



Natural Resources Commission

Final report

# **Local strategic plan implementation audit**

November 2019

**Central West Local Land Services**

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## List of acronyms

DPI	Department of Primary Industries
FARMS	Financial and Rural Management System
IRIS	Integrated Resource Information System
IT	Information Technology
KPI	Key Performance Indicator
LLS	Local Land Services
LMDB	Land Management Data Base
MERI	Monitoring, evaluation, reporting and improvement

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Document No. D19/5283

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 Central West Local Land Services (LLS) region covers an area of 94,383 square kilometres in central western NSW. The region comprises twelve local government areas, including Weddin and Lachlan in the south, Warren and Coonamble in the north, and Dubbo and Warrumbungle in the east (see **Attachment 1**).

The *Local Land Services Act 2013* requires local boards to prepare a local strategic plan. 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 the region, with a focus on appropriate economic, social and environmental outcomes' (see **Attachment 2**). The Central West LLS Local Strategic Plan (Central West plan) was approved by the Minister in 2016.

The Central West plan sets out the strategic direction for the five years between 2016 and 2021. It outlines how Central West LLS intends to deliver efficient and effective services and outcomes associated with the core functions of LLS; agricultural production, natural resource management, biosecurity and emergency management. Under the four state goals, it contains seven regional outcomes that define what Central West LLS is working towards. To support these outcomes the Central West plan includes 20 regional priorities.

The objective of this audit was to assess Central West LLS' implementation of the Central West plan and the extent to which stated outcomes have been achieved and reported within set time frames (see **Attachments 3 and 4**). The audit report was informed by a combination of interviews with Central West LLS staff (see **Attachment 5**) and review of relevant documentation.

The Commission's audit approach looked at the broad intent of the Central West plan, focussing on its stated outcomes. The assessment of whether the actions and projects aligned with this intent was used to determine the extent to which the Central West plan has been implemented.

Since 2017, Central West LLS has implemented a change management plan and is currently setting up consistent systems and processes across the business. All staff positions have been filled (except for one biosecurity team member) and staff interviews consistently highlighted that there are now motivated, skilled staff in the right positions delivering work with an aligned vision. A positive organisational culture was acknowledged as a major achievement by all interviewees.

### Findings

Overall, the Commission found that Central West LLS activities are contributing to the achievement of the Central West plan outcomes. However, the extent of progress towards outcomes is not being measured. Defining a key set of metrics with targets would enable Central West LLS to measure the achievement of outcomes, better focus strategic and operational oversight on outcomes, and provide opportunities to improve performance.

## Areas going well

The Commission determined the following areas of Central West plan implementation are going well:

- F1 There is progress towards all Central West plan outcomes.**
- F3 Operational plans are broadly aligned to the Central West plan.**
- F4 Governance processes support Central West plan implementation.**
- F6 Central West LLS reports on activities and outputs to the local board and external stakeholders.**

## Key findings to be addressed

The Commission identified the following areas for improvement:

- F2 Progress towards Central West plan outcomes is not monitored directly.**
- F5 The Central West plan is not driving operational activities.**
- F7 There is no cumulative progress reporting on Central West plan outcomes.**

## Recommendations

To increase the likelihood that the Central West plan is implemented by 2021, the Commission recommends that Central West LLS:

- R1 Measure and monitor progress towards achieving Central West plan outcomes by:**
  - establishing a key set of metrics for each outcome
  - establishing a baseline or benchmark for each outcome
  - collating existing data for key metrics
  - continuing to collect data in key areas
  - collecting data if any gaps are identified.
- R2 Strengthen links between operational activities and Central West plan outcomes by:**
  - completing functional area plans for all areas of the business which include program logics to strengthen links between operational activities, outputs and Central West plan outcomes through documented assumptions and key metrics
  - amending the annual business plan to include explicit links to Central West plan outcomes
  - establishing a regional scale monitoring, evaluation and reporting framework.
- R3 Update board reporting processes to include information regarding cumulative achievement of Central West plan outcomes.**

# 1 Achievement of local strategic plan outcomes

The Commission found that there is progress towards all outcomes in the Central West plan but the extent of this progress is not currently measured.

The Commission recognises that Central West LLS needs to be flexible in order to respond to changing environmental conditions and community preferences, as well as the needs of State LLS, government and investors. As such, it is timely for Central West LLS to revisit the Central West plan and refine its outcomes, activities and regional monitoring, evaluation, reporting and improvement (MERI) approaches to align with the organisation's current priority areas.

## 1.1 Areas going well

### F1 There is progress towards all Central West plan outcomes

The Central West plan contains seven outcomes and 20 regional priorities. Operational reports and other documentation provides evidence that all programs are on track to be delivered and progress has been made towards all regional priorities and outcomes (see **Attachment 6**).

