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# Natural Resource Management Review Western Australia

A report to the Minister for Agriculture,  
Food and Forestry  
Hon Terry Redman MLA

February 2009



Mr Terry Redman MLA  
Minister for Agriculture and Food  
Level 11  
Dumas House  
2 Havelock St  
West Perth, WA, 6005

Dear Minister,

**Re: Review of Natural Resource Management in Western Australia**

It is with much pleasure that I deliver the report of the Ministerial Committee you appointed to examine the provision of Natural Resource Management services in Western Australia.

The committee has addressed all of the terms of reference by extensive research, key stakeholder consultation, wide input via a call for submissions and a reliance on the considerable "corporate knowledge" and skills within the committee.

In reporting to you I believe the committee has made recommendations without fear or favour to improve the efficient and effective delivery of NRM outcomes for the State and therefore may cause a degree of angst among some stakeholders. Should you require further clarification on the report or any recommendations within it please feel free to contact myself or other members of the committee.

I would like to acknowledge the valued input from committee members David Hartley and Craig Warner and the outstanding executive support provided by Barbara Morrell to

- give consideration to a very complex matter and sizeable amount of material
- meet the challenging reporting timeline which we are proud to have met.

I personally thank you for the appointment and trust the report will assist you and government in its deliberations,

Yours sincerely,



Garry English  
27 February 2009

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## Executive Summary

This review has been undertaken to report on whether there is a need to continue a State Natural Resource Management (NRM) Program, and if so the most effective and efficient model to deliver its outcomes. It has been triggered by a number of circumstances including:

- A change in the State Government with different priorities and policies.
- Western Australian (WA) Treasury concerns over the effectiveness of the State NRM Program especially in the context of deteriorating global finances; and
- A change in the Commonwealth Government. This Government chose not to continue the National Action Plan for Salinity and Water Quality (NAP) and the Natural Heritage Trust (NHT) program. It has instead initiated the new Caring for Our Country program that weakens the strong partnership arrangements previously operating between the State and the Commonwealth.

This review was holistic in nature including activity from all sectors involved in the State NRM Program, whether government, industry or community, and whether financed by the State government or other sources such as Commonwealth programs.

A Panel was appointed by the Minister for Agriculture, Food and Forestry (Hon. Terry Redman MLA) to conduct the review.

For the purpose of the review natural resources have been defined as including the atmosphere, land, water and biodiversity. The Panel notes that the goal in the draft State Natural Resource Management (NRM) Plan is to

*Enhance individual and community wellbeing through NRM activities that:*

- *Improve productivity,*
- *Conserve, and where possible, recover diversity of natural resources and;*
- *Provide equity of opportunity to access natural resources and involve affected stakeholders in natural resource decisions.*

The importance of natural resources needs to be reinforced as they underpin the State's economic wealth (providing for some \$74 billion per annum), as well as healthy and vibrant communities. WA's natural resources are unique and their intrinsic and social and cultural values are not readily captured in market terms. Despite the community's desire to protect these resources for current and future generations, the reported trend is for continuing decline in condition.

As part of the review the Panel:

- Considered a range of material including reports from previous NRM reviews throughout Australia.
- Requested public submissions in response to the Review's terms of reference and although a limited time period (seven weeks) was available there was a good response to this request. Comments received throughout the review indicated that most participants understood it to only be dealing with the component of the State NRM program that dealt with the regional NRM group delivery.

- Identified 27 critical success factors for the successful delivery of a State NRM Program. These were used to assess the advantages and disadvantages of the current model.
- Reviewed a range of models for NRM delivery including other State regional NRM programs and other government (NRM and non-NRM) models.

Based on submissions received during the review; supporting research; and the panel's expert opinion, the following conclusions have been offered for the Minister's consideration:

- There is strong support for the continuation of a State NRM Program. However, the State NRM effort needs to better reflect the community's values and priorities.
- Extensive activity has occurred during the last five years and some excellent outcomes achieved by State agency and Regional NRM Group programs. However improvements in program implementation (i.e. planning; service delivery; and monitoring, evaluation and reporting) are needed so that the State's investment better targets the outcomes sought by the community.
- The panel concluded that for the government to successfully implement a State NRM Program that reflects these values and priorities, a strong community engagement component must be an integral part.

## Recommendations

The Panel offers the following recommendations:

- Recommendation 1. That a State NRM Program be continued in order to protect Western Australia's unique and highly valuable natural assets for current and future generations.
- Recommendation 2. That the State NRM Plan is implemented as a matter of urgency.
- Recommendation 3. That investment through the State NRM program is transparent and focussed on State priorities.
- Recommendation 4. That a monitoring, evaluation and reporting framework for the State NRM Program is implemented to assess the effectiveness and efficiency of the State NRM Program.
- Recommendation 5. That community engagement is an integral part of the State NRM program with particular emphasis at regional scale.
- Recommendation 6. That roles and responsibilities for implementing (planning; service delivery; monitoring, evaluation and reporting and; adaptive management) the State NRM Program are clearly articulated.
- Recommendation 7. That roles and responsibilities for community engagement processes (planning; service delivery; monitoring, evaluation and reporting and; adaptive management) are clearly articulated.
- Recommendation 8. That project planning ensures that service delivery occurs at the most appropriate level - individual, organisation or partnership.
- Recommendation 9. That the State provides support for community engagement.
- Recommendation 10. That the State government provides a contribution towards the core administration costs of the organisations selected to undertake the community engagement component of the NRM program.
- Recommendation 11. That prior to the selection of any organisation to provide community engagement as part of the State NRM Program, evidence is provided of the essential skills required.
- Recommendation 12. That the provision of community engagement services is managed through the use of business contracts with appropriate providers.

