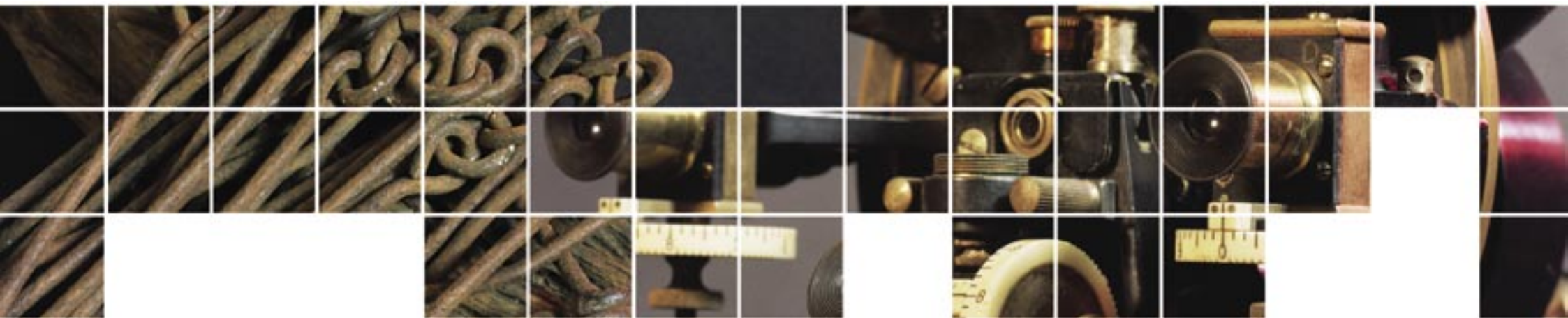


YEAR IN REVIEW



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CHIEF EXECUTIVE'S FOREWARD

The State Government's in-principle decision in October to transform the Department of Land Administration (DOLA) into a statutory authority with commercial powers started us on a process of building the foundations of a new agency.

This decision reflects the importance of land and property information to the Western Australian economy.

It commits us to the creation of a new agency that will be capable of delivering a platform for the online delivery of land and property information to the whole state.

Consultation with staff and stakeholders will be critical to our success. A significant feature of this year has been the intensive consultation and communication process with other government agencies, the spatial industry, and housing and property industries on the attributes of the proposed new authority. These included its principles, functions and powers.

We also reviewed the way we did business internally, and explored opportunities to use technology and online services to provide greater access to integrated information. We worked hard to establish a framework that aims to put us at the forefront of e-government initiatives, and puts Western Australia at the leading edge of developments worldwide.

While we were building DOLA's future, the agency's core business continued to be brisk. Over the last financial year, we achieved an all-time record high in document lodgements. More than 380,784 documents were lodged through DOLA, which was an increase of 4.7 per cent on the previous record of 363,754 in 1993-4.

I am proud to say that DOLA staff rose to the challenge of extra volumes of work and achieved extraordinary levels of customer service in the process.

This past year has been a landmark time for DOLA, and this annual report is its last. The next financial year will see the establishment of an interim department with a new name and a new structure.

For more than 150 years DOLA and its predecessor agencies have provided the people of WA with high quality survey and mapping services, a secure land titles system and administrative services for the Crown estate.

As we take another significant step in our history, the commitment to providing valuable, secure and accurate services remains the same.

However, we will be better equipped to face the electronic age and knowledge economy as a statutory authority.

A new agency will lead to new opportunities to use land related information to tackle the big picture issues facing the State, such as emergency response, salinity and sustainable resource development. We look forward to playing a significant role in the development of the State's economy and better servicing our customers in both Government and business.

A handwritten signature in black ink, appearing to read 'Grahame Searle'. The signature is fluid and cursive, written in a professional style.

Grahame Searle

ACTING CHIEF EXECUTIVE

MAJOR ISSUES AND TRENDS

- The demand from the public and private sectors for high quality, integrated, digital land information continues to grow. This information is critical for planning and development of essential community infrastructure, such as transport networks and utilities, as well as for resource and environmental management of the State.
- The emergency rescue operations and the recovery of essential services in response to the September 11 disaster in the United States and the recent bushfires in New South Wales have highlighted the importance of coordinated access to government land and property information.
- There is a growing need for a single electronic access point to land and property information, particularly with regard to the full range of interests in land. There are also pressures for land and property related services to be delivered electronically.
- Impartial and accurate rating and taxing values continue to underpin the revenue collection of State and Local Governments. Furthermore, there is an increasing demand for asset valuations, as a basic requirement of sound financial management and accrual accounting.
- Community demographic patterns will change greatly in coming years, and this will progressively influence the selection of home sites closer to urban centres and the acceptance of higher settlement densities.
- Independent valuation and property advice is critical to the transparency of all government property transactions, in particular compulsory acquisition.
- Most government projects rely on Crown land administration processes to secure necessary land tenure or interests in land to achieve the project goals. There is potential for improving the management of government projects by inviting land administration expertise to provide land solutions as early as possible in the planning process.

