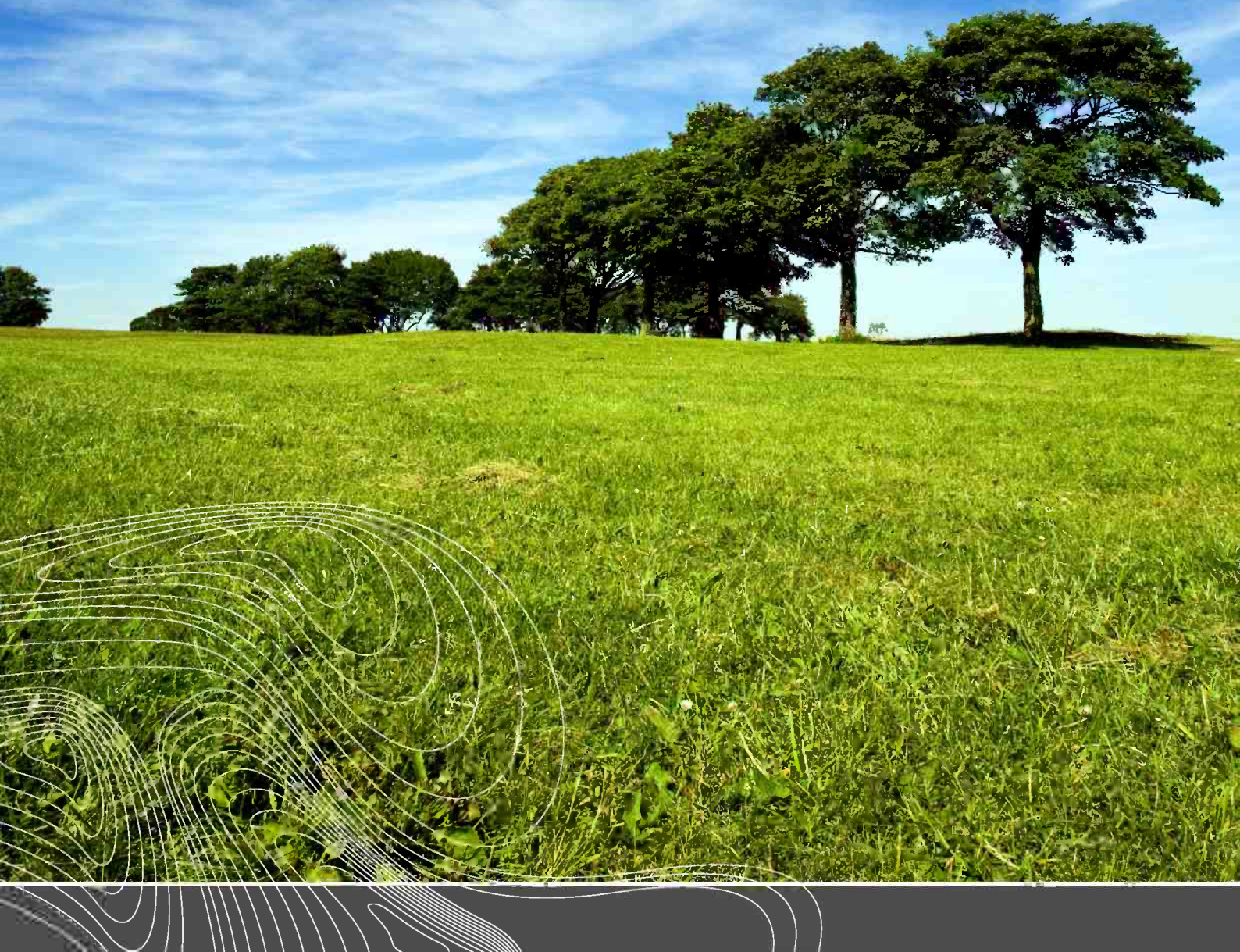
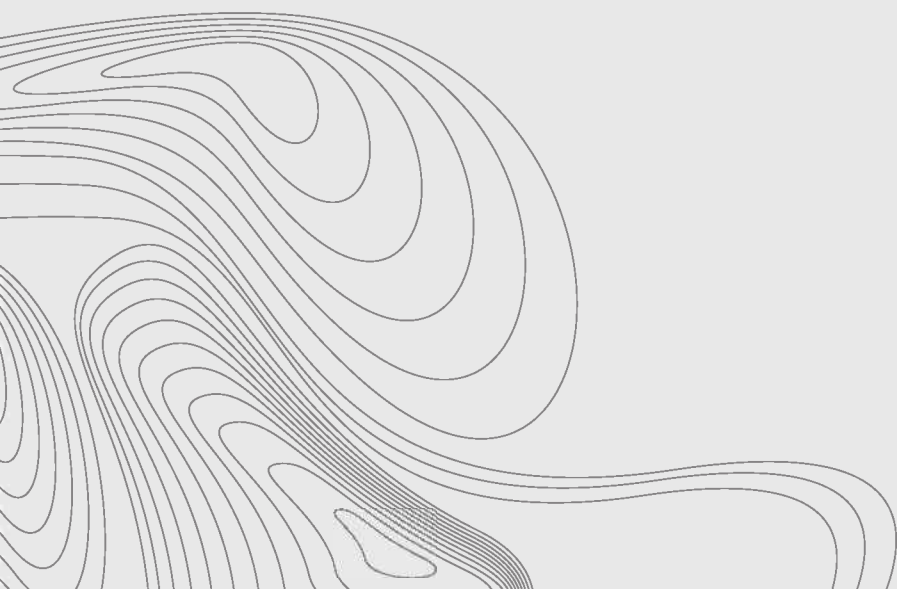




Location Knowledge

# Statement of **Corporate Intent** 2011/12







# Chairman's Introduction

As Western Australia's Land Information Authority, Landgate continues to focus on maintaining the quality and integrity of today's business operations and services and ensuring that the performance of our online systems meets the expectations of customers. The agency is also focusing on leveraging its expertise, knowledge and relationships to progress opportunities and drive revenue growth. This is taking place in the face of a fragile global economy and ongoing low activity levels in the local property market. Despite this challenging environment, Landgate is positioning for the future by delivering innovative services, transforming processes and leading the integration of location information.

The Interest Enquiry service will be expanded significantly in 2011/12. Landgate is collaborating with key stakeholders who are developing a policy to make interest searches a standard part of the real estate sales process. This will provide buyers with essential location information about interests that affect the use or enjoyment of land and help them to make better informed decisions.

Through the Pathway to Greater Capacity program Landgate will implement fundamental changes to daily operations to release capacity, deliver efficiencies and enhance productivity. Business reform initiatives will improve registration processes and systems and ready the agency for electronic conveyancing. The iSpatial program will modernise map production and facilitate the creation of new products and datasets.

Landgate will invest in innovation and pursue opportunities to provide location based infrastructure or services, particularly for major State resource projects or regional initiatives. For example, Landgate is working with the Pilbara Cities program to identify opportunities for Continuously Operating Reference Stations (CORS), aerial and street view imagery, Interest Enquiry and other information solutions. These services and infrastructure will deliver savings to Government and industry by reducing development time and cost of infrastructure projects, improving the accuracy and ease of delivering information for decision making and enhancing services to the community.

Landgate is also developing other new services in regional WA, such as a biomass business service for the Pilbara and Kimberley, as well as other parts of northern Australia. This service will help pastoralists to make critical seasonal stocking decisions based on knowledge derived from satellite imagery.

Landgate is working with business partners as part of an exciting venture to be the premier supplier within the Australasian region of new precision street level imagery services that provide three dimensional measurement capability. This service is expected to expand quickly from an initial base covering targeted areas of WA to meet growing demand from national companies and Government agencies in other areas of the State and across Australia.

In collaboration with the WALIS community, Landgate has developed the Location Information Strategy for Western Australia to enhance the collection and management of WA's location information. The Location Information Strategy will be progressed, subject to Cabinet and EERC approval, by Government and industry organisations through initiatives that increase collaboration, reduce duplication, improve access to data and service delivery and provide the evidence necessary for sound decision making. Landgate will take a lead role on relevant projects as part of implementing the strategy.

I look forward to working closely with Mike Bradford, the Executive team and the committed staff at Landgate to deliver the planned achievements during the year ahead and build on its reputation as the trusted primary source of location information.

