



Natural
Resources
Commission

Final Report

Mid-term review of Catchment Action NSW funding to Local Land Services

November 2015

Enquiries

Enquiries about this report should be directed to:

Name	Sean Halse
Phone	(02) 9228 4844
Fax	(02) 9228 4970
E-Mail	nrc@nrc.nsw.gov.au
Postal address	GPO Box 5341, Sydney NSW 2001

List of acronyms

MER	Monitoring, Evaluation and Reporting
NSW	New South Wales
OEH	Office of Environment and Heritage

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1 Executive Summary

Catchment Action NSW funding has been administered under a Funding Agreement (the Agreement) between the Office of Environment and Heritage (OEH) and Local Land Services since 22 September 2014. The Natural Resources Commission (the Commission) has been appointed by OEH to carry out a mid-term review of Local Land Services' delivery of Catchment Action NSW funding in 2014-15.

The Agreement was developed with the intention that there would be a 'book end' approach to oversight of the Catchment Action NSW program. Local Land Services were to be given a certain degree of autonomy in delivering the program, provided planning, reporting and assurance requirements were met. These requirements were not meant to add significantly to existing reporting burdens. However, there have been significant issues with the timeliness and quality of Local Land Services reporting in 2014-15. As such, OEH is seeking assurance that Local Land Services' investment is meeting the intent of the NSW Government's Catchment Action NSW program, including the likelihood that the intended outcomes are being delivered.

The Commission has drawn on a range of evidence to inform its findings, including review of relevant documentation, interviews with OEH and Local Land Services representatives, and assessment of 25 sample project plans drawn from the Central West, Hunter and Northern Tablelands Local Land Services regions.

Overall, the Commission found that:

- delivery of Catchment Action NSW under the Agreement is a significant change from past funding arrangements, and implementation of the Agreement partway through the 2014-15 financial year at a time of institutional change has led to some transitional issues
- several barriers at the state level, including organisational immaturity, lack of effective risk management and limited communication with regions, prevented Local Land Services from fully meeting the intent of the Catchment Action NSW program in 2014-15
- despite these constraints, Local Land Service is delivering projects that align with a broad interpretation of the Funding Themes, and an assessment of project plans against the Standard indicated they are likely to be delivering the intended outcomes
- Local Land Services have the capacity to fully deliver on the intent of the program in coming years, providing they continue to work with OEH to clarify investment and reporting expectations, improve state-scale communication and reporting processes, and make ongoing improvements to regional project planning and quality assurance.

The Commission recommends that ongoing risks to successful delivery of Catchment Action NSW funding can be addressed through the opportunities for improvement identified in **Table 1**. With greater clarity between Local Land Services and OEH around agreed investment and reporting requirements, and stronger communication within Local Land Services, it is anticipated that the Agreement will start to operate as originally intended, including:

- giving Local Land Services the flexibility to design and implement innovative, integrated projects that meet Government's intent for Catchment Action NSW natural resource management funding
- ensuring OEH receive assurance at the beginning and end of each annual planning cycle that Catchment Action NSW funding is being delivered efficiently and effectively in line with agreed investment priorities, without significant increases in reporting burden.

Table 1: Risks and recommended opportunities for improving the delivery of Catchment Action NSW

Risk	Recommended opportunities for improvement
1 Ongoing differences in interpretation of the Funding Themes	<p>OEH and Local Land Services continue working together to define the scope of each Funding Theme to guide investment in 2015-16.</p> <p>The agreed scope of the Funding Themes should reflect an integrated, inclusive view of natural resource management. This guidance should be specific enough to ensure investor preferences are being delivered, while still providing Local Land Services with enough flexibility to deliver innovative integrated natural resource management projects.</p>
2 Sub-optimal alignment of Local Land Services activities with OEH investor priorities	<p>OEH and Local Land Services keep improving communication. OEH are currently appointing a liaison officer to coordinate state-scale Catchment Action NSW engagement. Local Land Services should also engage with OEH during state and regional strategic planning processes to identify shared priorities.</p> <p>At the regional scale, Local Land Services and OEH regional staff should build stronger relationships and work together to design integrated projects or targeted foundational projects that better meet the needs of both organisations.</p> <p>Within Local Land Services, the Executive Support Unit need to ensure clearer guidance on investment requirements is communicated to regions. Local Land Services also need to be proactive in identifying compliance risks and seeking confirmation from OEH that proposed projects meet the intent of the program.</p>
3 Catchment Action NSW Annual Business Plan and Annual Report not meeting investor expectations	<p>OEH and Local Land Services continue working together to agree on reporting requirements for the Catchment Action NSW Annual Business Plan and Annual Report, and set a firm time line for delivery of these products. The agreed reporting arrangements should:</p> <ul style="list-style-type: none"> ▪ include enough information to give investors certainty and comfort ▪ be realistic and achievable given Local Land Services' maturity and capacity ▪ be designed efficiently and reduce duplication with other reporting.
4 Monitoring, Evaluation and Reporting Plan not meeting investor expectations	<p>Local Land Services should work with OEH to clarify monitoring, evaluation and reporting needs, then focus on developing an appropriate state-wide monitoring, evaluation and reporting program that provides sufficient assurance to the community and investors about the appropriateness, effectiveness and efficiency of Local Land Services' activities.</p>
5 Lack of investor assurance for integrated projects	<p>Local Land Services can prioritise improving integrated project design, particularly reporting on funding splits and expected outcomes. In particular, OEH need greater assurance that Catchment Action NSW investment is being directed towards investor priorities and is proportionate to expected outcomes.</p>
6 Limited examples of best practice	<p>Local Land Services regions can improve the application of the Performance Standard in project planning to increase consistency of best practice through:</p> <ul style="list-style-type: none"> ▪ effectively promoting the use of the Performance Standard, particularly the risk management and evidence based decision making elements ▪ working together to share and apply examples of planning best practice ▪ putting better quality assurance mechanisms in place for project plans.
7 Inconsistent regional compliance with Funding Themes or reporting requirements	<p>Local Land Services can implement internal state-scale risk management processes to improve regional compliance with the Agreement and the consistency of reporting prior to information being sent to OEH, including:</p> <ul style="list-style-type: none"> ▪ more timely development and scrutiny of the Annual Business Plan to ensure planned projects are compliant with Funding Themes, including proactively identifying potential risks and seeking clarification from OEH ▪ providing stronger guidance on standard information and level of detail required in reporting templates.

2 Introduction

2.1 Catchment Action NSW funding

The NSW Government's Catchment Action NSW has provided funding to Local Land Services (and previously Catchment Management Authorities) for regionally-delivered projects to address state natural resource management priorities since 2008.

In April 2013 Cabinet approved the current round of Catchment Action NSW funding for the four year period from June 2013 to June 2017. The annual Catchment Action NSW funding for regionally-delivered projects is shown in **Figure 1**.

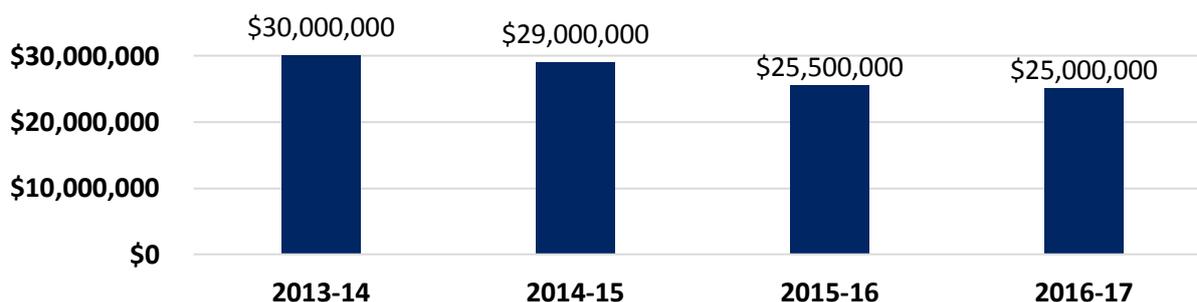


Figure 1: Catchment Action NSW funding to regional bodies 2013-14 to 2016-17

Prior to the Cabinet decision in 2013, Catchment Action NSW funding was being provided by the Minister for Primary Industries via NSW Trade and Investment. The 2013 Cabinet decision changed the source of this funding, specifying that funding was to be drawn from the Waste and Environment Levy (Waste Levy) under the Minister for the Environment.

However, the first payment for the current program of Catchment Action NSW funding in 2013-14 was paid to the Department of Primary Industries who then provided the funding to Catchment Management Authorities. Significant institutional change took place in 2013-14 as Catchment Management Authorities transitioned into Local Land Services in January 2014. As new state and local strategic plans were not yet in place, the funding was required to be invested in on-ground activities in line with regional natural resource management priorities set out in approved catchment action plans.

The program is currently administered under a Funding Agreement (the Agreement) between OEH and Local Land Services that commenced on 22 September 2014, and applies until 30 June 2017.

Under the Agreement, Local Land Services must invest in activities under OEH's nominal Funding Themes, consistent with state and regional priorities. The identification of specific investor themes is a significant departure from previous funding arrangements under the Minister for Primary Industries. There are currently four Funding Themes: native vegetation (40 percent); biodiversity conservation (30 percent); threatened species (20 percent); and Aboriginal cultural heritage (10 percent).

The Agreement also directs Local Land Services to prepare an Annual Business Plan, provide quality assurance, undertake annual reporting, prepare annual acquittal certificates, and develop a monitoring, evaluation and reporting plan.

2.2 The Commission's mid-term review

The Agreement allows OEH to commission an independent mid-term review of the efficacy of Local Land Services Catchment Action NSW expenditure for the period to 30 June 2015, which may inform changes to the way this funding is administered.

The Commission has been appointed to carry out this mid-term review and provide OEH with high-level assurance around Local Land Services' delivery of this funding for on-ground activities. The Commission's review focuses on funding delivered in 2014-15 under the Agreement. The full Terms of Reference are at **Attachment 1**.

In particular, OEH has asked the Commission to provide advice on:

- whether Local Land Services' investment in actual or intended on-ground activities has met, is meeting, and/or is likely to continue to meet the intent of the NSW Government's four year funding program, including the likelihood that Local Land Services' investment is delivering the intended outcomes
- any risks that the intent of the four year Catchment Action NSW program may not be met
- opportunities to better meet the intent of the Catchment Action NSW program.

In undertaking the review, the Commission has considered:

- any activities that have occurred under the current funding commitment
- specific conditions and requirements set out under the current Funding Agreement between OEH and Local Land Services
- the Local Land Services Performance Standard (the Standard)
- past or current barriers that have impacted, and/or are likely to impact, the efficacy of Local Land Services under the Funding Agreement
- any other conditions and expectations set out by relevant investors and third parties.

To guide the review the Commission developed an evaluation framework, including key evaluation questions, in consultation with OEH and Local Land Services (**Attachment 2**).

The Commission has drawn on a range of evidence to inform its findings, including review of relevant documentation and interviews with OEH and Local Land Services representatives. To assess regional project planning against the Standard, the Commission reviewed 25 sample project plans with a combined value of over \$2.5 million drawn from the Central West, Hunter and Northern Tablelands Local Land Services regions (see **Attachment 3**) and conducted follow-up interviews with regional staff.

