

2018-19



OUR PLAN

OUR PLAN 2018 - 2019

At Landgate, we believe we all play a role in creating a positive future for Western Australia (WA). We know that to do this, we need to focus on what really matters.

Our 'Strategic Directions 2018 / 2023' sets our focus and priorities for the next five years.

This plan forms the first year of our five year journey. It identifies how we will deliver on our priorities by providing our core services better, supporting businesses and government to prosper and delivering returns to WA.

Our plan will see us improve our systems and processes to make the land titling, plan and valuation services we provide more digital, automated and efficient.

It will refocus the way we provide location data, to make sure it is delivered to customers where it is needed the most, and where it provides the greatest value. We will move from developing products, to providing the location data and services that support government priorities such as METRONET, Westport and Target 120, and help manage the delivery of essential services to the community.

We will collaborate with other agencies to make the capture and use of public sector data more efficient by improving the way it is shared and used. Our SPUR initiatives will continue to support more local businesses to use our data to bring their own innovative products and services to market.

We'll identify ways to use our existing assets - our technology, our capabilities, and our investments - to make our business more efficient, improve our profitability and ultimately, increase financial returns to the state.

Our people will be empowered to work smarter by having the right data, skills and culture to make good business decisions, innovate and improve, and deliver the best possible service.

Our plan keeps our customers, community and our people at the heart of everything we do, because at Landgate, we believe creating a positive future is about the things we do every day.

OUR FOCUS



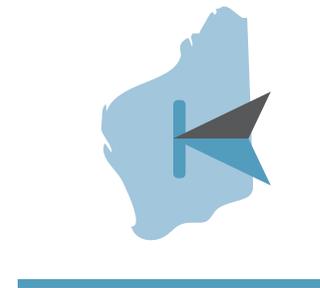
We deliver core services better than ever



We support government priorities and business growth



We deliver returns to the state



1

We deliver core services better than ever

Priorities

- We provide land titling services that secure the property rights of the community in a digital economy
- We provide a valuation service that meets the needs of our customers
- We deliver trusted location data that supports the management and development of our state





We provide land titling services that secure the property rights of the community in a digital economy

2018 - 2019
Initiatives

- We will deliver land titling services efficiently and effectively.
- We will enhance the processing of survey plans and new titles to support quality and timely land development in WA. We will improve system functionality to increase the digital plan data needed for automated plan processing, and progress automated new title creation.
- We will enable greater digital processing of land registration documents by:
 - implementing legislative amendments to remove duplicate Certificates of Title and enable electronic service of notices and counterpart mortgages; and
 - rationalising and simplifying our forms to enable increased digital data and automated processing.
- We will develop and implement a communication plan to engage our customers and stakeholders with our digital roadmap for land titling services.

Measures

- By 30 June 2019, turnaround times for examinations will be less than two business days for semi-automated plans and less than 15 days for manual plans.
- 60% of all plans can be created as fully digital plans by the end of the financial year.
- Greater than 80% of customers find it easy to do business with us.
- Greater than 80% of customers rate us 8, 9 or 10 out of 10 for overall satisfaction.
- A Net Promoter Score (NPS)* greater than +40.

*NPS measures the likelihood of customers recommending Landgate, based on their experience and perception of service and product quality





We provide a valuation service that meets the needs of our customers

2018 - 2019
Initiatives

- We will continue to engage with our customers, suppliers and stakeholders to inform the Valuations & Property Analytics Reform Program, including the development and/or procurement of a new valuation system and improved valuation processes and policies.
- We will investigate and decide upon a new valuation system which will automate valuations across Valuations & Property Analytics' product suite, including rating and taxing, and specialist valuations.
- We will investigate sourcing of key data to automate the collection and verification of valuation information and improve the quality, timeliness and efficiency of our valuations.
- We will deliver a review, and recommendations of the models, that may underpin WA's Rating and Taxing in the future, to inform strategic decision making.

Measures

- Draft optimal Customer, Supplier and Stakeholder Journeys defined by 28 February 2019, enabling 80% of Local Government Authorities being satisfied with Landgate's valuation services.
- The Request for Proposals process to be completed by March 2019, and a system design and delivery approach agreed upon by 30 June 2019.
- Key supplier relationships reinforced and service level agreements for data supply commenced or put in place by 31 December 2018.
- By June 2019, property analytics will enable a reduction of 10% in the average time spent to complete a rating and taxing valuation.
- The review report with recommendations for models that may underpin WA's Rating and Taxing in the future, is completed by 30 June 2019.