ACHIEVEMENTS 2002 - 2003

Statutory Authority Consultation

Over 17 peak bodies (representing community, Government and industry agencies), DOLA staff, and the Community & Public Sector Union were briefed on the proposals outlining the principles, objectives, functions and powers of the new statutory authority that is to replace DOLA.

The consultation process spanned an eight week period from 31 March to 30 May, 2003.

Input from groups representing the surveying, spatial, conveyancing, housing industries and staff will be taken into account in shaping recommendations from the Minister to Cabinet on the legislation to establish the authority.

Quality Certification

During the year, Geographic Services Branch, Land Administration Services Branch and Customer Services Branch maintained their Quality Assurance to AS/NZS ISO 9001:2000.

Registration Services Branch received certification to this standard in August 2002 and is accredited for the provision of land registration services. This includes the audit of freehold, Crown and strata sub-divisional plans; the creation of new certificates of title from those plans; the registration of interests in both freehold and Crown land; provision of advice; and maintaining and upgrading of databases that support those processes.

Preparing the Burrup Peninsula

DOLA played a major role in the assembly of the Burrup and Maitland industrial estates in preparation of the \$630 million Burrup Fertilisers project.

DOLA's role also involved the provision of an infrastructure 'corridor' linking the two estates with services such as gas and electricity, and the allocation

of land for residential purposes and light industrial use. DOLA was actively involved in the Government negotiating team for native title. A \$15 million package between the Government, native title claimants and industry has been heralded as the most comprehensive settlement involving Aboriginal land issues and development anywhere in Australia.

Electronic Advice of Sale Two (EAS2) Launch

DOLA launched the second stage of the Electronic Conveyancing project.

A joint initiative between DOLA, the Office of State Revenue and the Water Corporation, conveyancers are now able to submit requests online and obtain information about local rates from Local Government authorities more quickly and efficiently.

EAS2 allows for a 24 hour/7 day lodgement service, and is expected to save the conveyancing industry up to \$400,000 per year in postage, payment and handling costs.

This project demonstrates how State and Local Governments can work together to deliver benefits to the WA public, and marks the first step in providing a single interface through DOLA to obtain access to all Government land and property information.

Energy Performance Contract

DOLA signed the ground-breaking Energy Performance Contract with private company Honeywell, representing a first for a public sector agency in Western Australia.

This contract is a continuation of DOLA's emphasis on energy savings. Over the past five years, the agency has reduced its power bills by \$529,000, which equates to a reduction of 24.6 % in energy costs.

The Sustainable Energy Development Office provided DOLA with a grant of \$516,000 to undertake the

contract, which the agency expects to repay in only five years.

The contract combines four Performance Improvement Measures: Computer Room Air Conditioning Modifications; Building Management System Improvements; Optimisation of Hot Water Units; and Lighting Control Modifications.

It is expected to save DOLA approximately \$1 million in energy and facilities management costs over the duration of the 11 year contract. The uniqueness of the contract is that it combines energy savings with building management, and the energy savings are guaranteed by Honeywell.

As part of the contract, 280 noise detectors (ultrasonic occupancy detectors) were installed in DOLA's Midland headquarters. When normal office background noise stops, the detectors turn off the lights after a pre-determined period.

DOLA's Energy Performance Contract establishes the agency as a reference site for both Government and private industry.

FESA Emergency Services Levy Project

To facilitate the introduction of the Fire and Emergency Service Authority's (FESA) Emergency Services Levy, the Valuer General was requested to determine and supply gross rental values for a number of properties for which values did not previously exist. These properties included:

- those operated by charitable organisations such as churches, private schools and numerous other residential and non residential properties;
- those owned/controlled by Local Government including council chambers, libraries, recreational facilities and the myriad of other community buildings and structures;

ACHIEVEMENTS 2002 - 2003 (CONTINUED)

- privately owned land not previously rated on the gross rental value basis; and
- land owned by public corporations such as Western Power and the Water Corporation.