During this review, the Commission has taken into account that Local Land Services has been operating for less than two years. It is reasonable to expect that aspects of Local Land Services' governance and operation are still maturing, and that its performance will improve in time. The Commission recently audited Local Land Services' governance arrangements to drive process improvement and practice change. Local Land Services are also currently working to improve their performance reporting and finalise their draft state and regional strategic plans.

With this institutional context in mind, the Commission's mid-term review of Catchment Action NSW provides further advice on how Local Land Services' current processes can be improved to meet OEH's investor requirements and deliver better outcomes.

3 Overall findings

3.1 Is the intent of Catchment Action NSW being met?

Overall, the Commission found that:

- delivery of Catchment Action NSW under the Agreement is a significant change from past funding arrangements, and implementation of the Agreement partway through the 2014-15 financial year at a time of institutional change has led to some transitional issues
- several barriers at the state level, including organisational immaturity, lack of effective risk management and limited communication with regions, prevented Local Land Services from fully meeting the intent of the Catchment Action NSW program in 2014-15
- despite these constraints, Local Land Service is delivering projects that align with a broad interpretation of the Funding Themes, and an assessment of project plans against the Standard indicated they are likely to be delivering the intended outcomes
- Local Land Services have the capacity to fully deliver on the intent of the program in coming years, providing they continue to work with OEH to clarify investment and reporting expectations, improve state-scale communication and reporting processes, and make ongoing improvements to regional project planning and quality assurance.

3.1.1 Impact of institutional change

Significant institutional changes have contributed to transitional issues affecting Local Land Services' delivery of Catchment Action NSW (see **Figure 2** for timeline), providing useful context for the issues that are discussed in the following sections of this report (**Section 3.1.2**).

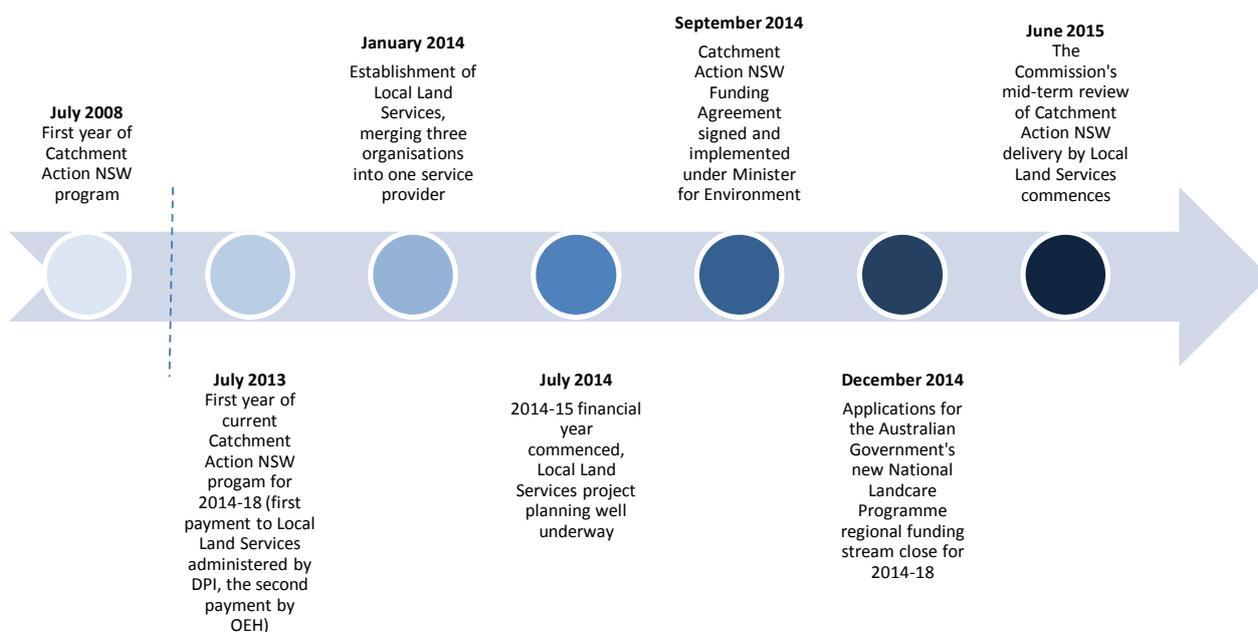


Figure 2: Timeline of institutional events affecting Catchment Action NSW delivery in 2013-15

Firstly, the shift to delivery of Catchment Action NSW under the Agreement is a significant change from past funding and accountability arrangements under the Minister for Primary Industries. The Agreement has introduced more prescriptive investment and reporting requirements. Further, the Agreement was finalised three months into the financial year. Regions reported that project planning had been considerably progressed before the full extent of investment requirements under the Agreement were communicated from the Local Land Services Executive Support Unit. Given the overall findings of this review, Local Land Services and OEHL may have underestimated the magnitude of change associated with the Agreement, and the processes needed to manage the risks involved in the transition.

Secondly, the Agreement was implemented shortly after the transition to Local Land Services, which involved the merger of Catchment Management Authorities, the Livestock Health and Pest Authorities and parts of the Department of Primary Industries. This was a major adjustment in terms of function, structure, regional boundaries, funding, service delivery, culture and leadership.

At the regional level, Local Land Services retained some operational staff, Board members and processes from previous organisations that helped in the planning and delivery of appropriate Catchment Action NSW investments. However, the governance arrangements for Local Land Services changed significantly, with the Board of Chairs and state-level Local Land Services Executive not previously part of the regional model. The resourcing provided at this level of the organisation did not match the effort required to establish a new organisation. The role and function of these parts of the organisation, and the state-scale systems and processes needed to comply with the more prescriptive Catchment Action NSW Agreement, were still maturing in 2014-15.

Finally, 2014 also saw the Commonwealth Caring for our Country Program be replaced by the National Landcare Programme. As shown in **Figure 3**, Local Land Services receive a range of other funding streams in addition to Catchment Action NSW, including significant project funding from the Australian Government. Local Land Services must invest these funds in line with specified investor priorities, and meet different reporting requirements. The National Landcare Programme required Local Land Services to renegotiate their funding contracts with the Australian Government, and led to considerable redesign of existing programs and projects to conform to new investment and reporting requirements.

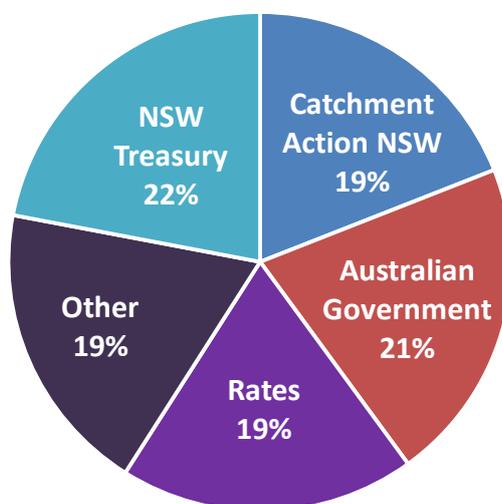


Figure 3: Local Land Services funding structure in 2014-15 (source: Local Land Services, 2015)

3.1.2 State-scale barriers affecting compliance with the Agreement

During interviews conducted by the Commission both OEH and Local Land Services indicated that a funding agreement remains the most appropriate governance mechanism for Catchment Action NSW. Both organisations also continue to support the original intent of the Agreement, which was to facilitate a 'book end' approach to OEH's oversight of Catchment Action NSW that did not significantly increase existing reporting burdens. Under this approach, Local Land Services would have flexibility in how they chose to invest in the Funding Themes, providing they met specified reporting and assurance requirements.

However, implementation of the Agreement in 2014-15 was not supported by sufficient processes to ensure its successful delivery given the high level of change across the sector. In particular, the Commission found that the ability of Local Land Services to respond to the needs of OEH as an investor has been impaired by a lack of shared understanding between these two organisations.

Following the cabinet decision in April 2013, the then Minister for Primary Industries wrote to Catchment Management Authorities informing them that there were four new funding themes that were to be the focus of investment under Catchment Action NSW. It is not clear what further guidance around the Funding Themes, if any, was provided at this time.

The first draft of the Agreement was developed by OEH in October 2013. As Catchment Management Authorities were still in place early drafts of the Agreement were reviewed by the Department of Primary Industries.

Following the transition to Local Land Services, OEH and Local Land Services held several meetings in mid-2014 focusing on the general terms of the Agreement, including high-level discussion of the Funding Themes and reporting requirements. Both organisations have indicated to the Commission that a shared understanding of high-level requirements and obligations was reached in these initial discussions.

However, based on interviews conducted as part of this review it is clear that in the absence of additional guidance and documentation, Local Land Services and OEH formed different expectations about:

- the scope of acceptable project outcomes
- reporting requirements and expectations.

As a result, some projects have been delivered under Catchment Action NSW in 2014-15 that do not meet OEH's expectations regarding the scope of the Funding Themes, leading to OEH concerns about cost shifting (see **Sections 3.1.3** and **4.1** for further information).

Local Land Services has also had significant issues regarding the timeliness and quality of their reporting to OEH. Local Land Services' 2014-15 Annual Business Plan, 2013-14 Annual Report and Monitoring, Evaluation and Reporting Plan for Catchment Action NSW were all provided to OEH over six months late. OEH have reported that these documents do not meet the obligations set out in the Agreement and provide insufficient investor assurance (see **Section 4.2** for further discussion).

Local Land Services' investment and reporting issues are linked, as late reporting contributed to relatively late recognition of the issues around non-compliance with the Funding Themes.

Local Land Services wish to be seen as trusted delivery partners by OEH based on Catchment Management Authorities' past experience implementing Catchment Action NSW funding under the Minister for Primary Industries. However, Local Land Services were undergoing major organisational changes, and the new Agreement was significantly more prescriptive than previous funding arrangements for Catchment Action NSW. In this context, compliance with the Agreement requirements should have been identified as a significant risk by Local Land Services, and processes put in place to manage these risks.

Instead, within Local Land Services neither the Board of Chairs nor the Executive Support Unit identified the delivery of Catchment Action NSW under the new Agreement as a major risk to the organisation. There was limited state-scale guidance provided to regions about investment expectations and reporting requirements, and processes to manage risks of non-compliance at the regional scale were not put in place. As a result, there was a lack of consistency among regions in terms of the type of information being provided and level of detail that needs to be addressed in future reporting.

Further, OEH has indicated that there was a lack of clarity about internal OEH roles and responsibilities in the early stages of the Agreement being implemented that led to a period of reduced oversight and engagement with Local Land Services.

For the Agreement to work as intended, Local Land Services needed to have been more proactive in clarifying their obligations under the Agreement with OEH. The agreed outcomes of these discussions should have been clearly documented, and this information communicated to regional Local Land Services. Local Land Services should also have taken action to manage compliance risks as it became clear that reporting deadlines were not going to be met.

These issues are not new in natural resource management. Over the 20 year history of the Commonwealth's Natural Heritage Trust, including during Caring for our Country and the National Landcare Program funding programs, there was a steady growth in regional organisations securing project funding from different public and private sources. Among the key lessons from these programs was the importance of fit-for-purpose and responsive corporate governance and processes. The capability of Catchment Management Authority Boards and their supporting staff has been pivotal to the success of regional natural resource management investments in NSW. It is unclear to what extent Local Land Services has drawn on that experience and knowledge. Both OEH and Local Land Services need to consider taking full advantage of that institutional memory when considering options for the future management of Catchment Action NSW funding.