We deliver trusted location data that supports the management and development of our state

2018 - 2019
Initiatives

- We will deliver trusted location data efficiently and effectively.
- We will deliver authoritative location data that supports the land titles register.
- We will move from product development to the provision of information. We will focus our imagery and geospatial services on delivering data to government that provides the maximum value to the state. We will communicate our service offerings to our customers.
- We will update our systems and data to the prescribed Australian datum to achieve legislative compliance, which ensures accurate positioning of infrastructure.
- We will structure and format our location data to make it more usable for our major public sector and industry customers.

Measures

- 80% of our customers find our data relevant, timely and meets their needs.
- 80% of our customers find our location data useful in informing decision making and supporting the provision of government services.
- We will cease delivery of non-value adding products in 2018/19.





2

We support government priorities and business growth

Priorities

- We deliver public policy, legislative reform and data that support the development of our state
- We collaborate across government and use our data insights to create efficiencies
- We provide access to data that helps businesses stimulate and grow the economy



We deliver public policy, legislative reform and data that support the development of our state

2018 - 2019
Initiatives

- We will communicate the changes to Strata and Community Titles to support the implementation of the reforms across government, industry and the WA community.
- We will implement changes to systems and processes to accommodate Strata and Community Titles reforms.
- We will provide accurate, current location information and expertise to support the delivery of priority state projects such as METRONET, Westport, Target 120 and other government initiatives.
- We will establish agile project teams from across the business to provide expertise that actively supports government initiatives.
- We will better integrate our data analytics capabilities and services to inform government initiatives.
- We will expand our networks and leverage existing relationships to demonstrate the value of our data and expertise.

Measures

- Requirements for systems changes in response to Strata Titles reforms, are established in the 2018/19 financial year and scheduled for future implementation.
- 10% increase in the number of datasets supplied to our customers, government and industry each year.
- Delivery of progress reports for priority government initiatives to measure the timeliness of and satisfaction with Landgate's services.





We collaborate across government and use our data insights to create efficiencies

2018 - 2019
Initiatives

- We will lead by example by identifying all Landgate datasets, understanding our customer needs and sharing all our appropriate data in formats that support those needs.
- We will establish 'data squads' to collaborate with other agencies and actively encourage the shared capture and use of government data.
- We will implement an awareness campaign for Capture WA to increase agency participation in the program, resulting in measureable savings to government.
- We will develop and implement an auditable benefits realisation framework to measure the efficiencies we deliver through collaboration and data sharing across government and industry.

Measures

- \$1m efficiencies realised by agencies in 2018/19 from using Capture WA.
- A benefits realisation framework is implemented by 30 June 2019.
- Data squads are operational and actively implementing the engagement plan before the end of the financial year.





We provide access to data that helps businesses stimulate and grow the economy

2018 - 2019
Initiatives

- We will implement a consistent pricing and licensing framework to encourage business growth and use this to assist other agencies with pricing and licensing their own data, including commercial usage.
- We will broaden the reach of SPUR community support initiatives to make WA the place of choice for location based start-ups. For example SPURonWA Grants, SPUR Developer Licenses.

Measures

- We implement a new pricing and licensing framework by the end of the financial year.
- SPUR Start-Up Assistance Strategy updated by December 2018.
- 10 new start-ups per annum supported through SPUR initiatives, including data access, mentoring, shared office support, networking and connecting with key stakeholders.



3

We deliver returns to the state

Priorities

- We use our performance data and business acumen to improve cost effectiveness and returns to the state
- We derive value from our assets
- We innovate and find new opportunities





We use our performance data and business acumen to improve cost effectiveness and returns to the state

2018 - 2019
Initiatives

- We will build on our business acumen to enable our people to make good business decisions everyday.
- We will regularly update and implement Way of Working action plans to improve employee engagement and performance.
- We will deliver streamlined, automated and real time corporate information.
- We will explore opportunities for 'business process as a service' for all business activities.
- We will continuously refine and align our structures to support the best delivery of service to our customers.

Measures

- The delegation framework is updated by 30 June 2019 to reflect devolvement of decision making within Landgate.
- One end-to-end process to be converted to 'business process as a service' by 30 June 2019.
- By 30 June 2019, our Way of Working engagement scores have improved and are on track to achieve the target of engagement increasing from 49% to 69% by 2023.





