



Natural Resources Commission

Final report

# Local strategic plan implementation audit

November 2019

Riverina Local Land Services

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## List of acronyms

BIS	Biosecurity Information System
FARMS	Financial and Rural Management System
GIS	Geographic Information System
GPS	Global Positioning 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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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 Riverina Local Land Services (LLS) region covers a topographically diverse area of approximately 6.7 million hectares in southern NSW. It is bounded by Harden in the east, Hay in the west, Hillston in the north and Lockhart in the south. Wagga Wagga is the largest centre. Drought is currently depressing productivity of many landholders (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** for Riverina LLS' local strategic plan (Riverina plan) outcomes). The Riverina plan was approved by the Minister in 2016.

The Riverina plan sets out the strategic direction for the five years between 2016 and 2021.<sup>1</sup> It outlines how Riverina 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. It contains 10 strategic intent statements that define the outcomes that Riverina LLS is working towards. To support these outcomes, the Riverina plan includes 20 regional delivery actions and 18 regional success measures.

In 2018, the Riverina local board met to discuss the changing priorities in the region and the ongoing relevance of the Riverina plan to Riverina LLS' strategic direction as it develops. The board decided that the vision, mission, values and intent of the Riverina plan are still current, that it can accommodate the required changes in some activities, and therefore the Riverina plan was still relevant.

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

The Commission's audit approach was to look at the broad intent of the Riverina plan, focussing on its stated outcomes. The assessment of whether the actions and projects aligned with this intent was the basis for making the judgement regarding the extent of implementation of the Riverina plan.

### Findings

Overall, the Commission found that Riverina LLS actions are contributing to the achievement of outcomes in the Riverina plan within the set timeframes. All outputs are recorded, progress is reported qualitatively, and the supporting systems and processes, although not optimal, are adequate to support the implementation of the Riverina plan. The Commission therefore has determined that Riverina LLS is likely to implement the Riverina plan by 2021. However, regular reviews of progress by the board, based on the quantitative reporting of achievements, would better focus both strategic and operational oversight on outcomes and provide opportunities to improve performance.

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<sup>1</sup> *Local Land Services Act* Section 45(1).  
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The Commission found the following constraints:

- The current information technology (IT) systems are controlled by LLS at the state level and therefore beyond the control of regional LLS. While they were deemed to be adequate to support strategic plan implementation by LLS staff, in their current state they pose some risks to data integrity, storage and ease of retrieval. The Commission noted that a platform with increased functionality is being rolled out by State LLS across the organisation. Although not yet tested, it is anticipated to address the current risks.
- Funding for natural resource management has been reduced under Catchment Action NSW and the National Landcare Program Phase Two since the Riverina plan commenced. To access funding, the region is required to undertake time-consuming applications for short-term grants, which must align to investor priorities, limiting the region's ability to invest in strategic landscape-scale improvements.

### Areas going well

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

- F1 Riverina LLS demonstrated progress in implementing all of the actions in its plan.**
- F3 Operational plans are broadly aligned to the Riverina plan.**
- F4 Governance processes support Riverina plan implementation.**
- F7 Riverina 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 achieving Riverina plan outcomes should be measured.**
- F5 Project planning and delivery should focus on achieving Riverina plan outcomes.**
- F6 Program logics and a monitoring, evaluation, reporting and improvement framework should be developed.**
- F8 There is no explicit reporting towards Riverina plan outcomes.**

### Recommendations

To increase the likelihood that Riverina LLS is able to implement its plan by 2021, the Commission recommends that Riverina LLS:

- R1 Measure and monitor progress towards achieving Riverina plan outcomes.**
- R2 Improve consistency in developing operational plans that specifically reference the Riverina plan and drive its implementation.**
- R3 Develop program logics within a broader monitoring, evaluation, reporting and improvement framework that specifies metrics and data collection to support assessment of cumulative progress towards outcomes.**
- R4 Update board reporting processes to include quantitative information regarding cumulative achievement of outcomes.**

# 1 Achievement of local strategic plan outcomes

The Commission determined that there is progress towards all regional delivery actions in the Riverina plan. However, the extent of this progress is not transparent.

The Commission recognises that Riverina LLS has matured since the Riverina plan was written and that the Riverina plan may contain some elements that do not reflect the current functions and priorities of the organisation. One example of this is the Riverina plan outcome 'to enhance and protect all our landscapes' and the associated key performance indicator (KPI) for an 'improved trend in the condition of landscapes', which are considered too ambitious by some Riverina LLS staff, particularly with reduced natural resource management funding and changing investor priorities.

Another example is clarity around which sectors Riverina LLS' can add the most value in delivering agronomic advice. The Commission noted that Riverina LLS has determined that one of its important focus areas is the livestock industry. Riverina LLS has decided not to operate in industries such as cotton, rice, dairy and wine grapes, which are well serviced by private industry and commonwealth research and development corporations. Riverina LLS has identified a need to review staff skills to focus more on the livestock industry.

The Commission also recognises that Riverina LLS needs to be flexible to respond to changing environmental conditions, community preferences and changes driven by State LLS, government and investor needs.

It is timely to assess opportunities for the Riverina plan to better focus its activities and associated monitoring and reporting efforts on achieving targeted outcomes that align with the organisation's current priority areas.

