	Master plan and improvements to entry road, entry landscaping and shade cover to playground	20,000	149,500	169,500
Corindi Beach Caravan Park Reserve Trust	Installation of six ensuite cabins, playground, lighting, signage and vegetation management		296,750	296,750

Appendices

Caravan park development works program cont...				
Trust Manager	Project	Grant \$	Loan \$	Total \$
Moonee Beach Public Recreation Reserve Trust	Installation of cabins, barbecue shelters and the construction of a reception and manager's residence		500,250	500,250
Port Macquarie-Hastings Council	Architectual cabin design for North Haven Caravan Park		5,280	5,280
Port Macquarie-Hastings Council	Architectual cabin design for Bonny Hills Caravan Park		5,280	5,280
Morgo Street Reserve Trust	Installation of cabins, barbecue shelters, lighting, signage and vegetation management		400,000	400,000
	Total	147,335	5,337,760	5,485,095

Consultancy program				
Trust Manager	Project	Grant \$	Loan \$	Total \$
Lithgow Shire Council	Preparation of a plan of management for Hyde Park	3,000		3,000
Young Community Arts Centre Trust	Preparation of a conservation management plan	20,000		20,000
Deniliquin Council	Preparation of a plan of management for Crown reserve 91035 at Deniliquin	5,000		5,000
Paterson Street Hilltop Reseve Trust	Preparation of a plan of management	1,765		1,765
Shoalhaven City Council	Preparation of a plan of management for Milton Showground	15,000		15,000
Walka Water Works Trust	Preparation of a plan of management	30,000		30,000
Gulgong Racecourse Reserve Trust	Preparation of a plan of management	10,000		10,000
Hay Shire Council	Conservation management plan for Hay Gaol	4,000		4,000
Blue Mountains City Council	Preparation of a plan of management for Mount York Reserve	12,500		12,500
Blue Mountains City Council	Preparation of a plan of management for Knapsack Park	12,500		12,500
Killalea State Park Trust	Consultancy costs to progress lease negotiations with a proponent for the development of appropriate facilities to enhance the park		164,450	164,450
Tweed Heads Shire Council	Preparation of a plan of management for Crown reserve 57974 at Durambah Beach	10,000		10,000
Goobaragandra Valley Reserves Trust	Operational grant for 2006/07	10,000		10,000
Burrendong Arboretum Trust	Operational grant for 2006/07 and air-conditioning of offices and caretaker's residence and internal structural modifications to offices and toilets	92,000		92,000

Consultancy program Cont...				
Trust Manager	Project	Grant \$	Loan \$	Total \$
Walka Water Works Trust	Operational grant for 2006/07	70,000		70,000
Penrose Park Recreation Reserve Trust	Operational grant for 2006/07 and the construction of shade sails over the play area	24,500		24,500
Wee Jasper Reserves Trust	Operational grant for 2006/07	110,000		110,000
Lake Keepit State Park Trust	Fencing works	26,000		26,000
Copeton Waters State Park Trust	Installation of fire hose reels and the replacement of power head outlets	29,500		29,500
Lake Burrendong State Park Trust	Replacement of power poles at the Mookerawa pump site of the park	7,300		7,300
Lake Burrendong State Park Trust	Replacement of foreshore septic collection tanks system and upgrading of amenities blocks	25,700	17,000	42,700
Killalea State Park Trust	Roll over protection on ride on mower, pathway to Killalea Beach and fire hydrants in Killalea camping area	21,750		21,750
Burrinjuck Waters State Park Trust	Construction of a new workshop and the replacement of playground equipment	40,000	200,000	240,000
Copeton Waters State Park Trust	Upgrading of playground equipment	15,000	30,000	45,000
Grabine Lakeside State Park Trust	Construction of an amenities block	50,000	250,000	300,000
Lake Burrendong State Park Trust	Completion of bushfire mitigation works at the Mookerawa Waters section of the park	39,614		39,614
Wyangala Waters State Park Trust	Refurbishment of amenities block and the purchase of fire fighting hose reels equipment	40,000	180,000	220,000
Belmont Wetlands State Park Trust	Rehabilitation and urgent infrastructure works	250,000		250,000
Lake Glenbawn State Park Trust	Installation of fire protection pipes, valves and hose reels. Replacement of machinery service ramp and improvements to amenities access stairs, hose reels and the replacement of power head outlets	33,000		33,000
Lake Keepit State Park Trust	Rebuilding of sewerage line		195,000	195,000
Cudgegong River Park Trust	Upgrading of two amenities blocks and the installation of effluent disposal ponds and associated structures		630,000	630,000
Lake Glenbawn State Park Trust	Operational grant	123,000		123,000
Cudgegong River Park Trust	Construction of amenities block		325,000	325,000
Walka Water Works Trust	Restoration of boiler room and western annexe	23,000		23,000
	Total	1,154,129	1,991,450	3,145,579

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Commercial initiatives on Crown land program				
Trust Manager	Project	Grant \$	Loan \$	Total \$
Wellington Council	Extension of existing games room/ conference room and the installation of a sewerage dump point at the Wellington Caves Reserve	4,000	95,000	99,000
Rennie Reserves Trust	Construction of a kitchen and toilets for the club rooms		100,000	100,000
Newcastle Historic Reserve Trust	Building extensions		50,000	50,000
	Total	4,000	245,000	249,000

Drought assistance relief program				
Trust Manager	Project	Grant \$	Loan \$	Total \$
Lalaly Hall Trust	Painting and repairs to doors and windows	8,000		8,000
Finley Lake Trust	Fencing and painting of benches	9,000		9,000
Barooga Community Centre Trust	Gutter guards and painting	10,000		10,000
Deniliquin Racecourse Trust	Fencing and tree planting	10,000		10,000
Hillston Showground Trust	Removal of dangerous trees, tree planting and the erection of shade sails	7,500		7,500
Goolgowi Sportsground Trust	Extend watering system to cricket system	10,000		10,000
Deniliquin Historic Buildings Trust	Repairs and painting of historic museum	4,000		4,000
Berrigan Racecourse Trust	Kick boards in horse stalls, painting and tree planting	4,622		4,622
Carrathool Racecourse Trust	Fencing and gates	10,000		10,000
Moulamein Swimming Pool Trust	Extend shade area and general maintenance	5,000		5,000
	Total	78,122		78,122

During 2006/07 the grant funds in the Drought Assistance Relief Program table above were also made from the Public Reserves Management Fund (PRMF) for many projects on Crown reserves.

The PRMF also provides funds for the on-going maintenance of walking tracks, waterside reserves, campsites and major recreational projects which

are administered by the Lands.

During 2006/07 Funds spent on various projects are listed hereunder:

- Great North Walk - \$99,171
- Hume and Hovell Walking Track - \$31,137
- Walking tracks, waterside reserves and campsites - \$23,485.

