



Natural Resources Commission

Final report

Local strategic plan implementation audit

November 2019

Northern Tablelands Local Land Services

Enquiries

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List of acronyms

IT	Information Technology
LLS	Local Land Services
MERI	Monitoring, evaluation, reporting and improvement

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The Commission reserves the right to update this draft audit report upon completion of auditing the remaining LLS regions.

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Executive summary

Background

The Northern Tablelands region is a highland area in northern NSW. The region is approximately 4 million hectares in size and has an average elevation of over 1,000 metres above sea level. It includes the major regional centres of Armidale, Glen Innes, Guyra, Inverell, Tenterfield, Uralla, and Walcha. Grazing land covers 56 percent of the region, with 90 percent of landholders carrying livestock on their property and 73 percent stocking cattle. **Attachment 1** provides more detail on the region.

The *Local Land Services Act 2013* requires the board of each Local Land Services (LLS) region to prepare a local strategic plan that is approved by the Minister.¹ The local strategic plan should 'set the vision, priorities and strategy in respect of the delivery of local land services in the region, with a focus on appropriate economic, social and environmental outcomes.'²

In line with these requirements, Northern Tablelands LLS prepared a local strategic plan (the Northern Tablelands plan), which was approved by the Minister in 2016. The Northern Tablelands plan includes priority objectives (which are referred to as 'outcomes' for the purpose of this audit) to guide strategic direction for five years between 2016 and 2021. The Northern Tablelands plan includes 19 outcomes, 80 activities, 29 performance indicators and five business priorities that are applicable to the current operations of Northern Tablelands LLS.³ **Attachment 2** gives an overview of these outcomes.

The *Local Land Services Act 2013* requires that the Natural Resources Commission (the Commission) to undertake an audit of local strategic plans within three years of its approval by the Minister.

The objective of this audit was to assess Northern Tablelands LLS' implementation of the Northern Tablelands plan, and the extent to which stated outcomes have been achieved within set time frames and reported. To determine the extent to which the Northern Tablelands plan was implemented, this audit looked at the broad intent of the Northern Tablelands plan, focussing on its stated outcomes, and assessed whether Northern Tablelands LLS' actions and projects aligned with this. **Attachments 3 and 4** provide more detail on the audit requirements and approach.

The audit was informed by interviews with Northern Tablelands LLS staff (see **Attachment 5**) and a review of relevant documentation.

This report presents the findings of the audit under three key areas: outcomes, systems and processes supporting strategic plan implementation and reporting of outcomes.

¹ Section 46(1) of the *Local Land Services Act 2013* requires the board of each LLS region to prepare a local strategic plan and to have it approved by the Minister. These local plans were approved by the Minister mid-2016.

² *Local Land Services Act 2013*, Section 45(1).

³ Since the development of the Northern Tablelands plan native vegetation management has become the responsibility of the LLS Sustainable Land Management unit. As such the following native vegetation outcomes under the plan are no longer considered applicable:

- Landholders understand the value of native vegetation on farm and in the landscape.
- Landholders understand the value of native vegetation on farm and in the landscape.

Overall findings

The Commission found that all Northern Tablelands plan outcomes are on track to be achieved by 2021, except for commercial services, which Northern Tablelands LLS has deliberately chosen not to focus on going forward. Mature reporting processes are in place, providing key information regarding performance and progress towards outcomes. Performance is measurable and tracked against performance indicators.

The Commission is satisfied that the strategic planning framework is well structured and incorporates all the key elements described in the Northern Tablelands plan. The purpose and content of the annual Northern Tablelands LLS operational plans are appropriate to give effect to the Northern Tablelands plan. The local board is fulfilling its role in monitoring and providing strategic guidance regarding progress towards outcomes.

Areas going well

The Commission found the following aspects of the Northern Tablelands plan implementation are going well:

- F1 Northern Tablelands LLS has achieved the majority of the targets set in the Northern Tablelands plan.**
- F3 The Northern Tablelands plan drives the planning processes and on-ground work of Northern Tablelands LLS.**
- F4 Governance systems support the implementation of the Northern Tablelands plan.**
- F5 Northern Tablelands LLS reports annually against performance indicators to assess program contributions towards stated outcomes.**

Areas to improve

The Commission identified the following areas for improvement:

- F2 Some performance indicator targets may not be realistically achievable, measurable or effective measures of performance.**
- F6 Minor amendments could improve annual operational reporting**

Suggestions for improvement

The Commission has outlined two suggestions for improvement:

- S1 Revise performance indicators that are not realistic or measurable and rationalise to a manageable set of key strategic measures of business performance.**
- S2 Include minor amendments to the Operational Plan Review and Report to:**
 - distinguish between annual and cumulative results
 - distinguish between ratings that are 'not assessed' and 'not yet due for assessment'
 - clearly identify planned delivery timeframes
 - increase the frequency of reporting to bi-annual.

1 Achievement of local strategic plan outcomes

The Commission found that Northern Tablelands LLS has made positive progress towards all applicable Northern Tablelands plan outcomes. It should be noted that the local strategic plan has objectives for each functional area that have been used as outcomes for the purpose of this audit. With some exceptions, outcomes to date have been delivered to planned standards and within planned timeframes. It is likely that all outcomes will be achieved by 2020.