However, on a positive note, both organisations are working together to:

- set clearer investment and reporting expectations for 2015-16, including working to improve planning and reporting documents
- improve communication between the two organisations at both state and regional levels, for example OEH have recently engaged with Local Land Services General Managers to discuss Catchment Action NSW
- put additional processes in place to provide increased investor assurance, for example Local Land Services provide clear reporting on progress and improvements being made.

The Commission believes there is sufficient progress and goodwill within Local Land Services and OEH to work together to improve how the current Agreement is working in practice, in time working towards the desired 'book end' approach as systems mature and trust is built.

3.1.3 Investment against OEH's Funding Themes

The ability of Local Land Services to clearly comply with the Funding Themes was impacted by:

- implementation of the Agreement midway through regional project planning cycles
- lack of clear agreement between Local Land Services and OEH on the scope of investment
- state and local strategic plans not yet being finalised.

Although it had been in draft form since late 2013, the Agreement was not finalised until September 2014. In the period prior to the Agreement being finalised it appears that there was limited communication from the state level of Local Land Services to regions as to the potential investment requirements.

Local Land Services regions reported that late confirmation of specific investment requirements led to difficulties adjusting their planning processes to address the Funding Themes in a meaningful way. There is evidence that some regions were proactive in adapting their projects to provide better alignment where possible, although this generally led to adjustment of project activities rather than broader changes to project selection.

As mentioned in the previous section, there was also limited up-front discussion of investment expectations for each Funding Theme. Interviews with Local Land Services and OEH indicated that each organisation interpreted the scope of the Funding Themes differently. Further, delays in the development of state and local strategic plans meant the opportunity to clarify shared investment priorities for Catchment Action NSW through these plans was missed.

Figure 4 shows the Commission's findings for 25 sample projects.



Figure 4: Summary of findings for project alignment with Funding Themes

In projects identified as having moderate alignment or supporting foundational activities, regions have taken a broader interpretation of the themes than OEH expected, particularly relating to soil biodiversity outcomes, sustainable agriculture and Aboriginal cultural heritage projects. This has led to concerns within OEH about cost shifting. The Commission advises that these projects do not necessarily fail to meet the broad intent of the Catchment Action NSW program, and that further clarification of the scope of investment is required.

The Commission also found that in these projects, the expected outcomes linked to the Funding Themes may not be commensurate with the Catchment Action NSW funding contribution. Local Land Services needs to improve how project funding inputs are determined and reported.

Investor priorities should be matched to expected outputs and outcomes to provide justification for the proportion of funding provided by a given investment source.

Interpretation of the funding themes

In the absence of state-scale guidance from the Local Land Services Executive Support Unit or Board of Chairs, individual regions applied their own judgement as to the scope of the Funding Themes. The regions' broad interpretation of the themes is understandable given Local Land Services' wider natural resource management functions, and the integrated systems and resilience approaches applied in the upgraded Catchment Action Plans.

Further, there has been a history of investment in these areas under Catchment Action NSW since 2008. As context, prior to the identification of the Funding Themes, the joint media release by the Ministers for the Environment and Primary Industries in May 2013 specified the 2013-17 Catchment Action NSW program as being for 'farmer-driven projects that underpin sustainable, productive agriculture and community-driven projects to look after beaches, estuaries, regional and suburban bushland.' Some regions also used the Commission's funding allocation model as a surrogate guide to the acceptable scope of investment.

Given the lack of state-scale guidance from Local Land Services around the Funding Themes, the Commission does not consider that the regions' interpretation of the themes to date is inappropriate or poses a significant risk to the delivery of the intent of the program. However, it is important that Local Land Services and OEH continue to work together at the state level to clarify an appropriate scope of investment for 2015-16.

In doing so, the Commission recommends that the agreed scope of acceptable investment under the Funding Themes should be underpinned by an integrated, inclusive view of natural resource management. The scope should also be broad enough to maintain a reasonable degree of regional autonomy in project selection and design, including allowing for innovative, foundational and/or integrated projects.

It is important that the outcomes of any agreement between OEH and Local Land Services around the scope of investment against Funding Themes be communicated by the Local Land Services Executive Support Unit to regions as soon as possible, as it is likely that the funding inputs for some projects will need to be re-evaluated. The Commission's interactions with Local Land Services regional representatives indicate that regions would be responsive to clearer guidance on the scope of investment.

Further, Local Land Services should be more proactive in managing compliance risks in future. This includes putting processes in place at regional and state levels for identifying, making a case for and seeking clarification from OEH on projects that Local Land Services consider to be of merit under Catchment Action NSW but that may lie outside of the current agreed scope of investment.

3.1.4 Regional project prioritisation and design

The Commission has reviewed regional project prioritisation and design to provide OEH with greater assurance about Local Land Services' capacity to deliver on-ground outcomes through Catchment Action NSW. The Commission is confident that once regions are given greater clarity around investment requirements, they have the systems and processes required to meet these requirements.

Project prioritisation

Based on interviews with three sample regions, the Commission confirmed that regions have sound prioritisation processes in place to ensure that appropriate projects are being funded to deliver on investor and regional objectives.

Regions reported that late communication within Local Land Services as to the investment requirements under the Agreement limited the influence of the Funding Themes on project selection in 2014-15. However, this is expected to improve in subsequent years given increased clarity about investor preferences and investment requirements.

Local Land Services has identified engagement with OEH during the consultation processes for state and regional strategic plans as an opportunity to identify shared investment priorities.

Interviews with the regional Local Land Services also indicated that regions would welcome greater interaction with OEH, including at the regional level, to help them understand and incorporate OEH priorities into their project prioritisation processes. OEH has recently met with regional Local Land Services General Managers to discuss Catchment Action NSW priorities and requirements.

Project design and planning

Regarding project design and planning, the Commission found that application of the Standard in Local Land Services project planning is generally acceptable. **Figure 5** summarises the results of a review of 25 sample project plans from three Local Land Services regions against the Standard.

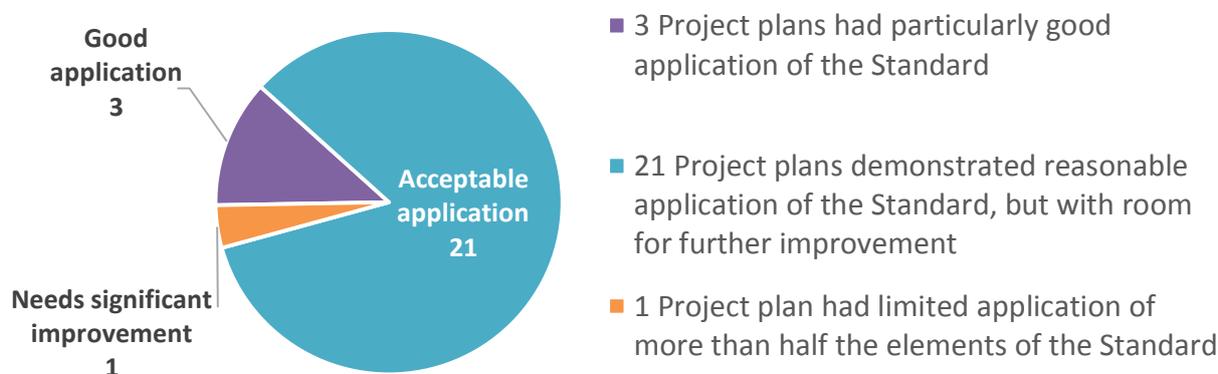


Figure 5: Summary of application of the Performance Standard for Local Land Services in regional project plans

Overall, the Commission found that examples of good practice against all elements of the Standard can be found in all three regions, but rarely within a single project. The organisation would therefore benefit from improving the consistency of best practice across all projects.

Regions should identify, share and adopt examples of best practice project planning systems. For instance, the Commission's review of sample project plans identified the following areas of good practice that other regions may want to consider adopting:

- Northern Tablelands Local Land Services has comprehensive project planning templates with tracked quality assurance and review points
- Central West Local Land Services has good practices for learning from past projects
- Hunter Local Land Services has comprehensive reporting processes in place.

The Commission also identified the application of the risk management and evidence based decision making components of the Standard as particular areas for improvement in project planning.

Improving integrated project design

A critical project design issue for Local Land Services in 2014-15 was that the current project plans did not articulate the value of integrated projects to investors. In particular, Local Land Services project plans and state-scale reporting did not provide adequate assurance to OEH and other investors about which expected outcomes were being delivered under each funding stream. In part, this was due to the majority of project plans in 2014-15 being developed prior to regions being made fully aware of Catchment Action NSW investment requirements under the Agreement, as well as a focus on documenting alignment with National Landcare Programme objectives.

Local Land Services should continue developing innovative integrated programs. Integrated projects allow Local Land Services to maximise efficiencies from the range of services they deliver, leverage additional resources and translate State priorities into practical projects at the regional scale. However, these projects need to be underpinned by sound project planning. In particular, clear project descriptions and program logics are essential so that investors can be confident that the projects align with their stated investment priorities.

Foundational activities such as funding for community advisory groups and monitoring and reporting across a region are another way Local Land Services could maximise efficiencies. It is essential that project design and reporting identifies how specific outputs and outcomes are delivering against the project themes in a cost effective way. To manage the risk that foundational activities are receiving a disproportionate amount of funding Local Land Services and OEH should consider setting an agreed cap expenditure on these activities. Historically government programs have capped funding for administrative overheads at approximately 10 to 15 percent, this could also be applied to foundational activities such as monitoring and evaluation.

Some Local Land Services regions can also improve how they divide funding from multiple sources among projects. For example, Catchment Action NSW and the National Landcare Programme are subject to different investor preferences. Regions need to be strategic in identifying which funding streams are best aligned with which project outcomes to ensure investor needs are being met.

There is an opportunity in 2015-16 for Local Land Services to better delineate the expected outcomes that are being delivered under each funding stream, and confirm that these outcomes are commensurate with the quantum of funds provided. This is particularly an issue for projects identified as being moderately aligned, which are discussed further in **Section 4.1.2**.

3.2 What are the risks and opportunities going forward?

The Commission has identified seven key risks that could impact on the delivery of Catchment Action NSW, and the opportunities for Local Land Services and OEH to address these risks and improve the delivery of this program (**Table 2**).

The first three risks can be improved by building stronger relationships between OEH and Local Land Services at all scales. The remaining risks relate to areas that Local Land Services should focus on improving internally, which are explored in more detail in **Chapter 4**.