Key achievements in terms of progress towards Central West plan outcomes include:

- **Drought response:** Central West LLS has responded to drought since 2017, which has stretched resources beyond usual requirements. Central West LLS has delivered 100 drought related events with 1725 attendees, provided telephone advice to 3,130 individuals and undertaken 452 farm visits. Knowledge sharing and community support was provided through office-based 'smokos' or 'office cuppas' with local community members in Coonamble and Nyngan. Over 20 events with over 500 attendees were held to share practical knowledge and offer mental health support.
- **Emergency response:** Central West LLS played a significant support role in responding to the Sir Ivan fires in 2017 and the floods in the Central West in 2016, offering agricultural and animal services to affected landholders.
- **Commitment to Aboriginal engagement:** Central West LLS developed its Indigenous Participation Plan (2018-19) and was a key contributor to the Statewide LLS Reconciliation Action Plan.
- **Commitment to local natural resource management priorities and partnerships:** Central West LLS is involved in numerous partnerships to achieve natural resource outcomes across the region. An example is its project management role in the 10 year Central Inland Glossy Black-Cockatoo Conservation Strategy through the Saving our Species Environment Trust program. This is a collaborative partnership between LLS, government and community organisations.<sup>1</sup>
- **Collaboration:** Central West LLS has numerous collaborative relationships, including with other regions. For example, it is currently working with Central Tablelands LLS to develop a regional-level MERI framework and has an ongoing arrangement with Hunter LLS, which provides spatial mapping services. These relationships play an important part in supplementing Central West LLS' funding and expertise.
- **Predation impact reduction:** The main focus of pest management is dogs, pigs and foxes. Central West LLS' pest management strategy is to protect assets rather than to eradicate

<sup>1</sup> NSW Government (2019) *Saving our Species contestable grants awarded project summaries 2018*. Available at: <https://www.environment.nsw.gov.au/funding-and-support/nsw-environmental-trust/closed-programs/saving-our-species-contestable-grants/grants-awarded-and-project-summaries#inlandglossies18>.

pests in most instances, except in the case of deer. Deer are an emerging threat and thermal imaging is being trialed in order to achieve the 40 percent cull rate needed to have an impact on the population.

New pest control groups are identified using geographic baiting activity through Biomap. Biomap identifies geographical areas where individual baiting activities are being undertaken. This identifies potential populations that could form, which increases the impact of baiting activities through a coordinated effort. This was found to be more effective than handing out baits to individuals on baiting days. Twenty-two groups have been successfully coordinated for baiting programs, comprising approximately 540 participants.

## 1.2 Key finding to be addressed

### F2 Progress towards Central West plan outcomes is not monitored directly

Progress in the implementation of the Central West plan is measured by recording actions qualitatively against the plan outcomes. While the board and staff find this information useful and consider that it provides valuable insight, it lacks precision in terms of indicating cumulative progress towards outcomes. This limits strategic and operational oversight that should contribute to achieving outcomes and effective decision making. There is also limited information on baselines to inform decision making and the assessment of progress towards Central West plan outcomes.

Most project outputs are recorded in software platforms that are structured to gather data to inform state-wide LLS metrics, including the Integrated Resource Management System (IRIS), Financial and Rural Management System (FARMS) and the Land Management Database (LMDB). These platforms do not easily collate data against Central West plan outcomes or regional priorities, limiting the amount of meaningful data to provide quantitative assessment of the extent to which actions are contributing to region-specific outcomes.

The Commission notes that Central West LLS is aware of the importance of consistent year-on-year projects and programs, and on-ground actions that can be measured using the same standard outputs that can be aggregated. Achieving this consistency can be difficult given annual funding cycles and changing investor priorities.

Measuring outcomes of Central West plan actions is important as it:

- provides a shared understanding of progress and what still needs to be achieved
- provides a basis for effective oversight, strategic decision making and reporting on performance
- informs future investment and adaptive management decisions
- demonstrates value to investors, customers, partners and other stakeholders
- provides a platform to share learnings and celebrate successes (internally and externally).

Baseline data should be collected and collated so that the impact of investments and progress towards Central West plan outcomes can be measured. In the first instance, Central West LLS should use data it already has to build baselines before attempting to collect additional datasets.

Information that could be used to inform baselines include:

- conservation value data for 70 percent of the region's travelling stock reserves<sup>2</sup>
- records of the number of pests destroyed
- numbers of pest control groups
- output data for investor-funded natural resource management and agricultural advisory projects
- data from the rateIT customer feedback application, which measures customer satisfaction
- an agricultural advisory services survey, which will provide data around existing practices and demographics
- tracking of agricultural advisory services and enquiries by theme and location (which is in the early stages of implementation) to help identify customer needs, and inform planning and practice change
- a biodiversity prioritisation study that will provide a prioritised inventory, together with mapping of key threatened species, endangered ecological communities and key biodiversity assets<sup>3</sup>
- investigations underway into using satellite imagery to monitor long-term vegetation coverage
- collaborative work with the Department of Primary Industries (DPI) to use thermal imaging data to monitor deer populations and assess the effectiveness of culling activities on populations, with a goal to achieve the 40 percent cull rate required to have an impact on the population.

While existing baseline data may have limitations, having some form of baseline as a starting point to measure progress is highly valuable. Baselines should be set and measured for the remainder of the plan period. These baselines might also be used to inform subsequent strategic plan baselines and they may be improved over time and reset if required. Any changes to baselines will need to balance the resources and effort required to gather better data against the value received from an increase in the quality of information.

To increase the likelihood that the region delivers its outcomes within the timeframes of the Central West plan, the Commission recommends that Central West LLS:

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| <p><b>R1 Monitor progress towards achieving Central West plan outcomes by:</b></p> <ul style="list-style-type: none"><li>- <b>establishing a key set of metrics for each outcome</b></li><li>- <b>establishing a baseline or benchmark for each outcome</b></li><li>- <b>collating existing data for key metrics</b></li><li>- <b>continuing to collect data in key areas</b></li><li>- <b>collecting data if any gaps are identified.</b></li></ul> |
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<sup>2</sup> NSW Government (2017) *Compiling conservation value data for Travelling Stock Reserves, Report for the Linear Reserves - Managing travelling stock reserves for sustainable conservation outcomes project*. Document provided by Central West LLS as part of the audit.