1.1 Areas going well

F1 Northern Tablelands LLS has achieved the majority of the targets set in the Northern Tablelands plan

The Northern Tablelands plan includes 19 outcomes, 80 activities, 29 performance indicators and five business priorities that are applicable to the current operations of Northern Tablelands LLS.⁴ The Northern Tablelands plan maps activities and performance indicators to specific outcomes. It also states what the business priority (annual focus) will be for each year of the plan (see **Attachment 1**).

The Commission considers that all 19 outcomes are on track to be achieved by 2021. Many of the performance indicators have been met, indicating good progress towards Northern Tablelands plan outcomes. Performance indicators that have been partially met will not prevent the overall implementation of the Northern Tablelands plan.

Since the Northern Tablelands plan commenced, Northern Tablelands LLS has conducted annual reporting against performance indicators. **Attachment 2** outlines the current status of performance indicators. Based on the 2017-18 Operational Plan Review and Report and other evidence reviewed by the Commission, the status of the 29 applicable performance indicators is:

- Twenty (69 percent) have been met
- Nine (31 percent) have been partially met.

Business priorities for the first two years of the Northern Tablelands plan implementation period have largely been met. However, Northern Tablelands LLS has intentionally placed a reduced emphasis on the business priority for 2018-19 that 'commercial services functions add value to the business and region.' This is because it has recognised that commercial services should not be a priority for a government agency. While performance indicators associated with this outcome were met for 2017/18, the Commission notes that there will be a reduced focus delivering this outcome in the future.

Northern Tablelands LLS has made progress in improving its Emergency Management Program to address identified gaps.⁵ In the last 12 months, it has:

- employed a dedicated emergency management coordinator

⁴ Since the development of the Northern Tablelands plan native vegetation management has become the responsibility of the LLS Sustainable Land Management Unit. As such the following native vegetation outcomes under the plan are no longer considered applicable:

- Landholders understand the value of native vegetation on farm and in the landscape.
- Landholders understand the value of native vegetation on farm and in the landscape.

⁵ The Operational Review and Report 2017-18 reported zero progress against key performance indicator '100 percent KPI's met for local strategic plan.'

- introduced the Strategic Services Team that coordinate multiple teams to deliver on emergency management (previously there was only one dedicated emergency response team)

These changes likely contributed significantly to achieving the emergency management Northern Tablelands plan outcome.⁶ Northern Tablelands LLS has subsequently earned a Minister's award for its response to the Tingha bushfires.

Key achievements are outlined below:

- **Predation impact reduction through partnership:** Northern Tablelands LLS has formed a partnership with Australian Wool Innovation, which has allowed the region to deliver an annual wild dog aerial baiting program. In 2017/18, landholders in twenty six wild dog control groups distributed more than 10,000 ground baits. Wild dog groups also regularly monitor and report on predation levels to Northern Tablelands LLS. These reports have shown a reduction in predation levels over the last two years. Northern Tablelands LLS is also building promising relationships with pest animal groups to tackle emerging pests, including deer. Northern Tablelands LLS was intending to hold a deer management forum and to trial 'paddock trapping' to manage deer populations.
- **Practice change:** Northern Tablelands LLS delivered its sustainable agriculture extension programs using a layered approach to embed practice change that involved three stages of events. Events focused first on awareness raising, followed by knowledge building and practice change events. Key topics included soil health, farm planning and ladies in livestock. Attendees at knowledge building and practice change events tended to be a subset of those that attended the first awareness raising events. Practice change was measured by surveying 20 percent of participants present at the practice change events. Surveys from 2017/18 suggested that approximately 88 percent of people intended to implement what they learned.
- **Collaboration:** Northern Tablelands LLS has formed partnerships with organisations and agencies to increase their capacity to win funding and implement projects to deliver on-ground change. In particular, it has successfully partnered with Landcare to secure National Landcare Program Phase Two funding for programs, including the regional weeds program. Funding for the weeds program has been used to update and reprint weed guides and undertake weed control, including the management of 3,000 hectares of tropical soda apple in the riparian zone of the Macleay River and 100 hectares of cats claw creeper at 22 sites.
- **Team culture:** Interviews indicated that there has been cross-team collaboration to deliver improved customer services. For example, the sustainable agriculture team collaborated with the animal biosecurity team to deliver field day events.
- **Drought support:** Northern Tablelands LLS has been responsive to customer needs, shifting the focus of its agricultural advice to meet the needs of landholders affected by drought. Agricultural extension interactions have focused on providing feed and fodder conservation advice. To date, the drought has not prevented Northern Tablelands LLS from making timely progress towards Northern Tablelands plan outcomes but it is acknowledged that drought has impacted sustainability and production.

⁶ The emergency management outcome is that 'Northern Tablelands is equipped and prepared for all tiers of emergency responses as per Department of Primary Industry business plan'.

1.2 Areas for improvement

F2 Some performance indicator targets may not be realistically achievable, measurable or effective measures of performance

- Interviewees indicated that some performance indicator targets may be unrealistic, and therefore may not be achieved by 2020/21. Two examples include:
- The travelling stock reserve target of '100 percent maintenance of condition index from baseline' may not be achievable, especially given the prolonged drought.
- The performance indicator to achieve a 'trending increase in profitability in LLS benchmarking groups' is not practical to measure. The primary barrier to measuring profitability is landholder resistance to providing financial data. Northern Tablelands LLS has taken steps to address this issue by collaborating with Sunshine Coast University to develop a method to measure farm profitability.