Crown reserve projects			
Project	Consultants/Contractors \$	Other Expenses \$	Total \$
Coffs Harbour Jetty Foreshores	6,566	-	6,566
Port Stephens Regional Crown Reserve	99,026	12,239	111,265
Goolawah State Park.	34,139	1,056	35,195
Lot 490 Ecotourism Development at Kingscliff	121,092	10,530	131,622
Clarkes Beach Foreshore at Byron Bay	11,478	1,990	13,468
Port Macquarie CBD Crown Foreshores	6,729	5,136	11,865
Batemans Bay Redevelopment Project	42,213	-	42,213
Angourie Surfing Reserve	-	4,079	4,079
Harbourside Project at Port Macquarie	9,953	1,487	11,440
Total	331,196	36,517	

Land and Property Information

Organisation	Project	Grant \$	Loan \$	Total \$
University of Melbourne	ARC Linkage Project – Industry Partnership Grant – ‘The integration of built and natural environmental data sets in national spatial data infrastructure initiatives’	16,500		16,500
Royal Melbourne Institute of Technology	ARC Linkage Project – Industry Partnership Grant – ‘Real time atmospheric modelling for cm-level positioning based on continuously operating Global Navigation Satellite System reference station networks’	22,000		22,000
University of New South Wales	Surveyor General Scholarship in Surveying	14,000		14,000
University of Melbourne	Cooperative Research Centre for Spatial Information (CRC-SI)	250,000		250,000
Stephen Barr	Surveyor General's International Fellowship in Surveying and Spatial Information	15,000		15,000
TOTAL		317,500		317,500

15. Government action plan for women

Lands has recognised the need for support for women in senior positions and as well as supporting the public sector senior women's network, has

instigated a pilot mentoring program for senior women. This program is aimed at assisting in individual career development including moving to more senior positions. Mentors have come from a range of outside employers. Participants have indicated that they

find the program extremely beneficial and it will be extended to women in regional locations.

Lands' women were well represented at the NSW Public Sector Women's Development Strategy Forum in June 2007 run by the Public Employment

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Office. This forum was part of a new women's employment and development strategy aimed at developing initiatives related to the development of women in the public sector, to link these to sector-wide and agency level workforce planning and to support the NSW State Plan.

The forum used the model of linking women around the state via video link to a CBD location. This enabled much higher participation of women in regional locations as well as Sydney based employees.

Spokeswomen's program

In late 2006 the number of Lands' Spokeswomen was increased to 10 to enable our Spokeswomen to better engage with the women in their regions, promote the program and organise attendance of women at relevant activities across the state.

The new Spokeswomen's mission statement is: 'Connecting and Supporting all Women in Lands'.

To achieve this, the Spokeswomen have redesigned and updated their intranet mini site; made contact with all the women in their region; been profiled in Inlands magazine and will produce a bi-annual Spokeswomen's Newsletter.

Many Lands' women have had the opportunity to attend Women's Development Forums in both regional and metropolitan locations, and a number of women attended International Women's Day events on 8 March, 2007. The Spokeswomen will be organising various activities for staff during their three-year term, and Lands supports them and invests in their development through providing them with access to a range of training and development opportunities.

16. Guarantee of customer service

Service delivery standards vary with the nature of the services provided across the various administrative areas of Lands, however all requests for information or services are responded to promptly and efficiently as appropriate to customer requests.

Our customers can expect us to prevent unauthorised access to and use of official information and maintain the privacy and confidentiality of information, which is not on the public register.

We consult with clients and stakeholders when planning and delivering products and services and staff and unions when considering changes in work practices.

All public contact staff are trained to provide timely, accurate and balanced advice in a courteous manner. They all have expertise within their fields of enquiry.

All staff adhere to the principles of Equal Employment Opportunity and our Code of Conduct.

Consumer complaint and comment

We aim to respond to correspondence within 14 days and advise clients about the outcome of a complaint and the action being taken within 14 days.

Feedback, compliments and complaints regarding our services are welcome and should be addressed in writing to:

Department of Lands
Level 3
1 Prince Albert Road
Queen's Square
Sydney NSW 2000
GPO Box 15, Sydney 2001

feedback@lands.nsw.gov.au

17. Heritage assets

Lands plays an important role in recognising and caring for its heritage assets on behalf of the community. Lands is one of over 80 NSW Government agencies which own or manage heritage assets, and these assets form a significant part of overall government property holdings.

In 2006/07 Lands commissioned the Government Architects Office to prepare a Heritage Asset Management Strategy (HAMS). A final draft has been submitted to the various Lands stakeholders for comment. Once updated the final document will be signed off and submitted to the Heritage Office.

The draft HAMS provides information on:

- heritage management initiatives already undertaken, including:
 - Lands (formerly Department of Lands and Water Conservation) Stages 1 and 2 Section 170 Heritage and Conservation Register
 - Thematic Histories of the former Department of Lands and Water Conservation (DLWC) Registrar General's Department
- status of Lands' Heritage and Conservation Register
- relationship between heritage asset management and the overall Total Asset Management (TAM) system used by Lands
- action plan to meet the requirements of the State Agency Heritage Guide including:
 - updating and continuing augmentation of the Heritage and Conservation Register
 - ongoing maintenance and conservation works and condition reporting for heritage assets

- preparation of maintenance plans for heritage items
- more explicit requirements for the assessment of heritage values undertaken when proposing to change the status of Crown land to be included in the Land Assessment Manual and the accompanying Guidelines
- yearly review of HAMS
- involvement of appropriate heritage expertise as required to assist planning, management and implementation works to heritage items.

Over the past few years, Lands has already undertaken a number of initiatives towards meeting expectations of the *NSW Heritage Act 1977* including:

- BCA inspections of Lands' offices by Trevor Howse & Associates BCA Consultants
- review of 1992 Maintenance Plans by Noel Bell Ridley Smith & Partners Heritage Architects
- services condition inspections which included the Lands' heritage buildings. This inspection delivered the following information that will be included in the 2007 TAM plans:
 - maintenance planning database providing a 10 year plan based on condition and priority. This maintenance plan will also capture and schedule new works when identified and post finished works into future year plans based on the asset life cycle
 - compilation of the BCA and architectural recommendations into the same maintenance plan database
- Office Accommodation Guidelines and Standards - Heritage Interior Guidelines – being prepared by

State Architects Office. The aim of these Heritage Interior Guidelines is to give sound advice on upgrading interiors and accommodation within the Lands' heritage buildings. They have been developed as practical guides for users of the buildings, staff planning any change to the interiors, and contractors and trades people who may carry out work on the interiors.

The guidelines are in two parts. Volume one applies to all heritage building interiors currently owned or managed by Lands. Separate volumes will be developed over the coming years with specific guidance on the interiors of each particular heritage building. Volume 2A which applies to the Queens Square building in Sydney will be completed by December 2007.

The HAMS will be an important tool in the ongoing management of Lands' heritage assets and will provide the necessary strategy for Lands to achieve the required outcomes over the next few years.

18. Land disposal

In 2006/07 the Land development program sold 27 parcels of vacant and developed land for \$17.23M.

There were no individual lots over \$5M.

Any association between purchaser and person responsible for approving the disposal is required to be declared. There were no such declarations in the year.

All proceeds, less Lands' costs went to consolidated revenue.

All sale documents are retained as either Lands' records or are held by Lands' solicitors responsible for the conveyancing and can be accessed under normal FOI guidelines.