## 1.1 Areas going well

### F1 Riverina LLS demonstrated progress in implementing all of the actions in the Riverina plan

The Riverina plan contains 19 applicable actions (see **Attachment 6** for more detail):<sup>2</sup>

- Four (21 percent) were achieved.
- Twelve (63 percent) were achieved but ongoing.
- Three (16 percent) were partially achieved but ongoing.

Of the actions rated as 'achieved' or 'partially achieved but ongoing', 13 are considered 'business as usual' for LLS and are not expected to have a completion date. One exception is the outcome to 'develop and implement the Travelling Stock Route Plan of Management', which is complete at the regional level but its completion is dependent on the state-wide LLS travelling stock reserve plan of management.

Drought has impacted on the extent to which some actions have been completed. For example, funding for projects targeting tree planting and pasture re-establishment was reallocated to set up stock management areas and maintain groundcover. This was negotiated with Catchment Action NSW and National Landcare Program Phase Two, and the activities still align with the

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<sup>2</sup> Of the 20 actions within the Riverina plan, one action relates to native vegetation access which is no longer applicable due to LLS restructure.

Riverina plan actions and outcomes. This decision was driven by the low likelihood of success of revegetation activities during drought conditions. This is an example of how adaptive management has been used in the region to respond to changing landholder needs during changing environmental conditions.

Riverina LLS delivered seven 'feeding in dry times' workshops in different locations across the region between May and August 2018, with over 400 producers attending. The workshops provided animal health, biosecurity and nutritional advice targeting the 43 percent of landholders in the region who identify as livestock producers.

Another major initiative has been the 'adjusting to drought' package which combines targeted training with on-site assessments and has resulted in the development of stock management areas over a total of 20,000 hectares, with producers committing to maintaining 50 percent to 70 percent groundcover. Rather than investing in a large number of workshops, Riverina LLS has decided to invest resources in fewer workshops accompanied by follow up assistance to workshop attendees to achieve on-ground practice change. This approach was deemed successful and has resulted in over 50 percent of attendees developing stock management areas.

These two programs align with a number of Riverina plan actions and have contributed to the delivery of industry and customer outcomes, consistent with the customer service focus of Riverina LLS.

The adoption of technological innovations has directly delivered one action and contributed to a number of others. These include:

- Remote monitoring of travelling stock reserves using GPS tracking collars and telemetry at water points. This has reduced the need for on-site inspections, increased compliance, improved communications with neighbouring landholders of approaching stock, and has reduced complaints.
- Tracking collars and infrared surveys which have assisted with pest animal control, particularly pigs, by allowing an assessment of population size. This information has been used to achieve the 72 percent pig cull needed to interrupt the reproductive cycle. In part, the success of this program encouraged increased rate payer support and participation in other pest control programs such as wild dog baiting.
- Aerial surveys to establish GPS coordinates for rabbit warrens which have enabled more efficient and effective control while the use of drones for small and medium sized surveys has reduced costs.

Most actions in the natural resource management area are made possible by Catchment Action NSW or National Landcare Program Phase Two funding. The outputs required by these funding bodies can, in most instances, be mapped to Riverina LLS regional actions and measurements.

Collaborative partnerships, such as the Gilmore Wild Dog Management Plan, play an important part in supplementing Riverina LLS funding and expertise.

All staff have been trained in emergency management and are part of the emergency response team. In the most recent flooding event, in addition to the LLS response on the ground, Riverina GIS capability was used to identify flooded areas, increasing the timeliness of stock management.

## 1.2 Key finding to be addressed

### F2 Progress towards achieving Riverina plan outcomes should be measured

Progress in implementing the Riverina plan is gauged by recording actions qualitatively against its strategic intent statements (outcomes). This qualitative assessment – while found useful by the board – lacks precision and transparency. The Commission found that individual directors and staff provided different estimates of the extent to which they thought the Riverina plan has been implemented. This limits the strategic and operational oversight needed to achieve outcomes and effective decision-making.

The Riverina plan outcomes are supported by actions, KPIs and measurements (see **Attachment 2** for more detail). Most project outputs are recorded in programs such as the Integrated Resource Management System (IRIS), the Financial and Rural Management System (FARMS) or the Land Management Data Base (LMDB) but these records are not collated against Riverina plan actions, KPIs or measurements. Therefore, there are not enough meaningful data on the impact or outcome of actions to provide quantitative assessments of progress.

While some of the Riverina plan measurements are quantified (for example, the number of technological innovations, pop up workshops and people trained in Aboriginal cultural heritage values) they have not yet been collated to provide an assessment of their contribution to final outcomes.

The measurement of outcomes resulting from activities is a challenge in most organisations. It is often more straightforward and considered more important to focus on what is being delivered on-ground to satisfy stakeholders and investors, rather than on what has been completed and what outcomes resulted from the activities. Measurement of outcomes is often resource intensive, which is a challenge in light of reduced funding and staffing levels. Actions and measurements developed in the past don't always align well with the need to respond to evolving customer and investor expectations or changing biophysical conditions.

The Commission noted that Riverina LLS is aware of the importance of consistent year-on-year projects and on-ground actions, which can deliver standard outputs that can be aggregated. Achieving this consistency can be difficult given annual funding cycles and changing investor priorities.