Given the above, and noting that there are numerous performance indicators in the Northern Tablelands plan, it may be timely to reassess and rationalise performance indicators so that the plan contains a manageable set of strategic, realistic and measurable performance indicators that effectively provide insight regarding business performance. To effectively provide insight regarding strategic business performance, the Commission suggests the following action.

S1 Revise performance indicators that are not realistic or measurable and rationalise to a manageable set of key strategic measures of business performance.

1.3 Constraints

The Commission found some constraints that challenged – but did not prevent – progress towards Northern Tablelands plan outcomes or the achievement of strategic performance targets. These constraints were:

- **Travelling stock reserve revenue:** Revenue from travelling stock reserve grazing services fluctuates, as some reserves need to be rested and the demand from customers can vary. Periods of low revenue can impact the region's ability to meet travelling stock reserve outcomes.
- **Funding:** Investment bodies typically have requirements that restrict how funds can be used. Often there is a provision that funds must be used by the end of the financial year. If required, this can place limitations on the life span of projects and program activities.
- **Staff caps:** State LLS have issued a limit on staff numbers in each LLS region, which limits the resources available to implement the Northern Tablelands plan in contrast to what was contemplated when the Northern Tablelands plan was written.

2 Systems and processes support plan implementation

Northern Tablelands LLS has functional planning and governance systems that align to what is specified in the Northern Tablelands plan. Both systems continue to mature through review processes. Information technology (IT) systems are considered adequate by the region to support Northern Tablelands plan implementation though there are a number of difficulties.

2.1 Areas going well

F3 The Northern Tablelands plan drives the planning processes and on-ground work of Northern Tablelands LLS

The Northern Tablelands plan drives the planning, and ultimately, the work of Northern Tablelands LLS. The planning documentation shows a strong link between the Northern Tablelands plan outcomes and Northern Tablelands LLS on-ground activities.

In the first year of the Northern Tablelands plan's implementation, an operational planning framework based on 'functional areas' was used, which involved each functional area team conducting a risk assessment and developing an operational plan. This framework is specified in the plan. In 2017/18, this framework was changed. Functional areas were restructured into seven programs and, instead of preparing a plan for each program, all teams collectively prepared one operational plan. This change improved integration and cohesion across teams.

Key documents which make up the operational planning framework include:

- **Investment plan (2025):** This is a ten-year plan that provides principles, a vision, goals and targets to prioritise investment. This plan informed the Northern Tablelands plan by specifying areas where investment was likely to result in greatest on-ground change.
- **Regional weed (2017/22) and pest animal (2018/23) strategic management plans:** These are five- and ten-year strategies respectively that outline how Northern Tablelands LLS will meet requirements under the *NSW Biosecurity Act 2015* and the *NSW Biosecurity Strategy 2013-2021*.
- **Annual operational plan:** This sets the operational focus on an annual basis. It incorporates activities and performance indicators from the Northern Tablelands plan, including additional activities and indicators relevant for each year. This plan replaced the former individual functional area plans. The annual operational plan includes program 'plans on a page' that describe the operational focus of Northern Tablelands LLS in implementing the Northern Tablelands plan for the coming year. It provides direction and accountability for Northern Tablelands LLS' leadership team.
- **Annual business plans:** These are one-year plans that identify agreed state-wide targets and performance indicators that are to be met by the end of the year.
- **Project management plans:** These plans describe in more detail how projects will be implemented, including risk management. These projects are dependent on available funding and originate in the program plans in the annual operational plan. They include a monitoring, evaluation, reporting and improvement (MERI) component, with some supported by program logics. Following Suggested Action 1 above, program logics should be revised and used to support the rationalisation of performance indicators and the development of a manageable set of key strategic measures.

F4 Governance systems support the implementation of the Northern Tablelands plan

Overall, the Northern Tablelands LLS board has clear oversight of progress against the Northern Tablelands plan and relevant emerging issues. This occurs through progress reporting and board involvement in community consultation.

The board is comprised of a Chair and six directors (three appointed and three elected). Board meetings are held every month in conjunction with landholder forums, in different areas of the region. Strategic matters and performance against the Northern Tablelands plan performance are covered in board meetings every two and 12 months, respectively.

Standing board meeting items include:

- business and strategic functions
- operational service functions
- local board advocacy
- local community advisory committees,

The board reviews operational plans, risk assessments and internal audit programs. It reviews the Northern Tablelands plan, project plans, program plans, and the General Manager's personal work plan, and endorses the annual business plan, annual operational plan, organisational risk assessments and internal audit programs.

The board committees focus areas include:

- governance
- audit and risk
- service and program performance
- emergency management
- community.

The board is also represented on three community advisory groups, including the Aboriginal Reference Advisory Group, the Invasive Species and Weeds Committee and the Regional Pest Animals Committee.

The *Local Land Services Act 2013* requires each region to have at least one community advisory group, comprised of members who are representative of the community. The Regional Pest Animal Committee and the Regional Weeds Committee could be considered to provide such representation alongside the Aboriginal Reference Advisory Group. The Commission understands the board is considering how to improve its community engagement and the role of community advisory groups. The Commission supports this action and notes that requirements under the Act should be considered as part of these deliberations.

2.2 Constraints

Northern Tablelands LLS uses the standard suite of state-wide LLS IT systems, including government agency systems where LLS has shared responsibilities.