Table 2: Risks and recommended opportunities for improving the delivery of Catchment Action NSW

Risk	Recommended opportunities for improvement
1 Ongoing differences in interpretation of the Funding Themes	<p>OEH and Local Land Services continue working together to define the scope of each Funding Theme to guide investment in 2015-16.</p> <p>The agreed scope of the Funding Themes should reflect an integrated, inclusive view of natural resource management. This guidance should be specific enough to ensure investor preferences are being delivered, while still providing Local Land Services with enough flexibility to deliver innovative integrated natural resource management projects.</p>
2 Sub-optimal alignment of Local Land Services activities with OEH investor priorities	<p>OEH and Local Land Services keep improving communication. OEH are currently appointing a liaison officer to coordinate state-scale Catchment Action NSW engagement. Local Land Services should also engage with OEH during state and regional strategic planning processes to identify shared priorities.</p> <p>At the regional scale, Local Land Services and OEH regional staff should build stronger relationships and work together to design integrated projects or targeted foundational projects that better meet the needs of both organisations.</p> <p>Within Local Land Services, the Executive Support Unit need to ensure clearer guidance on investment requirements is communicated to regions. Local Land Services also need to be proactive in identifying compliance risks and seeking confirmation from OEH that proposed projects meet the intent of the program.</p>
3 Catchment Action NSW Annual Business Plan and Annual Report not meeting investor expectations	<p>OEH and Local Land Services continue working together to agree on reporting requirements for the Catchment Action NSW Annual Business Plan and Annual Report, and set a firm time line for delivery of these products. The agreed reporting arrangements should:</p> <ul style="list-style-type: none"> ▪ include enough information to give investors certainty and comfort ▪ be realistic and achievable given Local Land Services' maturity and capacity ▪ be designed efficiently and reduce duplication with other reporting.
4 Monitoring, Evaluation and Reporting Plan not meeting investor expectations	<p>Local Land Services should work with OEH to clarify monitoring, evaluation and reporting needs, then focus on developing an appropriate state-wide monitoring, evaluation and reporting program that provides sufficient assurance to the community and investors about the appropriateness, effectiveness and efficiency of Local Land Services' activities.</p>
5 Lack of investor assurance for integrated projects	<p>Local Land Services can prioritise improving integrated project design, particularly reporting on funding splits and expected outcomes. In particular, to provide OEH with assurance that Catchment Action NSW investment is being directed towards investor priorities and is proportionate to expected outcomes.</p>
6 Limited examples of best practice	<p>Local Land Services regions can improve the application of the Performance Standard in project planning to increase consistency of best practice through:</p> <ul style="list-style-type: none"> ▪ effectively promoting the use of the Performance Standard, particularly the risk management and evidence based decision making elements ▪ working together to share and apply examples of planning best practice ▪ putting better quality assurance mechanisms in place for project plans.
7 Inconsistent regional compliance with Funding Themes or reporting requirements	<p>Local Land Services can implement internal state-scale risk management processes to improve regional compliance with the Agreement and the consistency of reporting prior to information being sent to OEH, including:</p> <ul style="list-style-type: none"> ▪ more timely development and scrutiny of the Annual Business Plan to ensure planned projects are compliant with Funding Themes, including proactively identifying potential risks and seeking clarification from OEH ▪ providing stronger guidance on standard information and level of detail required in reporting templates.

3.2.1 Building a stronger relationship between Local Land Services and OEH

A clear finding from the Commission’s review is that Local Land Services and OEH need to improve communication and collaboration in relation to Catchment Action NSW at both the state and regional scales.

As shown in **Figure 6**, Catchment Action NSW is one of many policy and operational areas that involve both Local Land Services and OEH. For example, there are opportunities for Local Land Services and OEH to improve communication and collaboration by:

- ensuring OEH priorities are reflected in Local Land Services state and regional strategic plans, and that OEH considers the regional priorities outlined in these strategic plans in their own planning and prioritisation processes
- Local Land Services and OEH regional staff working together to better deliver shared objectives and outcomes on ground – this could be through formal committee processes and reporting, or through communication between regional office staff.

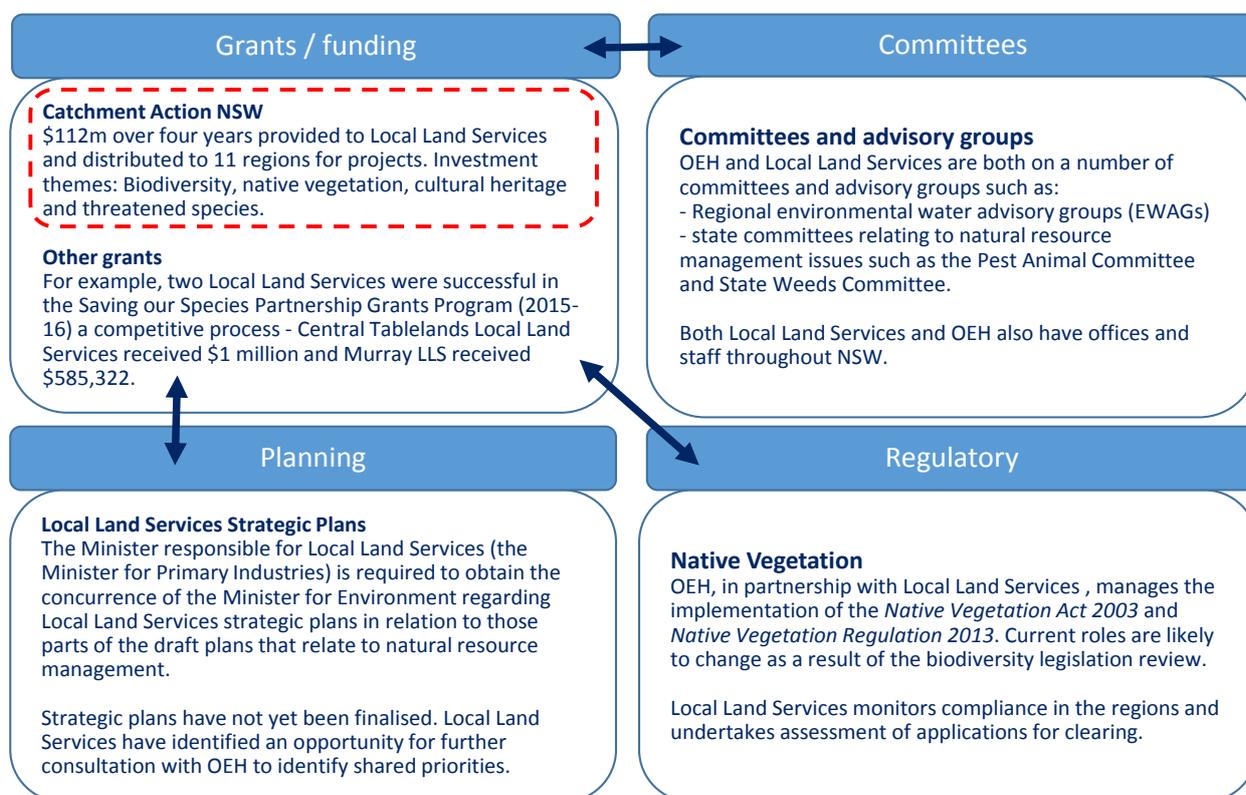


Figure 6: Touch points between Local Land Services and OEH

Building stronger relationships between these organisations at all scales through the delivery of Catchment Action NSW has the potential to deliver better natural resource management outcomes across NSW. The Commission understands that many of the relationships, processes and systems that have been found lacking in this review are being improved. For example, OEH and Local Land Services are working together to set clearer expectations about appropriate project outcomes and reporting to ensure compliance improves in 2015-16.

The Commission also supports OEH’s initiative to appoint a state-level liaison officer for the Catchment Action NSW program. Interviews with the regional Local Land Services also captured a clear message that regions would welcome greater engagement with regional OEH staff to help understand and incorporate OEH priorities into regional project prioritisation and design processes.

4 Compliance with the Agreement

The Agreement sets out a number of requirements for Local Land Services, including:

- invest in activities under OEH's nominal Funding Themes, consistent with state and regional priorities
- submit required planning and reporting documents
- monitor program progress against agreed milestones and outcomes
- comply with reasonable requests for information by OEH
- implement appropriate quality assurance for planning and reporting.

4.1 Investment in the four Funding Themes

Clause 3.5 of the Agreement specifies that 'Local Land Services must ensure that all activities undertaken under this Agreement are consistent with Catchment Action Plans and primarily deliver biodiversity conservation, threatened species, Aboriginal cultural heritage and native vegetation management (including pest and weed management) outcomes. If necessary, Local Land Services may seek clarification of this obligation from OEH.'

As outlined in **Sections 3.1.2** and **3.1.3**, Local Land Services and OEH did not develop or document a sufficient shared understanding of the scope of the Funding Themes. Although Clause 3.5 of the Agreement clearly puts the onus on Local Land Services to seek clarification about appropriate investments under these themes, this did not occur to any significant extent. Local Land Services also provided limited state-scale guidance on the themes to regional Local Land Services.

Further, the requirement for OEH to receive and review Local Land Services' Annual Business Plan for Catchment Action NSW in advance was intended to act as a safeguard to ensure OEH supported the proposed projects, but the 2014-15 plan was delivered too late in the financial year to allow for any changes.

The absence of clear, documented guidance around the funding themes impacts on the Commission's ability to definitively assess whether Local Land Services 2014-15 projects aligned with these themes. The Commission also understands that OEH and Local Land Services are currently working together to better define the range of acceptable project outputs linked to each theme. As such, the Commission does not want to duplicate this process, or develop a parallel set of investment criteria that may differ from that being developed by OEH and Local Land Services. However, the Commission has carried out an assessment of 25 sample projects to provide high level comments on the potential extent of alignment.

The Commission's findings are summarised in **Figure 4** (page 9). Overall, the Commission found that Local land Services regions had considered the OEH priorities in the project development process to a much greater degree than was indicated by reporting and project planning documents. However, all three sample regions noted that the lack of guidance around activities aligned with the OEH priorities complicated project development.

4.1.1 Projects with strong alignment with the Funding Themes

The Commission found that ten of the 25 sample projects reviewed were strongly aligned with the Funding Themes and OEH's investment expectations. These projects focused on activities

such as native vegetation management, pest and weed control and Aboriginal land management, including traditional burning practices. The proportion of funding provided by Catchment Action NSW in these projects was reasonable given the expected outcomes.

Case study 1: Strong alignment with Funding Themes

Northern Tablelands Local Land Services – Reducing the Impact of High Priority Invasives

The project integrates weed and pest animal control activities focussing on the management of Tropical Soda Apple, Serrated Tussock and feral pig species. These species have the potential to impact on Threatened Species and Biodiversity outcomes in both environmental and production landscapes. The project uses both Catchment Action NSW and National Landcare Programme (previously Caring for Our Country) funding to deliver integrated outcomes across production and environmental landscapes that are consistent with investor preferences.

The project builds on previous programs that have already engaged with land managers in priority areas and established collaborations with weed advisory groups, NSW Department of Primary Industries and local Councils. The project comprehensively addresses most elements of the Standard, particularly customer satisfaction and community ownership. However, it could be improved by being more explicit about the expected Threatened Species and Biodiversity outcomes, including how this project may address Saving Our Species priorities.

4.1.2 Projects with moderate alignment with the funding themes

Nine projects were identified as being moderately aligned with the Funding Themes. As discussed in **Section 3.1.3**, the Commission considers that these projects are reasonable if a broad interpretation of the intent of Catchment Action NSW is taken, but recognises that this interpretation may not align with OEH's current investment expectations.

Seven of these projects can generally be classed as sustainable agriculture and land management practice change projects, the likes of which have been funded under Catchment Action NSW in the past. These projects involve working with private landholders and industry groups to deliver integrated outcomes, including pest control, soil biodiversity, and water quality outcomes that have the potential to provide wider environmental benefits.