Measuring the outcomes of Riverina plan actions would:

- provide a shared understanding of progress and what still needs to be achieved
- provide a basis for effective oversight, strategic decision-making and reporting on performance
- inform future investment and adaptive management decisions
- demonstrate value to investors, customers, partners and other stakeholders
- provide a basis for sharing learnings and a robust platform for celebrating successes and external communications.

The Commission notes that Riverina LLS intends to collate all outputs and develop a new plan in 2019-20. This should be informed by a monitoring, evaluation, reporting and improvement (MERI) framework (see R2 below).

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

**R1 Measure and monitor progress towards achieving Riverina plan outcomes.**

### **1.3 Constraints**

Much of the current round of National Landcare Program Phase Two natural resource management funding is directed to threatened species. This has impacted directly on planned broad-scale vegetation work and may result in some actions within the Riverina plan not being achieved in the future. Reduced funding from these programs has also impacted on Riverina LLS staff numbers (seven natural resource management staff were lost) and has resulted in remaining staff having to cover much larger areas. Another constraint is that funding priorities vary year-to-year, which creates uncertainty and makes long-term planning difficult.

## 2 Systems and processes supporting implementation

The Commission found Riverina LLS' planning, governance and IT systems adequately support the implementation of the Riverina plan. However, there are opportunities to improve the efficiency and effectiveness of these system.

### 2.1 Areas going well

#### F3 Operational plans are broadly aligned to the Riverina plan

Current planning processes include the preparation of:

- annual business plans
- scoping documents for the Land Services Team, Business and Finance Team, and Biosecurity and Emergency Services Team
- high-level program strategies such as the new Riverina Agricultural Extension Services Strategy 2019-2023
- business unit annual operational plans
- detailed project plans.

From the start of the Riverina plan in 2016 until the end of 2017/18, detailed natural resource management investment plans were developed for the upper, mid and lower Riverina districts. These plans specifically detailed alignment with Riverina plan outcomes and KPIs. They directed on-ground natural resource management investment until the end of 2017/18 after which the district-based structure was replaced by functional business units, which each had its own operational plan.

In the current planning hierarchy that has been in place since July 2018, project plans and sub-team plans feed into business unit operational plans, which are informed by higher-level program strategies and team scoping documents.

Together with funding body requirements and alignment with the LLS State Strategic Plan, the Riverina plan informs all levels of planning. For example, the Riverina Agricultural Extension Services Strategy 2019-2023 states that 'this [Riverina] plan identifies areas of focus and defines the way we do business through the identification of core values and business principles that will be applied across all levels of our business. This plan is the road map that unites Riverina Local Land Services with our partners, stakeholders and customers in delivering our vision'.

Project briefs such as the Adjungbilly Save our Species-Stage 4 Project Brief and the Riparian Restoration Project Brief specifically reference Riverina plan outcomes and KPIs relevant to that project.

Most project plans, including those mentioned above, reference how they are aligned with a number of programs and plans. For example, the project brief for the Drought Resilience On Farm Fodder & Water Project outlines how it aligns with NSW 2021 goals, targets and priority actions, LLS State Strategic Plan goals, Riverina LLS plan outcomes and KPIs, and National Landcare Program Phase Two and Catchment Action NSW outcomes.

Lessons learned from project implementation are recorded during the life of projects and opportunities for improvement are incorporated into planning. The adaptive management tab in IRIS is used to share lessons learned.

Linkages between all planning levels could be improved by using a consistent approach across all planning to ensure that there are clear links to the Riverina plan, as well as ensuring that the Riverina plan is driving all projects and programs.

#### **F4 Governance processes support Riverina plan implementation**

The board comprises the chair and six directors – three appointed and three elected – who bring contribute diverse skills and independent thinking. The board has successfully overcome the initial strategic challenges of bringing together three different organisations to establish Riverina LLS. The board successfully maintains strategic rather than operational interest in LLS business.

Board meetings are held every two months and are supported by good governance practices, such as structured and consistent meeting procedures, and good financial planning and reporting.

Qualitative reports structured under the intent statements of the Riverina plan are presented by the General Manager at each board meeting. Together with relevant staff, the board visits project sites to familiarise directors with on-ground activities. These reports and site visits are important factors in informing the board's contribution to implementing the Riverina plan.

Project governance structures are detailed in project plans, while project development is frequently supported by feasibility studies and scientific research. For example, the Sustainable Stubble Management Project will build on knowledge from work undertaken by the Department of Primary Industries, Grains Research and Development Corporation, CSIRO, and the Farmlink and Riverine Plains industry groups.

There are currently three community advisory groups; the Weeds Community Advisory Group, Pest Animal Community Advisory Group and Aboriginal Community Advisory Group. A new group is being created to replace these groups; one each in the upper, mid and lower Riverina sub-regions. They will include landholders from across the region and diverse commodity backgrounds to ensure all customers are represented.

The board also supports a Corporate Social Responsibility Committee.

Improved reporting to the board on Riverina plan outcomes would increase board oversight of Riverina plan implementation, support strategic decision-making and enable them to provide more assurance to stakeholders on progress towards organisational goals (see **Chapter 3** for more detail).