19. Legislation and legal change Amended legislation

Crown Lands Amendment (Carbon Sequestration) Act 2006

This Act allows the ministers administering the *Western Lands Act 1901* and *Crown Lands Act 1989* (and perpetual lessees, with the respective minister's consent) to grant forestry rights creating carbon sequestration rights in respect of Crown land and Western Lands leases. It was proclaimed to commence on the 9 February 2007.

Valuation of Land Amendment Act 2006

During the year amendments were made to the *Valuation of Land Act 1916* to complement administrative changes made by the Valuer General aimed at improving the accuracy and timeliness of land valuations.

The amendments:

- allow a person to object to a valuation after receiving an assessment for Land Tax
- give the Valuer General discretion to make a new valuation of land if there is a change in the circumstances affecting a property
- clarify that property owned by two or more people will qualify for a subdivision allowance
- allow land that is situated in two or more districts to be valued in a single valuation.

Lands was also involved in the drafting of the *Threatened Species Conservation Amendment (Biodiversity Banking) Act 2006*, which is aimed at the creation and trading of biodiversity credits in relation to land.

Appendices

Statute Law Revision

The following Acts were amended under the *Statute Law (Miscellaneous Provisions) Act (No 2) 2006*:

Conveyancing Act 1919

- To permit the Registrar General to refuse to accept for lodgement under Division 3 (Plans) of Part 23 (Registration) of the Principal Act, or to register or record, a plan that purports to have been executed under a power of attorney, unless the power of attorney has been registered as provided for by the *Powers of Attorney Act 2003*. The proposed provision is similar to section 36 (2) of the *Real Property Act 1900*.
- To insert section 203AA in the Act. Section 203AA provides that the Registrar General may keep plans or other documents lodged with the Registrar General 'in or on any medium or combination of media capable of having information recorded in or on it or them' (unless another provision of the Principal Act, or a provision of another Act, specifies the way in which the plans or documents are to be kept). Section 184C (3) and (4) of the Principal Act contain provisions to similar effect in relation to the General Register of Deeds maintained for the purposes of Division 1 (General Register of Deeds) of Part 23 (Registration) of the Principal Act.

Crown Lands Act 1989

- To extend the power in Section 102A of the Act for a council appointed as manager of a reserve trust to grant a lease, licence or easement over a Crown reserve without having to obtain the Minister's consent each time to reserve trusts managed by a trust board or corporation if the Crown

reserve concerned is being used, occupied or administered by a government agency (other than a rural lands protection board).

Real Property Act 1900

- Section 36 (2) of the *Real Property Act 1900* permits the Registrar General to refuse to accept for lodgement, or to record or register or otherwise take action in respect of, a 'dealing or caveat' presented for lodgement that purports to have been executed under a power of attorney, unless the power of attorney has been registered. The amendment extends section 36 (2) so as to confer the same power on the Registrar General in relation to plans intended to be registered pursuant to the provisions of the *Strata Schemes (Freehold Development) Act 1973* or the *Strata Schemes (Leasehold Development) Act 1986*.
- Currently, section 36 (2) refers to the power of attorney having been registered 'as provided for by the *Conveyancing Act 1919*'. Registration of powers of attorney is now provided for by the *Powers of Attorney Act 2003*. Item [2] of the proposed amendments updates the outdated reference.

Access to Neighbouring Land Act 2000

- Updates references to the classification of land reserved under the *National Parks and Wildlife Act 1974* and updates references to repealed legislation.

The following Acts were amended under the *Statute Law (Miscellaneous Provisions) Act 2007*:

Community Land Development Act 1989

- To provide for a separate document in the approved form to be lodged with certain plans that are required

to be registered and lodged with the Registrar General under the Act. The amendments will enable all signatures and consents required for lodging those plans to be endorsed on, or included with, that separate document.

Conveyancing Act 1919

- To provide for a separate document in the approved form to be lodged with any plan required to be registered and lodged with the Registrar General under section 195A of the Act. The amendments will enable all signatures and consents required for lodging plans to be endorsed on that separate document.

Crown Lands Act 1989

- To make it clear that when the Minister grants a lease, licence, permit or easement in respect of a Crown reserve the Minister will still be required to assess the land under Part 3 of the Act.
- To provide that the restrictions imposed by section 48 in relation to the transfer of licences will not apply to a licence authorising the use or occupation of Crown land for the purposes of telecommunications infrastructure.

Crown Lands (Continued Tenures) Act 1989

- To allow the purchase price of land in respect of an application for purchase of land held under a lease under that Act (including pending applications) to be paid by instalments instead of in full.

Strata Schemes (Freehold Development) Act 1973

- To require certain information currently included in a plan intended to be registered as a strata plan or a strata plan of subdivision to be included instead in a separate document lodged with the plan.

- To provide for a separate document to be lodged with a strata plan of consolidation or a building alteration plan.
- To enable all signatures and consents required for lodging plans with the Registrar General to be endorsed on those separate documents.

Strata Schemes (Leasehold Development) Act 1986

- To require certain information currently included in a plan intended to be registered as a strata plan or a strata plan of subdivision to be included instead in a separate document lodged with the plan.
- To provide for a separate document to be lodged with a strata plan of consolidation or a building alteration plan.
- To enable all signatures and consents required for lodging plans with the Registrar General to be endorsed on those separate documents.

Valuation of Land Act 1916

- To omit a redundant definition and an expired Part of the Act.
- To remove an erroneous reference to perpetual leases in the definition of land that is Crown lease restricted.

Valuers Act 2003

- To make it clear that a director of a corporation that is the subject of a winding-up order or for which a controller or administrator has been appointed can be a disqualified person for the purposes of the Act whether or not he or she is also a person concerned in the management of the corporation.

Significant judicial decisions affecting Lands

Printy v Provident Capital Limited & Anor [2007] NSWSC 287

Mr Printy was the victim of identity fraud with an impostor entering into a series of fraudulent mortgages affecting his land in the north-west of Sydney.

At the time the fraud was discovered there were two mortgages registered over Mr Printy's land and the land was subsequently sold by the Mortgagee on the understanding that the litigation would decide who was entitled to the proceeds of the sale. The Registrar General accepted that, subject to issues concerning Mr Printy's identity, the second mortgage was enforceable and the Torrens Assurance Fund was liable in respect of any loss to Mr Printy resulting from that mortgage.

The position regarding the first mortgage was quite different. At the hearing of the matter Mr Printy argued that the first mortgage is a *Tsai* type mortgage, that is that the same principles of construction set out in *Perpetual Trustees Victoria Ltd v Tsai* [2004] NSWSC 745 (the *Tsai* case) applied in this instance and consequently that no debt was outstanding on that mortgage, a position that was supported by the Registrar General.

A judgement was delivered on 30 March 2007 upholding the *Tsai* decision and awarding the proceeds of the sale plus interest and less the amount owing under the second mortgage to Mr Printy. The Torrens Assurance Fund has paid Mr Printy \$71,213.19 on account of the second mortgage.

This matter was the first decision based on the *Tsai* case. This decision strengthens the position of the Torrens Assurance Fund in a number of other claims where the *Tsai* case is at issue.