These systems have supported Northern Tablelands plan implementation to date but there are a number of difficulties in terms of data storage and ease of retrieval. The proposed state-wide rollout of 'myLAND' (developed by State LLS) may improve IT systems by providing a web-

based self-service customer portal, features to increase accessibility for officers working in the field or at home, and an asset management module However, it has not yet been tested and Northern Tablelands LLS has not been consulted regarding its specific user needs.

3 Reporting on local strategic plan implementation

Northern Tablelands LLS' reporting processes are integrated into the planning framework and have a good degree of transparency. Northern Tablelands LLS also appears to be meeting its commitment to "measure success," as described in the Northern Tablelands plan.

3.1 Areas going well

F5 Northern Tablelands LLS reports annually against performance indicators to assess program contributions towards stated outcomes

Written and verbal reports from the operational team, advisory groups, committees and community are presented to the board at regular meetings. Information presented includes both financial reports and program reports board meeting items.

Each year, a performance report is presented to the board. The 2017-18 Operational Plan Review and Report included qualitative information on core priorities and quantitative information on cumulative progress towards Northern Tablelands plan outcomes, in the form of results against performance indicators.⁷ Qualitative information is also provided where necessary to justify particular ratings. Justifications include monitoring results against set targets or statements confirming planned activities have been completed. This detail adds a degree of transparency and context for the reported results.

The 2017-18 Operational Report and Review also documents risks to achieving Northern Tablelands plan outcomes, proposed corrective actions and key learnings from previous programs. Documentation facilitates awareness of issues and tactics to meet Northern Tablelands plan outcomes.

The 2017-18 Operational Report and Review also includes information on good practices and key learnings from previous programs, which fosters continual improvement and assists progress towards the Northern Tablelands plan outcomes.

3.2 Areas for improvement

F6 Minor amendments could improve annual operational reporting

While the Operational Report and Review provides good information to the board on Northern Tablelands plan performance, it does not:

- distinguish between annual or cumulative results. Specifically, it is not clear if the results given in 2017-18 are representative of the year or the first two years of Northern Tablelands plan implementation.
- include results for all performance indicators to provide a comprehensive report on Northern Tablelands plan implementation. Specifically, the following performance indicators are not included:
 - '95 percent staff retention rates'.
 - 'all Invasive Species Plan outcomes and outputs are met'.
 - 'all key risks identified and controlled'.

⁷ Northern Tablelands LLS (2018) *2017-18 Operational Plan Review and Report*. Internal document provided to the Commission.

- provide an explanation as to why particular assessments were not conducted and whether their delivery is on schedule. For example, the performance indicator ‘95 percent satisfaction from surveyed LGP holders, apiarists and permit holders’ was rated as ‘not met’ because ‘no formal survey has been conducted to provide a metric’. It is not clear from this justification if an assessment was due or if the assessment was not conducted as planned.

Addressing these issues with minor improvements, as well as increasing the frequency of performance reporting to bi-annual would assist the board in gaining greater clarity on Northern Tablelands plan implementation and enable more effective strategic decision making.

To facilitate improved strategic decision making, the Commission suggests the following action.

- S2 Include minor amendments to the Operational Plan Review and Report to:**
- **distinguish between annual and cumulative results**
 - **distinguish between ratings that are ‘not assessed’ and ‘not yet due for assessment’**
 - **clearly identify planned delivery timeframes**
 - **increase the frequency of reporting to bi-annual.**

Attachment 1 – Overview of the Northern Tablelands LLS region⁸

The Northern Tablelands region is a highland area in northern NSW. The region is approximately 4 million hectares in size and has an average elevation of over 1,000 metres above sea level. It includes the major regional centres of Armidale, Glen Innes, Guyra, Inverell, Tenterfield, Uralla, and Walcha.

The region's landscape is located either side of the watershed that runs along the top of the Great Dividing Range. Streams on the western side are the headwaters of the Murray-Darling Basin, while streams on the eastern side flow down to the NSW coast.

As a planning tool to tailor responses to issues, nine socio-ecological landscapes areas have been identified, which are distinguished by unique biophysical and socio-economic characteristics (**Figure 1**).

The Northern Tablelands landscape is characterised as grazing lands, with patches of remnant woodland that support nationally- and state-significant threatened fauna and flora species and ecological communities. The region contains 47,000 hectares of travelling stock reserves. It has the highest livestock carrying capacity of all LLS regions of NSW, with grazing land covering 56 percent of the region, 90 percent of landholders carrying livestock on their property and 73 percent stocking cattle. These characteristics influence the challenges and threats facing the region, which include:

- ensuring stock are free from disease including those introduced through travelling stock reserves
- safeguarding stock from predation (including wild dogs, feral pigs, wild rabbits, European red fox and wild deer)
- sustaining productive and lasting agriculture in the face of drought
- reducing the impacts on threatened fauna and flora species
- managing the impacts of natural disasters, including threats from fire and wind storms

Northern Tablelands LLS used to comprise eleven functional areas, which is reflected in the Northern Tablelands plan. In 2017-18, functional areas were restructured into seven programs in an effort to improve collaboration amongst teams (**Figure 2**). The introduction of a strategic services program allowed programs to be run across the larger operational team. For example, all operational staff are trained in emergency management and can assist with the emergency management program.

⁸ Northern Tablelands LLS (2016) *Local Strategic Plan 2016-2021*. Available at: <https://northerntablelands.lls.nsw.gov.au/our-region/region-profile>.