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

#### **F5 Project planning and delivery should focus on achieving Riverina plan outcomes**

Currently, project and operational plans do not consistently provide clear links to the Riverina plan. While all activities can be mapped back to the Riverina plan, plans often do not clearly describe how the activity or project contributes to Riverina plan outcomes.

For example, the plan for the Adjusting to Drought (Stock Management Areas - West) Project describes the project's purpose and objectives, includes supporting plans, and describes the scope, key stakeholders, expected outputs, risk, MERI framework and budget. In this plan, the supporting documents referenced are the Catchment Action NSW Business Plan and the

Performance Standard for Local Land Services.<sup>3</sup> Outputs and metrics are consistent with standard IRIS outputs and can be mapped to Riverina plan measurements and stated outcomes but the plan only references LLS State Strategic Plan goals and not Riverina plan outcomes.

In addition, the Commission noted that, in developing its annual business plans, Riverina LLS adopted the format of State LLS annual business plans. This format does not include clear links to Riverina plan outcomes or activities.

Annual business plans assess the structure, resources and responsibilities of a business to provide a whole-of-organisation guide to implementing the Riverina plan. In this context – and in the context of what can be achieved by Riverina LLS before 2021 – it is important that business plans include clear links to the Riverina plan and that the regional focus of Riverina LLS business is not lost in the broader context of State LLS outputs or investor priorities.

An organisational restructure within Riverina LLS has led to a re-alignment of business units and some operational documents are still being finalised as a result. This provides an opportunity to ensure that all relevant planning documents incorporate Riverina plan actions and provide a clear line of sight to required outcomes.

A focus on Riverina plan outcomes in all program and project documents will call attention to Riverina plan implementation, especially if combined with a clear knowledge of what still needs to be achieved. Project planning and implementation should clearly link investments back to the Riverina plan and drive data collection, reporting and outcomes for all activities.

**R2 Improve consistency in developing operational plans that specifically reference the Riverina plan and drive its implementation.**

**F6 Program logics and a monitoring, evaluation, reporting and improvement framework should be developed**

More needs to be done in project planning, and data collection, storage and analysis to measure Riverina plan outcomes and establish the foundation needed for the next iteration of the Riverina plan after 2021.

To ensure future projects consistently deliver outputs that contribute to the implementation of the Riverina plan, a MERI framework with program logics should be developed. This should be used by all business units and be based on a clear and shared understanding of what needs to be achieved by 2021. The program logic should include assessment of:

- what outcomes can be feasibly and directly measured
- what assumptions need to be made to link activities, outputs and their expected outcomes (for example, assumptions may link an output to an outcome using research or pilot program results)
- what metrics will be tracked
- baselines – where they can be established – and meaningful targets
- the expected level of contribution of each activity to outcomes
- the feasibility of activities and timeframes

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<sup>3</sup> Natural Resources Commission (2015) *Performance Standard for Local Land Services*. Available at: <https://www.nrc.nsw.gov.au/performance-standard-lls>.

- the data collection frequency and spatial scale required to show whether activities are delivering as expected and to inform future improvements.

These principles will be most effective for programs under the control of Riverina LLS rather than those subject to external variables. These programs may include pest control and customer satisfaction, which already have a considerable amount of regional data.

There is a need for baseline data to be collected wherever possible, from which the impact of investments and progress towards Riverina plan outcomes can be measured. Baseline data were not available at commencement of the Riverina plan and a baseline of zero was assumed. Riverina LLS interviewees indicated that the current Riverina plan outcomes are intended to provide some baselines for the new strategic plan to be implemented after 2021. To achieve this objective, the measuring and monitoring of progress towards outcomes should begin now. While it is not feasible or economic to develop a comprehensive set of baselines (especially for natural resource management), establishing a small number of key baselines will provide the foundation for effective investment under the new plan.

Riverina LLS already has data in some areas to support baseline development, including on on-ground practice change from stock management area projects, pig populations and ground cover. Riverina LLS should focus on using data it already has before prioritising additional key baselines that would provide benefit but require additional data gathering. While existing baseline data may have limitations, the value of having baselines from which progress can be measured should not be underestimated. Baselines may be improved over time and reset if needed. Any changes to baselines will need to balance increases in resources and effort required to gather better data against improvements in quality of information.

The new cluster arrangements in the Department of Planning, Industry and Environment provide opportunities for collaboration and the sharing of data and resources, in particular around accessing data on outcomes for which LLS has a shared responsibility.

To increase the likelihood that the region delivers its outcomes within the timeframes stated in the Riverina plan, the Commission recommends that Riverina LLS:

**R3 Develop program logics within a broader monitoring, evaluation, reporting and improvement framework that specifies metrics and data collection to support assessment of cumulative progress towards outcomes.**

## 2.3 Constraints

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

- different teams use different systems (for example, natural resource management and agriculture teams use IRIS, while the biosecurity team uses FARMS and the Biosecurity Information System (BIS))
- systems are not linked, so project outputs cannot be integrated, information cannot be accessed by all teams, and data can be stored in more than one system
- data can be difficult to extract for reporting

- contract generation from IRIS is unreliable
- the systems do not provide a useful platform for recording customer information and interactions.