A further two projects related to the Aboriginal Cultural Heritage theme, focusing on documenting local Aboriginal language and establishing Aboriginal natural resource management business enterprises. These projects are based on previous planning and consultation with local groups regarding Aboriginal Cultural Heritage outcomes. However, OEH representatives have indicated that there is a preference that Catchment Action NSW funding should be used for Aboriginal Cultural Heritage projects that deliver clear environmental outcomes alongside the intended Aboriginal cultural heritage outcomes.

OEH and Local Land Services need to negotiate a shared position on investment under the themes, particularly in relation to sustainable agriculture, land management practice change and Aboriginal cultural heritage projects. In doing so the two organisations should consider:

- Local Land Services' role in supporting integrated regional natural resource management
- overarching purpose of the Catchment Action NSW program to fund regional natural resource management projects
- an inclusive approach to Aboriginal cultural heritage investment that allows Local Land Services to respond to the needs of regional Aboriginal communities.

The Commission also cautions that for many of these moderately aligned projects, the outputs aligned with the Funding Themes may not be commensurate with the Catchment Action NSW funding contribution. This is a key concern for OEH. As a priority, Local Land Services need to work on better assessing and documenting the links between expected outputs, outcomes and funding inputs in order to apply more appropriate funding splits within integrated projects or projects delivering multiple investor outcomes.

Case study 2: Moderate alignment with Funding Themes

Hunter Local Land Services – Manning Great Lakes Dairy Partnerships

The project focuses on building capacity within a key regional industry, the dairy industry, to undertake practice change to improve sustainable productivity outcomes. The project integrates capacity building (through training workshops supported by extension), trial work on innovative practices, and support for existing networks and relationship building.

The project aims to promote practice change in pest plant and animal control, revegetation, nutrient management, strategic grazing and grazing exclusion, to deliver improved soil, water quality and vegetation outcomes in the area. The Commission considers that these outcomes are aligned with the Funding Themes. However, Local Land Services should reconsider the decision to fund this program entirely from Catchment Action NSW, as it is likely that a mix of environmental and production outcomes will be delivered.

4.1.3 Projects supporting foundational activities

The Commission identified six projects that related to foundational activities such as Landcare support, community and Aboriginal advisory groups, and monitoring, evaluation and reporting. While these projects do not necessarily deliver on-ground outcomes against a specific Funding Theme, they do support Local Land Services' natural resource management activities.

The Commission recognises that OEH are concerned about cost shifting in relation to Landcare support functions given that the:

- NSW Government has committed \$15 million in funding over four years to build the capacity of local Landcare groups through the provision of locally based coordinators and a centralised state-wide support team
- Australian Government has committed \$1 million per year under the National Landcare Programme to build capacity in state Landcare networks and regional groups.

The NSW Government's \$15 million capacity building program is intended to provide new funding in addition to existing investment in Landcare. Any subsequent withdrawal of funding previously directed to Landcare could be seen as cost shifting to the new program.

During this review, some Local Land Services regions indicated that their Board had identified investment in Landcare support above that provided by the NSW and Australian Government as a strategic priority for their region. The Commission considers that this is a legitimate investment strategy under Catchment Action NSW if that funding is targeted for community capacity building and on-ground works in line with the Funding Themes.

The Commission considers the provision of funding to foundational activities such as community advisory groups and monitoring and reporting as a legitimate use of funding when they increase efficiencies and program outcomes. Historically foundational activities have been funded under Commonwealth and state government natural resource management programs including:

- structured approaches to priority setting, including community engagement tools
- monitoring and reporting, and associated research required to identify suitable approaches
- community capacity building to use monitoring and reporting systems
- education and extension activities designed to build community knowledge and understanding
- ongoing support for local NGOs and community groups that foster greater community involvement in natural resource management.

Local Land Services currently funds a limited amount of foundational activities using investor funding. It is important they manage the risk of cost shifting by providing clarity on how projects are more efficiently delivering investor outcomes and on the proportion of funds being used for these activities. One way to manage this risk is for OEHL and Local Land Services to agree to a cap for foundational project funding in each region or across the state.

Overall the Commission supports the use of Catchment Action NSW funding for foundational activities, on the proviso that the proportion of this funding directed towards these activities is appropriate given the scope of these activities and the expected outcomes. Of the six foundation projects identified, five applied a mix of Catchment Action NSW and other funding sources. One Aboriginal community advisory group was funded entirely by Catchment Action NSW funding. In this case, Local Land Services should ensure the primary function of this group is to advise on strategies and priorities related to the Catchment Action NSW Funding Themes, or alternatively reconsider the funding mix.

Case study 3: Foundational projects

Monitoring, evaluation, and reporting projects

Some Local Land Services (including Hunter and Northern Tablelands) have a separate project focused on the co-ordination, management and review of monitoring, reporting, and evaluation (MER) activities from individual projects.

Although these projects do not align directly with the Funding Themes, they support MER that reports on the performance of multiple projects, including those funded by Catchment Action NSW. This approach to MER provides regional Local Land Services with economies of scale and allows a single resource to be largely focused on MER. This approach is likely to ensure consistent quality and information across projects and a greater likelihood of developing MER that will meet investor requirements.

The Commission supports this approach, provided that the source of MER project funding corresponds with that of the projects it supports. For example, if the MER project covers projects funded by Catchment Action NSW and the National Landcare Programme, then the MER project should also be funded in the same proportion by these funding sources.

4.1.4 Saving Our Species

Under Clause 5.5 of the Agreement, activities funded under the Threatened Species theme, must be undertaken and reported on consistent with the NSW Government's Saving Our Species Program. Saving Our Species launched in 2013, with a strong focus on prioritisation.

As with the Funding Themes, the timing of the implementation of the Agreement and poor communication within Local Land Services from the state to regional level affected Local Land Services' compliance with this requirement. While Local Land Services' planned investments in 2014-15 met the percentage requirement for broad threatened species outcomes, they did not necessarily target Saving Our Species Program priorities.

However, OEH representatives have reported positive engagement with Local Land Services at the start of the 2015-16 financial year. With the benefit of advance knowledge about the requirements in the Agreement, Local Land Services should ensure they work with OEH to identify projects and programs that can contribute to Saving Our Species priorities in 2015-16. In doing so, the integrated nature of Local Land Services' business needs to be considered. A key focus should be finding areas of overlap between Saving Our Species priorities and other priorities within the regional strategic plans.

In addition, the first round of Saving Our Species partnerships grants were announced in June 2015, with Central Tablelands and Murray Local Land Services regions receiving grants. These projects provide a good opportunity to strengthen engagement with OEH Saving Our Species staff within the Local Land Services regions that are leading or partnering in these programs.

4.1.5 Project prioritisation

A key factor underpinning compliance with the Funding Themes is the regional project prioritisation processes within Local Land Services. Although not explicitly mentioned in the Funding Agreement, OEH have sought assurance that each region has a robust process in place for prioritising projects and splitting funding across themes.

The Commission's follow-up interviews with each of the sample Local Land Services regions indicated that each organisation did have program and project prioritisation processes. These processes are improving rapidly as the organisation matures. Interviews indicated that these regions have undergone significant learning from their first round of project prioritisation and are improving their processes for prioritisation so they are more transparent and repeatable. Finalisation of state and regional strategic plans will also provide more strategic direction. This evolution could be further enhanced by the regions working more closely together to share experiences and successful approaches to project prioritisation.

The Local Land Services regions agreed in the interviews that in a minority of cases in 2014-15 some projects were implemented that were largely a follow on from a previous project, and that links to the Funding Themes were not well tested or articulated. The regions commented that project continuation is important as work has already been done 'priming' stakeholders. However, they also recognised that it was important to evaluate each project on its merits before committing funding again and ensuring projects are delivering on investor objectives.

In contrast to project prioritisation processes, the Commission found that regions did not have strong process for splitting funding across the Funding Themes. This was partly because the timing of the implementation of the Agreement meant that project plans were generally in place before specific investment and reporting obligations were made clear within Local Land Services at the regional level. Reporting funding split against the Funding Themes was

therefore a retrospective exercise, with limited guidance provided at the state scale.

The Commission recommends that Local Land Services prioritise improving the project documentation and reporting to include more direct line of sight between funding source, investor priorities, outputs, and outcomes.

Case Study 4: Project Prioritisation

Central West Local Land Services - Investor prioritisation process

Central West Local Land Services use an investor prioritisation process derived from comments and feedback received through landholder clients, community and producer groups. This information is then cross referenced with Australian and NSW Governments priorities to identify areas of alignment and inform project development.

An Environmental Services Ratio, or other appropriate ranking criteria, has also been developed to assist in the prioritisation of projects for funding. A ratio (or other comparable ranking) is determined for all projects, although the factors considered in the process or the result of this analysis are not highlighted in project documentation. Summarising the process and outcomes may provide useful information and assurance for investors.

In determining the activity mix that will be used to deliver the outcomes captured in the investor prioritisation process Central West Local Land Services evaluates previous projects. This evaluation is used to determine what works well and should be continued, what needs adjustment, and what did not work and should be avoided.

4.2 Compliance with planning and reporting requirements

4.2.1 Local Land Services Catchment Action NSW Annual Business Plan 2014-15

Under the Agreement, Local Land Services were required to submit their Annual Business Plan for Catchment Action NSW in 2014-15 by 30 September 2014. In subsequent years, the Annual Business Plan is to be submitted in May ahead of the relevant financial year. Local Land Services delivered the 2014-15 Annual Business Plan on 21 April 2015 for OEH approval, over six months after the deadline in the Agreement.

Table 3 outlines the requirements specified within the Agreement, and comments on Local Land Services compliance with these requirements.

Table 3: Compliance with 2014-15 Annual Business Plan requirements under the Agreement

Requirement	Compliance
Provide an outline of the expected outcomes and outputs for each project/program in line with the Funding Themes	<p>The Annual Business Plan includes an outline of each Local Land Services region’s proposed projects or programs. There are inconsistencies with the level of detail provided by each region – some reported at a program level (for example Central West reported 5 programs) whereas other have reported at a project level (for example Greater Sydney reported 55 projects).</p> <p>All but one region reported specific outputs/activities for each project or program based on standard output categories (Western Local Land Services has given high level statements on the planned activities). However, for some regions the project descriptions do not explain how the project will deliver the stated outputs.</p> <p>While outputs/activities and relevant Funding Themes are listed for each project, the links between the two are not explained. There is also no summary of aggregate outputs, or how these will contribute to the achievement of outcomes. Aggregated outputs should be achievable given the use of standard output categories.</p>
Key milestones to be delivered for the financial year	With the exception of Central West, Local Land Services regions have not separately identified milestones.
Baseline information where relevant	No baseline information has been provided.
<p>Itemised budget expenditure for each project/program and outcomes, including:</p> <ul style="list-style-type: none"> ▪ funding source(s) ▪ direct project costs ▪ salary and contractor costs ▪ administration costs ▪ overhead costs 	<p>All Local Land Services regions have reported funding per project and theme, but there has been no further budget itemisation either at the regional or state scale.</p> <p>An itemised budget was included as a requirement to ensure that Local Land Services have complied with the ten percent funding limit set for administrative costs.</p> <p>The project descriptions also lack information about where and how multiple funding sources are being used to fund a project, which is key information required to understand the design of integrated projects.</p>

OEH have stated that the detail in the 2014-15 Annual Business Plan is inadequate and does not meet the terms of the Agreement.