<sup>3</sup> Central West LLS (2018) *Request for Quote: Central West Local Land Services Biodiversity Prioritisation Study*. Document provided by Central West LLS as part of the audit.

## **1.3 Constraints**

Funding priorities vary year-to-year, which creates uncertainty and makes long-term planning difficult, especially where co-commitment by landholders and community groups is needed.

## 2 Systems and processes supporting implementation

The Commission found that Central West LLS has adequate planning, governance and IT systems to support the implementation of the Central West plan. However, there are opportunities to improve the efficiency and effectiveness of these systems.

### 2.1 Areas going well

#### F3 Operational plans are broadly aligned to the Central West plan

Central West LLS' planning framework includes:

- **Program plans:** These are in the early stages of development for natural resource management and agricultural advisory (see R2).
- **Annual business plans:** These provide detail on programs, projects and activities for each year, as well as LLS state-level KPIs and performance tracking metrics. Business plans use the State LLS template.
- **Project plans:** These detail how each project will be implemented and are developed largely for externally funded projects.

Project plans provide a clear line of sight between Central West priorities and project activities, as well as investor priorities and targets, and other relevant Central West plans. They also include a project-specific MERI framework as well as a program logic to link activities, outputs and investor outcomes.

Projects developed before the Central West plan, with implementation periods overlapping with the plan period (including natural resource management and sustainable agriculture investor-funded projects for 2015-2018), explicitly reference the Central West LLS Transitional Catchment Action Plan targets,<sup>4</sup> as well as investor outcomes.

Central West LLS identifies lessons learned throughout its planning and implementation processes. Lessons learned are documented more consistently for investor-funded projects in natural resource management than in other areas of the business.

Interviewees indicated that different teams have different ways of sharing learnings within and across teams, all of which are informal. The Commission notes that Central West LLS are introducing a new position dedicated to organisational performance and improvement processes, focussing on whole-of-organisation adaptive management. This will formalise processes to share learnings across the business. The Commission supports this approach.

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<sup>4</sup> Central West LLS (2014) *Transitional Catchment Action Plan*. Document provided by Central West LLS as part of the audit. Transitional catchment actions plans provided a framework relevant to LLS regions for delivery of natural resource management in the initial phase of transition from Catchment Management Authorities to LLS regional organisations with different boundaries.

#### **F4 Governance processes support Central West plan implementation**

The Central West board comprises the Chair, three members that are appointed and three that are elected by LLS rate payers.

There are currently three board committees including People, Safety and Performance Committee, the Finance, Risk and Compliance Committee and the Programs and Service Delivery Committee. These committees align with State LLS' core services strategies. Board meetings are held every two months, with committee meetings held every other month.

There are currently two community groups; the Community Advisory Group and the Aboriginal Community Advisory Group. These have recently been restructured and provide feedback to the board on key documents and plans, as well as other issues requested by the board. Community groups also request information from the board as required.

## **2.2 Key findings to be addressed**

#### **F5 The Central West plan is not driving operational activities**

While the Central West plan is referenced in planning and reporting documentation, it is not driving operational and planning decision making. Linkages between all planning levels should ensure a consistent approach to planning that provides clear links to the Central West plan and uses the Central West plan to drive all projects and programs.

The adoption of the LLS state-wide annual business plan template means that plans no longer provide clear links to Central West plan outcomes. While the 2016/17 plan included clear links between programs and Central West plan outcomes, the 2018/19 Annual Business Plan aligned with the LLS state-wide template, which does not include explicit links to the Central West plan.

The annual business plan should assess the structure, resources and responsibilities of a business to provide a whole-of-organisation guide to implement the Central West plan. Central West LLS should consider adjusting the state-wide business plan template to allow explicit linkages between programs and the Central West plan outcomes. It should also include annual targets linked to the selected outputs. This would help the board strategically select programs to be included in the business plan and facilitate Central West plan implementation. It would also help to maintain the regional focus of Central West LLS business in the broader context of LLS state-wide outputs or investor priorities.

Functional area and operational plans have not been consistently developed across all functional areas in line with the Central West plan. There are two functional area plans but these were set up prior to the Central West plan and, while they provide frameworks relevant to Central West plan implementation, they do not refer to or explicitly link to the plan. These plans are the:

- Transitional Catchment Action Plan (2014), which is an interim framework that includes targets to guide strategic delivery of natural resources management
- Interim Travelling Stock Reserve Management Plan (2015), which sets out objectives and actions relevant to travelling stock reserve management while the State LLS travelling stock reserve plan of management is finalised.

Central West LLS key planning documents are listed below:

- Central West Emergency Management Operational Plan 2017-18
- Concept of Operations 2018-19 to guide its drought response
- 2018-19 Travelling Stock Reserve Management & Maintenance Plan
- Central West Regional Strategic Pest Animal Management Plan 2018-2023
- Central West Strategic Weed Management Plan 2017-2022.

While these plans align with the Central West plan outcomes, it is not clear from the planning documentation that the Central West plan is driving their content and therefore the activities of the organisation.

Central West LLS is currently developing multi-year functional area plans in the areas of agriculture and natural resource management. Current draft plans, listed below, have a more explicit link to the Central West plan and its stated outcomes:

- Central West LLS Interim Natural Resource Management Plan – this plan refers to Central West outcomes and priorities. It also includes reference to a triple-loop learning process.
- Agriculture Advisory Services Strategy 19-20.

The Commission supports the development of these plans as, once finalised, they should provide the opportunity to set more specific targets to further define Central West plan outcomes, as well as providing specific focus areas to guide activities to deliver outcomes. They also provide the opportunity to establish a MERI framework at the functional and regional levels to further define Central West outcomes and regional priorities.