**Geoffrey Hick**  
**CHAIRMAN**





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## Part A

# Overview of Landgate

### Role and Function

Landgate is a statutory authority with commercial powers established under the *Land Information Authority Act 2006* (the Act). It is the trusted primary source of many fundamental location information datasets and the information systems and services it provides are vital to the efficient operation of the property market and underpin the rating and tax base in WA.

Landgate is founded on dual objectives: the management and provision of location information on a not for profit basis; and the development of commercial products and services from the location information asset which can be marketed to generate a fair return for the State.

These interdependent objectives set the framework for Landgate to:

- » maintain the quality and integrity of the Government's location information systems (including the State's survey, mapping, titles and valuations functions);
- » provide access to location information on a fair basis; and
- » operate on a sustainable commercial basis, with a view to generating profits that can be reinvested back into providing high quality, cost effective systems and services and into initiatives that deliver economic, environmental and social benefits to society.

Location information is a valuable asset because a range of economic, social and physical data can be linked to a geographic location and integrated, transforming it into location knowledge. Providing people access to knowledge of any location is powerful as it helps them to make informed and confident decisions.

In collaboration with stakeholders, Landgate is playing a leading role in the implementation of a Location Information Strategy for WA. This will vastly improve the access, use and integration of location information across Government and industry, in order to realise the value and power of location knowledge for the State and beyond.

### Vision

Solving tomorrow's challenges led by knowledge of any location.

### Mission

**Our Purpose:** To deliver quality and innovative location information systems, products and services to our customers and provide economic, environmental and social benefits to society.

**Our Identity:** A leading information provider in the knowledge economy.

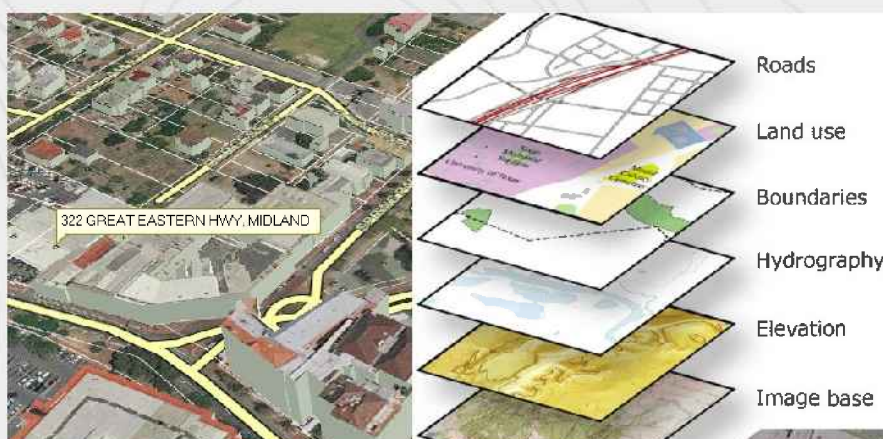
We are recognised for:

**Integrity** in being the trusted primary source of location knowledge.

**Innovation** in integrating a wide range of expertise, data and technology and working collaboratively to create value for customers and stakeholders.

**Excellence** in performing our role and in contributing to the success of others.

**Leadership** in bringing industry and Government stakeholders together.



**Figure 1.**  
*Integrated location information.*

## Values

Landgate is an organisation of people who act with honesty, integrity, respect and openness, and work together as one team that reflects the diversity of the WA community. Our values encapsulate the spirit of working collaboratively with others and include:

- » **Community** - by showing respect and taking responsibility.
- » **Excellence** - in everything we do.
- » **Creativity** - in what we do and how we do it.
- » **Growth and Learning** - by growing our business and our people.
- » **Celebration and Recognition** - of what we do, how we do it and our people who do it.
- » **Sustainability and a Sustaining Work Environment** - by contributing to a sustainable environment and providing a sustaining environment for our people.

## Structure

### Board of Management

Landgate has a Board of Management that sets the strategic direction for the agency. Via the Chief Executive, this direction is supported through the prioritisation of activities and allocation of resources.

The Board comprises seven members:

- Mr Geoffrey Hick (Chairman)
- Mr Peter Cooke (Deputy Chairman)
- Mr Mike Bradford (Chief Executive)
- Ms Katrina Burton
- Ms Karen Gadsby
- Ms Sue Thomas
- Mr Paul White

## Organisational Structure

Landgate has implemented an organisational structure that facilitates integration, collaboration and innovation, improves efficiency and sharpens our customer focus. This structure may be outlined as follows:

### Operations:

Focused on meeting existing client needs and promoting and growing current products and services.

### Business Development:

Focused on developing new partnerships, new markets and future products and services.

### Finance, Information and Legal Services:

Focused on enabling the business through financial and legal advice and information technology services.

### Strategy and Reform:

Focused on providing high level policy advice, long term planning, reforming major business processes and positioning Landgate for the future.



**Figure 2.**  
*Landgate's organisational structure*

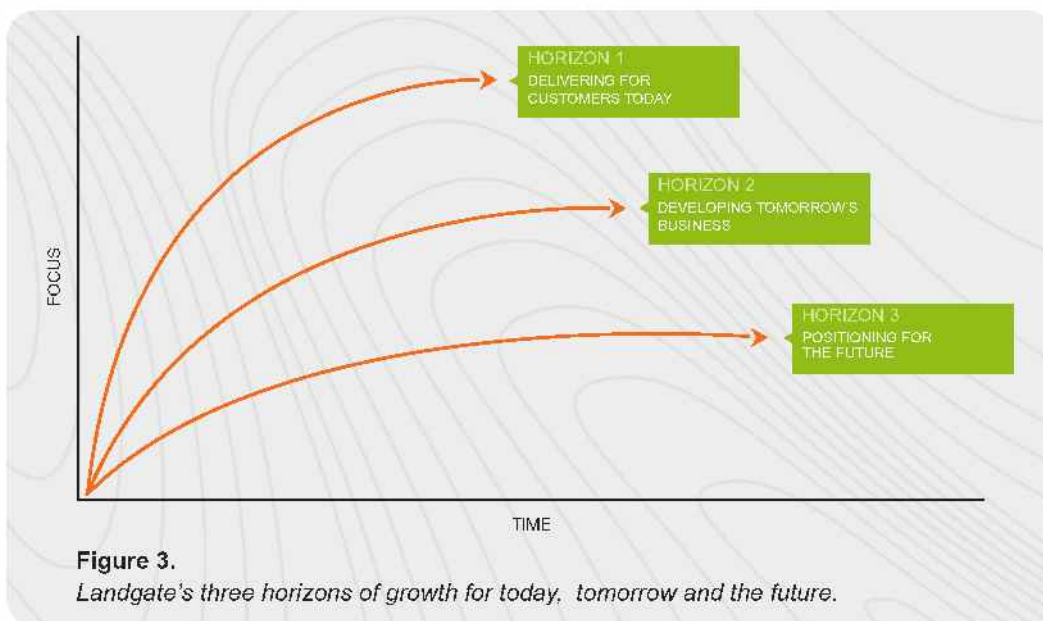


## Growth Horizons

In order to operate successfully in a challenging business environment, Landgate has identified three horizons of growth to guide development and balance the competing demands of focusing on the present whilst investing in the future.

The three horizons in Landgate's business strategy are:

- » Delivering for customers today.
- » Developing tomorrow's business.
- » Positioning for the future.



### Horizon 1 – Delivering for Customers Today

**Goal : Landgate will be self sustaining and profitable based upon sound commercial operating principles.**

Landgate will continue to improve existing operations: doing what we do now, only better. The focus is on sustaining performance and achieving greater efficiency to ensure the ongoing delivery of core public services. In addition, Landgate will focus on leveraging expertise and the expansion of existing markets to drive revenue growth.

### Horizon 2 – Developing Tomorrow's Business

**Goal: We will be an agile and innovative organisation focused on creating unique value for our customers.**

Landgate will create opportunities that extend current operations, bring new ideas to fruition, strengthen its market focus, deal with greater uncertainty and take more risks. It will identify and respond to opportunities in the market place in a manner that meets customer needs and achieves business growth, including the generation of profits that can be reinvested into further revitalisation of the business and to support whole of Government initiatives.



### Horizon 3 – Positioning for the Future

**Goal: Landgate will lead the effective transformation of WA's location information sector to deliver fair economic, environmental and social benefits to the community.**

Vision and innovation will help Landgate to imagine and lead initiatives to realise the greater potential of location information by seeding options for the future and investing in research, development and expertise. Landgate will shape its future by maintaining quality services, developing the business and directing efforts to deliver location knowledge for customers.

