



RECOMMENDATION

NAMOI  
CATCHMENT ACTION PLAN

September 2006





## RECOMMENDATION

# NAMOI CATCHMENT ACTION PLAN

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## List of acronyms

CAP	Catchment Action Plan
CMA	Catchment Management Authority
DEC	Department of Environment and Conservation
DNR	Department of Natural Resources
DPI	Department of Primary Industries
NRC	Natural Resources Commission
NRM	Natural Resource Management
NSW	New South Wales
PVP	Property Vegetation Plan

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# 1 Introduction and overview

The Natural Resources Commission (NRC) has reviewed the Namoi Catchment Action Plan (CAP) and recommends that this CAP be approved. The NRC further recommends that the Minister require the CMA to undertake a review of the Catchment Action Plan within 3 years of approval to incorporate its progress on the specific actions identified in this report.

CAPs are an important component of the new institutional model for delivering natural resource management (NRM) in NSW. Under this model, 13 Catchment Management Authorities (CMAs) are responsible for planning and investing in NRM within their catchments. Each CMA has developed a CAP to use as a 10-year strategic plan or 'investment portfolio' for NRM in its region. These CAPs should set clear directions for all NRM activities in their regions and should integrate other NRM plans, including regional strategies, water sharing plans and regional conservation plans. Ultimately, the CAPs should set the direction for an integrated, whole-of-government approach to achieving catchment and state-wide targets, and should become the primary vehicle for public and private investment in NRM.

The NRC is required to advise the Minister for Natural Resources on whether or not to approve the CAP prepared by each CMA. Specifically, the NRC must determine whether each CAP complies with the *Standard for Quality Natural Resource Management*<sup>1</sup> (the standard) and promotes achievement of the state-wide targets for NRM.<sup>2</sup>

In addition, the NRC agreed to consider whether each CAP fulfils other specific requirements nominated by the NSW and Joint Steering Committee (JSC).<sup>3</sup>

## 1.1 Overview of findings

The NRC's recommendation is based on its findings that the Namoi CAP:

- demonstrates a very high level of compliance with the standard at this point in time
- provides a high degree of confidence that the targets will promote the achievement of the state-wide targets over time.

The NRC is satisfied that the CAP fulfils all legislative and most other specific government requirements, however many of the targets are not yet completely SMART.<sup>4</sup>

The NRC believes that the Namoi CMA can continue to refine its CAP and targets and successfully work with its community to implement the CAP as:

- it has robust plans to improve its compliance with the standard, refine its CAP targets, and increase its organisational capabilities

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<sup>1</sup> Natural Resources Commission (2005) *Standard for Quality Natural Resource Management*. Available at <<http://www.nrc.nsw.gov.au/module.aspx?id=3>>.

<sup>2</sup> Natural Resources Commission (2005) *Recommendations: state-wide standard and targets*. Available at <<http://www.nrc.nsw.gov.au/module.aspx?id=3>>.

<sup>3</sup> Including the priorities set by the Australian Government and NSW Government Natural Resource Management Joint Steering Committee, NSW Department of Natural Resources, NSW Department of Environment and Conservation and NSW Department of Primary Industries.

<sup>4</sup> 'Specific, Measurable, Achievable, Relevant and Timebound' (SMART), see below for further details

- the recommended actions will focus the CMA on the key areas that require improvement
- the NRC will periodically review the CMA's progress.

The NRC considers that to successfully implement the CAP, the Namoi CMA will require support from the government. This support will be necessary to:

- develop an effective monitoring and evaluation program, given the limited funding available and historic lack of clarity on roles and responsibilities for monitoring and evaluation in NSW
- enable the CMA to enhance its internal knowledge and information management systems
- provide flexibility in funding programs to improve the ability of the CMA to deliver NRM outcomes on priority issues.