Central West LLS' use of MERI frameworks and program logics for investor-funded projects demonstrates that they have sufficient capability in this area. However, MERI frameworks and program logics have not been applied across all areas of the organisation.

Central West LLS originally intended to develop a regional MERI framework in line with the state-wide LLS MERI framework, which State LLS has indicated it is developing. As the state-wide LLS framework has not been finalised, Central West LLS has recently taken steps to collaborate with Central Tablelands LLS to develop a MERI framework that can be used at the regional level.<sup>5</sup> The Commission supports this work and encourages Central West LLS to link the MERI framework to the Central West plan.

In developing this framework, Central West LLS should identify:

- a limited set of key metrics to track performance against Central West plan outcomes
- the expected level of contribution of each activity to achieving individual outcomes
- the frequency of data collection and the best spatial scale to measure activities and inform future improvements
- baselines (where they can be established)
- meaningful targets.

Project planning and implementation should link investment back to the Central West plan and drive data collection and reporting on outcomes for all activities. Focussing on Central West

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<sup>5</sup> Central West LLS (2019) *Central West Local Land Services Local Strategic Plan Audit. A narrative to complement submitted data.* Document provided by Central West LLS as part of the audit (and confirmed in interviews).

plan outcomes in all program and project documents and providing a clear indication of what still needs to be done to deliver outcomes will ensure that day-to-day planning reflects overall regional priorities.

The Commission recommends that Central West LLS:

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| <p><b>R2</b></p> <p><b>Strengthen links between operational activities and Central West plan outcomes by:</b></p> <ul style="list-style-type: none"><li>- <b>completing functional area plans for all areas of the business which include program logics to strengthen links between operational activities, outputs and Central West plan outcomes through documented assumptions and key metrics</b></li><li>- <b>amending the annual business plan to include explicit links to Central West plan outcomes</b></li><li>- <b>establishing a regional scale monitoring, evaluation and reporting framework.</b></li></ul> |
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## 2.3 Constraints

Central West LLS uses the standard suite of IT systems provided by State LLS, including government agency systems where LLS has shared responsibilities. Although these systems have supported Central West plan implementation to date, they present a number of difficulties which impact data analysis, extraction and reporting.

The proposed state-wide rollout of 'myLAND' is expected to bring some improvements, including a web-based customer (self-service) portal, greater accessibility for officers working in the field and an asset management module.<sup>6</sup> It will reduce duplication by providing a number of functions on one platform and allowing data to be stored in one place. Central West LLS staff consider that myLAND will provide improved:

- capability to record spatial information, for example geographic impact of baiting activities
- recording of predation data, through better field-based recording
- access to customer data across regions for customer service officers
- linkages between systems, so that project data can be shared across functional areas, and improved ability to identify areas for prioritisation (currently the biosecurity team uses FARMS, while the natural resource management team use IRIS)
- access to online services for customers.

The upgraded system should streamline business processes and improve the ability of the Central West region to deliver its Central West plan. However, it is noted that to date, the region has not been consulted on myLAND, so its benefits are not yet demonstrated.

<sup>6</sup> myLAND is intended to replace and consolidate the existing set of outdated systems with a SaaS (Software as a Service) solution to provide a platform that enables a range of customer-focused business improvements. It will perform the following functions: business reporting, customer relationship and travelling stock reserve management. It will replace FARMS, IRIS and LMDB.

### 3 Reporting on local strategic plan implementation

Regular reports to the board, which are structured around Central West plan outcomes, indicate the extent to which activities are contributing to Central West plan implementation. However, they do not indicate progress to date towards outcomes and what remains to be achieved.

In addition to current reporting, Central West LLS should report on cumulative progress towards Central West plan outcomes. This would increase transparency, improve understanding of progress and organisational achievements, and enable better strategic decision making.

#### 3.1 Areas going well

##### **F6 Central West LLS reports on activities and outputs to the local board and external stakeholders**

Central West LLS provides information internally to the board and to external stakeholders regarding Central West LLS achievements through its activities, projects and programs. Internal reports are generally linked to the Central West plan.

The board receives a bi-monthly report that includes updates on:

- community advisory groups and regional partnerships
- workplace health and safety
- other organisational issues
- program implementation
- business performance including financials.

The bi-monthly board report includes an operational report on program implementation, which provides an update on Central West LLS' performance against the annual business plan. This provides a transparent process to track progress against activities and agreed outputs. This report has evolved over the Central West plan period in terms of its format and content, however it has always maintained clear links to Central West plan outcomes.

In its current form, the report provides a quarterly 'traffic light' status against each business plan program, qualitative information regarding progress and activities undertaken, quantitative information against a few state-agreed output-based targets, and identifies emerging issues. The Central West plan outcomes relevant to each program are also highlighted to provide a link back to Central West plan. These reports provide board members with an awareness of key issues and activities in the region. LLS board members provided positive feedback on these reports.

The annual business plan identifies outputs to be measured (as per the state-wide LLS template) and also includes targets for each selected output to assess performance against.

External reports include:

- quarterly reports to DPI on activities under the NSW Animal Biosecurity & Welfare Business Plan
- the State LLS annual report

- reports to the Australian and NSW governments (for example, for Catchment Action NSW projects), which provide data on the extent to which programs and projects have been completed, performance against milestones and expenditure.

High-level outputs are published in Central West LLS annual reports and publicly reported on the Central West LLS website. These provide information on activities such as baiting programs, managing biosecurity risks, travelling stock reserve management and sustainable agriculture incentives.