The Commission’s review of the plan found Local Land Services did not ensure that the information being provided met the specified requirements in the Agreement around milestones and budget expenditure. Further, consistency across regions was a major issue. Local Land Services did not have risk management, guidance or quality assurance processes in place at the state level to ensure that regions were reporting the same kind of information at the same level of detail.

The Commission understands that Local Land Services are working with OEH to agree on a format and level of detail for future Annual Business Plans. The Commission recommends that subsequent Annual Business Plans could be improved by:

- 1 ensuring greater consistency across Local Land Services in terms of each region’s input into the Annual Business Plan, including whether to report at project or program level

- 2 making sure the project overviews explain what the project involves, how outputs and expected outcomes will be delivered, how the project aligns with the Funding Theme and state and regional priorities, and identifies delivery or funding partners (if known)
- 3 using standard outputs at a regional level to allow for state-wide aggregation of proposed outputs
- 4 providing an itemised budget at the state scale as agreed with OEH that allows administration costs to be determined as per the Agreement
- 5 reporting where Catchment Action NSW funding is being combined with funding from other sources, including the amount and source of the other funding and which outputs are being delivered under which funding stream
- 6 explaining the general process that Local Land Services regions use to select projects and programs.

The Commission also advises that OEH and Local Land Services consider revising the requirement within the Agreement to report on milestones. It is not clear how useful this information is to investors when project activities are only being reported for one financial year within the Annual Business Plans.

4.2.2 Local Land Services Catchment Action NSW Annual Report 2013-14

Under the Agreement, Local Land Services were required to submit their Annual Report for 2013-14 by 10 October 2014. Local Land Services delivered the 2013-14 Annual Report on 21 April 2015 for OEH approval, over six months after the deadline in the Agreement.

Recognising that 2013-14 was a transitional year and that the Local Land Services did not have Annual Business Plans or Monitoring, Evaluation and Reporting Plans in place for that year, the Agreement specified reduced reporting requirements for the 2013-14 financial year (Clause 18).

Table 4 outlines the requirements specified within the Agreement, and comments on Local Land Services compliance with these requirements.

Table 4: Compliance with 2013-14 Annual Report requirements under the Agreement

Requirement	Compliance
A summary of the milestones and outcomes of the projects/programs funded under this agreement for the 2013-14 financial year	The Annual Report includes some information on project milestones, however, in many cases it is not clear whether the milestones were achieved. For example, for some regions, the project milestone descriptions refer to what 'will be' achieved and it is not clear whether these were delivered. As with the Annual Business Plan, there are inconsistencies in the information provided by each region that need to be resolved.
Itemised budget expenditure (including funding sources) for the 2013-14 financial year	The Annual Report includes total expenditure per region for each state-wide target. It does not include details of what activities the funding was spent delivering or itemised budget expenditure.

OEH reported that the detail in the 2013-14 Annual Report is not commensurate with the level of funding provided to the Local Land Services and does not provide adequate detail on the

activities or governance of the program. OEH also reported that on-ground standard outputs used by Local Land Services did not meet their needs.

The Commission understands that Local Land Services are working with OEH to agree on a format and level of detail for future Annual Reports. The Commission recommends that subsequent Annual Reports could be improved by:

- providing state-level summary tables of:
 - the amount of funding spent by each Local Land Services region for each of the four themes
 - the key achievements/outputs/activities achieved by Local Land Services region under each of the four themes and the funding spent on achieving each
 - a breakdown of funding into, at minimum, direct project costs and administration costs
- providing reporting tables for each Local Land Services region including:
 - consistent details of the projects funded, outputs expected and achieved (based on the summary tables in the Annual Business Plan with an additional column which clearly states what was achieved and explains any reason why the actual outputs may have varied from the expected outputs)
 - a summary of how the region spent its funding by theme, outputs and outcomes (if possible).

Local Land Services has significant natural resource management monitoring and reporting requirements in addition to the Catchment Action NSW requirements. For example, Local Land Services also need to meet other program requirements (such as National Landcare Programme, Environmental Trust and Crown Lands projects), and fulfil their own monitoring, evaluation and reporting needs for state and regional plans. Local Land Services have existing internal reporting systems, including a list of 129 on-ground standard outputs.

The Agreement specifies high-level reporting requirements to allow Local Land Services to use existing reporting methods where possible. In line with the approach, the Commission advises that the use of on-ground standard outputs in Catchment Action NSW reporting is a reasonable approach. Local Land Services should work with OEH see how the use of these standard outputs can better meet investor needs.

4.2.3 Monitoring, Evaluation and Reporting Plan

The Agreement states that:

- a Monitoring, Evaluation and Reporting (MER) Plan must be developed by Local Land Services and submitted to OEH by 1 November 2014 for approval
- Catchment Action NSW funding may be used for the purposes of developing the MER Plan and baseline and monitoring activities
- a report outlining annual activities and results in accordance with the MER Plan should form part of the annual report referred to in clause 6.1.

Local Land Services provided a draft MER Plan for Catchment Action NSW to OEH on 30 June 2015; the Commission understands that OEH is providing comments to Local Land Services on this draft plan.

As discussed in the previous section, Local Land Services have complex MER arrangements operating at project, regional and state scales. At the regional level, Case Study 3 outlines how two of the sample regions (Hunter and Northern Tablelands) have developed a centralised MER project to co-ordinate and review MER activities across their projects.

At the state scale, Local Land Services are currently reviewing their state-wide MER arrangements to deliver more efficient and effective use of resources. Once finalised, the revised state-wide MER framework will guide MER within the state and regional strategic plans. Sound and practical MER is critical for Local Land Services to demonstrate the value of their business and the outcomes being delivered on ground. This state-wide framework needs to be designed to meet investor needs and put in place as soon as possible to co-ordinate regional and project level MER efforts.

4.2.4 Complying with reasonable requests for information by OEH

Under the Agreement, Local Land Services must comply with all reasonable requests by OEH for information and particulars concerning the activities funded under this Agreement within 21 days of such request.

OEH requested information from Local Land Services regarding native vegetation to inform reporting on the Native Vegetation Report Card. Information was sought directly from PVP Coordinators. OEH reported that the information was received, but that there are some ongoing quality issues that OEH and Local Land Services are working to resolve. OEH have suggested that Local Land Services could improve their data quality control and assurances by implementing a centralised and coordinated data process.

Other than the information expected within the Annual Report, OEH did not request any additional information for Saving Our Species or any other program areas.

4.2.5 Implementing appropriate quality assurance for state-wide planning and reporting

The Commission has identified issues with Local Land Services quality assurance processes in relation to the consistency of regional information presented in the 2014-15 Annual Business Plan and 2013-14 Annual Report (see **Sections 4.2.1** and **4.2.2**). The Commission considers that Local Land Services lack of appropriate quality assurance processes for state-scale reporting is a significant risk for the organisation. Inconsistent reporting has undermined OEH's confidence in Local Land Services' ability to deliver against the Agreement.

The Commission recommends that Local Land Services provide stronger guidance to regions in advance as to the expected planning and reporting requirements, and prioritise state-scale review of regional information prior to it being sent to OEH.

4.3 Review of regional project planning against the Standard

The Agreement specifies that to provide quality assurance Local Land Services must ensure all projects/programs funded under this agreement apply all components of the NSW Standard for Quality Natural Resource Management (now the Performance Standard for Local Land Services).

The Standard establishes general principles and expectations for organisational performance that will support Local Land Services in delivering quality outcomes for investors, ratepayers,

customers and communities. It is designed to drive continuous improvement and support adaptive management, and is not an absolute measure of performance. The Standard is also not a checklist. Instead, each component should be applied appropriately to the situation being considered.

The Commission carried out a desktop review of 25 sample plans against the Standard, as well as conducting follow up interviews with planners from each region. The Commission’s overall findings were previously summarised in **Figure 5** (page 11). The majority of plans were found to have acceptable application of the Standard, presenting no critical risks to project delivery or outcomes. Three plans were found to have good application of the Standard across the majority of elements, while only one plan required significant improvement.

Figure 7 shows a breakdown of the Commission’s findings for each element of the Standard. Overall, the extent to which regional Local Land Services project design considered individual elements of the Standard was generally acceptable, although risk management and evidence based decision making stood out as areas needing particular improvement.

Examples of good practice against each element of the Standard can be found across all three regions, but it was rare that a single project demonstrated good practice in multiple elements of the Standard. This leads the Commission to advise that Local Land Services place renewed focus on the use of the Standard to deliver ongoing improvements in project planning. Local Land Services should potentially look to improve the consistency of good practice across all projects through improved quality assurance processes. The Commission also suggests that Local Land Services identify and share examples of best practice project planning systems within the regions. This should lead to improved project design, strengthened quality assurance practices and more consistent use of the Standard.

Table 5 provides further general comments on how each element of the Standard has been applied in project planning.

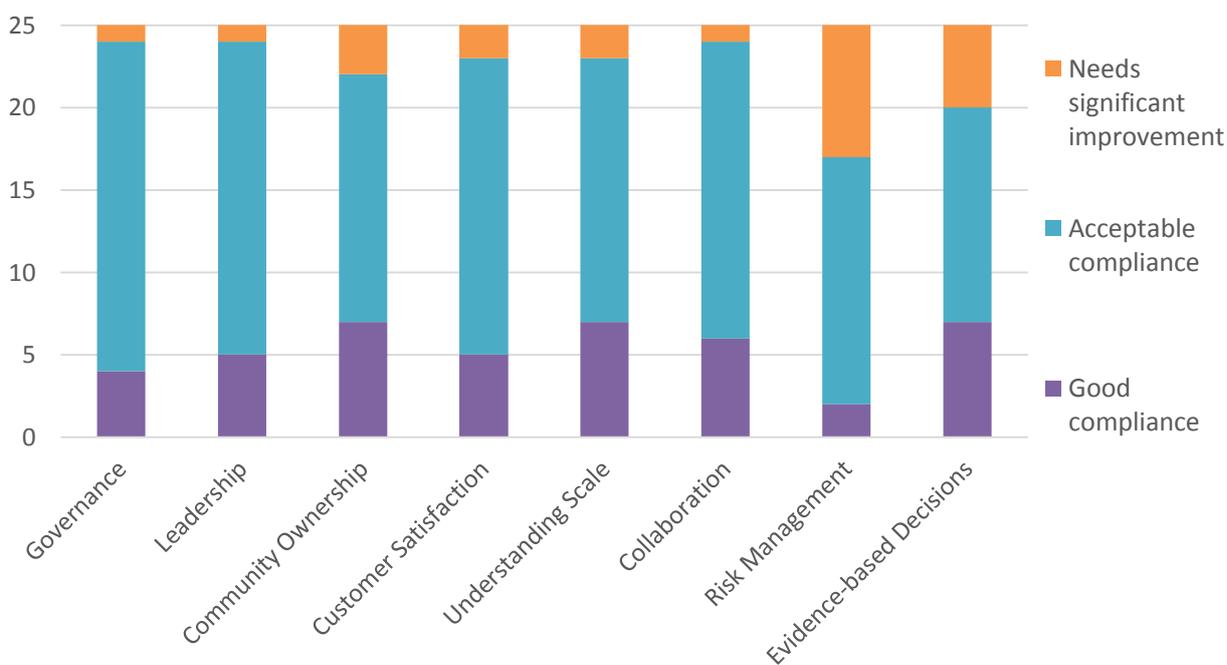


Figure 7: Summary of application of individual elements of the Performance Standard for Local Land Services in regional project plans