## 1.2 NRC's recommendation

In accordance with Section 13 (b) of the *Natural Resources Commission Act 2003*, the NRC recommends that the Minister approve the Namoi Catchment Action Plan without alteration.<sup>5</sup>

The NRC further recommends that the Minister require the CMA<sup>6</sup> to undertake a review of the Catchment Action Plan within 3 years of approval to incorporate its progress on the following actions:

- a) continuing to develop and implement its *Engagement Strategy*
- b) continuing to develop and implement its *Operations Risk Assessment Procedure*
- c) continuing to develop and implement its *Monitoring, Evaluation and Reporting Manual* and *Monitoring and Evaluation Plan*.<sup>7</sup>

Successful completion of these actions should enable the CMA to prepare and publish a revised CAP that will more fully comply with the standard and significantly increase the likelihood of the CAP promoting achievement of the state-wide targets.

The NRC will undertake an audit within 3.5 years of approval.<sup>8</sup> To support this, the NRC will require a letter from the CMA to report their progress on the actions on a 12-monthly basis.<sup>9</sup> If reasonable progress in completing the recommended actions is not evident from these letters, the NRC will consider bringing the audit forward.

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<sup>5</sup> Under Section 23 (1) of the *Catchment Management Authorities Act 2003*.

<sup>6</sup> Under Section 26 (1) of the *Catchment Management Authorities Act 2003*.

<sup>7</sup> The development of the *Monitoring, Evaluation and Reporting Manual* and *Monitoring and Evaluation Plan* should ensure the CMA develops targets which are more 'Specific, Measurable, Achievable, Relevant and Timebound' (SMART). See Natural Resource Management Ministerial Council (2002) *National Framework for Natural Resource Management (NRM) Standards and Targets*. Available at <http://www.nrm.gov.au/publications/standards/index/html>.

<sup>8</sup> Under Section 13 (c) of the *Natural Resources Commission Act 2003*.

<sup>9</sup> Under Section 16 (3) of the *Natural Resources Commission Act 2003*.

### 1.3 Process used to develop this advice

The NRC developed its recommendation using a rigorous process developed in consultation with NSW Government agencies and the JSC, and subsequently endorsed by the CMA Chairs. The process included:

- identifying the needs of all government stakeholders and developing a single process to meet all of these needs
- meeting with the Namoi CMA to help it prepare for the CAP review, and undertaking a formal review of the CMA's business systems (the 'Systems Review') to identify what changes to these systems were needed to comply with the standard
- providing follow-up support to the CMA to help it make the necessary changes to its business systems
- evaluating the draft CAP and supporting documents for compliance with the standard, likelihood of promoting the state-wide targets, and fulfilment of NSW legislative requirements and other government requirements
- discussing the NRC's initial findings and recommendations with the CMA and relevant government agencies; evaluating the final Namoi CAP, supporting documents, and plans for improvement with relevant agencies; and finalising this advice.

In evaluating all CMAs' CAPs and formulating its advice, the NRC took into account that the CMAs are relatively new organisations, and that many aspects of the new institutional model for NRM are still developing. When the CMAs were established in late 2003, they were responsible for implementing on-ground activities in accordance with pre-existing Catchment Blueprints.<sup>10</sup> In May 2005 the NSW Government adopted the standard and a set of state-wide targets for NRM.<sup>11</sup> The CMAs have been required to modify their operations according to the new standard, and to develop their CAPs in accordance with this.

The NRC also acknowledges that there will be variations between the CMAs' CAPs. This is because the new institutional model promotes regional decision-making and allows flexibility and innovation. It is also due to the fact that each CMA is at a different stage of organisational development. Given this, the NRC assessed the Namoi CAP with regard to the Namoi CMA's unique characteristics and current stage of development. Over time, application of the standard should underpin continuous improvement in all CMAs and their CAPs.

### 1.4 Structure of this document

This rest of this document explains the NRC's recommendations in more detail:

- Chapter 2 sets out the NRC's assessment of the CAP against all requirements
- Chapter 3 sets out the NRC's assessment of whether the Namoi CMA will improve its CAP and its compliance with the standard and likelihood of promoting the state-wide targets over time.

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<sup>10</sup> These 21 Catchment Blueprints were developed in 2002 by advisory Catchment Management Boards.

<sup>11</sup> Natural Resources Commission (2005) *Recommendations: state-wide standard and targets*. Available at <http://www.nrc.nsw.gov.au/module.aspx?id=3>.