### *Critical Success Factors*

In order to sustain the agency's growth into the future, Landgate will focus on being successful in the following areas:

**Excelling for our customers** - Being valued for what we do and how we do it. Building positive relationships with customers by meeting their information needs and delivering excellent customer service.

**Providing reliable information and infrastructure** - Ensuring that our data is accurate and readily available, and that our information systems are stable, secure and efficient. Increasing access and integration of Government datasets to deliver benefits to the State.

**Maintaining sound governance and strong leadership** - Ensuring a high standard of corporate and individual conduct that meets statutory requirements and honours our leadership role and responsibilities within the location information industry and the Government sector.

**Being financially viable and sustainable** - Operating in a manner that supports long term business prosperity. Making sound commercial decisions and delivering revenue that can be reinvested back into the business and initiatives that provide benefits to Government, business and the community.

**Having the right workforce and work environment** - Being an integrated, collaborative organisation which invests in learning and innovation, leverages the expertise of our people and can direct capacity to fulfil business requirements.



## Part B

# Major Initiatives and **Planned Achievements**

Overall achievement of Landgate's goals is outlined in the SDP. In 2011/12, the priority areas where Landgate will make a difference are:

- » **Interest Enquiry** - expanding the use of this unique Government service, including working collaboratively with stakeholders to provide Interest Enquiry in accordance with a policy being developed by industry bodies for property transactions in WA.
- » **Pathway to Greater Capacity** - implementing a work program to release capacity, deliver efficiencies and enhance productivity. Priority reform areas include improving registration processes and preparing for electronic conveyancing.
- » **One Business** - improving integration, communication and collaboration across Landgate, supported by a new corporate structure and initiatives that nurture innovation, knowledge sharing and problem solving.
- » **Shared Land Information Platform (SLIP)** - redeveloping technical infrastructure and services (known as SLIP Enabler) to support Interest Enquiry and improve the management and integration of location based data across Government.
- » **Business Opportunities** – pursuing partnerships with a focus on resource and regional infrastructure development and new location based products and services. Landgate is also forging joint ventures that use SLIP Enabler and expanding its role as a manager of location data for, and on behalf of, other Government agencies.
- » **Third Party Providers** – actively managing indirect channels to market in order to attract new customers as part of a strengthened focus on sales.
- » **Location Information Strategy (LIS)** - coordinating a work program through the WA Land Information System (WALIS) framework to implement five strategic initiatives and two pilot projects to realise efficiencies and deliver benefits to the State.

Focusing on these priorities in the year ahead will ensure Landgate continues to deliver for today's customers, while developing tomorrow's business and positioning for the future.

The agency's planned achievements for 2011/12 aligns with Landgate's four focus areas:

1. Financial Outcomes.
2. Business Processes and Improvement.
3. Customers and Stakeholders.
4. People, Leadership and Culture.

## 1. Financial Outcomes

Landgate has laid the foundations for a sustainable future based on prudent commercial operating principles. In a tight financial environment, Landgate will build sustainable profits from its traditional land information services and new commercial products and services, while exercising fiscal restraint and increasing capacity by improving internal efficiencies in all areas of business.

In 2011/12, Landgate is expected to receive total revenue of \$147 million, of which \$32 million is appropriated from Government for providing relevant community services. Landgate will return benefits to Government of just under \$7 million from payroll tax and income tax equivalents.

The agency is forecast to generate approximately \$115 million in revenue from its customers. This revenue comprises \$26 million coming from commercial products and services<sup>1</sup> and \$88 million from regulated services. Profit on turnover is expected to be 7 per cent. These targets reflect the lingering effects from the major downturn in the economy and property market in previous years that had an adverse impact on Landgate's revenue sources.

### Asset Investment

During 2011/12, Landgate will invest \$17.5 million in capital programs, of which \$15.4 million will be capitalised and \$2.1 million will be expensed via the Income Statement.<sup>2</sup> This investment will deliver a return on fixed assets of 18 per cent.<sup>3</sup>

The programs will renew Landgate's IT infrastructure, continue to automate processes and deliver online services, improve the quality and integration of Government's location information, and enable replacement and maintenance of facilities, infrastructure and software systems in accordance with current standards.

These programs will build Landgate's capacity to deliver a range of products and services through online channels into mature markets. For immature markets that are potentially profitable and where the agency is competitive, Landgate will seek to adopt a proactive position to nurture the market towards greater maturity.

Asset investment will deliver rates of return, over the life of the assets, of between 6 per cent, for the Spatial Infrastructure portfolio, and 14 per cent, for the Commercial Products and Services portfolio. The Asset Investment Plan for 2011/12 is detailed in Part C.

<sup>1</sup> This includes revenue from Property and Valuation Services and interest received.

<sup>2</sup> The capitalised investment figure is used for Government Budget papers in compliance with government financial reporting standards.

<sup>3</sup> The return over the whole life of this investment is 32.1%. Return over whole life refers to the return from the assets created during the period of investment. The return is over their useful lives which for some will extend beyond 2019/20.



## 2. Business Processes and Improvement

In order to be self sustaining and ensure the ongoing delivery of core public services, Landgate will continue to focus on maintaining the quality and integrity of its operations and services to meet the expectations of government, customers and the community. Landgate is transforming business systems and processes to deliver better services and improve efficiency, value and capacity that can be redirected to fulfil other business needs. The strategies to achieve this include implementation of the Pathway to Greater Capacity and iSpatial programs.

### **Pathway to Greater Capacity Program**

This program will change the way business is conducted at Landgate to deliver efficiencies and release capacity.

Planned achievements for the Capacity program include:

- » Continuing with work to deliver enhanced registration processes and enable electronic conveyancing which will be introduced through the National Electronic Conveyancing System (NECS).
- » Reviewing Landgate's business framework and financial model to enable clear allocation of resources and better cost management, and to address issues such as over servicing appropriated functions.
- » Reforming Landgate's IT investment strategy to manage costs and maximise the value derived from expenditure, with a greater emphasis on delivering business needs in accordance with corporate priorities.
- » Implementing strategies to grow revenue streams and increase understanding of product lifecycle management, to allow the retirement of less profitable products and the reallocation of resources to more profitable products.
- » Reviewing existing functions, processes and roles in order to rationalise and reallocate resources resulting. This includes managing elements of cultural change required to cement reforms made across the Capacity program.

The success of these initiatives will create a more efficient and integrated organisation and deliver measurable benefits by reducing costs, increasing revenues, eliminating duplication and waste, and enhancing productivity.

### **IT Support of Business Reform**

Landgate's Corporate IT Plan supports strategies to reform business processes, such as ensuring investment in IT is maximised and the cost of ongoing IT investment is effectively managed, as part of the Pathway to Greater Capacity program.

Other planned IT achievements for 2011/12 include:

- » Addition of key applications for support in a previously established Disaster Recovery site to ensure business continuity; and
- » Significant progress in the transition from enterprise server environments to a more cost effective commodity server environment.

## iSpatial

iSpatial is a work program to modernise the systems and processes associated with producing maps, from raw data to finished product. The purpose of the iSpatial program is to automate data collection, facilitate the reuse of existing data and enable different organisations to maintain a single dataset.

iSpatial transforms business processes by capturing all of Landgate's mapping data in a single, comprehensive database with automatic updating functionality. This functionality will allow Landgate to become more agile in its response to market needs by providing the means to develop products more easily and with minimal cost.

The iSpatial platform can also be applied as a service to help reduce duplication and increase data consistency across Government. This will help Landgate to grow in its role as a trusted provider of location based data in partnership with other Government agencies.

Planned achievements for the iSpatial program include:

- » Creating the StreetSmart street directory, state-wide topographic mapping series and online thematic products from live data.
- » Collaborating with the Department of Environment and Conservation and Main Roads WA to deliver an enhanced dataset of routable roads network which will create a significant knowledge base for navigation and vehicle routing.
- » Working with other agencies such as WA Police to build an authoritative points of interest dataset, focused on the information required by emergency services for incident management and location based searching.
- » Establishing partnerships with other Government agencies where trusted users can add and edit data (crowd-sourcing) to build a comprehensive information resource.