Torrens Assurance Fund

During 2006/07 financial year the Registrar General made several payments in response to claims against the Torrens Assurance Fund totalling \$433,937. This sum includes compensation payments and disbursements, such as Counsel's fees.

20. Major assets

Lands' property, plant and equipment (PPE) assets totalled \$133 million as at 30 June 2007. There were no major retirements of PPE assets during the year. The Tweed River Entrance Sand Bypassing Project infrastructure asset was re-valued to determine current value.

The following major asset acquisitions were made during the year:

- Building Improvements - \$1.9m
- Digital Aerial Camera - \$1.9m
- Computer Server Enterprise storage - \$1.5m

Work continued on a number of information technology capital projects during 2006/07, which are classified under the intangible asset category. Outlays on major projects included:

- Government Property Register redevelopment project - \$1.1m
- Conversion Project - \$1.9m
- Conversion Remainder Manual Torrens Titles - \$1.0m.

Further details on these projects can be found in the report of the Land and Property Information Division.

Appendices

21. Major works

Capital Works Completed or in Progress as at 30 June 2007	Cost to date \$	Cost overrun \$	Est. date of completion
Land and Property Information Buildings			
Queen Square Building , 1 Prince Albert Road Sydney, (HERITAGE BUILDING)			
Loading Dock Redevelopment	962,000		2007/08
Building Management Control System Upgrade	85,000	Nil	Completed
Air Handler 1 Replacement – Works Specification	10,000	Nil	2007/08
South Balconies – Concrete Cancer (Heritage)	109,230	Nil	Completed
Basement 1 West Upgrade	122,266	Nil	Completed
Panorama Avenue, Bathurst			
Chillers Replacement and Towers	225,000	Nil	Completed
Mechanical Switchboard Replacement	40,000	Nil	Completed
Plant room Upgrade	75,000	Nil	Completed
Crown Lands Buildings			
Armidale Lands Office , 108 Faulkner Street, (HERITAGE BUILDING)			
Hazardous Materials Inspection	840	Nil	Completed
Services Condition Inspection	2,175	Nil	Completed
Carpeting	25,700	Nil	Completed
Painting	40,454	Nil	Completed
Minor Works	22,313	Nil	Completed
Replacement of Lighting	14,913	Nil	Completed
Electrical Upgrade	14,520	Nil	Completed
Coffs Harbour Lands Office , 36 Mariner Drive.			
Hazardous Materials Inspection	1,005	Nil	Completed
Services Condition Inspection	2,325	Nil	Completed
Dubbo Lands Office , 142 Brisbane Street, (HERITAGE BUILDING)			
Hazardous Material Inspection	1,150	Nil	Completed
Services Condition Inspection	2,100	Nil	Completed
Lighting Upgrade	34,750	Nil	Completed
Hay Lands Office , 126 Lachlan Street, (HERITAGE BUILDING)			
Hazardous Materials Inspection	1,555	Nil	Completed
Services Condition Inspection	2,325	Nil	Completed
Maitland Lands Office , Cnr. of Banks & Newcastle Streets, (HERITAGE BUILDING)			
Hazardous Materials Inspection	1,085	Nil	Completed
Services Condition Inspection	1,850	Nil	Completed

Capital Works Completed or in Progress as at 30 June 2007 (Cont.)	Cost to date \$	Cost overrun \$	Est. date of completion
Moree, Lands Office, Cnr Frome & Heber Streets, (HERITAGE BUILDING)			
Hazardous Materials Inspection	1,590	Nil	Completed
Services Condition Inspection	2,325	Nil	Completed
Minor works	15,431	Nil	Completed
Structural Repairs – Foundations report and survey	12,762	Nil	Completed
Orange, Lands Office, 92 Kite Street, (HERITAGE BUILDING)			
Hazardous Materials Inspection	1,465	Nil	Completed
Services Condition Inspection	2,175	Nil	Completed
Minor works	9,971	Nil	Completed
Tamworth, Lands Office, 25 – 27 Fitzroy St. (HERITAGE BUILDING)			
Hazardous Materials Inspection	1,405	Nil	Completed
Services Condition Inspection	2,175	Nil	Completed
Repairs to disabled access ramp	27,125	Nil	Completed
Wagga Wagga, Lands Office, 26 – 28 Johnson St. (HERITAGE BUILDING)			
Hazardous Materials Inspection	1,240	Nil	Completed
Services Condition Inspection	2,175	Nil	Completed
Removal of Hazardous Materials	880	Nil	Completed

22. Marketing communication outcomes

Lands' Communication Solutions Group (CSG) is responsible for providing leadership in internal and external communications initiatives across all of Lands' divisions and business units.

CSG's key achievements during 2006/07 include:

- ongoing promotion of Lands' corporate branding through implementation of corporate communication strategy and preparation of corporate style guidelines
- the development and implementation of communication strategies for both internal and external programs including:
 - staff education programs for OHS training, TRIM records management and risk management
 - evaluation objection kit for land valuations
 - recreation strategy to promote Lands' walking tracks and State Parks
 - Careers and Employment Expo aimed at creating awareness of Lands' trainee and graduate programs
 - perpetual lease and drought relief programs
- the redesign and migration of Lands' corporate internet and intranet to a new content management system – My.Source.Matrix
- providing input into the development of and preparing communication strategies for Expression of Interest documents for major commercial business opportunities
- coordination of design and production of the interagency Best Bush Map
- the design and production of a broad range of communications materials (see list of publications p.227-228)
- development of templates for the preparation of policy and procedures documents

Appendices

- management of media enquiries requiring written or verbal responses to issues such as government land sales managed by Lands, land valuations, redevelopment of Crown land, Crown land rental increases and Geographical Names Board changes
- monitoring, recording and reporting on media coverage of Lands.

23. Occupational health and safety (OHS)

Lands is committed to meeting the occupational health, safety and welfare needs of its employees. Lands' occupational health and safety focus is on injury prevention and early intervention when injury does occur.

Consistent with the commitment to reducing the potential for injury, Lands has delivered manual handling training to 170 staff exposed to higher levels of risk. To supplement face to face training, Lands has developed a Manual Task e-learning initiative to maximise access to training across the large number of departmental locations. The range of e-learning packages is to be expanded in 2007/08 and expected to cover OHS Induction, Ergonomics, Hazard Identification and Emergency Procedures.

Many Lands' staff work in uncontrolled work environments such as field work. Lands has implemented a customised version of Take 5, a safety observation and job safety analysis model, to encourage positive safety behaviour and have staff comprehend occupational risks and adopt a plan to undertake work safely. The Take 5 model is one increasingly adopted by both the private and public sectors. This model has great applicability in uncontrolled environments, field situations and complements sound approaches to manual handling. Take 5 has been delivered across a range of forums with staff from Soil Conservation Service, Survey Services, Graphic Services and other higher risk work areas.

Worker's compensation and injury management remains a priority issue. Lands seeks to develop a sound working partnership with rehabilitation providers to assist the achievement of early and sustainable return to work outcomes for its injured employees. This improves injury outcomes for employees and assists in reducing associated worker's compensation costs. Comprehensive case management and consistent monitoring of worker's compensation claims facilitates quality and timely intervention measures.