## 2 NRC's assessment of the CAP

The NRC assessed the Namoi CAP to determine whether it is a good strategic plan that complies with the standard and will guide the Namoi CMA to promote the state-wide targets. In particular, it:

- examined the process the Namoi CMA used to develop the CAP, and the resulting CAP, and evaluated these against the standard
- assessed the CAP targets to determine whether they promote achievement of the state-wide targets
- assessed whether the CAP fulfils NSW legislative requirements and reflects other specific government requirements.

Overall, the NRC considers that the Namoi CAP is a good strategic plan. The NRC found that the Namoi CMA followed a rigorous and transparent process to develop the CAP. The CAP clearly explains how the CMA identified priorities and defined targets. The CAP also demonstrates a very high level of compliance with the standard for this point in time. The NRC has a high degree of confidence that it will promote the state-wide targets.

The NRC is satisfied that the CAP fulfils all legislative and most other specific government requirements, however many of the targets are not yet completely SMART.

The NRC has identified some areas of the CAP that require improvement to more fully comply with the standard, including its planned procedures for community engagement, risk management, and monitoring and evaluation. However, it believes that the Namoi CMA will refine the CAP and CAP targets over time, to address these areas. The CMA has demonstrated that it has robust plans in place to achieve improvement. Amongst other things, these plans indicate that the CMA will progressively develop a comprehensive monitoring, evaluation and reporting system that will encourage continual improvement, both in the CAP document and its implementation. In addition, the actions the NRC has recommended will help the Namoi CMA to focus on the key areas requiring improvement.

The sections below discuss in detail the NRC's assessment of the process used to develop the Namoi CAP, whether the targets within this CAP will promote achievement of the state-wide targets, and whether the CAP fulfils the legislative requirements and reflects other specific government requirements.

The Namoi CMA's plans for improvement and the NRC's recommended actions are discussed in Chapter 3.

### 2.1 Is the CAP consistent with the state-wide standard?

A CAP that is developed in accordance with the standard and state-wide targets should contain clear priorities that were determined using a rigorous and transparent process. The NRC evaluated CAPs against the following question to test this requirement:

- Was the CAP developed using a rigorous and transparent process?

The standard contains seven interdependent components which, when applied properly and together, should help CMAs make rigorous and transparent decisions and prioritise their NRM activities in a way that leads to sensible and integrated NRM outcomes at all scales.

Proper application of the standard in developing a CAP should help CMAs to:

- use the best available information
- take appropriate account of scale issues to maximise the net benefit of investments
- capture opportunities for collaboration to maximise gains
- engage the community in a meaningful way
- effectively manage risks
- establish monitoring and evaluation systems
- effectively manage information.

The NRC examined the process the Namoi CMA used to develop its CAP, and evaluated this process and the resulting CAP against the standard. The NRC found that the process was rigorous and transparent (based on an environmental management system approach), and that the CAP clearly explains how the CMA identified priorities and defined targets. The NRC also found that the CAP demonstrates a very high level of compliance with the seven components of the standard. This assessment takes into account the fact that the Namoi CMA is a relatively new organisation operating within a new regional model for NRM. Given this, the NRC does not expect the same level of compliance with the standard that it might reasonably expect from a more mature organisation.

The Namoi CAP describes the process the CMA used in developing the CAP, including the following steps:

- **Undertaking an *Initial Environmental Review*.** The CMA established resource teams to collate and evaluate information on four catchment resources. The resource teams included a broad representation of stakeholders. Each team assessed the trend, rate of change, and overall condition of the resource, and then assessed environmental impacts resulting from a range of land use activities. Priority issues for targets were identified based on the extent to which the CMA could influence the activity or impact, and the extent to which the impacts were being managed by other guidelines or regulations.
- **Developing targets.** The resource teams developed management targets for highest priority issues, and identified management actions and possible activities to achieve the targets. Teams developed catchment targets to reflect the expected outcomes from the management targets.
- **Consulting with local government.** The CMA met with local councils to determine how to integrate the CAP with state and local planning instruments.
- **Consulting with the community.** The CMA undertook two rounds of consultation to seek community feedback on the CAP and its targets, and incorporated the suggestions and issues following each round.

Table 2.1 summarises the NRC's assessment of the Namoi CAP development process and the resulting CAP against the components of the standard. The table also lists selected evidence to support this assessment.