We derive value from our assets

2018 - 2019
Initiatives

- We will manage our investment portfolio and provide strategic guidance to our stakeholders to enable informed decisions that realise the best return to the state.
- We will extend our network to ensure we have a seat at the table, and know about developments in our environment so we can support collaborative government initiatives.
- We will develop and implement an Intellectual Property strategy and framework across the organisation to secure the value of our assets.
- We will commercialise our data and expertise by partnering with others to provide value added services to local, national and international clients.
- We will use technology to identify our capabilities and assets and ensure we maximise their value.
- We will ensure our people are cross-skilled, agile and empowered to allow them to challenge the status quo in pursuit of better customer service.

Measures

- Three government initiatives are actively supported by Landgate during the financial year.
- An Intellectual Property Strategy is developed and managed to a sustainable level by 30 June 2019.
- A Workforce Plan and Skills Capability framework implemented by 30 June 2019.





We innovate and find new opportunities

2018 - 2019
Initiatives

- We will embrace a culture of innovation every day by everyone within our business and beyond.
- We will continue to explore innovative and disruptive market forces. These initiatives will inform our strategic direction for investment and partnering, and help us manage our future opportunities.
- We will continue to grow our start-up network, supporting their growth and acceleration to market through SPUR initiatives.
- We will evolve our new partnership model to invest our data, expertise and knowledge to assist local businesses to grow.

Measures

- Our people invest at least an hour a week to innovate in the business.
- Efficiencies gained from innovation projects are identified and measured.
- Two new disruptive technologies / market forces are identified, evaluated and reported to the business.



FINANCIAL OUTCOMES

Landgate's projected financial performance and capital investment for 2018/19 are reflected in the following financial statements.

Highlights are provided in the table below:

Projections (end 30 June 2019)	(\$'000)
Profit (after tax)	\$18,948
Net assets	\$232,956
Cash balance	\$4,900
Dividends paid	\$1,295

Note: The cash balance does not include investments in held to maturity financial assets.

Key policies and assumptions used in preparing Landgate's financial statements are outlined opposite.

● Key assumptions and policies

● Regulated revenues

Revenue projections have been prepared following trend analysis and assessment of economic forecasts to predict the future activity of the property market. The subdued property market sentiment and general economic conditions experienced during 2017/18 are expected to continue during 2018/19.

● Funds provided by government

The overall reliance on funds from government will continue to reduce over time as the payments to the state including taxes and increasing dividends offset service appropriations.

● Key assumptions and policies (cont.)

● Dividend policy

In accordance with the *Western Australian Land Information Authority Act 2006*, after the end of the financial year the Board is to make a recommendation to the Minister as to whether a dividend should be paid and the amount of that dividend. Landgate's projected dividends, based on after tax profit, are expected to increase over the term of its Strategic Development Plan.

● Accounting policy

Landgate prepares financial statements on the accrual basis of accounting using the historical cost convention, except for land and buildings which are periodically valued to fair value.

Landgate prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) as applied by the Treasurer's Instructions.

Landgate's detailed accounting policies can be found in the notes accompanying the financial statements in its Annual Report.

● Performance reporting

Landgate provides the Minister for Lands with a half yearly report covering the first six months of the financial year and an annual report prepared in accordance with the provisions of the *Financial Management Act 2006* and Treasurer's Instructions.

● Services provided to and on behalf of government

Landgate performs functions on behalf of the state government that are not otherwise commercially viable. These services are provided to meet the government's desire to satisfy the broader economic, environmental and social needs of the community.

These services include:

- state wide mapping and surveying programs
- collection and maintenance of state wide fundamental land information datasets
- provision of access to government location information.

Profit and Loss Statement

	PROJECTIONS
	2018/19 (\$'000)
REVENUE	
Registration services incl LSS*	88,996
Valuation services	18,500
Interest & investment revenue	6,261
Commercial products & services	8,420
Government revenue	35,229
Other revenue	550
TOTAL REVENUE	157,956
EXPENSES	
Employee benefits	61,136
Supplies & services	38,476
Depreciation	14,875
Accommodation	4,703
Finance costs	934
Other expenses	10,768
TOTAL EXPENSES	130,892
PROFIT BEFORE INCOME TAX EQUIVALENTS	27,064
Income tax equivalents	8,116
PROFIT FOR THE PERIOD	18,948
REGULATED REVENUE ACTIVITY	2018/19 ('000)
Documents	262
Searches	1,224
*Lodgement Support Service	