Many of these properties were outside those found in the mainstream market place, and required valuations of properties not normally encountered by the valuers.

The project encompassed the metropolitan area and 93 country centres, commencing in September 2002 and reaching practical completion by early May 2003. The values were supplied to FESA and Local Government, who will act as the levy collection agents for FESA.

The project was a major undertaking and was completed on time and within budget.

On-line access to Valuer General's data base

Further improvements to and promotion of the online access to the Valuer General's database has resulted in 58 Local Governments, together with the Office of State Revenue and the Water Corporation, having real time access to the valuation rolls at no additional cost to the clients. These initiatives have had a positive impact on customer service and have improved productivity for both parties.

Coles Mine Shaft

Two residential lots in Armadale were purchased and subdivided by DOLA to protect the State's oldest mine shaft.

The Coles Mine Shaft, which covered 3,200 square metres in Armadale, was placed on the State's Register of Heritage Places and protected as a public reserve.

The Shaft is important as it marks the beginnings of mineral exploration and the commencement of the mining industry in Western Australia, and is the only mine from the 1840's left on the Darling Scarp. As such, local history enthusiasts campaigned strongly for it to be recognised and preserved.

Emergency Services Directories (ESDs)

DOLA was a major contributor to the Emergency Services Directories, which won a National Award for Innovation in Local Government for the Shire of Gingin in September 2002.

DOLA provided map production and project management for the Perth North Region and Avon Directories.

Its support for Local Government and Emergency Service agencies has continued with its commitment to produce mapping for three new directories: Peel West, covering the Shires of Armadale, Kalamunda, Serpentine-Jarrahdale, Murray and Waroona and Cities of Gosnells, Mandurah and Rockingham); the Peel East directory, covering the Shires of Wandering and Boddington; and the Avon South directory, which will meet the needs of the Shires of York, Beverley and Brookton.

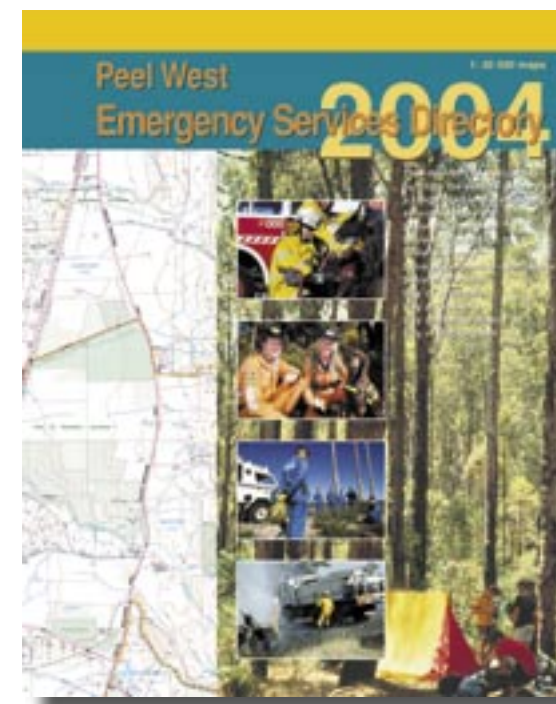
The anticipated delivery date for the Peel West ESD is December 2003, whilst the Peel East and Avon South directories are expected to be available by December 2004.

Freeway Project

A four-year project involving the identification and rectification of multiple title anomalies along a section of the Mitchell Freeway was successfully completed.

Four hundred titles, spread across six plans, were brought into one title per plan.

Sixty-three new freehold titles and six Crown titles were created.



PRODUCT HIGHLIGHTS

Crown Land Practice Manual

Fifteen Local Government Authorities tested the first edition of the Crown land Administration and Registration Practice Manual.

The Manual defines Crown land operational process, registration practice and procedure. It also provides a point of reference for the processing of Crown land transactions under the Land Administration Act and Transfer of Land Act.

LandOnline

Additional products were available from LandOnline since February 2003, including the StreetSmart Street Directory, Street Express, and City and Town series maps.

LandLinks WA

LandLinks WA allows registered subscribers to access Western Australia's spatial cadastral information through the Internet. The latest upgrade is due in July 2003 and will provide additional functionality. LandLinks WA will also form the basis of the Land and Property Portal, DOLA's one-stop-shop for property related information. The system is proving popular with an addition of approximately 10 new subscribers per week.