Lands' claims management system directs resources to claims with greatest need by giving priority to severe and/or potentially more costly claims. The system incorporates initiatives to provide injured employees with a better understanding of rights and responsibilities as well as promoting greater involvement of managers and supervisors in the day to day management of employee rehabilitation.

Allianz Australia is the Treasury Managed Fund's agent responsible for managing Lands' worker's compensation. Lands and Allianz Australia are committed to providing high quality support to injured employees and to the development of a partnership which improves management of occupational health and safety risk across Lands. Allianz and Lands have been instrumental in establishing a forum to enable smaller to medium NSW Government agencies to meet and discuss common needs across OHS and worker's compensation matters.

A further focus this year has been implementation of the NSW Government's 'Working Together' strategy. Reports have been produced internally to provide a view of progress towards targets and the development of strategies to bring improvements to those areas where performance does not meet targets.

Worker's compensation claims and costs*

	2003/04	2004/05	2005/06	2006/07
Total no. of claims	79	61	55	56
No. of claims settled	54	23	78	69
Net incurred cost	\$931,275	\$446,773	\$420,369	\$429,381
* Data source: Allianz Australia				

24. Overseas travel

Travel undertaken at cost to Lands				
Officer and position	Destination	Purpose	Dates	Cost
Philip Western Valuer General	Belfast & Dublin, Northern Ireland & London, England	Attend Commonwealth Heads of Valuation Agencies (CHOVA) Conference	31 July – 3 August 2006	\$13,980
Gail Swan Manager Titling & Plan Services Mark Deal, Team Leader Strata Plan Section	Queenstown, New Zealand	Participation in and attendance at the 2006 NSW Institute of Strata Management (ISTM) Annual Conference	6-12 September 2006	\$5,479
Warwick Watkins Director General	Munich, Germany & Europe	Attend the XXIII International 2006 FIG Conference & short study tour in several locations in Europe	5-28 October 2006	\$23,688
Paul Harcombe Chief Surveyor	Munich, Germany	Attend XXIII International FIG Conference & the INTERGEO Trade Exhibition	7-14 October 2006	\$4,111 (part paid by ICSM)
John Murphy Manager Integrated Spatial Services	California, USA	Attend IBM Informix Dynamic Server (IDS) Customer Advisory Council (CAC) meeting & speak at IBM Information on Demand Global Conference	13-21 October 2006	\$2,764 (part paid by IBM)
Peter Houghton Manager State Reserves Strategy Chris White Program Development Manager Pedro Harris Chief Information & Technology Officer	Wellington, New Zealand	Attend residential program for the Australian & New Zealand School of Government (ANZSOG) Executive Masters in Public Administration	23 November – 3 December 2006 27 November – 3 December 2006 28 November – 3 December 2006	\$1,027 \$653 \$2,213
Steven Woodhouse Manager Technical Services	Harbin, China	Present research paper to the ICITA 2007 Conference	14-19 January 2007	\$4,162
Paul Harcombe Chief Surveyor	Hong Kong, China	Attend International Federation of Surveyors FIG Working Week	12-18 May 2007	\$5,105
Rob Colless Manager GIS and Operations, EICU	Toronto, Canada	Presentation at joint 2007 CIG/ISPRS Conference on Geomatics for Disaster and Risk Management	23 May – 25 May 2007	\$9,482
John Murphy Manager Integrated Spatial Services Liz Quayle Team Leader Spatial Maintenance Services	California, USA	Attend ESRI International User Conference	16-26 June 2007	\$6,704

Appendices

25. Payment of accounts

Lands is committed to improving account payment performance and continued in 2006/07 to work with suppliers and cost centre managers to streamline processes. The consolidation of accounts and emphasis towards greater use of purchase orders resulted in performance above target in all quarters except March 2007. Performance was below target for the March quarter due to unplanned leave and illness within Lands' accounts payable area.

Enhanced reporting on accounts payable was introduced to provide more useful information to management regarding processing issues.

In 2006/07, there were no instances where interest was paid in accordance with section 15 of the Public Finance and Audit Regulation 2005.

26. Price determination Soil Conservation Service

SCS reviews all prices annually and recommends revised rates for department and ministerial approval with an implementation date of 1 January. All rates other than plant hire were increased on 1 January 2007 by a range of 2 to 8%. Due to ongoing severe drought conditions across rural NSW and the essential need of conservation earthworks for our rural clients, the Minister approved plant hire rates remain at 2006 levels with a further review to be undertaken in June 2007. A separate diesel fuel levy is charged on plant hire and will continue to fluctuate with fuel price changes.

Crown Lands

The IPART – Review of Rentals for Waterfront Tenancies on Crown Land in NSW has been actioned and implemented by all agencies involved. There are some individual concerns and challenges regarding the definition of 'Precinct' that are being addressed following implementation of the recommendations of IPART. The agencies are networking to ensure consistency of application and implementation of IPART's recommendations, which are now part of Lands operational responsibilities. All departmental operational responsibilities are monitored for best practice and the management and review of Rentals for Waterfront Tenancies on Crown Land in NSW is no exception.

Value of outstanding invoices by age at the end of each quarter

Quarter	Current (within due date) \$	Overdue less than 30 days \$	Overdue 30-60 days \$	Overdue 60-90 days \$	Overdue more than 90 days \$
September 2006	392,577	491,874	38,150	7,692	0
December 2006	518,159	561,736	518,119	10,740	9,018
March 2007	730,389	1,090,254	95,571	15,112	28,441
June 2007	5,121,954	766,295	19,918	4,345	2,141

Accounts paid on time during each quarter

Quarter	Total Accounts Paid on Time					Total Amount Paid \$
	Number		Value		\$	
	Target %	Actual %	Target %	Actual %		
September 2006	85	91	90	93	42,380,974	45,538,611
December 2006	85	88	90	95	65,378,897	69,138,714
March 2007	85	79	90	89	44,768,058	50,322,500
June 2007	85	85	90	93	55,578,850	60,006,746

27. Privacy management plan

In accordance with the requirements of the *Privacy and Personal Information Protection Act 1989* (the Act), Lands is required to report on privacy compliance issues relevant to the department and to provide statistical information in relation to any internal reviews undertaken under Part 53 of the Act.

In complying with the Act, Lands continues to consider the application of the Act to its operations, ensuring that appropriate levels of protection are put in place to protect personal information and privacy, monitoring emerging issues in privacy and personal information management, and establishing mechanisms to ensure that staff are aware of their obligations under the legislation.

During the 2006/07 reporting year, Lands initiated a program of review of the Privacy Management Plan which will continue into the 2007/08 reporting period. As a result of the review it is intended that the Privacy Management Plan will be updated and reissued.

Lands' Privacy Statement is available on the website www.lands.nsw.gov.au.

Privacy enquiries may be referred to:

Manager, Strategic Policy and Reporting
NSW Department of Lands
GPO Box 15
SYDNEY NSW 2000
Telephone: 9236 7603

Internal reviews

During the reporting period, there were no internal reviews conducted in accordance with Part 53 of the *Privacy and Personal Information Protection Act 1989*, by or on behalf of Lands.