**Table 2.1: NRC assessment of the CAP development process against the standard**

Component	Assessment of process against this component	Evidence
Collection and use of knowledge	The CMA used a structured and transparent approach for use of best available knowledge to inform its decisions on the CAP. The CAP describes ongoing processes to use best available knowledge to inform decisions.	<ul style="list-style-type: none"> <li>▪ During the <i>Initial Environmental Review</i>, resource teams assessed the condition, trend and rate of change of each natural resource, and assessed the impacts on the resource of land use activities within the catchment. The CMA used a range of information sources and a broad range of expertise.</li> <li>▪ The CAP identifies possible activities for the implementation of each target including knowledge and data requirements.</li> <li>▪ The CMA has established a <i>Science Champion's Group</i> to ensure that the best available science and knowledge is used in planning and implementation activities.</li> </ul>
Determination of scale	The CAP indicates that the CMA considered spatial, institutional and temporal scale issues in developing the CAP. It also indicates that the CMA will continue to consider scale issues when allocating investment. The CMA's <i>Investment Principles</i> incorporate determination of optimal scale.	<ul style="list-style-type: none"> <li>▪ The resource teams considered how impacts on resource condition varied across spatial scales.</li> <li>▪ The resource teams considered institutional frameworks including legal requirements, NRM planning issues, and industry codes of practice, guidelines and standards.</li> <li>▪ Supporting information for targets describes resource condition trends at different temporal scales.</li> <li>▪ The CMA uses an <i>Environmental Benefit Index</i> to assess and prioritise applications for funding. This index is built on principles to ensure investment occurs at the appropriate scale.</li> </ul>
Opportunities for collaboration	The CAP shows that opportunities for collaboration influenced the CAP prioritisation and decision-making process. The CAP demonstrates that the CMA has a strong focus on collaboration to implement the CAP, but explains that most targets are not quantified because the availability of resources from future partnerships is not known.	<ul style="list-style-type: none"> <li>▪ The CMA has formed collaborative partnerships, particularly with industry, research organisations and local councils. Where industry guidelines or regulations manage the impact of certain industries, the CMA will use partnerships rather than direct investment to achieve goals.</li> <li>▪ The <i>Institutional Landscape</i> describes the roles of other NRM organisations and groups in the catchment and indicates its intention to explore partnerships with these. The target tables identify specific collaborators for each target and where the CMA will have a supporting or partnering role in implementation.</li> </ul>

Component	Assessment of process against this component	Evidence
Community engagement	<p>The description of the CAP development process indicates that the CMA engaged a wide variety of stakeholders. The CAP also describes how the CMA will continue to engage the community in implementing and reviewing the CAP.</p>	<ul style="list-style-type: none"> <li>▪ The CMA worked with government agencies, industry groups, research organisations, consultants, local government, education and business sectors and the community to develop the CAP, including during the <i>Initial Environmental Review</i> and the consultation processes.</li> <li>▪ Feedback from the community consultation phases is documented and available on the CMA's website.</li> <li>▪ The CMA has established 2 formal groups for ongoing consultation: the <i>Namoi Aboriginal Advisory Committee</i>, and the <i>Namoi Local Government Group</i>.</li> <li>▪ The CAP contains possible activities for each target relating to community awareness, skills and engagement.</li> </ul>
Risk management	<p>The CAP demonstrates consideration of risks in the process of target development and operational procedures to consider risks during implementation of the CAP.</p> <p>The CMA's overall approach to its operations is based on an Environmental Management Systems Approach, which is designed to identify, measure, monitor and control risks and impacts through adaptive management.</p>	<ul style="list-style-type: none"> <li>▪ The <i>Initial Environmental Review</i> analysed impacts on resource condition from land use activities using the standard risk assessment approach. Management targets were developed to manage the most significant risks to catchment health that the CMA can influence.</li> <li>▪ The CAP proposes strategies to minimise some of the key risks to achieving targets.</li> </ul>
Monitoring and evaluation	<p>The CAP demonstrates a strong commitment to continual improvement based on ongoing monitoring and evaluation of its internal operational systems and the CAP, consistent with its EMS approach.</p> <p>The next step is to continue to develop and implement its <i>Monitoring and Evaluation Plan</i> for the CAP, then review the CAP.</p>	<ul style="list-style-type: none"> <li>▪ The <i>Initial Environmental Review</i> identified existing data sets for targets and proposed monitoring programs and performance indicators for most targets. These details are outlined in the target tables under possible activities for benchmarking, monitoring and to improve knowledge.</li> <li>▪ The CMA will complete a 'logical framework' to investigate how implementation actions can lead to resource condition change.</li> <li>▪ The CAP describes how internal and external review of its operations and planning will be conducted through the <i>Monitoring, Evaluation and Reporting Manual</i>.</li> </ul>