Table 5: General comments on application of individual elements of the Performance Standard for Local Land Services

Element	General comments
Governance	<ul style="list-style-type: none"> ▪ Generally project objectives, goals, milestones and related standard outputs to be delivered were clearly identified in project plans, which will improve overall accountability for the delivery of project outcomes. ▪ The link between project outputs and investor priorities has not been well explained in any project plan, which undermines investor confidence. ▪ Northern Tablelands Local Land Services' project plans have checklists that indicate there are processes, rules and systems in place to hold staff accountable for achieving intended project outcomes.
Leadership	<ul style="list-style-type: none"> ▪ All but one project had clear directions and methodology, including roles and responsibilities, and adequate resourcing to support project implementation. ▪ Many plans could have benefited from more specific information about roles and responsibilities within the project team.
Community Ownership	<ul style="list-style-type: none"> ▪ Many projects involve partnering with community groups, landholders and industry during delivery, although more could be done to seek stakeholder input during project development. ▪ Example projects from Northern Tablelands Local Land Services that were likely to foster community ownership included the use of: <ul style="list-style-type: none"> - a landholder survey to inform the design of a project focusing on managing high priority invasive species - a collaborative governance model involving a steering committee to guide planning and delivery of another project relating to trees on farms.
Customer Satisfaction	<ul style="list-style-type: none"> ▪ Project plans had a strong focus on meeting the needs of landholders, industry and community groups through integrated and/or participatory services that add value or benefits to those involved. For example, Hunter Local Land Services has engaged with relevant industry stakeholders in the development of many of their integrated projects. ▪ In multi-year projects, feedback from previous years is being used to help ongoing projects adapt to better meet customer needs and expectations. For example, Central West Local Land Services' project management plan template specifically prompts planners to consider lessons from previous projects. ▪ Local Land Services need to improve how they provide assurance that OEH's investment and reporting needs as an investor are being met, as links between project outputs and investor preferences are poorly documented in all plans.
Understanding Scale	<ul style="list-style-type: none"> ▪ In most plans there are indications that the appropriate scale of engagement, planning and implementation activities has been considered implicitly, though the extent to which consideration of scale is documented explicitly within the project plans varies. ▪ Plans with the strongest performance in this element used knowledge and information to justify temporal and spatial scale decisions, and included an outline of the project's relevant geographical, temporal and institutional scales. ▪ Northern Tablelands Local Land Services' project planning template prompts the planner to explicitly capture what is in and out of scope for a given project.

Element	General comments
Collaboration	<ul style="list-style-type: none"> ▪ Many projects had an extremely strong focus on collaborative project delivery and integrated service provision. For example, in one project Central West Local Land Services partnered with adjacent Local Land Services regions, a university and a high school, landholders, representatives from interstate governments, and aboriginal groups. ▪ As previously stated, there was a common finding across most projects that more could be done to seek collaborative input during project development.
Risk Management	<ul style="list-style-type: none"> ▪ All three sample Local Land Services recognised that there was significant room for improvement in the use and documentation of risk assessment. ▪ All projects identified high-level risks to some extent, although in some cases key risks were overlooked. Most projects also failed to assign responsibilities for managing risks, earmark resources for risk management, or identify a process for reviewing and updating risk management throughout the life of the project. ▪ Better examples of project risk assessment were those that comprehensively recognised the different risk profiles of major activities within the project.
Evidence-based Decisions	<ul style="list-style-type: none"> ▪ There are a number of good examples where planners have identified primary sources of knowledge and reviewed previous projects for key learnings. ▪ Where documented on an individual project basis, most projects included adequate MER arrangements to demonstrate and report on progress towards project goals. However, regions would benefit from being more explicit about how these arrangements meet the needs of their investors. ▪ Documentation of MER arrangements for individual projects in the Hunter Local Land Services region was limited and needs to be made clearer.

The Commission also found that project documentation was often insufficient to demonstrate the extent to which the Standard was used in project development, but that the interview process provided greater assurance about planners' use of the Standard. In general, project plans could be further improved within Local Land Services to more fully capture the breadth of issues and elements of the Standard that planners considered during project development.

Case study 5: Different approaches to planning and documentation

Two of the regions reviewed (Central West and Northern Tablelands Local Land Services) used structured project plan templates requiring teams to document how they aligned with the sections of the Standard within the project plan. This approach delivered a higher level of demonstrated application of the Standard, with good performance across more elements and less areas identified as needing significant improvement.

In contrast, Hunter Local Land Services focused on the use of the IRIS database to provide a structure for project management. The use of a centralised database as a one-stop shop for project management delivers efficiencies in day to day operation, for example reducing double handling of data in areas such as client relationship management functionality, financial management, and capturing progress towards outputs. However, it also appears to have led to less information being captured relating to key elements of project design, particularly evidence and risk management.

For example, documentation of Hunter Local Land Services' MER arrangements is particularly limited. The Hunter Local Land Services' District Delivery Plan Operational Guidelines states that the IRIS continuous improvement module will be used to plan MER activities, and also identifies appropriate MER activities for a range of different project activities/themes. This region also has an overarching MER project to co-ordinate and review MER activities. However, arrangements for individual projects have not been documented in the District Delivery Plans. This is a risk for as under the Agreement, all projects/programs must have a monitoring and evaluation plan prepared and implemented as part of its design.

Hunter Local Land Services also separated staff allocations into an individual project. This has the effect of reducing the apparent cost of all other projects within the Catchment Action NSW Annual Business Plan and Annual Report, making it difficult for investors to judge the true cost of each project.

When choosing an approach to planning and project documentation, Local Land Services need to balance the trade-off between simplifying internal reporting processes while still providing investors with accurate and representative information about projects being funded.

End of report

Attachment 1 – Terms of Reference

Terms of Reference

Mid-term review of NSW Government funding commitment to Local Land Services

Local Land Services were established in 2013, taking on former responsibilities of catchment management authorities and livestock health and pest authorities, as well as some responsibilities of the Department of Primary Industries. They are responsible for regional biosecurity, emergency management, natural resource management and agricultural extension.

Local Land Services are funded by the NSW Government, the Australian Government and rates from local landholders.

NSW Government funding commitment

The NSW Government provides Local Land Services with an annual recurrent budget for administration. It has also committed an additional \$112 million *Catchment Action NSW* funding over four years to Local Land Services for on-ground activities, starting in 2013-14.

During 2013-14, \$30 million in *Catchment Action NSW* funding was provided to Local Land Services by the Minister for Primary Industries via NSW Trade and Investment. As new state and local strategic plans were not yet in place, Local Land Services were required to invest in on-ground activities in line with regional natural resource management priorities set out in approved catchment action plans.

Since the beginning of the 2014-15 financial year, *Catchment Action NSW* has been funded by the Minister for the Environment from the NSW Waste and Environment Levy Envelope. Up to \$79.5 million in funding will be delivered over a three year period under a Funding Agreement between Local Land Services and the Office of Environment and Heritage.

Under this Funding Agreement, Local Land Services are to invest in activities that align with the Office of Environment and Heritage's nominal funding priorities, and are also consistent with state and regional investment priorities. Currently, the nominal funding priorities are native vegetation (40 percent), biodiversity conservation (30 percent), threatened species (20 percent) and Aboriginal cultural heritage (10 percent).

Evaluating progress to date, future risks and opportunities to improve

This year marks the mid-term of the NSW Government's *Catchment Action NSW* funding commitment for Local Land Services. The Office of Environment and Heritage is seeking high-level assurance around Local Land Services' delivery of this funding for on-ground activities.

The Office of Environment and Heritage requests that the Natural Resources Commission (the Commission) provide advice on:

- whether Local Land Services' investment in actual or intended on-ground activities have met, are meeting, and/or are likely to continue to meet the intent of the NSW Government's four year funding program, including the likelihood that Local Land Services' investment is delivering the intended outcomes
- any risks that the intent of the NSW Government's four year funding program may not be met
- any opportunities to better meet the intent of the NSW Government's four year funding program.

The Commission's review should focus on funding delivered in 2014-15 under the current Funding Agreement. In undertaking the review, the Commission should also consider:

- any activities that have occurred under the NSW Government's four year funding commitment
- specific conditions and requirements set out under the current Funding Agreement between the Office of Environment and Heritage and Local Land Services
- the Local Land Services Performance Standard
- past or current barriers that have impacted, and/or are likely to impact, the efficacy of Local Land Services under the Funding Agreement
- any other conditions and expectations set out by relevant investors and third parties.

In undertaking the review the Commission should work closely with the Office of Environment and Heritage and Local Land Services. The Minister for Primary Industries should also be notified about the evaluation as administrator of the *Local Land Services Act 2013*.

The Commission will deliver to the Office of Environment and Heritage:

- a draft report by September 2015
- a final report by October 2015.

Attachment 2 - Evaluation framework

Evaluation framework

Key evaluation questions	Sub-questions	Example methods and evidence sources
1. Overall evaluation		
1.1. Are LLS investments meeting, and/or are likely to continue meeting the Government's intent?	1.1.1. Are funds being used to deliver regionally-based on ground activities for biodiversity conservation, threatened species, Aboriginal cultural heritage and native vegetation management programs (including pest and weed management programs) consistent with state and regional scale investment priorities, including those identified in Catchment Action Plans?	<ul style="list-style-type: none"> Conclusions and findings drawn from an assessment of answers to the evaluation questions below
1.2. What are the risks and opportunities?	1.2.1. What are the opportunities to better meet the intent of the NSW Government's four year funding program? 1.2.2. How could these opportunities be harnessed and by whom? 1.2.3. What are the risks that the intent of the Government's four year funding program may not be met? 1.2.4. What are past or current barriers that have impacted, and/or are likely to impact, the efficacy of LLS delivering under the Agreement? 1.2.5. Are LLS managing these risks through compliance and ensuring that clear accountabilities are allocated appropriately to skilled individuals?	<ul style="list-style-type: none"> Consider issues that arise during the review Consider other developments in NSW Government and OEHL to identify areas for improved alignment and more efficient outcomes Research practice in other governments, for example Victoria, South Australia, Commonwealth, New Zealand Scan external sources (research, corporate sector developments, media) for discussion of improvements in approach Interviews with three sample LLS and OEHL