28. Publications

The Communication Solutions Group (CSG) works closely with divisions and business units to produce a broad range of communication materials promoting Lands' products and services to the general public and informing Lands staff of policies, procedures and strategies. During 2006/07 the following publications were produced and made available to staff and the public via direct mail, over the counter, online or internal distribution:

Corporate

Brochures

2007 Annual report

Geographical Names Board – The NSW road and address locality naming process (DL flyer)

Making a difference! – Careers expo brochure

Fact sheets

Commemorative naming

Determining suburbs and locations in NSW

Dual naming – Supporting cultural recognition

Guidelines for the determination of placenames

Guidelines for the naming of roads

Naming proposal

Proposed geographical name commemorating a person

Road naming in NSW

Rural addressing for NSW

LPI

Brochures

LPI property initiatives

Fact sheets

Certificates of Title in electronic conveyancing

Changes for ePlan customers

Client Authorisations in Electronic Conveyancing

First Meeting of National Steering Committee – electronic conveyancing

Glossary – electronic conveyancing

How to lodge a plan in person

How to prepare and lodge a primary application

How will Electronic Conveyancing affect Practitioners in NSW? – electronic conveyancing

Identity verification in electronic conveyancing

Issues Worthy of Continuing Attention in National Business Model electronic conveyancing

Local Government portal

More of the Issues Raised at the recent Public Information Session – electronic conveyancing

National consultation forums – electronic conveyancing

National Electronic Conveyancing Gets Boost from Victoria – electronic conveyancing

National Update – electronic conveyancing

New services portal for survey sector clients

Old system conversion or removal of a caution via an official search

Practitioner Certifications in Electronic Conveyancing

Appendices

Production of a Certificate of Title and other specified documents for an ePlan lodgement

Progressing a National Approach – electronic conveyancing

Survey Services Portal terms and conditions

Survey Services Portal user guide

Stamping and marking documents affecting land under the *Real Property Act 1900*

Start-up of the National Office – electronic conveyancing

Strata plan interpretation

Updates to the National Business Model – electronic conveyancing

What are the differences between Subscribers, Users and Certifiers? – electronic conveyancing

What Dealing Types will be Possible in Electronic Conveyancing?

What does a National Approach Really Mean? - electronic conveyancing

What is the NECS Operations Description? - electronic conveyancing

What will be involved in Getting Accreditation? - electronic conveyancing

What will give me Confidence that Electronic Conveyancing is Safe to Use? - electronic conveyancing

What's happening – electronic conveyancing

Crown Lands

Brochures

A new direction for NSW coastal communities

A new direction for NSW Crown land management

Best Bush Map

EOI Port Macquarie, NSW

Grabine country music festival promotional suite

Harbourside Project: Concepts summary (Coffs Harbour)

Harbourside Project: Concepts support document (Coffs Harbour)

Harbourside Project: industry consultation process (Coffs Harbour)

Have Your Say: Nelson Bay Foreshore, A vision for the future

Hume and Hovell Walking Track map kit

Making Tracks to NSW State Parks DL

Pesticide use notification plan

Port Stephens Regional Crown Reserve brochure

Regional Reserves Strategy brochure

Request for proposal Clarkes Beach Café Byron Bay NSW

Request for proposal: Pilot Station, South West Rocks NSW

Six Foot Track map kit

Threatened Species (Pied Oystercatcher) management strategy

Tweed River Entrance Sand Bypassing Project DL flyer

Wiradjuri Walking Track DL flyer

Fact sheets

A coordinated dredging program

Application for Drought Community Crown Reserves Improvement Program

Authorisation of person under section 153 of the Crown Lands Act 1989

Black Neds Bay dredging and renourishment project

Converting perpetual leases

Crown land regulatory review 2006

Crown land rental rebates

Crown notations on freehold title

Crown road purchase fee schedule

Dargan Dam Reserve

Drought Communities Crown Reserves Improvement Program

Enclosure permits

Examples of minor ports, river entrances and waterways works

Management of minor ports, river entrances and waterways in NSW

National Surfing Reserves

Rebates for Crown land tenure

Standard lease and licence templates for reserve trusts

Posters

Hume and Hovell

Six Foot Track

State Parks

Sydney Boatshow Poster Suite

SCS

Brochures

2006 Premiers Awards Entry

Great North Walk map kit and order form.

NSW Roads & Traffic Authority, Telstra & Namoi CMA case study

Riverworks project portfolio

Poster

Great North Walk poster

Valuer General's office

Brochures

2007 Notice of Valuation

Jan 2007 Your land value (DL flyer)

Jan 2007 Valuer General's newsletter

Jan 2007 Valuation objection booklet

July 2006 Valuer General's newsletter

Fact sheets

Information about your notice of valuation

Land values for irrigation properties

29. Research and development

Knowledge Capital

During 2006/07 a further research project was undertaken in partnership with the University of New South Wales School of Accounting. This research related to the medium term impact of the development and publication of the Extended Performance Report (which forms part of this Annual Report) had upon Lands, its management and staff.

The research work triangulated the data from interviews, document analysis and the researchers own observations and compared the outcomes to earlier research undertaken in 2004 and 2005. The research formed the basis of the student's post graduate thesis.

The contribution of Lands to the research project was through 'in-kind' support – providing access to staff, documentation and facilities for the purpose of the research project.

Australian Research Council Funding

The joint proposal for Australian Research Council (ARC) funding for the project known as *Visualising Performance in Australian Organisations: Case Studies in Extended Performance Management, Measurement and Reporting* was approved by the ARC.

Unfortunately after review, it was determined that the actual funding provided by the ARC was not sufficient to provide resources to co-ordinate the research project. In the circumstances the project partners were unable to accept the level of funding offered.

Proposed Development Information Service (PDIS)

During 2006/07 research was commissioned to better understand

customer needs for a new 'Proposed Development Information Service' (PDIS) for land information as provided by LPI.

The findings of the research are going to be used as key inputs into a feasibility study and requirements specification for the PDIS. This process is being followed to ensure that any PDIS development is made 'fit for purpose' based upon well researched and validated customer requirements, thereby optimising potential customer uptake of the service.

The aims of the research project were:

- to confirm current industry practice, by customer groups, in using proposed development information
- to identify and prioritise customer expectations and requirements, by customer groups, for an LPI supplied PDIS.

The key research results indicate that a PDIS has the potential to deliver tangible improvements to a range of customer organisations, but most notably to the utilities and developers customer groups. These improvements relate to efficiencies in planning infrastructure, protection of assets, connecting customers, urban design, commercial decision making, and acquiring land.

Spatial imagery assessment undertaken by KPMG

The Remote Sensing Steering Committee (an inter-departmental committee) commissioned a study on the current spatial imagery holdings, gaps between current and future spatial imagery requirements, ownership and intellectual property rights as well as future options for a whole of NSW Government approach to spatial imagery management.

The objectives of the study were to assess:

- current holdings, including ownership, custodianship, register and issues impacting on efficient use
- business drivers and future requirements
- cooperative solutions for purchasing and maintenance
- cooperative solutions for storage and distribution
- training, research and communications requirements.

LPI Online survey

LPI provides access to the land titling records of New South Wales in a variety of ways including over the counter, via a network of approved information brokers and via LPI's own online service, LPI Online.