## 3.2 Key findings to be addressed

### F7 There is no cumulative progress reporting on Central West plan outcomes

Internal reports to the board do not provide cumulative information on the status of Central West outcomes, which is needed to drive strategic decision making and demonstrate the impact of the Central West plan's implementation. As a result, there is no clear and consistent organisational understanding of overall progress achieved to date against the Central West plan.

The bi-monthly board report provides the board with clarity around how the organisation is performing in relation to its annual business plan and enables them to identify gaps and areas requiring additional focus over a one year period. However, while this report identifies the relevant Central West plan outcome for each program area, it does not provide sufficient information regarding the extent of progress against each outcome over the five year Central West plan period.

It is the board's responsibility to oversee and monitor the implementation of the Central West plan and understanding progress towards outcomes is critical to the board performing this role effectively.<sup>7</sup>

A formal review providing information on cumulative progress towards outcomes would provide the required information for the board to make strategic decisions. This could form part of the regular bi-monthly board reporting process, acknowledging that frequency of measurement may vary across selected key performance indicators.

The Commission notes that Central West LLS is planning a mid-term review of its implementation of the Central West plan.<sup>8</sup> The Commission supports this action and considers it should provide Central West LLS with a good indication of its cumulative progress towards Central West plan outcomes, as well as where effort should to be focussed to achieve Central West plan outcomes by 2021.

The Commission also notes identifying and reporting on cumulative progress will be difficult without targets in the Central West plan or very specific information regarding on what success looks like for each regional outcome. The Commission suggests that this review should more specifically define the aims for each regional outcome (both qualitatively and quantitatively) and report on these aims for the remaining two years of Central West plan.

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<sup>7</sup> The *Local Land Services Act 2013* Section 29(1) states that 'the functions of a local board for a region are...to monitor the performance of Local Land Services in the region, including by reference to the local strategic plan'.

<sup>8</sup> Central West LLS (2019) *Draft Central West Local Land Services Strategic Plan 2016-21 Mid-Term Review*. Document provided by Central West LLS as part of the audit.

External reports meet the requirements specified by external stakeholders. It is not expected that these reports will provide information regarding progress towards Central West plan outcomes.

The functional area plans could be used to set out more specific aims for each regional outcome. To increase the likelihood that the region delivers its outcomes in a timely way and optimise strategic performance, the Commission recommends that Central West LLS:

**R3 Update board reporting processes to include information regarding cumulative achievement of Central West plan outcomes.**

## Attachment 1 – Overview of the Central West LLS region<sup>9</sup>

The Central West LLS region covers an area of 94,000 square kilometres in central western NSW. It comprises of twelve local government areas, including Weddin and Lachlan in the south, Warren and Coonamble in the north and Dubbo and Warrumbungle in the east. The region supports the major centres of Dubbo, Wellington, Parkes and Forbes, as well as many smaller towns (**Figure 1**). The area falls predominantly within Wiradjuri Aboriginal Country.



**Figure 1: Central West LLS region showing regional landscapes**

The region includes part of the Lachlan, Bogan, Castlereagh and Macquarie River catchments and accounts for approximately nine percent of the Murray-Darling Basin. It has a number of important natural resource assets including rich agricultural soils, national parks, culturally significant areas and the internationally-recognised Macquarie Marshes.

The region includes a number of important biodiversity assets including Ramsar areas and wetlands of international importance, federal- and state-listed threatened species, and ecological communities. The region includes known or potential habitat for 123 threatened species and seven endangered ecological communities.

<sup>9</sup> Central West LLS (2019) *Interim Natural Resource Management Plan July 2019-June 2021*.  
Document No: D19/ 5283  
Status: Final

The main challenges and priorities in the region include:

- existing and emerging pests, particularly wild dogs and deer, and wild pigs during the drought
- community engagement and agricultural advice, particularly drought support.

Operationally, Central West LLS comprises of three 'functional areas', which each have their own scope and responsibilities (**Figure 2**). Governance and oversight is provided by the local board, the General Manager and functional area managers.<sup>10</sup>