Key evaluation questions	Sub-questions	Example methods and evidence sources
2. Strategic alignment		
<p>2.1. Have the projects/programs funded been consistent with OEH nominal funding priorities?</p>	<p>2.1.1. Are the funds being used in accordance with the percentage specified by OEH in paragraph 4.4 of the Agreement of:</p> <ul style="list-style-type: none"> a. Native vegetation (40 per cent) b. Biodiversity conservation (30 per cent) c. Threatened species (20 percent) d. Aboriginal cultural heritage (10 percent) <p>2.1.2. Are there cases where projects delivered under the Agreement appears to be primarily for reasons other than one or more of the OEH priorities above?</p> <p>2.1.3. If a project is delivering against multiple investment priorities, how is the funding allocated and accounted for between them?</p> <p>2.1.4. If a project is delivering multiple outcomes using different funding streams is the CA NSW proportion of investments clearly defined and measured?</p> <p>2.1.5. Is the proportion of OEH investment equivalent to the proportion of ecological outcomes expected?</p>	<ul style="list-style-type: none"> ▪ Desktop review of intended projects/programs, outcomes and funding of all LLS as reported in the CA NSW Annual Business Plan 2014-15 ▪ Desktop analysis of X projects in three sample LLS ▪ Interview LLS and OEH
<p>2.2. Have the projects/programs funded been consistent with LLS strategic and business plans?</p>	<p>2.2.1. Are the projects and programs delivered consistent with those identified in the Annual Business Plans (or Plans that have been varied under clause 16.1)?</p> <p>2.2.2. Are the Annual Business Plans consistent with local and State strategic plans (currently regional Catchment Action Plans)?</p>	<ul style="list-style-type: none"> ▪ Desktop review of X projects in three sample LLS, against their strategic plan and business plan ▪ Desktop review of three sample LLS Business Plans against strategic plans ▪ Interview OEH and possibly LLS

Key evaluation questions	Sub-questions	Example methods and evidence sources
2.3. How were projects/ programs prioritised and approved for funding?	2.3.1. What was the LLS process for prioritisation of projects to be funded under the Agreement? 2.3.2. Is the prioritisation process documented and publicly available to regional stakeholders? 2.3.3. Does the prioritisation process have clear alignments with CA NSW and OEH funding priorities? 2.3.4. What, if any, was the impact of changed funding arrangements and the change from CMAs to LLS?	<ul style="list-style-type: none"> ▪ Interview with LLS ▪ Desktop review of LLS documents
2.4. How are issues of scale being addressed by LLS and OEH?	2.4.1. How are the OEH funding priorities being applied at different scales (state and regional)? 2.4.2. What state-level guidance has OEH and the Local Land Services Board of Chairs and/or Executive given to regions regarding investment priorities and reporting requirements for CA NSW? 2.4.3. What controls are in place in regarding communication of responsibilities and expectations under the funding agreement, and to ensure consistency of strategic planning approach to projects and quality assurance of the regions' business plans and reports? 2.4.4. Is there agreement between OEH and LLS as to what roles and responsibilities apply at each scale (state and regional)? 2.4.5. Is LLS monitoring capturing the collective progress toward milestones and outcomes being delivered through stakeholder activities?	<ul style="list-style-type: none"> ▪ Interview with LLS and OEH ▪ Desktop review of LLS documents

Key evaluation questions	Sub-questions	Example methods and evidence sources
3. Project design and outcomes		
3.1. Have the projects and programs been designed in line with the NSW Performance Standard for LLS and best practice expectations for project design?	3.1.1. Are there processes, rules and systems in place to hold LLS accountable for achieving intended program or project outcomes? (<i>Governance</i>) 3.1.2. Is there clear direction about how the goals of the project will be achieved, supported by appropriate resourcing? (<i>Leadership</i>) 3.1.3. Are LLS developing projects that meet the needs of OEH as an investor? (<i>Customer satisfaction</i>) 3.1.4. Are LLS developing projects that meet the needs of LLS customers? (<i>Customer satisfaction</i>) 3.1.5. Have LLS supported community engagement and empowerment in project design and delivery? (<i>Community ownership</i>) 3.1.6. Is an understanding of spatial, temporal and institutional scale is built into project design? (<i>Understanding scale</i>) 3.1.7. Have LLS taken a collaborative approach to project design and delivery? (<i>Collaboration</i>) 3.1.8. Have LLS considered and managed all identifiable risks and opportunities in the design of their projects? (<i>Risk management</i>) 3.1.9. Have LLS based their project design on review and analysis of best available data, knowledge and information? (<i>Evidence-based decisions</i>) 3.1.10. Do LLS have appropriate monitoring, evaluation and reporting in place to inform stakeholders and promote continuous improvement? (<i>Evidence-based decisions</i>) 3.1.11. What are the key areas for further improvement?	<ul style="list-style-type: none"> ▪ Desktop assessment of X projects/programs in each of the OEH themes for three sample LLS ▪ Review of processes in place to ensure the project is managed and implemented as intended ▪ Interview three sample LLS and OEH ▪ Interview external partners and project participants of three sample LLS

Key evaluation questions	Sub-questions	Example methods and evidence sources
4. Compliance against the Agreement		
4.1. Have LLS met the undertakings in part 3 of the Agreement?	4.1.1. Are funds being used to deliver regionally-based on ground activities? 4.1.2. Have LLS submitted the required planning and reporting documentation outlined in schedule B? 4.1.3. Have LLS complied with reasonable requests by OEH for information as provided under paragraph 3.10. 4.1.4. Have LLS informed program participants that their personal information might be shared with OEH as required under paragraph 3.11? 4.1.5. Has LLS ensured that any data provided to OEH under paragraph 3.14 has been subject to quality assurance controls?	<ul style="list-style-type: none"> ▪ Review of the documentation that has been prepared by LLS against the Agreement ▪ Interviews with LLS and OEH
4.2. Have OEH met the undertakings in part 4 of the Agreement?	4.2.1. Has OEH made payments to LLS in accordance with the Agreement and schedule at Attachment B? 4.2.2. Has OEH provided written advice on the strategic priorities as required in paragraph 4.5?	<ul style="list-style-type: none"> ▪ Review of the documentation that has been prepared by OEH against the Agreement ▪ Interviews with LLS and OEH
4.3. Have LLS and OEH met the business planning and quality assurance undertakings under part 5 of the Agreement?	4.3.1. Have LLS delivered appropriate Annual Business Plans that meet the criteria in paragraph 5.1? 4.3.2. Did OEH approve the Annual Business Plans and provide written confirmation to LLS? 4.3.3. Do projects and programs have an appropriate monitoring and evaluation plan? 4.3.4. Are activities funded under the Threatened Species theme undertaken and reported on a consistent basis with the NSW Government's Saving Our Species Program? 4.3.5. Is there consistency between regions in terms of compliance and quality of business planning?	<ul style="list-style-type: none"> ▪ Review of the documentation that has been prepared by LLS and OEH against the Agreement ▪ Interviews with LLS and OEH ▪ Desktop review of at least X projects/programs funded under the Threatened species theme for three sample LLS

Key evaluation questions	Sub-questions	Example methods and evidence sources
4.4. Have LLS met the reporting requirements under part 6 of the Agreement?	<p>4.4.1. Have LLS provided appropriate Annual Reports that meet the criteria in paragraph 6.1?</p> <p>4.4.2. Have LLS provided Annual Acquittal Certificates in line with the requirements in paragraph 6.2 and 6.3?</p> <p>4.4.3. Has LLS developed and submitted an appropriate Monitoring, Evaluation and Reporting Plan?</p> <p>4.4.4. Are the reporting requirements in part 6 of the agreement aligned with reporting requirements for other investment programs being delivered by LLS or OEH?</p> <p>4.4.5. Is there consistency between regions in terms of compliance and quality of reporting?</p>	<ul style="list-style-type: none"> ▪ Review of the documentation that has been prepared by LLS against the Agreement ▪ Interviews with LLS and OEH
4.5. Have LLS and OEH met other conditions outlined in the Agreement?	<p>4.5.1. Has OEH paid according to the conditions in part 7?</p> <p>4.5.2. Are LLS depositing funds in an interest earning account and using the interest to fund programs in the Annual Business Plan?</p> <p>4.5.3. Have LLS complied with special conditions set out in part 18 of the agreement?</p>	<ul style="list-style-type: none"> ▪ Review of the documentation that has been prepared by LLS and OEH against the agreement ▪ Interviews with LLS and OEH
4.6. How can the Agreement or its implementation be improved?	<p>4.6.1. Are the regulatory arrangements for the Agreement appropriate given the funding quantum, investor risk, LLS's organisational maturity and regulatory burden, or does the Agreement need to be amended?</p> <p>4.6.2. What aspects of the implementation or administration of the Agreement could be improved?</p>	<ul style="list-style-type: none"> ▪ Review of the documentation that has been prepared by LLS and OEH against the agreement ▪ Interviews with LLS and OEH

Attachment 3 – Summary of sample projects and programs

Central West Local Land Services

Project	Funding themes	Funding (approx.)
1 Vegetation, Biodiversity and Threats	Biodiversity Conservation, Threatened species, Native Vegetation	\$608,000
2 Collaboration - Community Advisory Groups	Biodiversity Conservation, Aboriginal Cultural Heritage, Native Vegetation	\$70,000
3 Collaboration - Cultural Heritage Project	Aboriginal Cultural Heritage, Native Vegetation	\$10,000
4 Collaboration - Landcare Partnerships	Biodiversity Conservation, Native Vegetation	\$300,000
5 Soil, Agriculture and Landscape - Unearthing soil potential	Biodiversity Conservation, Native Vegetation	\$40,000
6 Soil, Agriculture and Landscape - Rangeland Management	Native Vegetation	\$35,000
7 Soil, Agriculture and Landscape - Sustainable grazing management	Biodiversity Conservation, Native Vegetation	\$25,000
8 Soil, Agriculture and Landscape - Agricultural partnerships	Biodiversity Conservation, Native Vegetation	\$12,000

Hunter Local Land Services

Project	Themes	Funding (approx.)
1 MGL - Manning Great Lakes Dairy Industry Partnership	Biodiversity Conservation	\$30,000
2 UH - Upper Hunter Merriwa Plateau Sustainable Agriculture	Biodiversity Conservation	\$53,000
3 2014-15 MERI Program	All	\$166,000
4 LH - Lower Hunter Extension Program	Aboriginal Cultural Heritage, Native Vegetation	\$11,700
5 LH - Main Creek Water Quality Improvement Project	Native Vegetation	\$30,000
6 MGL - North-East Barrington Tops Biodiversity Project	Threatened Species, Native Vegetation	\$86,000
7 LH - Restoring Littoral Rainforest in Glenrock State Conservation Area	Threatened Species	\$5,000
8 UH - Aboriginal Community Advisory Group	Aboriginal Cultural Heritage	\$3,700
9 Environmentally Friendly Moorings in Lake Macquarie	Native Vegetation	\$5,000

Northern Tablelands Local Land Services

Project	Funding themes	Funding (approx.)
1 Sustainable agriculture - Soils extension	Biodiversity Conservation	\$112,000
2 Reducing the impact of high priority invasive species	Biodiversity Conservation	\$130,000
3 Sub catchment planning CENTRAL	Threatened species, Native Vegetation	\$186,000
4 Monitoring, Evaluation, Reporting and Improvement	All	\$150,000
5 Regional Landcare support	All	\$108,000
6 Trees on farms project	Biodiversity Conservation, Threatened species, Native Vegetation	\$248,000
7 Aboriginal Language Book	Aboriginal Cultural Heritage, Native Vegetation	\$42,000
8 Aboriginal Business Enterprise	Biodiversity Conservation, Aboriginal Cultural Heritage, Native Vegetation	\$68,000