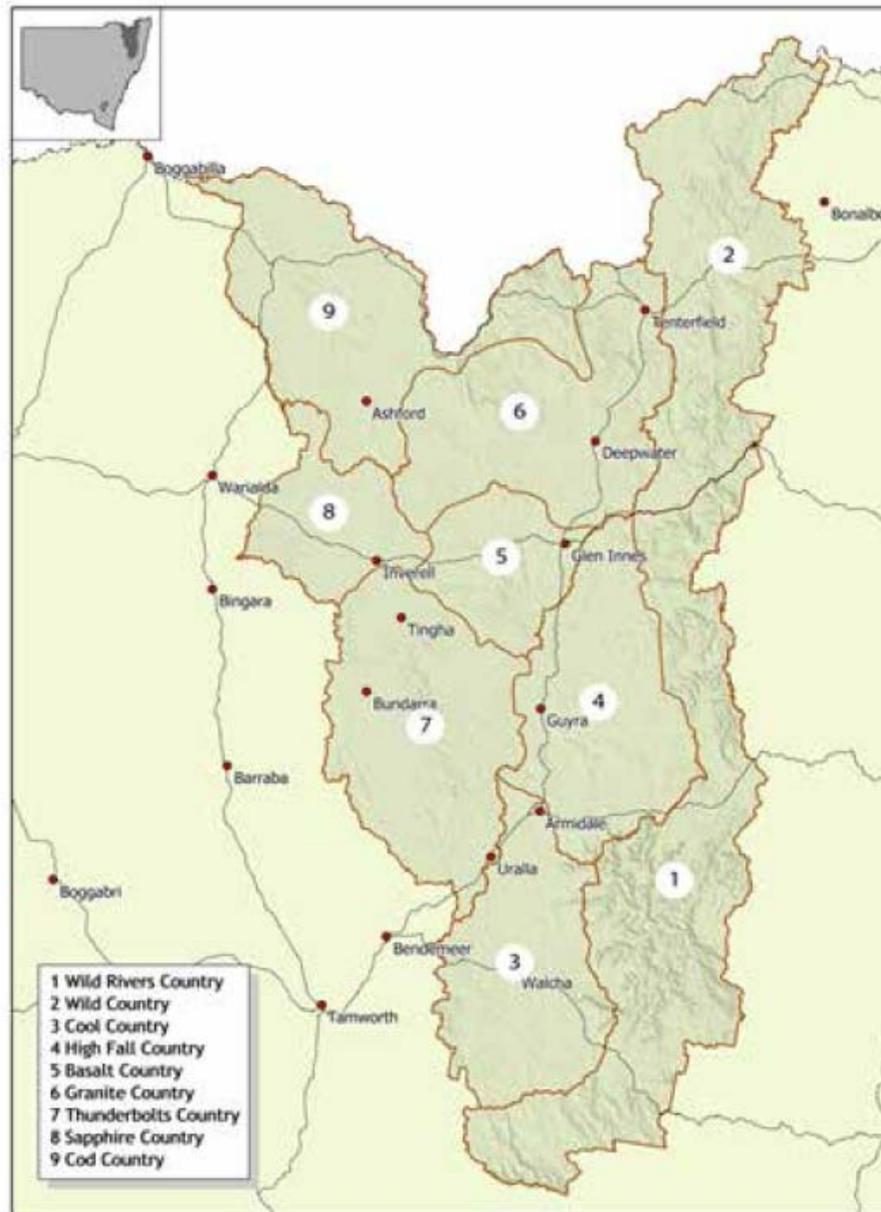


Figure 1: Socio-ecological landscapes within Northern Tablelands LLS region, showing major regional centres