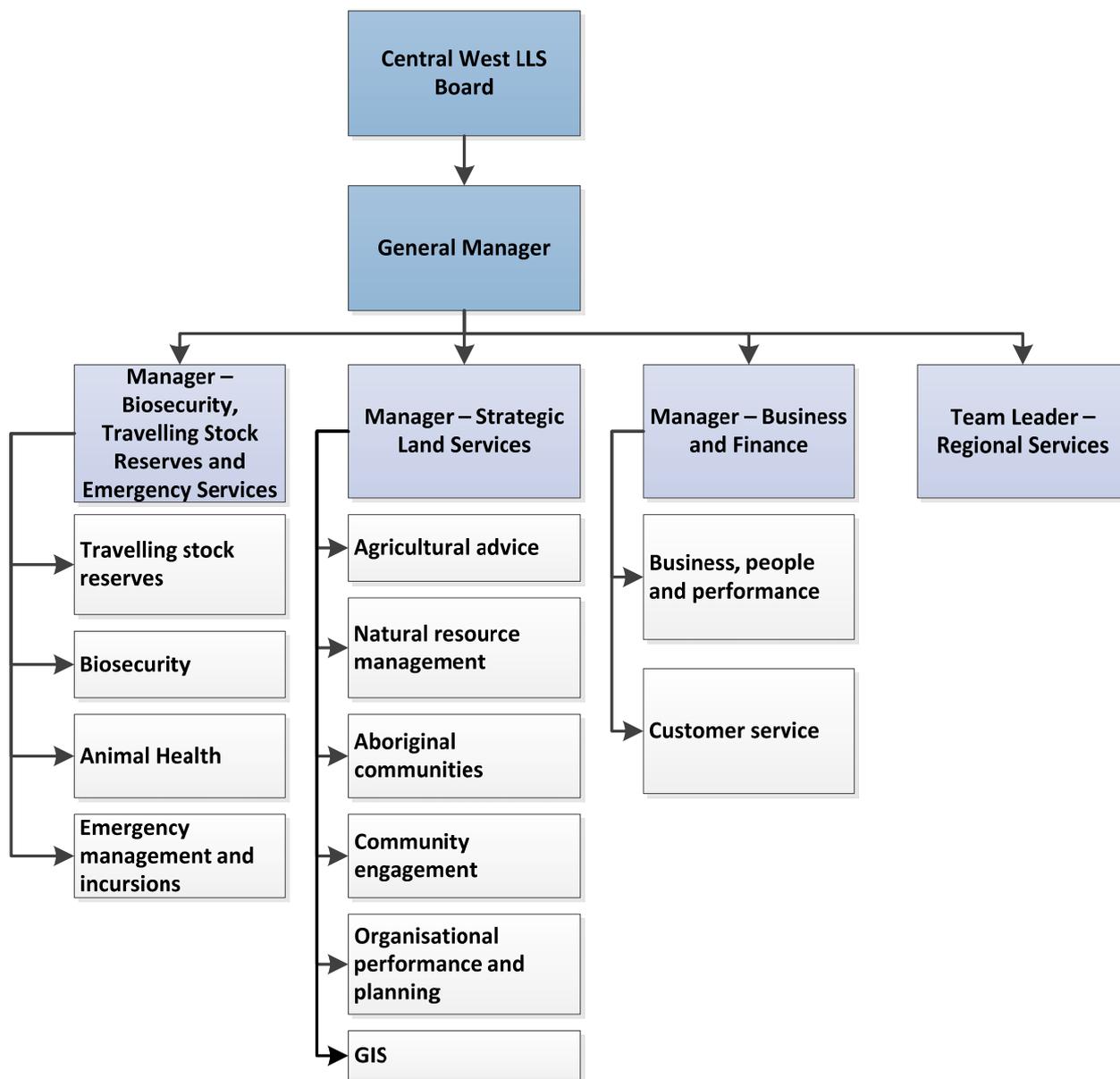


Figure 2: Central West LLS functional areas

## Attachment 2 – Central West plan outcomes

#	Outcomes & regional priorities	Timeframe
1	<b><i>Resilient, self-reliant and prepared local communities:</i></b> <b>Communities have a demonstrated increase in capacity for collaborative and independent decision making</b> & <b>Communities are implementing improved practices that increase their ability to deal with change</b>	
	Engage and/or support community groups to deliver activities that contribute towards the outcomes of the plan	Not specified
	Support the inclusion of cultural heritage in decision making	Not specified
	Facilitate access to technological developments, technical knowledge and evidence that increase the capacity of communities to manage variable environments and adopt best practice	Not specified
	Build local capacity to implement strategies that reduce the impact of emergencies affecting agriculture (plants or animals)	Not specified
	Liaise with industry and community to promote shared responsibility of biosecurity at a local and state scale	Not specified
	Support prevention, preparedness, response and recovery activities to minimise the impact of animal, plant and agriculture emergencies on the local community	Not specified
2	<b><i>Biosecure, profitable, productive and sustainable primary industries:</i></b> <b>Land managers have access to evidence that enables decision making to support triple bottom line outcomes (social, environmental and financial)</b> & <b>There is a collaborative approach to the management of invasive species, animal pests and diseases and plant pests and diseases to reduce the impacts on production and biodiversity</b>	
	Implement streamlined, locally targeted and responsive services for whole farm management to enhance agricultural production and natural resources	Not specified
	Work with communities, agencies and non-government organisations to increase the awareness around scope of roles and responsibilities of service providers	Not specified
	Facilitate processes that provide opportunity for collaboration and knowledge sharing between landholders and research bodies and service providers	Not specified
	Promote the inclusion of biosecurity and emergency planning within farm plans	Not specified
	Collaborate with government, industry and the community to implement specific programs that manage emerging threats and priority species, animal disease and pests and plant pest and disease programs	

3	<b><i>Healthy, diverse, connected natural environments:</i></b> <b>Travelling stock reserve management plan implementation manages multiple users and values &amp; Communities are engaged in the maintenance or improvement of natural resources across the region</b>	
	Establish and implement a NSW Travelling Stock Reserve Management Plan for the Central West Region that - manages multiple users, recognises and promotes public value, establishes transparent governance and equitable processes	Not specified
	Manage infrastructure on travelling stock reserves within resourcing ability based on agreed prioritisation schedule	Not specified
	Implement programs that support and or protect natural resources (threatened species, endangered ecological communities, cultural values/sites, native vegetation)	Not specified
	Leverage investment and resources to increase effectiveness of State and Australian Government projects that support natural resource management and sustainable agricultural practices	Not specified
4	<b><i>Board members and staff who are collaborative, innovative and commercially focused:</i></b> <b>Central West Local Land Services is known as a reputable organisation with highly skilled and knowledgeable staff</b>	
	Promote continuous improvement through the implementation of an Adaptive Management strategy and access to best available evidence for Central West Board and staff	Not specified
	Collaborate with other Local Land Services regions, government and non-government organisations to promote coordinated service delivery	Not specified
	Implement business processes that support transparent decision making and promotes opportunity for participation	Not specified
	Promote staff development and succession planning through mentoring, training and internal communications strategies	Not specified
	Maintain resources that enable efficient and effective emergency preparedness and response including organisational capacity	Not specified

## 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.<sup>11</sup> 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.<sup>12</sup>

### 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.

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<sup>11</sup> 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’.