Component	Assessment of process against this component	Evidence
Information management	<p>The CAP demonstrates effective information management processes during its development and describes aspects of ongoing information management procedures.</p> <p>The continued evolution of the CMA's information management systems is constrained by difficulties with IT service provision.</p>	<ul style="list-style-type: none"> <li>▪ The CAP includes hyperlinks to supporting documents, which provide evidence trails and references to information used in CAP development.</li> <li>▪ The CMA has established a filing structure, filing procedures, a contracts database and an address book database.</li> </ul>

## 2.2 Are the CAP targets likely to promote the state-wide targets?

For the management and catchment targets within a CAP to promote the achievement of the state-wide targets they need to:

- have been developed using a rigorous and transparent process that was compliant with the standard
- provide a basis for assessing performance, which means they need to be measurable (including having timeframes, units of measure, clear target levels, and performance indicators)
- be supported by information that demonstrates that they are relevant and achievable
- demonstrate linkages between the different sets of targets, which means that management targets should clearly contribute to catchment targets and catchment targets should clearly contribute to the state-wide targets.<sup>12</sup>

The NRC has a high degree of confidence that the Namoi CAP targets will promote the state-wide targets. The NRC assessed the sets of CAP targets and found that they meet most of the above requirements. The CMA followed a rigorous and transparent process to develop the targets which demonstrated a very high level of compliance with the standard for this point in time. Additionally, the CMA has robust plans in place that will enable the CMA to improve its CAP over time, including developing and implementing a *Monitoring and Evaluation Plan*.

The NRC found that although most of the targets are not measurable at this stage, they should support performance assessment in the future. Most targets do not have baselines, target levels, timeframes or performance indicators. However, the CAP identifies activities for each management target which will acquire the necessary information, set benchmarks, establish quantitative targets and timeframes, define performance indicators and determine future monitoring requirements. The CMA states that within 3 years "...the management targets and actions will be amended to be more specific and quantifiable as the necessary information to

<sup>12</sup> These characteristics of useful targets correspond to the requirement of the Australian and NSW Government Joint Steering Committee that targets be 'Specific, Measurable, Achievable, Relevant and Timebound' (SMART). See Natural Resource Management Ministerial Council (2002) National Framework for Natural Resource Management (NRM) Standards and Targets. Available at <http://www.nrm.gov.au/publications/standards/index/html>.

establish benchmarks and determine the realistic potential for possible progress becomes available”.

The CAP contains useful supporting information for most targets, which explains why they are achievable and relevant. The CAP includes information explaining each catchment and management target, tables outlining the risks that could affect the CMA’s ability to achieve the management targets, plus strategies for managing these risks. Supporting documents justify the reasoning behind the issues for targets; contain additional information on the condition of each resource, impacts on the resource, the response of industry and other managers, and the role of the CAP. The CAP identifies a series of management actions that would contribute to the achievement of the targets. The CAP identifies where the CMA has a leading role, a partnership role or a supporting role in implementing these actions.

In addition, the CAP provides information to explain the links between the management and catchment targets in the CAP and the state-wide targets. Each resource theme explains how the major impacts on the resource and risk to catchment health will be addressed by the management targets. The links between the catchment targets and the state-wide targets is summarised for each resource theme. The NRC considers that the Namoi CMA will be able to provide a better description of the linkages between all sets of targets once it has completed the ‘logical framework’ within its *Monitoring and Evaluation Plan*.