## Meeting Government Requirements

Landgate's objectives are set out in the Act and these include provision of certain land and location information functions for the State on a cost recovery basis. Landgate's overall focus is the efficient and effective delivery of these services to meet the requirements and expectations of Government and the community. Landgate will continue to provide secure information systems and services to ensure the integrity of the land titles register and valuation rolls.

During 2011/12, Landgate aims to achieve all of its outcome measures and performance targets agreed with Government, which deal with the quality, quantity, timeliness, effectiveness and cost efficiency of key services, as detailed in Part E – Business Targets. Specific measures target the average cost per land registration action, land information action and valuation; and the extent to which the currency and relevance of Landgate's databases meet the needs of the WA community.

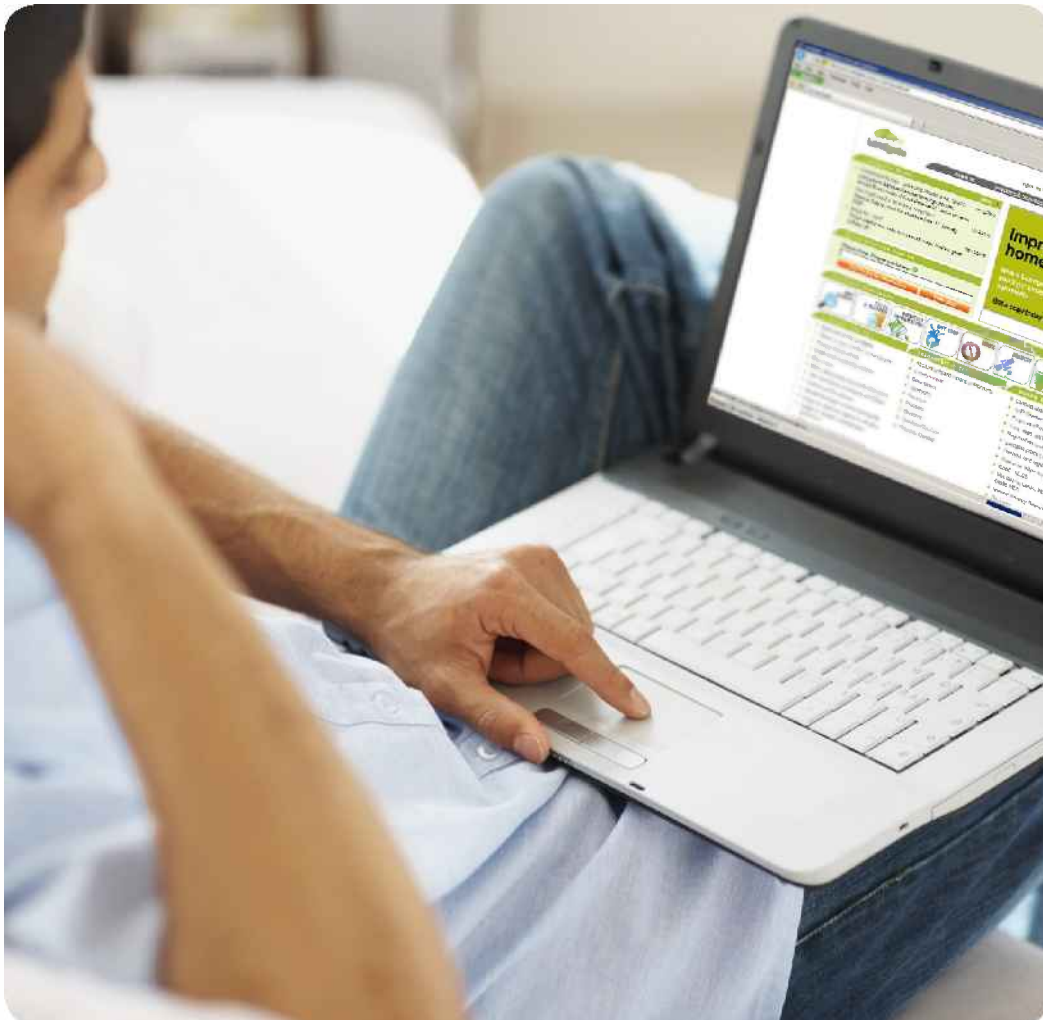
Landgate will also continue to provide community benefit functions to and for Government, such as accurate street address information for the State's emergency services, on an appropriated funding basis.

### Data Quality and Integration

Landgate has an ongoing commitment to maintain and improve our core datasets so that they are fit for purpose and available for online access. These datasets are critical to Government, industry and their value is enhanced when combined with other Government data. To facilitate the integration of data across Government, Landgate will focus on making data available in standardised formats that can be widely used and easily accessed. Landgate is also looking at opportunities to align different government datasets.

Planned initiatives include:

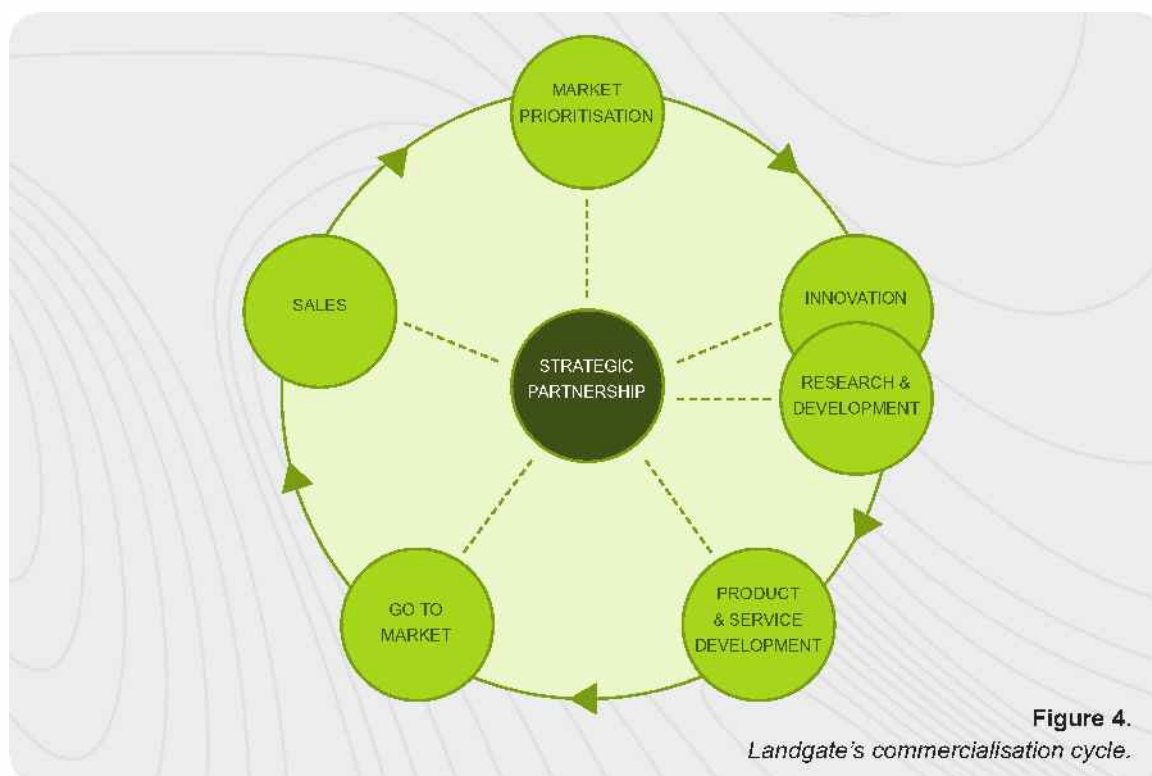
- » Implementation of a pilot project that will develop a technique to align spatial datasets between the Department of Planning and Landgate. This will enable the Interest Enquiry service to provide local planning schemes aligned to Landgate's cadastre, showing the "R" codes applicable to each lot. If proven feasible, the technique can then be utilised to align other similar spatial datasets held by Government agencies.





### 3. Customers and Stakeholders

Landgate will ensure that it continues to deliver quality products and services that meet the needs of today's customers and stakeholders. Landgate's commercialisation strategy draws together efforts in market focus and analysis, innovation and research, intellectual property, product development lifecycle, pricing and partnering to assess opportunities and bring commercial products to market with increased agility and speed. Mutually beneficial partnerships are central to the commercialisation strategy and cycle, as demonstrated in Figure 3.