<sup>12</sup> 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 effect<sup>13</sup> as the independent auditor<sup>14</sup> 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.

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<sup>13</sup> 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'.

<sup>14</sup> 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"> <li>1. Systems fully developed and fully functional</li> <li>2. Systems partially developed/ Systems partially functional</li> <li>3. Systems not developed, ad hoc approach</li> </ol>
To what extent have stated outcomes <sup>15</sup> been achieved within set timeframes for each local strategic plan?	<ol style="list-style-type: none"> <li>1. All stated outcomes achieved per set timeframes</li> <li>2. Stated outcomes partially achieved</li> <li>3. Stated outcomes not achieved</li> </ol>
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"> <li>1. Progress reporting fully available, integrated and transparent</li> <li>2. Progress reporting partially available, partially integrated</li> <li>3. Progress reporting not available</li> </ol>
What has worked well and what are the potential areas of improvement in LLS' local strategic plan implementation?	<ol style="list-style-type: none"> <li>1. Areas for improvement identified are all low risk</li> <li>2. Areas for improvement identified include moderate risk items</li> <li>3. Areas for improvement include high risk items</li> </ol>
What are the gaps/ constraints impacting performance?	N/A

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

<sup>15</sup> 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

Functional Area	Role	Name	Date
<b>Board</b>	Chair	Susan Madden	26 June 2019
	Elected Board member	Jenny Bradley	26 June 2019
	Nominated Board member	Chris White	27 June 2019
<b>Leadership</b>	General Manager	Andrew Mulligan	26 June 2019
<b>Business, People and Performance, and Customer Service (Business and Finance)</b>	Manager	Chris Ambler	26 June 2019
<b>Natural Resource Management, Strategy and Agricultural Production</b>	Manager	Jane Chrystal	27 June 2019
	Team Leader Agriculture	Neroli Brennan	27 June 2019
	Team Leader Natural Resource Management	Bree Agar	27 June 2019
<b>Emergency Management, Biosecurity and Travelling Stock Reserves</b>	Manager	Deb Bate	27 June 2019
	Team Leader Pest Animals	Nigel Boyce	26 June 2019

## Attachment 6 – Central West regional priority status

Evidence of progress towards Central West plan regional priorities and outcomes were provided to the Commission by Central West LLS prior to and during this audit.

A short summary of achievements is provided below. Positive progress has been made towards all strategic outcomes, however the extent of this progress is not transparent given metrics or targets have not been established. A selection of documentation was viewed as evidence to verify information provided by Central West LLS in support of this assessment.

#	Outcomes & regional priorities	Example/ Commentary
1	<p><i>Resilient, self-reliant and prepared local communities:</i></p> <p><b>Communities have a demonstrated increase in capacity for collaborative and independent decision making &amp; Communities are implementing improved practices that increase their ability to deal with change</b></p>	Progress and ongoing
	Engage and/or support community groups to deliver activities that contribute towards the outcomes of the plan	Central West LLS have an active Community Advisory Group and an Aboriginal Community Advisory Group as well as a Regional Weeds Committee and Regional Pest Animal Committee. Examples of engagement with community groups includes 22 pest baiting groups.
	Support the inclusion of cultural heritage in decision making	Central West LLS have set up Central West LLS Indigenous Participation Plan 2018-19 and have an active Aboriginal Community Advisory Group.
	Facilitate access to technological developments, technical knowledge and evidence that increase the capacity of communities to manage variable environments and adopt best practice	Examples of Central West LLS use of technology in projects includes Innovation and Technology in Agriculture and Innovation between 2015 and 2018, targets include 68 farming entities adopting sustainable practice change. Another example includes recent agricultural workshops aimed at raising sheep producer awareness of AskBill web based software to predict sheep wellbeing and productivity and inform decision making.
	Build local capacity to implement strategies that reduce the impact of emergencies affecting agriculture (plants or animals)	Central West website includes advice on control methods and links to state wide resources for management. Central West LLS has identified and set up 22 baiting groups to coordinate baiting activity with a view to improving results in comparison to individual un-coordinated action. It has delivered 22 local plans under the pest animal levy funded programs in 2018/19. Central West LLS also builds capacity through running pest control courses, for example wild dog trapping courses.
	Liaise with industry and community to promote shared responsibility of biosecurity at a local and state scale	Central West LLS carries out its responsibilities under the MOU with DPI to implement the NSW Biosecurity Strategy. For example, it is on target to achieve its animal health investigations, saleyard inspections, and swill feeding audits.

Support prevention, preparedness, response and recovery activities to minimise the impact of animal, plant and agriculture emergencies on the local community

Central West LLS played an important role in supporting landholders during the Sir Ivan Fires in 2017 and in the floods in 2016.  
Drought support since 2017 has included numerous awareness events, phone support, office cuppas.

*Biosecure, profitable, productive and sustainable primary industries:*

**Land managers have access to evidence that enables decision making to support triple bottom line outcomes (social, environmental and financial)**

2

**&  
There is a collaborative approach to the management of invasive species, animal pests and diseases and plant pests and diseases to reduce the impacts on production and biodiversity**

Progress and ongoing

Implement streamlined, locally targeted and responsive services for whole farm management to enhance agricultural production and natural resources

Drought support since 2017 has included numerous awareness events, phone support, office cuppas.  
Numerous grant and funding opportunities through CANSW and National Landcare Program 2 for example the soils and land rehabilitation project, and agricultural advisory services.