### **2.3 Does the CAP meet other government requirements?**

CAPs need to fulfil a range of legislative requirements, including those under the *Catchment Management Authorities Act 2003*, the *Native Vegetation Act 2003* and the *Threatened Species Conservation Act 1995*. CAPs also need to reflect other specific requirements nominated by the NSW Government and JSC.

The NRC has assessed the Namoi CAP against each of these requirements and priorities. It found that the CAP satisfactorily fulfils all legislative requirements (see Table 2.2). It also found that the CAP satisfactorily reflects most other government requirements, but does not completely fulfil the requirement for SMART<sup>11</sup> targets (see Table 2.3). However, as Section 2.2 indicates, the NRC believes that the Namoi CMA will work towards meeting this requirement over time.

In developing its findings, the NRC has consulted with the Department of Natural Resources, Department of Environment and Conservation, the Department of Primary Industries and the Joint Steering Committee.

**Table 2.2: NRC assessment of the CAP against legislative requirements**

Legislative requirement	Finding
Biodiversity certification	The NRC considers that the Namoi CAP, and the systems that underpin it, meet the requirements for biodiversity certification. For example, the Native Plants and Animals and the Surface and Groundwater Ecosystems resource chapters identify targets for biodiversity, and address threatening processes. Targets and possible activities in the Plants and Animals and Surface and Groundwater Ecosystems Resources demonstrate the CMA has plans to implement actions, including habitat conservation and control of threatening processes for biodiversity, in both terrestrial and aquatic ecosystems. The CAP also describes plans to form collaborative partnerships and engage the community in biodiversity conservation.
Environmental planning instruments and other natural resource plans	In formulating its CAP, Namoi CMA has considered environmental planning instruments and other natural resource plans that apply in the catchment. For example, the CAP includes specific targets for water sharing plans and integrated land use planning. The CMA has also developed structures to attempt to align the CAP with Local Environment Plans.
Environmental Water Trust Fund	Not applicable, as the Namoi CMA has not established an Environmental Water Trust Fund. However, the CAP identifies that the CMA has the capacity to establish such a fund to hold and manage adaptive environmental water licences.

**Table 2.3: NRC assessment of the CAP against state and national priorities**

State/national priority	Finding
JSC Investor Preferences	The CAP targets address all relevant Investor Preferences. Investor Preferences at the management action level will be addressed through the investment strategies.
SMART targets	Most targets are achievable and relevant, but are not measurable. Implementing management actions within the CAP will provide a baseline from which measurable targets can be developed in the future. The CMA considers it will have the required information within 3 years. The <i>Monitoring and Evaluation Plan</i> will also provide direction for monitoring, so measurable targets can be developed in the future.
Native vegetation management priorities and programs	The NRC considers that the native vegetation management priorities and targets contained in the CAP are consistent with the <i>Native Vegetation Act 2003</i> . For example, the native vegetation target outlines management actions to maintain or improve native vegetation, and specific activities relevant to the use of Property Vegetation Plans.
Salinity targets	The CAP states that the river salinity target is consistent with Murray-Darling Basin Commission targets, and that this target will be revised once the 2005 Murray-Darling Basin Commission salinity audit is finalised.
National framework for NRM standards and targets	The CAP identifies the links between the National Matters for Target within the national framework for NRM standards and targets and the CMA's management targets.
Blueprint evaluation	The CMA describes the development of the CAP as a different approach to that used for the Blueprint, and provides significant supporting information to justify this approach. The CAP states that information contained within the Blueprint was evaluated and used during the CAP development.
NSW Government Statements of Intent	Not applicable.

### **3 NRC's assessment of the CMA's capacity to improve over time**

The NRC assessed whether the Namoi CMA will continue to improve its CAP's compliance with the standard and the likelihood that this plan will promote achievement of the state-wide targets. The NRC believes that the CMA will continue to improve, for the following reasons:

- the CMA has demonstrated that it has robust plans in place to improve compliance against each component of the standard, to refine the catchment and management targets, and to increase its organisational capabilities
- the actions the NRC has recommended will encourage the CMA to focus on the key areas that require improvement and will promote accountability to the NRC, other CMAs, investors and the broader NSW community
- the NRC will regularly review the CMA's progress of these recommended actions, which will provide an additional incentive for the CMA to address key issues and demonstrate progress within reasonable timeframes.