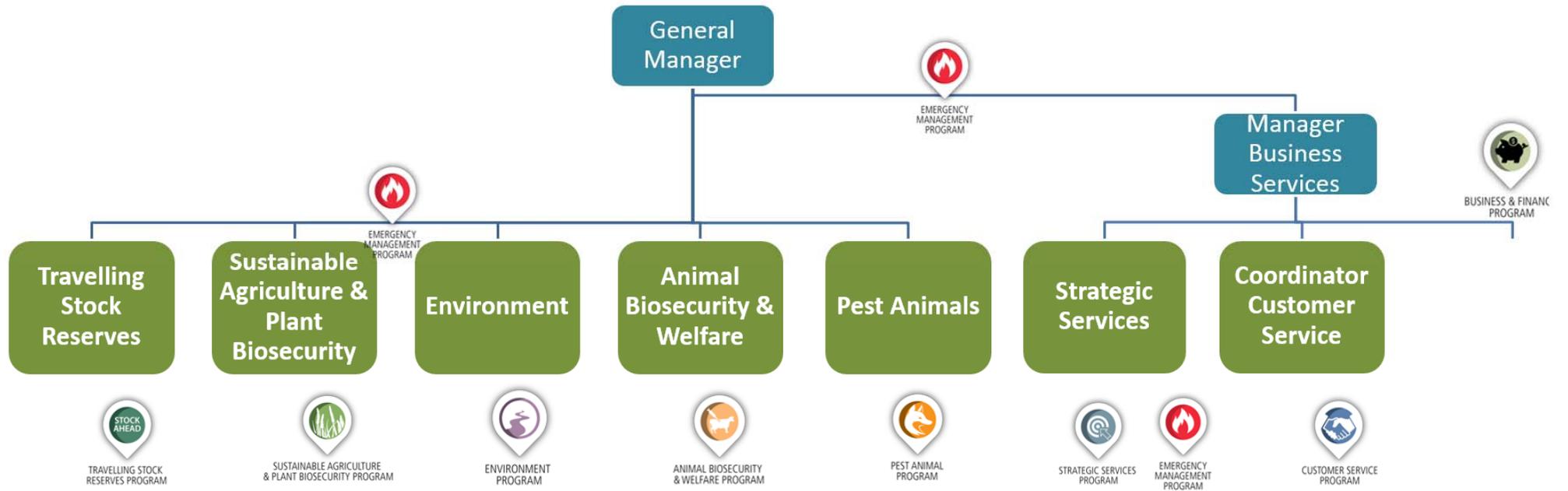


Figure 2: 2018/19 Northern Tablelands LLS operational team structure

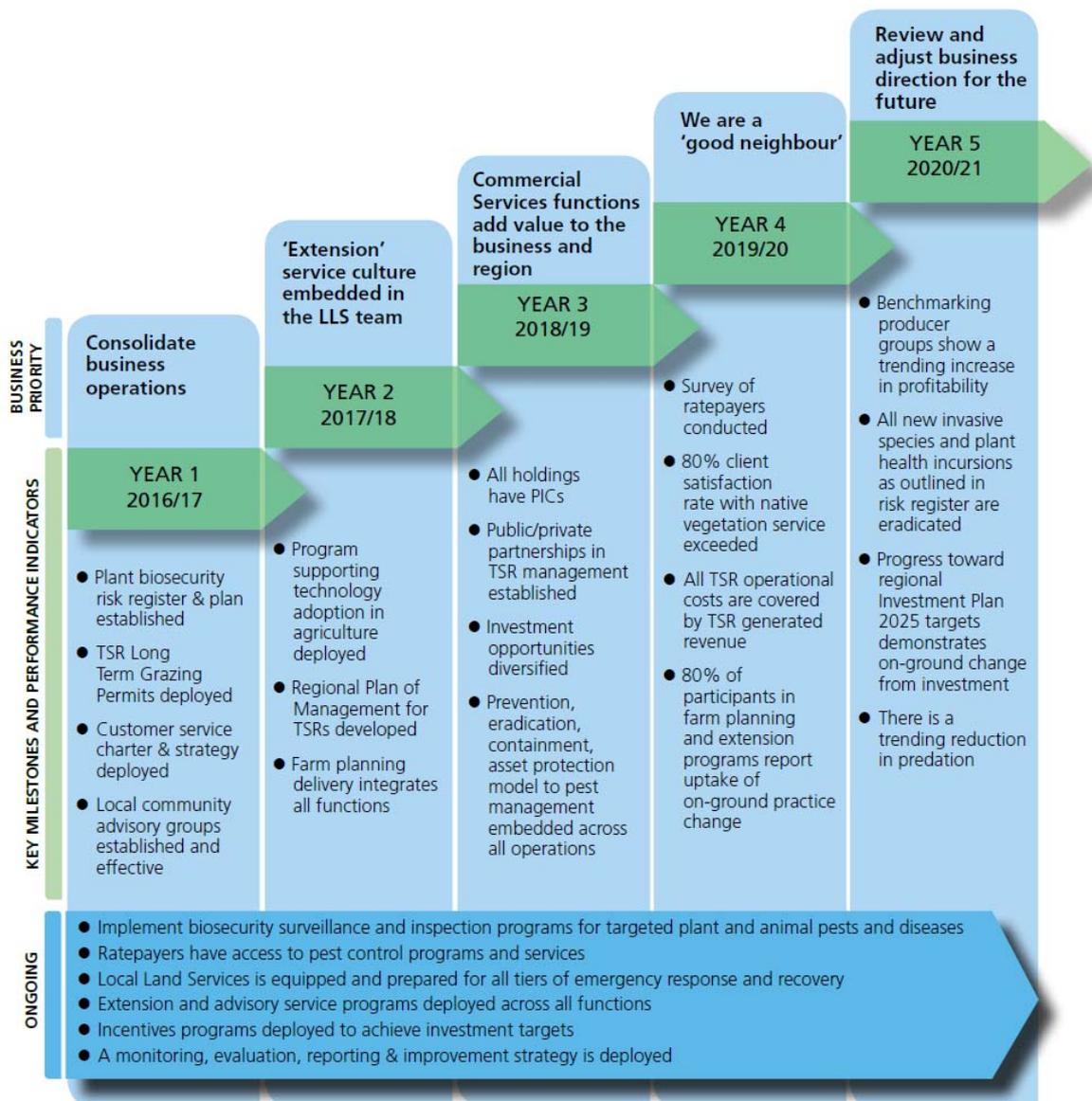


Figure 3: Annual business priority and key milestones (extract from the Northern Tablelands plan)

Attachment 2 – Northern Tablelands plan overview

Table 1: Northern Tablelands plan overview as reported in the 2017-18 Operational Plan and Review Report