LPI Online provides remote delivery solutions to meet the needs of different client groups including individuals, the conveyancing sector, surveyors, solicitors, real estate agents, and others involved in business activities involving land and property information.

Between 22 April 2007 and 4 May 2007 LPI undertook a voluntary survey of LPI Online users to better understand them, their business requirements, search channel awareness, satisfaction with the service and suggested enhancements. The intended use of the findings is to assist in future LPI Online developments.

Of the 262 responses received to the survey the major respondents were private individuals (28%), solicitors (23%) and surveyors (14%).

The key business purposes of LPI Online users are conveyancing (32%), real estate research (16%), surveying (16%) and other research (10%).

Of the survey respondents almost 40% use LPI Online daily and a further 20% use the service weekly.

Appendices

The key reasons why customers use LPI Online include convenience and ready availability (26%), ease of use (15%) and as the only property information service provider known (13%).

29% of respondents use fee paying services only, 41% use the no fee services and 30% use both fee and no fee services.

Survey respondents were invited to give an overall satisfaction rating of LPI Online. The rating was on a scale of one to 10 with 10 being the highest satisfaction rating. The majority of respondents rated their satisfaction with LPI Online between seven and 10.

The responses to the survey reinforce the role of LPI Online as a service for the general community and specifically single search users rather than as a business tool. Enhancements to LPI Online as a result of the survey will be considered during the 2007/08 financial year.

30. Risk management and insurance

Lands is committed to the implementation and management of an integrated risk management program as an integral part of its activities.

Lands' Risk Management Policy and Guidelines set the requirements and responsibilities for all staff to systematically manage risk consistent with the Australian Standard on Risk Management (AS/NZS 4360:2004).

The policy and guidelines provide a structured basis to identify and analyse potential risks and devise and implement appropriate controls and responses to minimise their impact.

Lands has, as part of the implementation of risk in Lands, developed in some of its key areas and processes, emergency plans, business continuity plans and disaster recovery plans to address possible future contingencies.

Lands' insurer is New South Wales Treasury Managed Fund (TMF), which provides cover for its employees, assets and potential liabilities through such policies as worker's compensation, public liability, professional indemnity, motor vehicle accident, property and volunteer worker's cover.

Land and Property Information (LPI)

LPI's Strategic and Business Risk Registers are reviewed at least annually. Risks which require more frequent review are analysed quarterly or biannually. Strategic risks are also disclosed annually in our Statement of Business Intent. Executive Managers, cost centre managers, and project managers are required to regularly review and where improved controls are developed or proposed, update LPI's Risk Registers accordingly.

As part of the process for sign-off of the annual Statement of Responsibility, Executive Managers, cost centre managers, and project managers are required to report in writing to the General Manager on the effectiveness and efficiency of all controls.

Soil Conservation Service (SCS)

The SCS Business Plan 2005/10 provides a risk analysis of the division's major risks including indicator, consequence and management actions, as well as a likelihood and impact assessment. The business plan is reviewed on an annual basis and actions implemented by management to mitigate these risks. The division is working with the Corporate Governance Unit and People and Performance Development Group to proactively reduce the risk profile and potential liabilities.

31. Sponsorships

Recipient of sponsorship	Sponsored activity	Value
Institute of Surveyors	FIG XXIV International Congress 2010, Sydney Australia	\$50,000
Global Access Partners	Open Forum Project (website)	\$25,000
Awards Australia Pty Ltd	NSW/ACT Regional Achievement Awards & Community Awards Program 2007	\$45,000
Local Government Managers Australia	Local Government Managers Australia Forum 2007	\$22,727
University of Technology Sydney	UTS Nobel Price Centenary Exhibition	\$21,500
Total sponsorships \$10,000 & over	5	\$164,227
Total sponsorships under \$10,000	10	\$29,259
TOTAL SPONSORSHIPS	15	\$193,486

32. Waste reduction and purchasing policy

Lands has a Waste Reduction and Purchasing Policy (WRAPP) in place and is committed to maintaining best practice in conservation and recycling.

During 2006/07 continuing WRAPP initiatives included:

- reducing the generation of waste (waste avoidance and minimisation) by:
 - use of emails to replace printed material
 - expanded use of Lands' intranet
 - posting electronic versions of publications on Lands' website
 - use of the Department of Commerce eTendering website to advertise, and to disclose the result of, tenders
 - use of the TRIM records management system to electronically attach emails and other documents to files rather than printing and filing
- extending office refurbishment cycles
- resource recovery (waste use and recycling) by:
 - recycling waste paper, cardboard and toner cartridges wherever practical
 - recycling vegetation waste
 - recycling waste oil from earth moving machinery
 - recycling steel and concrete from construction projects
- use of recycled material (purchase of recycled content materials)
- use of remanufactured toner cartridges wherever practical
- use of paper with recycled content wherever practical
- use of recycled soil mix, mulch and erosion control products.

Glossary

Aquaculture	The farming of fish, including finfish, crustaceans and molluscs outside their natural range or habitat.
ANPS	Australian National Placename Survey
ANZLIC	Australian New Zealand Land Information Council
Attribute	Descriptive information about features or elements of a database.
BCP	Business Continuity Plan
BOSSI	Board of Surveying and Spatial Information
Cadastral	Pertaining to the records of a cadastre, concerned with keeping a cadastre, an official register of property, with details such as boundaries and ownership.
Cadastral Map	A map showing legal survey boundaries, portion and plan numbers, parish and county names and boundaries.
Cadastral Records Enquiry	Land and Property Information's computerised reference map, providing an Index interface to Integrated Title System (ITS) and the Plan Imaging System, and containing the Digital Cadastral Database (DCDB) and a notations layer of data as the core data sets.
Cadastre	Boundaries, roads, waterways, parcel identifiers, names, etc. which define the subdivision pattern of a locality on the ground.
Central Register of Restrictions	A centralised database containing information on government authorities' proposed interest in parcels of land throughout NSW.
Certificate of Title	The registered proprietor's copy of a folio of the Register, being a State Government guaranteed Torrens title to land.
CGNA	Committee for Geographical Names in Australia
Charting Map	Reference maps on which changes affecting land parcels, such as subdivision or easements, are charted by hand. The maps are used by staff and customers to determine current status of land parcels.
Client/Server	A computer system architecture under which the processing is undertaken partly on a central server computer and partly on intermediate servers and end-user client devices. There are various implementation models of this technique, such as two-tier architectures.
CMA	Catchment Management Authority
Community Title	Community title legislation enables shared property (association property) to be created within conventional subdivisions.
Contour	An imaginary line connecting points of equal elevation.
Control Marks/Points	A system of survey measured points marked on the ground, which are used as fixed references for positioning other surveyed features.
Conveyancing	The branch of legal practice concerned with the transfer of property rights particularly rights in real property.
Crown land	Any land which has not been alienated by the Crown, including Crown tenures (land leased from the Crown).
Crown Land Information Database	A database containing graphic and textual information, including land accounts data, relating to leaseholds of Crown land.