#### Delivering Quality Products and Services

Landgate customers remain integral to our future success. Landgate will continue to engage with its customers, directly via industry bodies and through its Customer Service Council, to understand their needs, and develop, improve or tailor products and services to meet their needs.

Landgate's Customer Service Charter was reviewed in 2010 in consultation with the Customer Service Council. The Charter was updated to reflect our commitment to provide reliable and accessible online services and to develop mutually beneficial partnerships.

In 2011/12, Landgate will:

- » Enhance services for professional customers by implementing targeted improvements identified by the 2010 customer satisfaction survey results.
- » Utilise the Landgate Portal and SLIP Enabler to provide enhanced access and efficiencies to the conveyancing, real estate and financial industries.

In today's web enabled world many customers rely on Landgate's online presence and capability. Landgate is continuing to improve the responsiveness and availability of its online environment and has implemented systems for monitoring and reporting of the online customer experience. This will enable Landgate to be more responsive to customer needs, enhance business intelligence and ensure reliability of online systems.

## Market Orientation

Landgate is developing its ability to identify opportunities in the marketplace and to respond to those opportunities in a manner that meets customer needs and achieves the agency's goals for business growth.

The key strategies that will be implemented to deliver the market orientation include:

**Market research and analysis** - Systematic collation of market information that will provide the intelligence required to identify and analyse optimal market segments and tailor products accordingly;

**Customer management** – A commitment to working collaboratively with customers to nurture relationships and enhance Landgate's market position;

**Branding** - Promotion of Landgate as a recognisable and highly regarded brand through a range of initiatives, including encouraging staff to act as brand advocates;

**Channel management** - Delivery of Landgate products and services through the most cost effective channels, including online direct retail (online shop) and indirect channels such as brokers, value added resellers (VARs) and other partners;

**Product management** – Implementation of a robust framework to deliver products which customers need, at a cost that brings a fair commercial return, and to facilitate the retirement of products that are no longer required by the market; and

**Prospect Development** – Investigation of business opportunities to promote current products into new markets and develop new products for existing and/or new markets.

## Market Prioritisation and Focus

Landgate will achieve its commercial revenue targets by continuing to focus on markets in which it is competitive, concentrating on the areas of support for resource and regional infrastructure development and the creation of new location based products and services.

Landgate will seek to increase its regional presence by providing services that deliver savings to Government and industry by reducing development time and cost of infrastructure projects, improving the ease and accuracy of delivering information for decision making and enhancing services to the community.

Planned achievements include:

- » Working with the Pilbara Cities program to identify opportunities to provide services such as CORS, aerial and street view imagery and Interest Enquiry to organisations such as the Pilbara Development Commission, Local Government Authorities, Port Authorities, LandCorp and Horizon Power.
- » Pursuing the establishment of a commercial satellite joint venture which will use satellite technology to provide accurate imagery (50 centimetre pixel size) in a timely and cost effective manner. This imagery may be accessed by Government and industry users for a range of purposes such as monitoring infrastructure projects, improving emergency management and assessing environmental issues.
- » Working closely with joint venture partners to be the premier supplier of new precision street level imagery services within the Australasian region. This service provides three-dimensional measurement capability and other features that are in demand by users. It is expected to expand quickly from the initial base covering targeted areas of WA to meet growing demand from national companies and Government agencies in other areas of the State and across Australia.

- » Collaborating with the Cooperative Research Centre for Spatial Information 2 (CRCSI-2) to begin developing the Biomass Business service which will use satellite imagery to enable pastoralists to determine the amount of feed available for livestock at the beginning of each major season, the dry and the wet. These two evaluation points drive critical stocking decisions, which have economic and environmental repercussions for pastoralists on the land.
- » Utilising capability delivered by the iSpatial program to develop new products such as precision street view imagery for both urban and regional customers, and geo-referenced products such as customised maps and digital files for use in websites.
- » Upgrading the current Firewatch monitoring service as part of the Digital Regions Initiative<sup>4</sup> to include bushfire modelling capability. The new Firewatch will utilise satellite data in order to predict where bushfires will spread in the near term and allow policy makers to measure the impact of climate change on Australia's fire regime, gauge fire risk levels and assess mitigation strategies.

### Interest Enquiry

The expansion of Interest Enquiry continues to be a priority in 2011/12. This service provides an online access point for information about interests that impact the use of land such as Native Title, heritage and mining tenure. Interest Enquiry represents a diversification of services offered to the property industry, a source of revenue growth for Landgate and a means to support regional development through projects such as the Pilbara Cities program.

Planned achievements for the Interest Enquiry initiative include:

- » Collaborating with key real estate and conveyancing industry bodies that are driving the development of a policy which will make interest searches a standard industry practice. The use of Interest Enquiry in accordance with this policy will assist by increasing transparency and reducing risk in property transactions and provide buyers with essential location information and help them to make better informed decisions.
- » Engaging with Local Government Agencies to incorporate their local interests into the Interest Enquiry service.
- » Rolling out Interest Enquiry to the brokers industry to extend uptake of the service in new markets.
- » Developing energy infrastructure interest reports detailing power and water interests.
- » Adding more interests to provide at least 25 interests through the service by June 2012.
- » Obtaining national endorsement of Interest Enquiry, encouraging greater use of the service by Federal agencies.
- » Developing marketing partnerships with the property industry to encourage use of Interest Enquiry by industry professionals.

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<sup>4</sup> This initiative is administered by the federal Department of Broadband, Communications and the Digital Economy.



### **Strategic Alliances and Partnerships**

The development of strategic alliances and partnerships will be central to Landgate's future growth. Landgate will seek to progress current partnerships and pursue new partnerships for the purposes of:

- » Delivering better products and services.
- » Deriving new revenue streams.
- » Supporting State development.
- » Sharing risks and costs.
- » Resolving sector-wide issues.
- » Advancing research and development (R&D).

Landgate will continue to forge partnerships with other Government agencies to collect and manage location based data that can be utilised to deliver better products and services for agencies and their customers.

The development of the Australian and New Zealand Spatial Marketplace, an initiative by the Australian and New Zealand Land Information Council (ANZLIC), will provide opportunities for Landgate to expand the SLIP Enabler platform into the national market, including consultancy, data provision and SLIP-based partnerships.

Through its networks with Government and industry, Landgate will contribute to meeting strategic challenges such as the growing pressure on Government agencies to open up access to data for minimal or no charge (free data). Landgate has taken a lead role in a recent ANZLIC study of accessibility and pricing of location information in the Australian public sector. The study has provided an understanding of the information value chain based on robust economic analysis by Price Waterhouse Coopers. This information is being utilised by Landgate and other stakeholders to formulate a collaborative response to the free data issue. The findings of the study are also being considered in regards to Landgate's and WALIS access and pricing policies.

Planned achievements for 2011/12 include:

- » Continuing to be proactive in setting research directions within the CRC SI-2. Current research supports Landgate's involvement in the areas of real time positioning, digital geographic information, precision street level imagery, and SLIP. These research programs also contribute to the investigation and implementation requirements of the Location Information Strategy.
- » Utilising market analysis to determine how SLIP Enabler may be modified and packaged for use as a commercial product (SLIP in a Box) and identifying opportunities for partnerships that embed the SLIP Enabler platform in other organisations and jurisdictions. This entails the supply of business processes, documentation and consultancy services to reach a broader market.
- » Seeking to establish a new partnership with the WA academic sector based on the model of the successful Curtin Alliance, which concluded in June 2011. The alliance will focus on three areas including student curriculum and professional development to produce capable graduates and training opportunities for staff, programs to encourage research aligned to Landgate's focus areas, and branding to position Landgate as a leading employer.

## Innovation

Landgate is fostering a “one business” culture which encourages staff to make innovation and collaboration part of everyday activity. This is facilitated by the new corporate structure and reinforced through staff communication and learning and development programs.

Landgate is committed to investing in innovation and has allocated 4 per cent of the agency’s total expenditure for R&D and innovation projects, which includes \$2 million per annum for the Innovation Program. This places Landgate in the upper end of business investment in R&D.<sup>5</sup>

The Innovation Program will continue to fund a diverse portfolio of initiatives, building on the 40 plus projects that have been funded to date. The Program is refining its processes to create a scalable innovation structure and to direct focus towards business efficiency and industry collaboration, while maintaining the scope for blue sky exploration and development.

To protect its ideas, Landgate will manage its intellectual property (IP) in accordance with prudent business practices to optimise its benefit to the agency and the State.

