

FOLLOW UP OF THE AUDITOR GENERAL'S 2012 FINANCIAL AUDIT REPORT

Organisation: Department of Finance and Services
Name: Mr Michael Coutts-Trotter
Position: Director-General
Date Received: 14/06/2013



Ref: DG13/591

Mr Jonathan O'Dea MP
Chair
Public Accounts Committee
Parliament of New South Wales
Macquarie Street
SYDNEY NSW 2000

Dear Mr O'Dea

I refer to your request that the Department of Finance and Services (DFS) report to the Public Accounts Committee on its response to relevant repeat recommendations in the Auditor General's 2012 financial audit reports to Parliament.

Please find attached the response from DFS in the required template (Tab A). This response describes the actions DFS has taken to date to resolve the Government Property Register's limitations so that it becomes a complete and reliable record of all NSW government property assets.

I have also enclosed additional information on the Department's achievements in improving the functionality of the GPR in 2012/13 (Tab B).

If you have any questions on this matter, please contact Ms Madi Maclean, Director, Land and Property Products and Services, on 9228 6601.

Thank you for the opportunity to update the Public Accounts Committee on the department's progress in this matter.

Yours sincerely

Michael Coutts-Trotter
Director-General

12 JUN 2013

ATTACHMENT A – REPORT ON ACTIONS TO IMPROVE THE GPR'S RELIABILITY AND COMPLETENESS
(Using the Public Accounts Committee Template)

Recommendation	Accepted or Rejected	Actions Taken	Due Date	Status (completed, on track, delayed) and Comment	Responsibility (Section of agency responsible for implementation)
Department of Finance and Services – Government Property Register <ul style="list-style-type: none"> The Department resolve the Government Property Register limitations so that it becomes a complete and reliable record of all NSW Government property assets 	Accepted	Developed functionality of the Government Property Register (GPR) to capture all land without title. Extended GPR Business Rules to recognise transfer of a property by other means besides title registration.	Ongoing	On track	Government Property NSW. However, Land and Property Information (LPI) continues to manage the operations.
		Crown Land Title Conversion projects (National Parks and State Forests).	June 2014	On track	Government Property NSW. However, LPI continues to manage the operations.
		Dedicated additional resources to the GPR to assist in data cleansing, quality and correction activities from the annual reconciliation and title conversion projects.	December 2013	On track	Government Property NSW. However, LPI continues to manage the operations.
		LPI continues to work with agencies to reconcile their property asset records with the GPR.	December 2012	Completed	Government Property NSW. However, LPI continues to manage the operations.

ATTACHMENT B – ACHIEVEMENTS IN IMPROVING THE FUNCTIONALITY OF THE GOVERNMENT PROPERTY REGISTER IN 2012/13

Since the Department of Finance and Services (DFS) last reported to the Public Accounts Committee (PAC) in May 2012, the following actions have been initiated or completed to improve the reliability and completeness of the Government Property Register (GPR).

Activity/Action	Achievements in 2012/2013	Completion date
Developed the functionality of the GPR to capture all land without title. Extended GPR Business Rules to recognise transfer of a property by other means besides title registration.	13,000 land parcels which were either "Railway takings" or parcels transferred by gazettal are now stored in the GPR.	Ongoing activity
Crown Land Title Conversion projects (National Parks and State Forests).	13,128 government-owned lots added to the GPR. These projects are continuing to add or improve land title records and improving the ability to track future land title changes electronically.	Projects due for completion in June 2014.
Dedicated additional resources to the GPR to assist in data cleansing, quality and correction activities from the annual reconciliation and title conversion projects.	A total of 18,060 changes to the GPR have been completed (includes the items below).	Additional resources are employed in GPR team until December 2013.
Land and Property Information (LPI) continues to work with agencies to reconcile their property asset records with the GPR.	1,565 properties added and 8,843 responsible agency's identities and 1,500 land uses for properties updated.	Reconciliation conducted May – December 2012.

In the 2012 reconciliation process, LPI contacted 210 NSW agencies and departments to request the provision of property data as set out in the *Annual Reports (Departments) Act 1985* and the *Annual Reports (Statutory Bodies) Act 1984*.

According to the GPR, 127 agencies own properties and 83 agencies hold no property. Despite follow ups with agencies, responses were received from only 29 out of 127 agencies listed as owning properties in the GPR and 32 out of 83 agencies listed as not owning properties in the GPR.

However, the number of lots in the responses constituted 89% of the lots in GPR. Of the 274,000 lots of data received, 83% has been reconciled against the GPR. There are 46,000 remaining lots to be processed due to the complexity of the data.

In relation to the reliability of the GPR, agencies' records accorded with the GPR significantly on the factors that the Audit Office has advised LPI are the most critical. Agency records and the GPR agreed as follows:

Lot is government owned	Name of responsible agency	Land parcels in a property	All data fields required
99.2%	95.6%	87.55%	38.23

Significant improvements have been made from the 2011 reconciliation process, in particular an 8.77% increase in property matches and an 11.12% increase in all data matches.

The Department of Finance and Services has commissioned a report to identify additional data fields to allow improved assessment of the potential marketability of government properties. That report is currently being finalised.