The proposed roll-out of the new state-wide system, 'myLAND', is anticipated to bring improvements. It includes an asset management module,<sup>4</sup> a web-based customer self-service portal and other features such as greater accessibility for officers working in the field and at home. Riverina LLS staff expect myLAND will improve efficiency and effectiveness by providing:

- access to customer data where customers do business in multiple LLS regions (for example, recording 1080 distribution to rate payers)
- easier access to and integration of data records.

The upgraded system should streamline business processes and improve Riverina LLS' ability to deliver the Riverina plan. However, it is noted that the region has not yet been consulted on myLAND, so its benefits have not been demonstrated.

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<sup>4</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.

### 3 Reporting on local strategic plan implementation

Regular reports to the board structured around the outcomes of the Riverina plan provide a useful indication of the extent to which activities are contributing to plan implementation. However, they do not indicate progress-to-date or how much remains to be achieved. Cumulative and quantitative reporting would improve the transparency and understanding of progress and organisational achievements.

#### 3.1 Areas going well

##### F7 Riverina LLS reports on activities and outputs to the local board and external stakeholders

There is a General Manager's report to the board at every meeting which aims to 'provide an overview of progress against the delivery' of Riverina plan outcomes 'and related strategic initiatives'.<sup>5</sup> Other board papers focus on particular topic areas such as emerging issues, project implementation or initiatives.

The reports address activities since the last board meeting with most – but not necessarily all – outcomes covered at each meeting. They report briefly on programs and include stakeholder and community engagement, communication activities, funding applications, workshops, travelling stock reserve status, biosecurity issues and events, finance, and organisational culture. These reports maintain the currency of board awareness of key issues and LLS activities in the region.

The reports are qualitative rather than quantitative and do not describe how activities contribute to Riverina plan outcomes. However, these reports are accepted internally as an indicator of progress in implementing the Riverina plan. In interviews, directors gave positive feedback on these reports.

External reports include quarterly reports on activities against the NSW Animal Biosecurity & Welfare Business Plan to the Department of Primary Industries. Other external reporting includes State LLS annual reports and reports to the Australian and NSW governments (for example, Catchment Action NSW). Reports to funding bodies provide data on the extent to which programs and projects are complete and identify performance against milestones and spend.

High-level outputs are published in Riverina LLS annual reports and posted on the Riverina LLS website. These provide information on activities such as baiting programs, managing biosecurity risks, travelling stock reserve management and sustainable agriculture incentives. There are many reports using mixed media that publicise Riverina LLS activities.

These reports provide information internally to the board and also to external stakeholders regarding Riverina LLS achievements through its activities, projects and programs.

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<sup>5</sup> Riverina LLS (2018) *General Manager's Board Report – 8 August 2018*. Item 8.1. Internal document provided to the Commission.

## 3.2 Key findings to be addressed

### F8 There is no explicit reporting on progress towards Riverina plan outcomes

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

Internal reports to the board provide required information to the board on various issues and are necessary to inform the board on progress in a qualitative sense. However, these reports do not:

- indicate progress towards the completion of actions
- indicate the current status of planned actions or outcomes
- provide the information required to drive strategic performance, enable strategic oversight and demonstrate the impact of the implementation of the Riverina plan.

As a result, there is no clear and consistent organisational understanding of progress achieved to date.

It is the board's responsibility to oversee and monitor the implementation of the Riverina plan and knowing the level of progress towards outcomes is critical in performing this role effectively.<sup>6</sup>

A formal, quantitative review providing information on cumulative progress towards outcomes against timeframes would provide the information required for the board to make strategic decisions.

As per R1, Riverina LLS intends to collate data against Riverina plan outcomes in 2019/20. This will provide clarity to the board and staff on what still needs to be achieved and maximise opportunities for strategic and operational decisions while options and time are still available.

To increase the likelihood that the region delivers outcomes within the timeframes stated in the Riverina plan and optimises its strategic performance, the Commission recommends that Riverina LLS:

**R4 Update board reporting processes to include quantitative information regarding cumulative achievement of outcomes.**

<sup>6</sup> The *Local Land Services Act* Section 29(1) states that one of the functions of the local board is 'to monitor the performance of Local Land Services in the region, including by reference to the local strategic plan'.

## Attachment 1 – Overview of the Riverina LLS region

The Riverina LLS region covers an area of approximately 6.7 million hectares in southern NSW. It extends to Harden in the east, Hay in the west, Hillston in the north and Lockhart in the south. Wagga Wagga is the largest centre, with a population of approximately 60,000. The Murrumbidgee River – the second largest river of the Murray-Darling system – flows through the region.