Planned achievements for 2011/12 include:

- » Developing an “Innovation Out of a Box” project to deliver a packaged kit of tools and information to communicate the success of the Landgate Innovation Program, and demonstrate ways for Government agencies to build their own innovation programs to improve their business outcomes.
- » Continuing the SLIP Developers Program to support the ongoing growth and usefulness of SLIP. This program enables the development of prototypes which can be used to test potential markets, demonstrate a new capability or data integration and visualisation.



<sup>5</sup> Australian Bureau of Statistics ‘Innovation in Australian Business’ 2006/07 (ABS 8158.0). During 2007/08, nearly half of Australian businesses reported undertaking some form of innovation.



### **Location Information Strategy**

In collaboration with the WALIS community, Landgate has developed the Location Information Strategy for Western Australia, which critically examines the collection, management and use of WA's location information to 2015 and beyond. The Strategy was endorsed by the Minister for Lands in October 2010 and is being progressed by Government and industry organisations through a program of initiatives that increase collaboration, reduce duplication, improve access to data and service delivery and provide the evidence necessary for critical decision making. A proposal to implement the Strategy through a staged work plan between 2011/12 and 2014/15 has been raised to State Cabinet through the Minister for Lands.

Through the WALIS framework, Landgate will play a leading role in the implementation of the Location Information Strategy by providing overall program coordination, while various organisations are responsible for strategic initiatives which will develop and deliver of location based solutions that support State initiatives.

Subject to approval by State Cabinet, full implementation of the following five strategic initiatives will ensure that WA realises the true value of its location information and builds a solid foundation for location information in the future. The initiatives are:

- » Strategic capture of the State's location information.
- » Enhancing access to location information.
- » Citizen engagement through location technology.
- » Education and career development – embedding location intelligence.
- » Promoting and branding the State – Location WA.





Two shorter-term priority projects have been proposed for implementation in 2011/12, subject to approval by State Cabinet and the EERC. These are:

» *Regional and Urban Planning*

This project will be led by the Department of Planning on behalf of the Western Australia Planning Commission – delivering outcomes through Regional Planning Committees and the Infrastructure Coordinating Committee. The needs of both Regional and Urban planning and infrastructure investment will be addressed. This project will augment the Strategic Capture of location information by ensuring more comprehensive, up-to-date location information is available and used to evaluate and plan regional investment. Through this project improved information on the location and capacity of infrastructure and services (water, electricity, roads, rail, medical services, education facilities etc.) for regional Western Australia will be made more accessible to planning partners at all levels through the well established Shared Land Information Platform (SLIP). The project will also evaluate and apply scenario planning tools that will enable this information to be integrated and used in real time - simplifying and reducing turn-around times for critical decision making in regional planning and investment.

» *Statutory Tracking Approvals System (StATS) Priority Project*

Western Australia continues to experience a significant expansion of the resources sector. In 2007, the Government spent around \$83 million to assess and regulate development projects. The development approvals process impacts industry confidence in ongoing investment in the Western Australian resources sector and provides community reassurance in regard to developmental impacts of major projects on the local environment. To support and expand ongoing investment in the resources sector, proponents of major resource development projects have asked for greater certainty about the process. Following recommendations from the Auditor General in reviewing the delivery of development approvals the Department of Premier and Cabinet, Lead Agencies and Landgate are currently developing a Statutory Approvals Tracking System (STATS) through the Location Information Strategy. The application of location information through ongoing development of this system will provide a much better understanding of the relationship between projects, including dependencies on existing and planned infrastructure, and the location and outcomes of previous assessments of development constraints across the State.

As this initiative is still subject to Cabinet and EERC approval, no financials have been included at this stage. Once endorsed, it is proposed to review the progress of the Location Information Strategy's implementation in the second half of 2011/12 to ensure its objectives are being achieved.

## SLIP Redevelopment

Landgate will also facilitate the evolution of technical infrastructure and operability underpinning the location information strategy. Following enhancement of the SLIP Enabler platform to increase data and service availability, there will be a focus on increasing its capacity to support increased data access and use to realise the goals of the strategy. Landgate is also focusing on the delivery of cross government outcomes through the expansion of SLIP Enabler.

Planned initiatives include:

- » Improving system interoperability and collaboration and reducing duplication across government.
- » Providing the production system for the State's Approval and Tracking System (StATS) which will deliver a reporting tool across Government to track the status of approvals related to major State projects.
- » Delivering the Remote Aboriginal Communities Support project, under which Landgate will host a planning tool that utilises SLIP information to support Government services to remote communities, with a focus on expanding available datasets and providing ongoing support for the application.

## 4. People, Leadership and Culture

Investment in Landgate staff is critical to support the sustainability of the agency into the future. It is our people that will enable Landgate to achieve its vision and realise its potential.

Learning and development programs will continue to improve commercial skills and develop leadership capabilities in order to equip staff to lead the business and manage change.

Management of staff performance will be strengthened through the implementation of improved performance management systems and accountability mechanisms.

Landgate is also endeavouring to increase the representation of Aboriginal employees through our Aboriginal Employment Strategy. This incorporates initiatives to improve opportunities, training and support for Aboriginal people at all levels of the organisation.

To help mitigate the risk associated with business continuity issues, critical roles will be identified and succession strategies developed as part of a new approach to succession planning.

Landgate will continue to lead the public sector through investing in its people and providing workplace flexibility to support a strong work/life balance. Staff engagement levels at Landgate exceed Australian benchmarks<sup>6</sup>, and we will strive to maintain high levels of staff engagement in the future. Landgate will build on its growing reputation as an industry leader and employer of choice.

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<sup>6</sup> Landgate Staff Engagement Survey 2008 by Right Management, p6.

## One Business

Landgate has adopted a “one business” philosophy and corporate structure to improve integration, communication and collaboration across the organisation. The philosophy is being actioned through a suite of change strategies that include:

- » A corporate structure that has been designed to create a sales focus, streamline operations, create synergies and develop a more agile and multiskilled workforce;
- » Learning and development programs to help staff embrace change, value our customers and adopt a holistic approach to problem solving.
- » Initiatives that nurture an innovative culture and facilitate the exchange of ideas between staff, including the innovation forum, and the ‘SmartAsk’ wiki website where staff can provide, maintain and find corporate knowledge.

Planned achievements for 2011/12 include:

- » Roll out of the leadership development program.
- » Implementation of an improved performance management system for staff.
- » Introduction of a corporate reward and recognition program.
- » Ongoing implementation of the Aboriginal Employment Strategy.
- » Continued support of school-based traineeships that allow students to study and work part-time to gain practical job skills.
- » Continued provision of cadetships and graduate opportunities for tertiary students in the fields of spatial sciences and property valuations.

## Community Contribution

Landgate’s commitment to the community will continue with corporate programs including staff mentoring for students from local schools, fundraising for various charities, and support for voluntary work programs including the State Emergency Service, Defence Reserves and Bush Fire Brigades.



## Part C

# Asset Investment

In 2011/12, Landgate will undertake an Asset Investment Program totalling \$17.5 million, of which \$15.4 million will be capitalised and \$2.1 million will be expensed via the Income Statement.<sup>7</sup> The investment will position Landgate to offer information services that fulfil statutory requirements, meet customer needs and generate a fair return for the State.

**Asset Replacement** – provides for the replacement and maintenance of facilities, physical infrastructure and third party software systems up to current standards (e.g. Midland building refurbishment). Total investment in this portfolio in 2011/12 will be \$2.0 million, of which \$1.8 million will be capitalised. These activities are scheduled as part of an ongoing rolling plan to preserve the agency's physical environment at peak operating efficiency.

**Business Infrastructure** – provides for IT infrastructure enhancement to deliver efficiencies and support expected business growth. Total investment in this portfolio in 2011/12 will be \$2.0 million, of which \$1.8 million will be capitalised. It includes the completion of the rollout of the Electronic Document and Records Management System. Planned improvements in business intelligence capability will allow Landgate to collect critical market intelligence to identify customer segments and to inform the development of market and product strategies.

**Spatial Infrastructure** – provides for continued densification of the network and the delivery of the asset component of the iSpatial program, which will capture Landgate's mapping data in a comprehensive database with automatic updating functionality. The portfolio also supports the implementation of the Location Information Strategy and provides for the continued improvement of core datasets so that they are fit for purpose and accessible online. Investment in 2011/12 will be \$1.3 million, of which \$1.2 million will be capitalised.