#	Outcome (O)	#	Performance indicators (P)	Timeframe	Status
<i>Animal Biosecurity & Welfare</i>					
O1	Northern Tablelands livestock are Emergency Animal Disease and residue free and market access is maintained.	P1	All NSW Animal Biosecurity and Welfare Strategic Plan performance indicators are met.	Ongoing	Partially met
<i>Invasive Species & Plant Biosecurity</i>					
O2	Predation and impacts from invasive species are reduced.	P2	A trending reduction in predation	Ongoing	Met
		P3	All Invasive Species Plan outcomes and outputs are met.	Ongoing	Partially Met
		P4	All new invasive species and plant biosecurity incursions as outlined on risk register are eradicated.	Ongoing	Met
<i>Emergency Management</i>					
O3	Northern Tablelands is equipped and prepared for all tiers of emergency responses as per Department of Primary Industry business plan.	P5	All agreed State and National LLS/DPI Business Plan performance indicators for Emergency Management are met.	Ongoing	Partially Met
<i>Native Vegetation Access</i>					
O4	Landholder understand the value of native vegetation on farm and in the landscape	P6	Increasing trend in people valuing the role of native vegetation on-farm.	No longer applicable	Not applicable
O5	Landholders understand the value of native vegetation on farm and in the landscape.	P7	80% client satisfaction rate with native vegetation legislation service delivery.	No longer applicable	Not applicable

#	Outcome (O)	#	Performance indicators (P)	Timeframe	Status
<i>Sustainable Agriculture</i>					
O6	Landholders have a greater capacity to manage their land for profitable, sustainable, productive agriculture	P8	80% of participants in farm planning and extension projects reporting uptake of on ground practice change.	Ongoing	Met
O7	Public/private sector collaboration in delivery of extension.	P9	Trending increase in profitability ratio in Local Land Services benchmarking groups.	Ongoing	Partially met
O8	Increase involvement of young people in agriculture.	P10	Increasing number of people under 40 years of age attending events.	1-3 years	Met
<i>Investment & Partnerships</i>					
O9	Public investment is delivered for the benefit of the Northern Tablelands community with measurable on ground change.	P11	All State and Commonwealth investment funds delivered as per contract.	Ongoing	Met
O10	On ground investment exceeds the expectations of state and federal government investors.	P12	All progress towards regional targets demonstrates on ground change resulting from investment.	1-5 years	Met
<i>Travelling Stock Reserves</i>					
O11	Provide equitable access to travelling stock reserves for a range of stakeholder groups.	P13	All operational costs covered by TSR generated revenue (%).	1-3 years	Met
O12	Maintain and improve environmental and agricultural values of the asset.	P14	95% satisfaction from surveyed LGP holders, apiarists and permit holders.	Ongoing	Partially met
O13	Manage travelling stock reserves to achieve full and real cost recovery while maintaining condition.	P15	All compliance requirements met with regard to the Local Land Services Act 2013.	Year 2	Met
O14	Be a good neighbour.	P16	Audit of Long Term Grazing Permit conditions demonstrates 90% compliance.	Year 2	Met
		P17	100% maintenance of condition index from baseline.	Year 1 & Year 3	Partially met

#	Outcome (O)	#	Performance indicators (P)	Timeframe	Status
<i>Customer Services</i>					
O15	Northern Tablelands Local Land Services provides a service that is friendly, supportive, professional, accurate, accessible and responsive to customer and community needs.	P18	Decreasing trend in number of complaints.	Ongoing	Partially met
		P19	Trending increase in customer satisfaction.	Ongoing	Met
		P20	Trending increase in % of rates paid by 30 June and 31 December.	Ongoing	Met
<i>Business, People & Performance</i>					
O16	To be fiscally responsible, accountable and transparent.	P21	Annual unqualified audits.	Ongoing	Met
O17	Ensure business viability through the management of risk.	P22	Zero harm - nil fatalities or critical injuries.	Ongoing	Met
O18	Northern Tablelands Local Land Services has a skilled, engaged and cohesive team operating in a safe workplace.	P23	All key risks identified and controlled.	Ongoing	Partially met
		P24	95% staff retention rates.	Year 1	Partially met
		P25	Demonstrate ongoing improvement in operating costs efficiencies.	Year 1 & Year 2	Met
		P26	Revenue neutral annual budget achieved (within 5% threshold of estimate).	Year 1 & Year 2	Met
<i>Planning & Engagement</i>					
O19	Planning supports continuous improvement in Local Land Services operations.	P27	Local community advisory group networks established and operate in accordance with terms of reference.	Ongoing	Met
O20	Communities have the opportunity to contribute to the direction of Local Land Services.	P28	All statutory planning completed	Ongoing	Met
		P29	All internal audit/improvement recommendations are implemented	Ongoing	Met

#	Outcome (O)	#	Performance indicators (P)	Timeframe	Status
<i>Commercial Services</i>					
O21	Add value to the services offered in the Northern Tablelands.	P30	Increasing operating revenue.	Year 1 & Year 2	Met
		P31	Increasing return on investment.	Year 2 & Year 3	Met

Attachment 3 – Audit overview

The Commission’s role in auditing local strategic plans

Section 46(1) of the *Local Land Services Act 2013* requires the board of each LLS region to prepare a local strategic plan and to have it approved by the Minister. These local plans were approved by the Minister mid-2016.

Section 45(1) of the *Local Land Services Act 2013* specifies that the purpose of a local strategic plan is to ‘set the vision, priorities and strategy in respect of the delivery of local land services in each region, with a focus on appropriate economic, social and environmental outcomes’.

Section 47(1) of the *Local Land Services Act 2013* specifies that a local strategic plan for a region must include:

- outcomes that are expected to be achieved by the implementation of the plan in relation to the region and the timeframes for achieving those outcomes
- requirements for reporting on whether those outcomes and timeframes have been achieved.