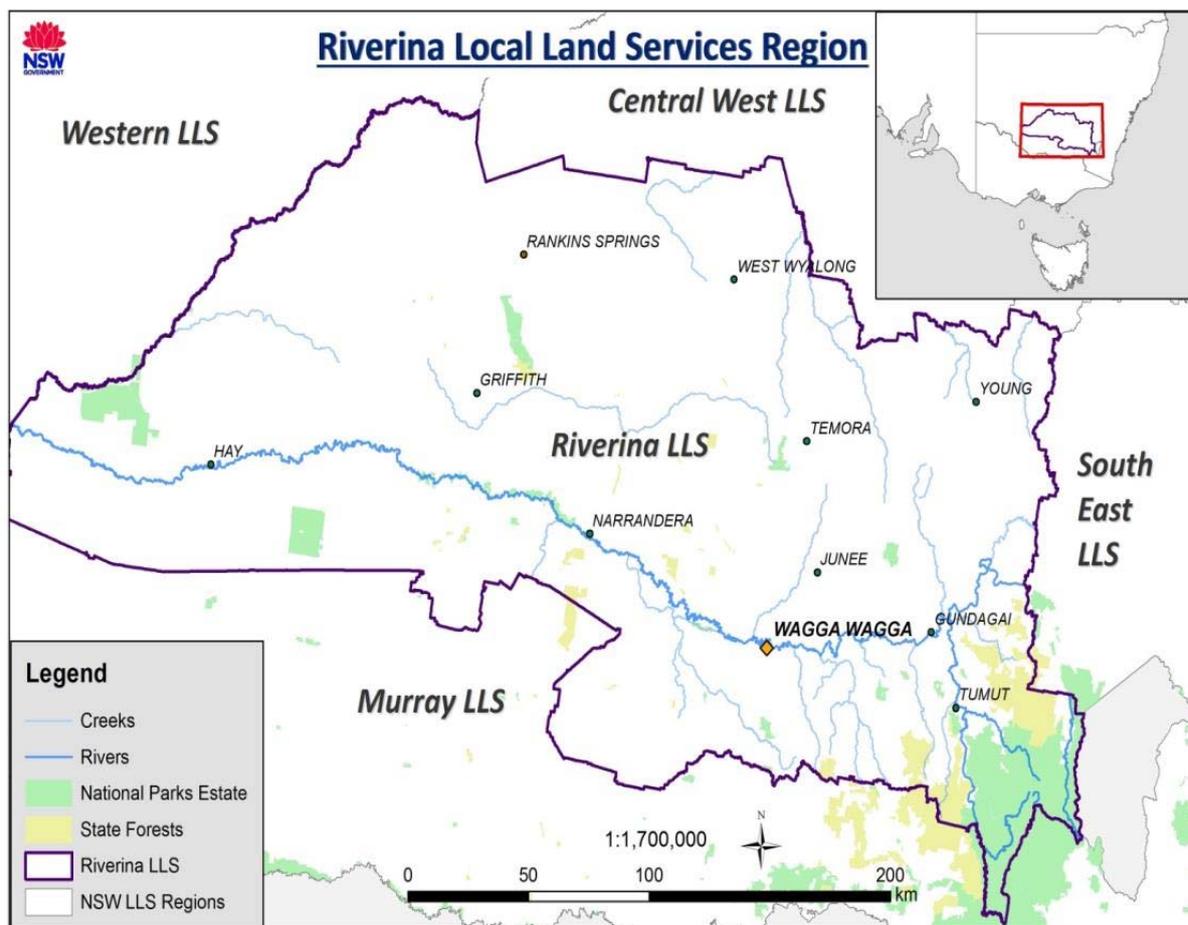


Figure 1: The Riverina LLS region

The region is a topographically diverse area, with landscapes varying from highlands on the edge of the Kosciuszko National Park to plains, irrigation areas and western rangelands. The predominant land use is agriculture. Together, dryland grazing and cereal-based cropping account for 80 percent of land use, while irrigation accounts for 5 percent. Along with cereals, crops include maize, millet, sorghum, lucerne, cotton, rice, citrus and wine grapes. There are approximately 12,000 ratepayers, with 43 percent of these identifying as livestock producers.

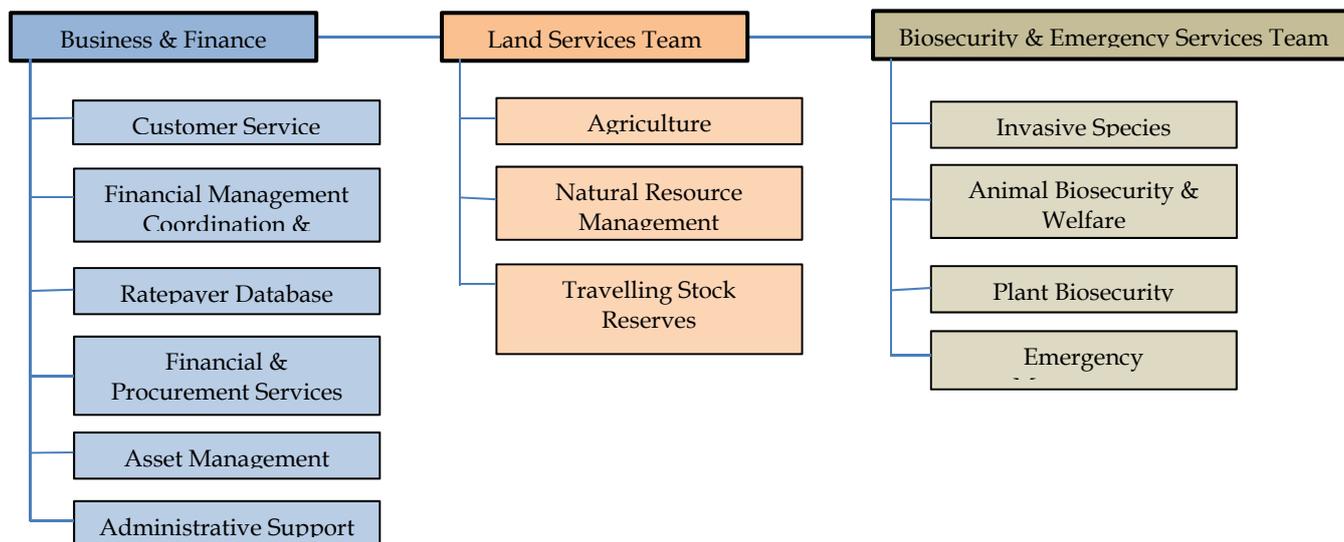
The region includes 86,000 hectares of travelling stock reserves, 165,000 hectares of state forests and 293,000 hectares of national parks and reserves. Important environmental features include two Ramsar-listed wetlands, threatened bird, fish and frog species, and endangered ecological communities such as White Box Woodlands. The landscape also features highly significant indigenous cultural heritage areas, values and elements.