**Commercial Products and Services** – provides for the development of online business initiatives and new products and services to ensure Landgate's future commercial viability. Total investment in 2011/12 will be \$3.5 million, of which \$2.8 million will be capitalised. New service delivery models utilising the Landgate Portal and SLIP Enabler will be established to generate additional revenue while providing enhanced access and efficiencies to professional customers. Innovation and R&D remain integral in diversifying commercial products and services and consequently up to \$3 million dollars is provided annually for initiatives and investments under the innovation and R&D banner through internal programs as well as through partnerships, alliances, acquisition and equity participation.<sup>8</sup>

**Business Reform Initiatives** – provides for the reform of business processes and systems to enhance registration services and enable electronic conveyancing through the NECS initiative. These reform initiatives will be managed as part of the Pathway to Greater Capacity program.

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<sup>7</sup> The capitalised investment figures noted in Part C - Asset Investment are used for Government Budget papers in compliance with government financial reporting standards. Both the total and capitalised portions are shown for clarity.

<sup>8</sup> To be undertaken with the approval of the Minister and Treasurer where provided for under the *Land Information Authority Act 2006*.



### Total Asset Investment Estimates and Proposed Funding Sources.

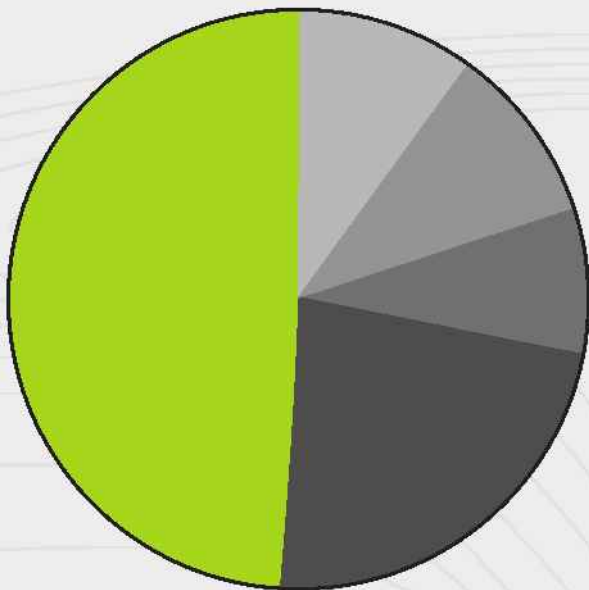
The total asset investment estimates and proposed funding sources for 2011/12 Asset Invest Program are shown in Table 1.

	Total (\$000's)	Capitalised (\$000's)
<b>Project Description</b>		
Asset Replacement	\$2,000	\$1,837
Business Infrastructure	\$2,000	\$1,790
Spatial Infrastructure	\$1,300	\$1,195
Commercial Products & Services	\$3,500	\$2,770
Business Reform Initiatives (iLand)	\$8,650	\$7,785
<b>TOTAL</b>	<b>\$17,450</b>	<b>\$15,377</b>
<b>Proposed Funding Sources</b>		
Service Appropriations	\$1,208	-
Holding Account	\$4,450	\$4,450
Internal Funds and Balances	\$11,792	\$10,927
<b>TOTAL</b>	<b>\$17,450</b>	<b>\$15,377</b>

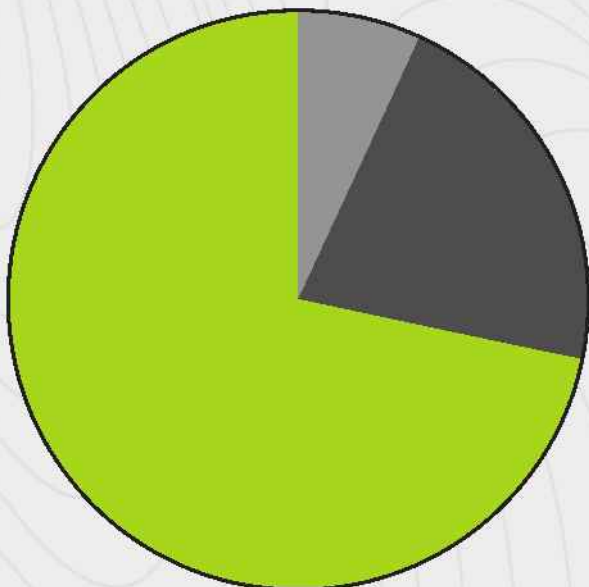
**Table 1.** Total asset investment estimates and proposed funding sources.

Note: The capitalised investment figures are used for Government Budget papers in compliance with government financial reporting standards. Both the total and capitalised portions are shown for clarity.

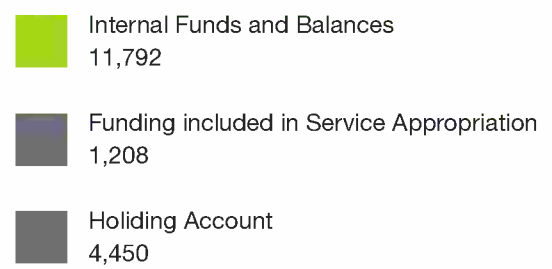




### Asset Investment Program 2011/12 (000's)



### Asset Investment Funding Sources 2011/12 (000's)



## Part D

# Business Management

## Strategic Risks

Landgate's business environment presents some strategic risks which, if realised, have the potential to impede the achievement of Landgate's strategic goals. In order to mitigate these risks, Landgate has implemented a range of strategies, and manages and reviews them regularly through its risk framework.

**Business continuity** - Restricted ability to maintain critical activities and services during a significant incident.

**Industry growth and change** - The location information industry is growing and evolving rapidly, with increasing levels of competition. Major players such as Microsoft and Google are aggressively pursuing opportunities in this area.

**Domestic market** - The limited size of the WA market is unlikely to provide sufficient revenue growth to sustain forecast expenditure and investment, particularly given escalating competition in the sector. The flow on effects from a possible protracted downturn in the global economy may also subdue the domestic economy and local market activity, constraining revenue growth.

**Free data** - Consumer demand for free data is growing and competitors are providing free location information in some markets. However this raises concerns that data integrity and quality may be jeopardised if maintenance costs are not recovered.

**Federal-State relations** - An agenda for reform in the Federal government aiming to have greater influence over State-based policy development and moves towards increasing harmonisation of State regulatory regimes.

**IT costs** - Investment in IT is significant and continuing to trend upwards. Reform of Landgate's IT services is required to contain costs and maximise the value derived from IT expenditure.

**Workforce** - Maturing demographic and a shortage of specialised skills required to undertake current and future activities.

**Capacity** - Constrained ability to deploy resources to fulfil business requirements due to limited flexibility and a lack of organisational integration. Further efforts are also required to improve the workforce capacity in terms of market focus, leadership skills and commercial acumen.

### **Dividend Policy**

There is an expectation that Landgate will be in a position to pay dividends to Government after 2012/13. Under the Act, the Board will make a recommendation to the Minister at the end of the 2012/13 financial year on whether a dividend will be paid and the size of that dividend. Landgate will consult with Government on the development of a business case that can be put forward at that time to invest the dividend into supporting whole of Government initiatives that deliver benefits to the State.

### **Borrowings**

Landgate's Asset Investment Program is funded principally from cash reserves and retained earnings together with the application of the depreciation holding account and appropriations from Government. Where this is not feasible, the appropriate mix of short and long term borrowing will be applied in accordance with operational and strategic funding needs.

### **Accounting Policy**

Landgate's financial statements are prepared on the accrual basis of accounting using the historical cost convention. They are general purpose financial reports prepared in accordance with the Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Details of Landgate's significant accounting policies can be found in the notes accompanying the financial statements in the agency's Annual Report.

### **Performance Reporting**

Landgate's Board of Management is provided with monthly reports that monitor performance against business targets, along with information on the financial position and capital expenditure.

The Minister is provided with such information through:

- (i) A half yearly report covering the first six months of the financial year, in accordance with the requirements of Section 80 of the *Land Information Authority Act 2006*.
- (ii) An annual report prepared in accordance with the provisions of the *Financial Management Act 2006* and Treasurer's Instructions.

In addition, the Board and the Chief Executive will advise the Minister of any significant variations in the performance of Landgate.