Computer to Plate Technology

DOLA is using contractors adopting new Computer to Plate (CtP) technology (making printing plates without using photographic films) in production of its offset printed map products. CtP has delivered immediate improvements in map quality. Other benefits of CtP include improved workflow and reduced production lapse times.

City and Town Series Maps

DOLA has expanded its coverage of regional centres within WA. The maps are available as offset printed products for larger centres or as 'just-in-time' products for other centres.

Travellers Atlas of Western Australia (TAWA)

The seventh edition of the Travellers Atlas of Western Australia was produced by DOLA in August 2002. The printing and distribution of the Atlas was carried out under license by HEMA Maps.

Revised StreetSmart Touring Maps

DOLA revised and modernised the look of its StreetSmart Touring Maps series. New editions of the South West Corner and Batavia Coast Touring Maps were produced.



Firefox

In 2002 DOLA began the automatic Firefox system as a result of requests for fire information, particularly from the Kimberley Regional Fire Management Program. Firefox provides fire location information taken from fire hot spot data produced from the NOAA satellite sensor. The data is received at the Perth satellite receiving station, and the system imbeds the fire position as symbols on a digital topographic map. The maps are then faxed every morning, via DOLA's fax gateway, to each pastoral property experiencing a fire. The service was expanded in early 2003 to include an email option. Pastoral land managers now have daily access to simple fire maps delivered to their property.

Pastures From Space

Designed to provide satellite derived greenness/ biomass measurements for estimates of pasture production and pasture quality to rural farm producers, the program started in Western Australia and has expanded to trials in eastern Australia. DOLA's Satellite Remote Sensing Services is contracted to provide full data acquisition processing and delivery services to a collaborative project with CSIRO and Agriculture WA, with supporting funding from Australian Wool Innovations. The pasture information can assist farmers with management decisions such as grazing rotations, feed budgeting, fertiliser application and other 'precision agriculture' techniques for the grazing industry with commercial sale potential.

CORPORATE OUTLOOK 2003 - 2004

Products and Services Catalogue

Staff were able to view and provide feedback on the new Products and Services Catalogue, in preparation for its release to DOLA customers in the near future.

The Catalogue provides easy access to DOLA's products and services. The benefits are twofold – customers will be able to access DOLA's products and services through a single access point, and staff will gain a better knowledge of the agency as a whole.

It is envisaged that in the coming year the Catalogue will be placed on DOLA's corporate website and will become available to members of the public.

Launch of INK

DOLA's first intranet system titled INK (Information News Knowledge) was launched to staff in early 2003.

INK is designed to be a 'one-stop shop' for all corporate information. Its front page enables staff to view the agency's latest news on a daily basis, and aims to replace DOLA's current Lotus Notes database system.

TRIM

DOLA decommissioned its three former records management systems in favour of a single integrated TRIM system that also manages the paper based, records management requirements of the agency. The single record keeping system allows for more timely searches of information.

DOLA is working towards having the flexibility and capacity to be more responsive to the changing needs of its customers, especially in regards to information.

The new statutory authority will have a more commercial focus while continuing to provide the core services of land information, titling and valuation services.

Our focus is on providing an e-commerce environment. Technology and on-line services will provide greater access to integrated land and property information, which will have a wide range of benefits for Government and business.

DOLA aims to be at the forefront of e-government initiatives.

Market Research

Comprehensive quantitative market research was undertaken to enable DOLA to take a definitive view of those areas that require focus to meet customer expectations in terms of service, product delivery, customer management and communication. The research provided the foundation to inform an agency-wide strategy which aims to achieve a consistent and improved customer interface.

Data Quality Improvement

DOLA continued its commitment to data quality improvement by undertaking a major review of projects and activities associated with data improvement throughout the year. In considering the current situation and the agency's strategic direction, DOLA reassessed its data improvement priorities for the future. Complete, accurate and timely data is considered a key enabler in facilitating a whole-of-Government land and property information platform.

Business Realignment Program

A major business improvement initiative designed to bring about internal business efficiencies and provide better value and improved service for customers commenced during the year.

All aspects of DOLA's business will be examined using a suite of tools including value chain analysis, activity based costing, business process mapping and marketing analysis. The costs of business processes and the associated deliverables (products and services) will be considered in terms of their business viability.