Glossary

Data Set	A group of related data elements.
Database	A large volume of information stored in a computer and organised in categories to facilitate retrieval.
Dealing	A document other than a caveat, which is designed to secure recording in the Register of some disposition or event, such as a transfer of ownership.
Dealing Imaging System	System of storing and retrieving electronic images of dealings utilising optical disk technology.
DECC	Department of Environment and Climate Change
Deed	A contract in writing which binds a person, or which transfers an interest, right or property.
Deposited Plan	A plan lodged in LPI depicting subdivision of land.
Differential Global	Two GPS satellite receivers, one at a known position providing positional data to a roving Positioning System receiver. Applying corrections derived from the fixed receiver increases the accuracy of positional information of the roving receiver.
Digital Cadastral Database	The legal parcel fabric (current subdivisional pattern) of the state supplied and validated by LPI.
Digital Terrain Model	A method of transforming elevation data into a contoured surface or a three dimensional display.
Digital Topographic	The elevation, drainage, transport and cultural components of spatial data held in NSW.
EDM	Electronic Distance Measuring
EICU	Emergency Information Coordination Unit
Electronic Commerce	A set of technologies such as electronic service delivery (ESD), electronic document/ data interchange (EDI), electronic mail (email), electronic funds transfer (EFT), and workflow combined with business processes to enable users to conduct business electronically.
Electronic Plan Examination	The comparison of new with old survey information utilising specially developed computer and an electronic survey accurate plan database.
Electronic Plan Lodgement	Lodgement of plans in electronic form in which they were originally prepared by a surveyor.
Electronic Service Delivery	A connect.nsw strategy to encourage NSW Government agencies to deliver customer-focussed services to NSW.
e-RPforms	An Internet facility that provides for the direct lodgement of plan files with LPI from remote locations.
Gazetteer	A geographical dictionary.
Geocentric Datum	A datum that has its origin at the Earth's centre of mass.
GDA	Geocentric Datum of Australia - a new coordinate framework for Australia, which is compatible with the Global Positioning System (GPS).

Glossary

Geodetic Survey	A high precision survey that covers a large area and consequently must take into account the effect of the earth's curvature.
GIS	Geographic Information System - for capturing, storing, checking, integrating, analysing and displaying data that is spatially referenced to the Earth. This is normally considered to involve a spatially referenced computer database and appropriate applications software.
GNB	Geographical Names Board
GPS	Global Positioning System - a system for determining positions using information derived from tracking satellites.
GPR	Government Property Register database managed by LPI Division.
GSDP	Government Services Development Program
Information Broker	An agent licensed by LPI to provide remote and value added information services utilising electronic data made available by the Office.
ICSM	Inter-Government Committee on Survey and Mapping - coordinates and promotes the development and maintenance of key national spatial data, including geodetic, topographic, cadastral and geographical names on a national basis.
IPW	Integrated Property Warehouse - whole-of-government approach to data sharing.
ISO 9002/9001	International Organisation for Standardisation guidelines relating to management systems primarily concerned with quality management.
ITS	Integrated Titling System - LPI computerised record for land titles.
Landirect	Online system processing Crown land applications.
Land Parcel	An area of land with defined boundaries, which forms the fundamental unit of land information, including information about rights and interests.
Landsat	American Earth resources satellites that scan the Earth at a variety of wavelengths. The satellites return information that can be used to inventory and analyse a variety of natural and human resources.
Land Title	The evidence of a person's rights to land.
Law Stationer	An individual or corporation whose business is to conduct searches of records held by LPI and other registries and to lodge documents in those registries as the agent of legal practitioners.
Legal Parcel	The smallest parcel of land capable of sale without further confirmation of subdivision. The physical extent of most legal parcels is defined by plans or metes and bounds descriptions held by LPI or the Crown Lands Office.
LGA	Local Government Area
Licensed Conveyancer	A person licensed under the <i>Conveyancers Licensing Act 1995</i> to carry out work involved in property conveyancing transactions.
LPI	Land and Property Information - a division within the Department of Lands.
MSIA	Mapping Science Institute Australia
Notice of Sale	A form, which must accompany the lodgement of any document, lodged in LPI, which changes the ownership of land.

Glossary

Old System land	Land alienated from the Crown under the English Common Law title system in operation in NSW before 1863, and not yet brought under the provisions of the <i>Real Property Act 1900</i> .
Orthography	A method of representing a language with words using correct spelling.
Orthophotograph	An aerial photograph that has the distortion due to tilt, curvature and ground relief corrected.
Ortho-refined	Correction of distortion in aerial photographs due to title, curvature and ground relief.
Photogrammetry	The science of the art of obtaining measurements from photographs to produce planimetric and topographic maps of the Earth's surface and of features of the built environment.
Photomosaic	An assembly of aerial photographs or other images whose edges are cut and matches to form a continuous photographic representation of a portion of the Earth's surface.
Plan Imaging System	System of storing and retrieving electronic images of the office plan file utilising optical disk technology.
PRMF	Public Reserve Management Fund
Proclaimed Survey Areas	A proclaimed area in which surveyors carrying out real property surveys are required, under the <i>Survey Coordination Act 1949</i> , to connect to the existing state developed control and place additional marks where appropriate, providing for a more accurate and densely controlled survey network.
Property HUB	Repository for land information data.
PSMA	Public Sector Mapping Agencies, public agencies responsible for land information in all jurisdictions.
PUN	Place Unique Number - a unique number allocated to a placename record in the Geographical Names Register.
Raster Data	A picture or image composed of rows and columns of data cells (pixels).
Remote Sensing	The acquisition of information about the Earth's surface by electronic and/or optical instruments from satellites, airborne platforms or ground observation.
RFS	Rural Fire Service
RTA	Roads and Traffic Authority
Rural Road Addressing	The application of an address to properties in rural and remote areas based on distance and from an easily recognised datum.
Satellite Imagery	A picture of the Earth taken from an Earth-orbital satellite. Images may be produced photographically or by onboard scanners.
SCIMS	Survey Control Information Management System - survey inquiry and distribution system.
SCIPS	Survey Control Image Processing System - digital/scanned images of survey mark sketch plans are held in this database. Image data can be accessed through the Survey Services Branch in Sydney.

Glossary

SCS	Soil Conservation Service – a division of the Department of Lands.
SES	State Emergency Service
SMIC	Survey and Mapping Industry Council
SMMF	Survey and Mapping Managers Forum
Spatial Data	Data pertaining to the location, shape and relationships among geographical features. These can be classified and stored as point, line, polygon, grid cell or object.
Strata Plan	A plan lodged for registration in LPI depicting vertical subdivision of land by buildings such as home units.
The Register	This is the record kept by the Registrar General of Grants, Folios, and dealings that have been registered pursuant to Section 32 of the <i>Real Property Act 1990</i> .
Topographical Data	Data pertaining to representation of physical and cultural surface features.
Toponymy	The place names of a region or language.
Torrens System	A system employed in all Australian jurisdictions under which title to land is conferred by the official registration of a dealing in that land. Named after its creator, Robert Torrens, who introduced it in South Australia in 1858.
Valnet	Valuer General's automated land valuation network.
Vector Data	Spatial data in which the location of features is defined by points and straight lines (vectors). A road centre-line network would be described by vector data.
VSC	Valuation Service Contractor
WAL	Water Access Licence

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