The main challenges and threats facing the region include:

- potential emergency issues and biosecurity hazards impacting broadacre livestock and intensive animal industries, and threatening market access
- threats to productivity and profitability from drought and longer-term climate change, and associated variable or unreliable feed and water availability
- invasive species (pest animals and weeds) and other threats to natural values
- insufficient resources to invest at a large enough scale to effectively manage natural landscapes
- natural disasters, including floods and bushfires.

Riverina LLS provides advice to primary producers, biosecurity and emergency management services, manages natural resources, brokers relationships and shares knowledge.

Operationally, Riverina LLS comprises three business units, each with its own scope and responsibilities (see **Figure 2**) below. Governance and oversight is provided by a board and the senior management team.



**Figure 2: Riverina LLS business units**

Each business unit has an annual operational plan (equivalent to a business plan), which is provided to the board between April and June for endorsement. Underneath these planning documents, which are written at a relatively high level, detailed project plans are developed and approved.

Key projects for 2018/19 are listed in the scoping document for each team. The project plans roll up to meet the goals of the planning documents and, ultimately, to deliver against the KPIs of the Riverina plan. They also need to be consistent with the requirements of other plans including the:

- Riverina Regional Strategic Pest Animal Management Plan
- Riverina Regional Weed Management Plan
- NSW Animal Biosecurity and Welfare Business Plan
- Riverina LLS Emergency Management Plan

- Riverina LLS Communications and Engagement Plan
- Riverina Agricultural Extension Services Strategy
- Travelling Stock Reserve Management Plan
- Catchment Action NSW Business Plan
- National Landcare Program priorities
- Business services – budget and financial management
- Customer services
- Strategic Directions in Natural Resource Management Plan.

Board members and staff describe Riverina LLS as being foremost a customer-focused business. Customer satisfaction and confidence in the organisation is a priority, along with biosecurity, and profitable and sustainable agricultural businesses. These priorities are reflected in several current projects, which also reflect the overwhelming influence of prevailing drought conditions:

- **Technology in travelling stock reserve management:** GPS collars and telemetry at watering points help manage travelling stock reserves by remotely monitoring the movement of mobs and improving compliance. They also have the potential to assist in monitoring biosecurity hazards.
- **Stock management areas:** Promoting the maintenance of ground cover and sustainable grazing under drought conditions and building longer-term productivity under drought.
- **Pest control:** Aerial surveys and infrared technology are used to assess pig populations and the number of animals that need to be culled to break the reproductive cycle. GPS tracking collars are used to understand animal behaviour and inform more effective control activities. GPS coordinates for rabbit warrens enable more efficient and effective control. All activities reduce crop and livestock losses.

## Attachment 2 – Riverina plan outcomes

Outcomes for the Riverina LLS region, as stated in the Riverina plan, are outlined below.

#	Outcomes & regional measures of success	Timeframe
1	<b>Our customers:</b>	
	<ul style="list-style-type: none"> <li>▪ In consultation with customers and communities provide an outstanding professional integrated service</li> <li>▪ Provide critical services covering four service area priorities: biosecurity, natural resource management, emergency management and agricultural advisory services</li> </ul>	
	Annual RLLS customer satisfaction surveys show that a minimum of 50% of respondents are happy with services by year three with 75% by year five.	2021
	At least 75% of key stakeholders attend stakeholder meetings/activities and proactively initiate joint projects by year five.	2021
	Adopt a minimum of four technology innovations per year that will improve the efficiency and effectiveness of one or more of the following: a. customer services, b. knowledge and information transfer, c. advisory services, and d. general operations	All years 2016-2021
2	<b>Our Industry:</b>	
	<ul style="list-style-type: none"> <li>▪ Support sustainable industry practices which meet current best practice and environmental guidelines</li> <li>▪ Enable and facilitate safe and biosecure practices</li> <li>▪ Deliver timely regulatory functions</li> </ul>	
	75% of surveyed customers adopt practices that improve productivity and sustainability of farms by year five.	2021
	One trained emergency response team operational by 2015-16.	2016
	A total of six pop up workshops delivered each year for five years.	All years 2016 - 2021
	100% of stakeholder attendances at each regional workshop are aware of their legal obligations relating to biosecurity and native vegetation..	All years 2016 - 2021
3	<b>Our Landscapes:</b>	
	<ul style="list-style-type: none"> <li>▪ Enhance and protect all our landscapes</li> <li>▪ Promote ecologically sustainable practices</li> </ul>	
	Over five years, increase number of farming entities managed sustainably for production and ecosystem services.	2021
	All projects offered align to our Strategic Directions in Natural Resource Management Plan.	All years 2016 - 2021
	A minimum of three partnerships established with local government with the focus of NRM delivery.	2021
	Ten community participants per year trained in Aboriginal Cultural Heritage values.	All years 2016 - 2021