The program is expected to roll through until 2005, whilst improvements to processes and any new business opportunities identified, will be implemented along the way.

In the longer term, this work will enable DOLA to better understand its cost structure so as to inform future pricing decisions of products and services. This will also provide for greater consistency when determining prices. DOLA will optimise work to date by reflecting any new understanding of its cost base in the prices of its products and services.

FINANCIAL OVERVIEW

Operating Revenue

A continued buoyant property market during 2002-03 enabled DOLA's revenue to exceed \$60 with the main revenue source being Land Titles Management activities.

Cost of Services

Cost of Services was 7.6% above budget or \$7.1m mainly due to one-off additional costs associated with the administering of Output 1 - Government Land Services and severance costs.

Capital Expenditure

Capital expenditure of \$5.856m was directed mainly at DOLA's continued investment in information technology, which included the completion of the digital capture of land titles information and the ongoing asset replacement program.

Financial Summary

	2003 (\$'000)	2002 (\$'000)
Cost of Services		
Operating Expenses	100,672	92,094
Operating Revenue	60,782	60,201
Net Cost of Services	39,890	31,893
Statement of Financial Performance		
Total Assets	92,809	88,353
Total Liabilities	20,491	16,430
Total Equity	72,318	71,923

SUMMARY OF OUTPUT MEASURES

Quantity Measures

	Actual 2000-2001	Actual 2001-2002	Target 2002-2003	Actual 2002-2003
Government land actions	8,648	6,117	8,150	7,785
Land registration actions	1,603,611	1,815,296	1,621,400	1,892,461
Physical land information				
data sets maintained and developed.....	9	9	9	9
Land boundary information				
data sets maintained and developed.....	3	3	3	3
Valuations completed	1,384,911	1,371,492	1,082,053	1,145,529
WALIS Business Plan projects	na	14	14	14

Quality Measures

	Actual 2000-2001	Actual 2001-2002	Target 2002-2003	Actual 2002-2003
Maintain AS/NZS ISO 9001:2000 Quality				
Assurance for Government land action process.....	Achieved	Maintained	Maintained	Maintained
Maintain AS/NZS ISO 9001:2000 Quality				
Assurance for physical land information data				
set maintenance and development processes	Maintained	Maintained	Maintained	Maintained
Maintain AS/NZS ISO 9001:2000 Quality				
Assurance for land boundary information data				
set maintenance and development processes	Maintained	Not Maintained	Maintained	Achieved
Claims against registered interests, as a result of				
fraud, negligence or error, settled by the Crown	0	1	0	1
Benchmark against international standards for				
accuracy and taxing values using Means Ratio Test				
Gross Rental Valuations.....	94.14%	92.38%	92.5%	93.04%
Unimproved Valuations	91.87%	92.69%	92.5%	91.76%
Coefficient of dispersion applied to check uniformity of values				
Gross Rental Valuations	5.48%	5.01%	<7%	5.69%
Unimproved Valuations	4.64%	4.31%	<15%	5.17%
Extent to which performance criteria for				
WALIS Business Plan projects are achieved	na	64%	75%	74%

Timeliness Measures

	Actual 2000-2001	Actual 2001-2002	Target 2002-2003	Actual 2002-2003
Government land actions completed within target time.....	97%	97%	85%	95%
Time systems providing registration services are available for use	97.5%	98.6%	98%	98.5%
Requests for physical land information data met within target times	95%	99%	95%	99%
Land boundary information added to data sets within target times	95%	98%	95%	96%
Turnaround target or agreed times met for:				
General Valuations	na	93%	98%	95.4%
Market values, stamp duty values, plant and equipment values, and consultancy advice.	na	na	85%	72.6%
Government Property Register values completed by 30 June	na	99.2%	95%	100%
WALIS Business Plan projects completed within agreed times	na	57%	90%	75%

Unit Cost Measures

	Actual 2000-2001	Actual 2001-2002	Target 2002-2003	Actual 2002-2003
Government land actions	\$1,845	\$2,563	\$1,795	\$2,337
Land registration actions	\$24.40	\$22.26	\$27.01	\$24.28
Physical land information data sets maintained and developed.....	\$1,563,544	\$1,654,128	\$1,661,757	\$1,658,527
Land boundary information data sets maintained and developed.....	\$833,202	\$996,537	\$998,140	\$1,004,159
WALIS Business Plan projects	na	\$112,285	\$110,215	\$105,352