Forums, for example:

- the Carbon for profit conference in 2019 which looked at how carbon farming techniques can lead to long term improvements in efficiency and profitability, consistent with sustainable agriculture and best management practices.

- the Biodiversity for profit conference in 2018 which looked at how conservation and profitability are mutually beneficial and how regenerative agriculture practices and its potential impact on soil biodiversity, farm resilience, profit, and productivity.

Work with communities, agencies and non-government organisations to increase the awareness around scope of roles and responsibilities of service providers

Central West LLS organisation includes designated community liaison officers and community advisory groups. CW LLS provides information on the Central West LLS website (for example, the wild dog policy) that outline roles and responsibilities. Central West LLS is also involved in numerous collaborative arrangements for example local governments and DPI and the former Office of Environment and Heritage, it works closely with local groups including the Central West natural resource management working group and the Central West Councils Environment and Watergroups including Central West LLS has also run a series of workshops to raise awareness amongst landholders of roles and responsibilities, for example a small landholder workshop series in 2016 and 2017 was run collaboratively with local councils, Landcare, NSW Police, NSW Rural Fire Service and SafeWork NSW to help landholders make decisions and understand responsibilities regarding a range of areas

	including Local Land Services functions, Property Identification Codes or PIC, biosecurity risks, domestic and feral animal control, appropriate use of Travelling Stock Reserves, fencing, rural crime prevention, on farm and general safety.
Facilitate processes that provide opportunity for collaboration and knowledge sharing between landholders and research bodies and service providers	Examples include Central West LLS events such as the Carbon for Profit Conference and programs such as ADAPT and AskBill. Central West LLS website includes links through to Rural industries research and development corporation and DPI for additional information.
Promote the inclusion of biosecurity and emergency planning within farm plans	Central West LLS have been actively helping local landholders understand and adapt to the industry-led changes and requirements through communication channels such as its website and staff and workshops. Central West LLS vets and biosecurity staff delivered a series of workshops across the region to assist producers with on-farm biosecurity planning.
Collaborate with government, industry and the community to implement specific programs that manage emerging threats and priority species, animal disease and pests and plant pest and disease programs	Delivered though a range of investor funded projects, collaboration with the Department of Primary Industries, Central West LLS Regional Strategic Pest Animal Plan, Central West LLS Regional strategic weed management plan, biosecurity and vet staff interaction with landholders, collaborative arrangements for example Regional weed management plan with Central Tablelands LLS for serrated tussock.
<b>3</b> <i>Healthy, diverse, connected natural environments:</i> <b>Travelling stock reserve management plan implementation manages multiple users and values &amp; Communities are engaged in the maintenance or improvement of natural resources across the region</b>	Progress and ongoing
Establish and implement a NSW Stock Reserve Management Plan for the Central West Region that - manages multiple users, recognises and promotes public value, establishes transparent governance and equitable processes	Interim Travelling Stock Reserve Management plan 2018-19 has been established. Its development was previously delayed due to State LLS Travelling Stock Reserve plan not being finalised.
Manage infrastructure on travelling stock reserves within resourcing ability based on agreed prioritisation schedule	Various activities are being undertaken on travelling stock reserves including dam desilting, weed control. Prioritisation schedule is not yet in place though the Travelling Stock Reserve Plan of Management is on public exhibition. Improved permit management is a current focus. Travelling stock reserves permit income is impacted by the drought and reduces resources available to undertake maintenance activities. Travelling Stock Reserve Maintenance Plan is also in place for 2018-19.
Implement programs that support and or protect natural resources (threatened species, endangered ecological communities, cultural values/sites, native vegetation)	This has been/ is continuing to be done through numerous Catchment Action NSW, National Landcare Program (2) and Environment Trust projects.

<p>Leverage investment and resources to increase effectiveness of State and Australian Government projects that support natural resource management and sustainable agricultural practices</p>	<p>Examples include Central West LLS' involvement in the consortium-based Environmental Trust River Connections Program for the Macquarie River project and the Saving Our Species Contestable Grants Program.</p>
<p><i>Board members and staff who are collaborative, innovative and commercially focused:</i> <b>4 Central West Local Land Services is known as a reputable organisation with highly skilled and knowledgeable staff</b></p>	<p>Progress and ongoing</p>
<p>Promote continuous improvement through the implementation of an Adaptive Management strategy and access to best available evidence for Central West Board and staff</p>	<p>Continuous improvement is implemented in natural resource management and with the appointment of the Performance and Improvement</p>
<p>Collaborate with other Local Land Services regions, government and non-government organisations to promote coordinated service delivery</p>	<p>One example is the work with Central Tablelands LLS to develop a regional scale MER framework. Joint sponsorship together with Central Tablelands LLS of the Environment and Waterways Alliance together with Central Tablelands LLS.</p>
<p>Implement business processes that support transparent decision making and promotes opportunity for participation</p>	<p>Central West LLS has standard business processes in place.</p>
<p>Promote staff development and succession planning through mentoring, training and internal communications strategies</p>	<p>Central West LLS indicated that they have standard processes in place like state wide LLS mentoring program, professional development plans, staff consultative committee, acting position opportunities and training register.</p>
<p>Maintain resources that enable efficient and effective emergency preparedness and response including organisational capacity</p>	<p>Central West LLS staff are undergoing training. Annual training targets are set including exercises and reported on bi-monthly as part of board reporting. A draft Central West LLS Emergency Management Operational Plan 2017-2018 has been established.</p>