#### **3.1 The CMA's plans to improve the CAP**

The NRC has assessed the Namoi CMA's plans for improving the CAP over time, based on its discussions with the CMA during the CAP review process and its evaluation of the CAP. The NRC is satisfied that the CMA has robust plans and processes in place for improving its CAP and the CAP's compliance with the standard. It notes that many of these plans are explained in the CAP, so that they are clear to investors and the broader community.

Table 3.1 summarises the NRC's assessment of the Namoi CMA's plans to improve its CAP against each component of the standard. The NRC believes it is important that the CMA implements, reviews and refines all of these plans and processes, and then revises the targets within 3.5 years. In addition, it believes the CMA should give particular attention to improving community engagement, risk management, and monitoring and evaluation, as improvements in these areas will be crucial to the ongoing success of the CMA as an organisation.

**Table 3.1: NRC's assessment of the Namoi CMA's plans to improve**

Component	Plans to improve
Collection and use of knowledge	<ul style="list-style-type: none"> <li>▪ The CMA is undertaking a socio-economic analysis of the CAP to be used in future decision-making.</li> <li>▪ The CMA is developing an <i>Investment Procedures Manual</i> to ensure the structured collection and use of knowledge at the project level.</li> </ul>
Determination of scale	<ul style="list-style-type: none"> <li>▪ The CMA has prioritised sub-catchments for targeted investment and the CAP describes how the CMA will review its investment prioritisation process annually.</li> <li>▪ A CMA has a strong focus on balancing social, economic, and environmental outcomes in the catchment. The CMA is working towards this through various means including its socio-economic analysis, and through enhancing its capacity to make trade-offs that are informed by analyses of biophysical, economic and social issues.</li> </ul>
Opportunities for collaboration	<ul style="list-style-type: none"> <li>▪ The CMA has established two formal groups for ongoing collaboration and consultation, the <i>Namoi Aboriginal Advisory Committee</i> and the <i>Namoi Local Government Group</i> and is a member of the <i>Namoi Regional Organisation of Councils</i>.</li> <li>▪ CMA intends to develop a <i>Partnerships Policy</i> within its <i>Engagement Strategy</i> to guide the establishment of partnerships with other organisations. This policy will help determine priorities for partnerships, and provide a systematic process for evaluating potential partnerships and reviewing the success of these partnerships.</li> </ul>
Community engagement	<ul style="list-style-type: none"> <li>▪ The CMA is developing an <i>Engagement Strategy</i>, incorporating a <i>Partnerships Policy</i> and a <i>Communications and Public Relations Strategy</i>.</li> <li>▪ It is also developing a <i>Monitoring, Evaluation and Reporting Manual</i>, which will include performance indicators for optimal community engagement.</li> <li>▪ The CMA is planning to do a community benchmarking survey to develop an understanding of the community's attitude, awareness and practices in NRM.</li> </ul>
Risk management	<ul style="list-style-type: none"> <li>▪ The CMA is developing and implementing an <i>Operations Risk Assessment Procedure</i>, which will minimise and manage risk in the delivery of investment. This is incorporated into the <i>Investment Procedures Manual</i> for identification and management of risk at the project level.</li> </ul>
Monitoring and evaluation	<ul style="list-style-type: none"> <li>▪ The CMA is developing a <i>Monitoring, Evaluation and Reporting Manual</i>, which will identify monitoring, reporting, evaluation and review procedures and responsibilities for all business, strategic and operational activities within the CMA.</li> <li>▪ The CMA is also developing a <i>Monitoring and Evaluation Plan</i> for the CAP (consistent with the <i>Monitoring and Evaluation Framework</i> developed by the Department of Natural Resources). The Plan will cover resource condition monitoring, program and project monitoring and evaluation and contract management. The CMA intends to review the CAP after the 'logical framework' has been completed.</li> </ul>
Information management	<ul style="list-style-type: none"> <li>▪ The CMA's <i>Investment Procedures Manual</i> provides a consistent approach to managing project level information.</li> </ul>

## 3.2 NRC's recommendation

In accordance with Section 13 (b) of the *Natural Resources Commission Act 2003*, the NRC recommends that the Minister approve the Namoi Catchment Action Plan without alteration.<sup>13</sup>