### Providing Community Services

Community services that are not otherwise commercially viable are provided based on the Government's desire to satisfy the broader economic, environmental and social needs of the community. Functions that Landgate performs that fall within this category include state-wide surveying and mapping programs, the collection and maintenance of fundamental land information and the provision of access to government geographic information. Landgate is funded to undertake these functions through a direct appropriation of recurrent funds from the annual State Budget (rather than through a community service obligation payment administered by DTF). Currently the value of these services that Landgate provides exceeds the appropriated funding received from Government. Landgate will continue to work closely with DTF and other agencies to address the amount of services that are being provided beyond the level of appropriated funding the agency receives to close the gap.



## Part E

# Financial Statements, Business Targets and Performance Measures

## Financial Outcomes 2011/12 Forecast

### Economic Assumptions

#### Growth

Regulated Services- Volume Growth %	2.56%
Regulated Services- Fees Growth %	21.74%
Commercial Services (Other) - Revenue Growth %	35.44%
Commercial Services (Valuation Services) - Revenue Growth % <sup>9</sup>	-35.08%

### Performance Indicators

Return on Fixed Assets %	13.70%
Return on Equity (Before Income Tax) %	7.72%
Return on Equity (After Income Tax) %	5.40%
Debt to Equity %	29.50%
Profit (Before Income Tax) on Turnover (excl Govt. Revenue)	7.39%

### Financial Outcomes (\$000's)

Operating Profit (Before Income Tax)	\$8,471
Operating Profit (After Income Tax)	\$5,929
Asset Expenditure	\$17,450

### Accruals from/to State Government (\$000's)

Payroll Tax & Other Duties	\$4,160
Income Tax Equivalents	\$2,542

### Total \$6,702

Revenues from State Government	\$32,064
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### Net Revenue from State Government \$25,362

<sup>9</sup> As a consequence of the General Metropolitan Triennial Program, there is a negative growth in some years for Valuation Services revenue. This represents the cyclical nature of this activity.

## Income Statement

2010/11

Forecast

*This part of the SCl is in accordance with Section 4(h) of the Land Information Authority (Policy Instruments) Regulations 2006 and addresses 'estimates of income and expenditure'.*

\$000's

### Revenue

Regulated Services	88,229
Commercial Services - Other	13,664
Commercial Services - Valuation Services	11,919
Interest Earned on Cash Balances	887
<b>Total Customer Revenue</b>	<b>114,699</b>
Funds from State Government	
- Service Appropriations	31,635
- Resources Received Free of Charge	429
<b>Total Revenue from State Government</b>	<b>32,064</b>

### REVENUE

146,763

### Expenditure

Employee Benefit Expenses	75,407
Supplies and Services	30,839
Accommodation	11,705
Depreciation	10,574
Payroll Tax	4,160
Other Operating Costs	5,607

### EXPENDITURE

138,292

### NET PROFIT/LOSS

8,471

Income Tax Equivalents

2,542

### After Tax Profit/Loss

5,929

**Business Targets<sup>1</sup>****2011/12  
Forecast****Key Efficiency Indicators****Access to Land Information**

Average Cost per Land Registration Action	\$41.70
Quantity	1,945,414
Average Cost per Land Information Action	\$18.67
Quantity	1,774,336

**Valuations**

Average Cost per Valuation	\$17.03
Quantity	1,308,389

**Access to Government Geographic Information**

Average Cost per Key Result Area	\$292,500
Quantity	6

**Key Effectiveness Indicators****Access to Land Information**

The extent to which the currency and relevance of Land Information Databases meet the needs of the WA community.	100%
Claims against registered interests as a result of fraud, negligence or errors, settled by the Crown.	Nil

**Valuations**

International standards for accuracy and uniformity of rating and taxing values are met:

Median Ratio Test:

- Gross Rental Value; and	>92.5%
- Unimproved Value	>92.5%
- Rural Unimproved Value	>80.0%

Coefficient of dispersion:

- Gross Rental Value; and	< 7%
- Unimproved Value	< 15%
- Rural Unimproved Value	< 25%

Adjustments to Rating and Taxing Values as a result of Objections and Appeals as a percentage of total values in force	< 0.2%
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**Access to Government Geographic Information**

Useability of WALIS land information is determined by user awareness, acceptance and reuse.

Awareness:

Increase in first time participants at WALIS functions	5%
Increase in repeat participants at WALIS functions	15%

Acceptance:

Increase in the number of first time customers accessing land information from WALIS	20%
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Re-use:

Increase in the number of return customers accessing land information from WALIS community members	20%
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<sup>1</sup> In 2010 the Office of Auditor General requested a review of the key effectiveness and efficiency indicators. Revised indicators will be implemented once finalised with the Department of Treasury and Finance.



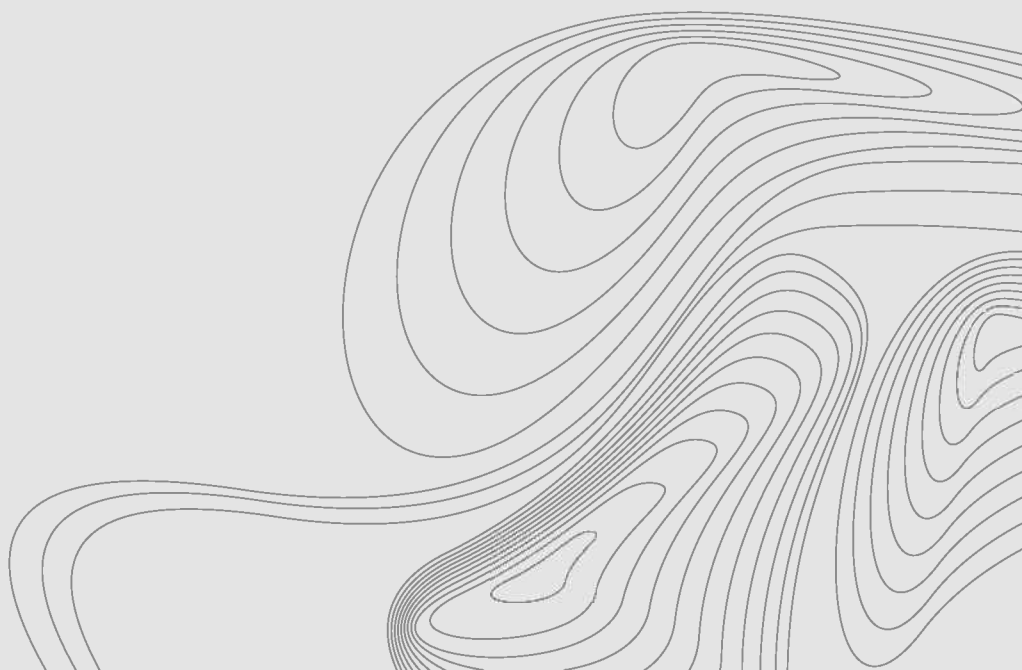
### Efficiency Dividend on Discretionary Operating Expenses

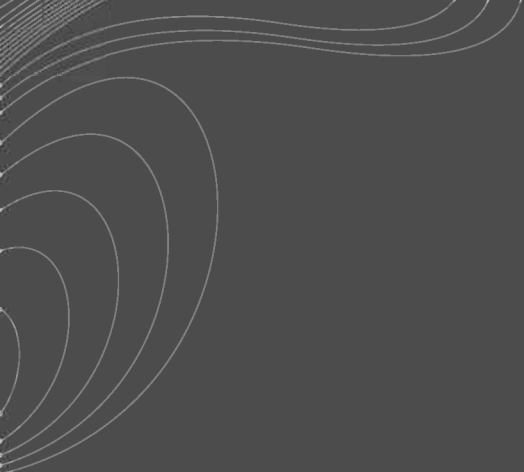
On 18 April 2011, Cabinet approved a 5% efficiency dividend for Government Trading Enterprises (GTEs) effective 1 July 2011, calculated as a percentage of discretionary operating expenses. The efficiency dividend, as described in the letter from the Minister, dated the 19th of May 2011 and outlined in the table below, is included as a target to be met and still to be applied to the disclosed financial estimates. Landgate has prepared an implementation plan in line with Government expectations. The financial estimates shown in the appendices are consistent with the 2011/12 published Budget Papers.

	2011/12 Forecast
<b>Efficiency Dividend</b>	
Discretionary Operating Expenses (\$'000)	112,885
Total Rate (%)	5
Reduction in Expenses (\$'000)	2,258
Estimated increase in Tax Equivalent Payments (\$'000)	677









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