Balance Sheet

	PROJECTIONS
	2018/19 (\$'000)
Current assets	
Cash	4,214
Receivables	13,578
Held to maturity financial assets	9,000
Amounts receivable for services	3,800
Other current assets	11,862
Total current assets	42,454
Non-current assets	
Restricted cash	686
Amounts receivable for services	29,973
Investments	35,346
Leased land & building	40,755
Fixed assets, intangibles & land reserves	56,202
Other non-current assets	5,151
Held to maturity financial assets	52,000
Total non-current assets	220,113
TOTAL ASSETS	262,567
Current liabilities	
Employee provisions	9,154
Payables	3,210
Finance lease	4,500
Other current liabilities	6,267
Total current liabilities	23,131
Non-current liabilities	
Employee provisions	2,886
Finance lease	3,408
Other non-current liabilities	186
Total non-current liabilities	6,480
TOTAL LIABILITIES	29,611
NET ASSETS	232,956
EQUITY	
Contributed equity	67,043
Reserves	19,412
Retained earnings	146,501
TOTAL EQUITY	232,956

Cash Flow Statement

	PROJECTIONS
	2018/19 (\$'000)
CASH FLOWS FROM STATE GOVERNMENT	
Service appropriations	29,310
Holding account drawdowns	830
Income tax equivalents	(6,405)
Dividends paid	(1,295)
NET CASH PROVIDED BY STATE GOVERNMENT	22,440
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments	
Employee benefits	(61,709)
Administration	(48,789)
Accommodation	(4,703)
Finance costs	(934)
GST payments	(6,315)
Receipts	
Operating receipts	107,749
GST receipts	6,315
NET CASH PROVIDED BY OPERATING ACTIVITIES	(8,386)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of non-current assets	(11,562)
Proceeds/(Purchase) of held to maturity financial assets	1,000
NET CASH USED IN INVESTING ACTIVITIES	(10,562)
CASH FLOWS FROM FINANCING ACTIVITIES	
Finance lease payments	(4,143)
NET CASH USED IN FINANCING ACTIVITIES	(4,143)
NET INCREASE/(DECREASE) IN CASH	(651)
Cash at the beginning of the year	5,551
CASH AT THE END OF THE YEAR	4,900

Asset Investment Plan

	PROJECTIONS
	2018/19 (\$'000)
ASSET REPLACEMENT	1,736
BUSINESS REFORM INITIATIVES	
Future building strategy	1,100
Transform enterprise services reform	1,900
Valuation & property analytics	988
Digital channel extension	2,400
TOTAL BUSINESS REFORM INITIATIVES	6,388
LOCATION INFRASTRUCTURE	
Innovation program	600
Strata Titles Act 1985 reform	2,000
Shared location information platform (SLIP)	450
GDA 2020	188
TOTAL LOCATION INFRASTRUCTURE	3,238
PRODUCTS & SERVICES	
Products & services other	200
PRODUCTS & SERVICES	200
TOTAL FUNDS REQUIRED	11,562

Financial Outcomes

	PROJECTIONS	
	Note	2018/19
ECONOMIC ASSUMPTIONS		
Growth		
Statutory Services - Volume Growth		0.0%
Statutory Services - Fee Growth		1.5%
Commercial Products & Services - Revenue Growth		-0.8%
Valuation Services - Revenue Growth	1	44.5%
PERFORMANCE INDICATORS		
Total Assets		\$262,567
Return on Assets		7.20%
Debt to Equity		12.70%
Total Cost per Recurrent FTE (\$'000)		\$268
Total Revenue per Recurrent FTE (\$'000)		\$324
Total Profit before tax per Recurrent FTE (\$'000)		\$55
FINANCIAL OUTCOMES (\$'000)		
Operating Profit (Before Income Tax)		\$27,064
Operating Profit (After Income Tax)		\$18,948
Capital expenditure		\$11,562
ACCRUALS TO STATE GOVERNMENT (\$'000)		
Payroll Tax & Other Duties		\$3,366
Income Tax Equivalents		\$8,116
Dividend Declared, Approved & Paid	2	\$1,295
TOTAL		\$12,777
REVENUES FROM STATE GOVERNMENT		\$35,229
NET REVENUE FROM STATE GOVERNMENT		\$22,452

1. 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.

2. Under the Act, the Board will make a recommendation to the Minister at the end of the financial year on whether a dividend will be paid and the size of that dividend. Proposed dividend payments to Government are approved, declared and paid in the following year.

MY NOTES

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