The NRC further recommends that the Minister require the CMA<sup>14</sup> to undertake a review of the Catchment Action Plan within 3 years of approval to incorporate its progress on the following actions:

- a) continuing to develop and implement its *Engagement Strategy*
- b) continuing to develop and implement its *Operations Risk Assessment Procedure*
- c) continuing to develop and implement its *Monitoring, Evaluation and Reporting Manual* and *Monitoring and Evaluation Plan*.<sup>15</sup>

The NRC considers that this approach will allow the Namoi CMA to 'get on with business', while also ensuring continuous improvement in the CAP document and implementation. The above actions are discussed in detail below.

a) should ensure that the Namoi CMA continues to develop and implement the engagement strategy it has described in the CAP. The CAP shows that the CMA has undertaken consultation with the community during the planning phase. It is important that it establishes effective processes and procedures for continuing to engage the community through the implementation and review phases. This strategy should enable the CMA to better incorporate stakeholder feedback, evaluate benefits from partnerships and provide mechanisms to engage all NRM groups meaningfully.

b) should encourage the CMA to build on the risk identification work performed during the development of the targets. The CMA should apply the revised procedure to all its activities at all levels.

c) should ensure that the CMA develops and implements its proposed *Monitoring, Evaluation and Reporting Manual* and associated *Monitoring and Evaluation Plan* for the CAP. This will enable the CMA to clearly describe the catchment and management targets that deliver on catchment priorities, the relationships and assumptions between these targets, and the monitoring and evaluation required to show progress. Development of the Plan should help the CMA to obtain the information necessary to refine targets – including making targets more measurable, thereby improving promotion of the state-wide targets. Implementation of the Plan will allow the CMA to directly link investment to priorities and monitoring of targets, and will provide investors with a clear picture of CMA expenditure and progress.

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<sup>13</sup> Under Section 23 (1) of the *Catchment Management Authorities Act 2003*.

<sup>14</sup> Under Section 26 (1) of the *Catchment Management Authorities Act 2003*.

<sup>15</sup> The development of the *Monitoring, Evaluation and Reporting Manual* and *Monitoring and Evaluation Plan* should ensure the CMA develops targets which are more 'Specific, Measurable, Achievable, Relevant and Timebound' (SMART). See Natural Resource Management Ministerial Council (2002) *National Framework for Natural Resource Management (NRM) Standards and Targets*. Available at <http://www.nrm.gov.au/publications/standards/index/html>.

### **3.3 How should the CMA demonstrate progress?**

The NRC will require the Namoi CMA to report 12-monthly, in a letter, on its progress in undertaking the actions detailed above. This will require the CMA to assess and report on its own progress at regular intervals.

This kind of regular self-assessment is important for the CMA's own adaptive management, and will also create opportunities for it to seek guidance or support where necessary.

### **3.4 How will progress be monitored?**

Regular review of the CMA's progress should assist the CMA in achieving and demonstrating continuous improvement. It should also highlight any additional obstacles to the CMA's progress. In addition, it should provide investors with increased confidence as they move beyond 2008/09 and into the next funding cycle.

The NRC will:

- require the Namoi CMA to report 12-monthly, in a letter to the NRC, on its progress in taking the actions listed in Section 3.2
- undertake an audit if progress in taking the actions is not adequate
- audit the effectiveness of the implementation of the most recent version of the Namoi CAP within 3.5 years of the date of approval
- undertake a mid-term review of this CAP in 2011. This will be a formal audit of the CMA's compliance with the standard and promotion of the state-wide targets.

### **3.5 What can the government do to support this CMA?**

The NRC considers that to successfully implement the CAP, the Namoi CMA will require support from the government to:

- develop an effective monitoring and evaluation program, given the limited funding available and historic lack of clarity on roles and responsibilities for monitoring and evaluation in NSW
- enable the CMA to enhance its internal knowledge and information management systems
- provide flexibility in funding programs to improve the ability of the CMA to deliver NRM outcomes on priority issues.

These issues are common to most CMAs, and are more fully explained in the NRC's consolidated report on all CAPs.