The Commission has a role under section 54(4) of the *Local Land Services Act 2013* to undertake an audit of local strategic plans.⁹ Section 54(2) requires each local strategic plan to be audited within three years of its approval by the Minister to ascertain whether its provisions are being given effect. This requirement has been triggered, given the local strategic plans commenced mid-2016.¹⁰

Audit approach and methodology

The Commission interprets the audit objective under section 54(2) of the *Local Land Services Act 2013* as being to assess each LLS region’s implementation of its local strategic plan. Specifically, to assess the extent to which stated outcomes have been achieved within set time frames and reported (see **Attachment 4** for scope of works).

The audit has been carried out consistent with the audit scope endorsed by LLS. The audit focused on the reporting of the achievement of outcomes against timeframes as stated in the strategic plan.

The Commission assessed audit findings against the audit evaluation framework which includes a maturity scale used to assess observed LLS performance with respect to each audit focus area.

Evidence

The Commission’s audit was informed by a range of evidence, including:

- **Interviews:** with key staff and board members in each LLS region
- **Document review:** the Commission obtained relevant information from each LLS region, documentation received from LLS State Operations and relevant staff.

The Commission would like to thank all the staff in Northern Tablelands LLS, who contributed to this review.

⁹ The *Local Land Services Act 2013* Section 54(4) states that ‘an audit under this section is to be carried out by the Natural Resources Commission or an independent person, body or panel appointed by the Minister’.

¹⁰ The *Local Land Services Act 2013* Section 45(2) states that ‘a local strategic plan has effect for the period of 5 years (or such other period as is prescribed by the regulations) after it is approved by the Minister’.

Attachment 4 – Scope of works

Scope of Works

LLS Strategic Plan Implementation Audit

Background

The Natural Resources Commission (Commission) will undertake the audits of each LLS local strategic plan to ascertain whether its provisions have been given effect¹¹ as the independent auditor¹² in accordance with the Local Land Services Act 2013 (the Act).

The local strategic plans were approved by the Minister in 2016. The plans were written to address legislative requirements and the LLS Performance Standard (Standard). The Commission reviewed the plans prior to approval and conducted a detailed assessment of how the plans complied with legislation and aligned with the Standard.

This audit will focus on the implementation of the local strategic plans.

Audit Objective and Scope

To satisfy legislative requirements, specifically to assess LLS' implementation of local strategic plans and the extent to which stated outcomes have been achieved within set time frames and reported.

The audit scope will include a review of:

- implementation of strategic plans in each of the 11 LLS regions.
- within each LLS region, systems and processes supporting implementation and progress monitoring of strategic plan implementation.

The audit scope will not include a review of:

- the quality and objectives of the plans as this was covered in the Commission's Strategic Plan Review in March 2016.
- the LLS State Strategic Plan.

Overall Approach

Information to support the audit analysis will be sought from all LLS regions and state wide LLS via document review, interviews and site visits.

Five key audit questions will be addressed. They are listed below.

¹¹ The *Local Land Services Act 2013* Section 54(2) states that 'the Minister is to ensure that each local strategic plan is audited, within 3 years of its approval, to ascertain whether its provisions are being given effect'.

¹² The *Local Land Services Act 2013* Section 54(4) states that 'an audit under this section is to be carried out by an independent person, body or panel appointed by the Minister'.

Key Question	Criteria
To what extent does each LLS region have systems and processes in place to support the implementation of local strategic plans?	<ol style="list-style-type: none"> 1. Systems fully developed and fully functional 2. Systems partially developed/ Systems partially functional 3. Systems not developed, ad hoc approach
To what extent have stated outcomes ¹³ been achieved within set timeframes for each local strategic plan?	<ol style="list-style-type: none"> 1. All stated outcomes achieved per set timeframes 2. Stated outcomes partially achieved 3. Stated outcomes not achieved
To what extent has achievement of stated outcomes been reported and how does this align with reporting requirements as set out in each local strategic plan?	<ol style="list-style-type: none"> 1. Progress reporting fully available, integrated and transparent 2. Progress reporting partially available, partially integrated 3. Progress reporting not available
What has worked well and what are the potential areas of improvement in LLS' local strategic plan implementation?	<ol style="list-style-type: none"> 1. Areas for improvement identified are all low risk 2. Areas for improvement identified include moderate risk items 3. Areas for improvement include high risk items
What are the gaps/ constraints impacting performance?	N/A

One final report will be provided to the Minister mid-2019.

¹³ Each region has identified outcomes in their strategic plans in different ways. For example, local plans may refer to regional success, strategic objective, strategic intent. The Commission will work with each region to verify its interpretation of outcomes as they appear in each local strategic plan.

Attachment 5 – Interviewees

Table 2: Details of audit interviewees

Area	Role	Name	Date
Board	Chair	Hans Hietbrink	23 May 2019
	Local Board member	David Worsley	13 May 2019
	Local Board member	Graham Marriott	22 May 2019
Leadership	General manager	Paul Hutchings	23 May 2019
Business Services	Manager	Annabel Sides	23 May 2019
Travelling Stock Reserves	Team Leader	Ross Fuller	22 May 2019
Sustainable Agricultural & Plant Biosecurity	Team Leader	Lauren Wilson	22 May 2019
Environment	Team Leader	Leith Hawkins	23 May 2019
Animal Biosecurity & Welfare	Team Leader	Andrew Biddle	22 May 2019
Strategic Services	Team Leader	Sally Croker	22 May 2019