	Invest in long term monitoring over five years to understand (or baseline) the condition of Riverina landscapes to guide NRM investment.	All years 2016 - 2021
<b>4</b>	<b>Our People:</b> <ul style="list-style-type: none"> <li>▪ <b>Build a regional team of highly skilled and engaged staff and Board that are locally known and respected</b></li> <li>▪ <b>Enable and facilitate community capacity</b></li> <li>▪ <b>building and resilience</b></li> </ul>	
	At least 75% LLS staff participate in well-being survey each year and of the 5%, 90% are happy working for RLLS.	All years 2016 - 2021
	Implementing workforce planning initiatives to support RLLS to become an 'Employer of Choice' and to enhance the ability to obtain the appropriate mix of skills.	All years 2016 - 2021
	At least 75% attendance of total number of participants invited to a RLLS facilitated community event.	All years 2016 - 2021
	Continuing to improve workplace safety by applying national benchmarks to our safety practices and supporting efforts to improve safety performance.	All years 2016 - 2021
<b>5</b>	<b>Our Governance:</b> <ul style="list-style-type: none"> <li>▪ <b>Provide responsible governance and effective management</b></li> </ul>	
	Financial accountability through "dashboard" reporting published on the website quarterly.	All years 2016 - 2021
	Controlling operating expenditure and introducing improvements to business processes, and introducing a strategic approach to funding expenditure requirements.	All years 2016 - 2021

## 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>7</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>8</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>7</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>8</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>9</sup> as the independent auditor<sup>10</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>9</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>10</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>11</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>11</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	Barney Hyams	16 May 2019
	Appointed Board member	Diana Gibbs	15 May 2019
	Elected Board member	John Davey	16 May 2019
	General Manager	Rob Kelly	15 May 2019
	Land Services Manager	Andrew Lieschke	15 May 2019
<b>Land Services</b>	Land Services MERI	Cheri White	16 May 2019
	Team Leader Land Services NRM	Mark Leary	16 May 2019
	Team Leader Land Services Agricultural Advisory & RALF	Tom White	16 May 2019
<b>GIS</b>	GIS Services	Mark Wilson	16 May 2019
<b>Business and Finance</b>	Manager Business & Finance	Wayne Maybury	15 May 2019
<b>Biosecurity</b>	Acting Manager, Biosecurity	Michael Leane	15 May 2019

## Attachment 6 – Riverina LLS action status

The self-assessment undertaken by Riverina LLS in the first quarter of 2019 in preparation for this audit are outlined below. Various documentation was provided as evidence in support of this assessment.

Riverina LLS no longer considers one of the 20 actions as relevant. Riverina LLS clarified that the action to ‘enforce and educate the community on state compliance requirements’ related to native vegetation, which is now the responsibility of the LLS Sustainable Land Management office, as a result of a restructure within LLS.

### Rating Action partially achieved and ongoing

2. Implement, monitor and evaluate a customer, community and stakeholder engagement plan offering different levels of engagement and information, and ensuring continuous improvement of the strategies and approaches.
4. Support and build the leadership capacity of the advisory group members and advisory committee members to contribute to the building of the social capital of the region.
15. Develop and implement the Travelling Stock Route Plan of Management (Riverina plan developed. Waiting on State plan).

### Rating Action achieved and ongoing

1. Implement a communications strategy that includes regular updates and communication opportunities using a broad range of communication channels, interactive “go-to” sources for information and dissemination of key operational information.
3. Develop a range of service delivery models that match local situation specific needs. including the development of a technologically based service delivery model that makes the best use of new and emerging technology.
5. Ensure staff and communities are prepared for emergency response and management
7. Develop and build strong links and active relationships with key partner organisations with clear roles and responsibilities.
11. Implement the Biosecurity Act 2017
12. Work with individuals, local communities and groups such as Landcare and Indigenous groups, to facilitate change and build capacity to enhance and protect our landscapes.
13. Work with Indigenous groups to increase community awareness of regional Cultural Heritage values and local significant sites.
16. Continue to develop and upskill our staff and Board (technical and people skills) and ensure strong links to research and development organisations with relevant expertise is maintained through participation in research activity to develop scientific knowledge and understanding.
17. Continue to embed responsive organisational values and operating principles and develop behaviours to support these values and operating principles.
18. Ensure a safe, secure, healthy and productive working environment through the development and implementation of health and wellbeing initiatives.

19. Develop governance arrangements and structures to ensure implementation of Natural Resource Commission standards and audits.

20. Provide and report sound financial management.

Rating	Action completed
	6. Implement the Riverina Biosecurity Operational Plan and ensure appropriate linkages to industry biosecurity and emergency response plans.
	9. Establish the regional weeds committee.
	10. Develop a strategic regional weeds plan.
	14. Implement the Strategic Directions in NRM (based on each of the relevant Catchment Action Plans- Murrumbidgee, Lachlan and Murray).

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