- Recommendation 13.** That the NRM Council be replaced with new advisory groups.
- Recommendation 14.** That a peak body consisting of representatives of organisations providing community engagement services be established to provide advice to the State Government.
- Recommendation 15.** That an independent body be established to provide high level advice to the lead Minister for NRM on environmental, economic and social issues relevant to the State NRM program.
- Recommendation 16.** That the State Government seek a partnership with the Commonwealth Government on opportunistic funding programs to deliver NRM outcomes in WA where priorities align.
- Recommendation 17.** That programs are initiated to ensure Local Government, indigenous communities, education institutions and industry are engaged so that they can more actively participate in the State NRM program.
- Recommendation 18.** That an investigation is conducted to determine the most appropriate regional boundaries and the number of Regional NRM Groups.
- Recommendation 19.** That the above investigation includes advice on an appropriate structure for community engagement and NRM program implementation in the Swan-Avon catchments.



## 1 Background

Western Australia (WA) is a large State with a wealth of natural resources. Development for production and mining, an increasing population and a changing climate are increasing pressure on its natural resources. Natural resource management (NRM) seeks to balance the economic and social needs of the community with sustainable use and conservation of the environment. It forms a key part of the State's agenda to increase economic development, maintain ecological integrity, and improve social and cultural well-being.

Despite our management efforts the trend, as reported in the State of the Environment report (EPA 2007), is for continuing degradation of natural resources.

### 1.1 Need for the review

In January 2009 the Minister for Agriculture, Food and Forestry the Hon. Terry Redman MLA requested a review of current arrangements for NRM. The review was to assess whether WA's current NRM program is effectively and efficiently delivering benefits to the State in terms of sustainable resource use and management and to determine whether there is a need for an ongoing program. Refer to Appendix A for a detailed Terms of Reference.

The current review has also been triggered by a new State Government and national NRM program. There are also a number of other important changes. In chronological order there has been:

- The election of a new Commonwealth Government in November 2007.
- Conclusion of the National Action Plan for Salinity and Water Quality (NAP) and Natural Heritage Trust (NHT) programs in June 2008. In WA there was approximately \$90 million (\$45m of community regional organisation program and \$45m at State government agency project) of unspent funds at 30 June 2008. The majority of these funds were held by the State NRM Office. This meant that activity has continued beyond that date.
- The Commonwealth Government's new Caring for Our Country program which commenced in July 2008. The initiative aims to integrate previous programs such as NHT, NAP, NLP, the Environmental Stewardship Program and the Working on Country Indigenous land and environmental program. This program weakens the strong partnership arrangements previously operating between the State and the Commonwealth.
- A change of State Government, the current WA Government elected in October 2008.
- Changes in the State's economic outlook which have resulted in pressure on the State's finances and a need to find efficiencies in service delivery.
- The development of a draft State NRM Plan to provide future direction for implementing the State's NRM program.

It is important to note that this review addresses the State NRM program as a whole not just the joint Commonwealth/State program generally referred to as the regional delivery model.

This document reports on the findings and recommendations of the Panel.

## 2 Natural Resource Management in WA

The term natural resource is used to describe renewable resources<sup>1</sup>, including atmosphere, land, water (potable, environmental and marine), and biodiversity (all living things such as plants, animals, fungi and micro-organisms). Each natural resource consists of assets, which are distinct parts of the environment with values or uses important for healthy ecosystems or providing services to humans. They may be discrete such as a piece of bushland, a river, wetland, or native animal, or dispersed such as on-farm water supplies, agricultural land or remnant native vegetation. Assets are linked in ecological systems of varying scale, such as wetland and river systems, oceans, estuaries and coasts, deserts, forests, and geologic or geographic features. Major classes of assets for WA are biodiversity, water, coasts and marine, land, and atmosphere.

The definition of NRM used in this report is:

*Sustainable management of the land, water, atmosphere and biodiversity<sup>2</sup> resources for the benefit of existing and future generations, and for the maintenance of life support capability of the biosphere.*

Sustainability or sustainable management refers to the use, conservation, and enhancement of natural resources so that ecological processes, on which life depends, are maintained and the supply of ecosystem services fundamental to human well-being is maintained or enhanced for current and future generations (Government of WA 2003). Note that the direct management of non-renewable resources such as minerals, oil and gas is not included in the definition used here as the associated NRM is addressed through Commonwealth and State regulatory processes. The economic activity generated by mineral and energy resource developments positively impacts on the State's ability to invest in management of other resources.

The concept of sustainability embodies the inter-relationships between natural resources and people. Functioning ecosystems underpin our economy and social infrastructure. Health and wellbeing for example are strongly linked to the condition of the environment. It is people who cause, define and solve NRM problems. Western Australian's currently enjoy a high standard of living but collective change is needed to maintain our natural resources to provide for future generations.

### 2.1 The importance of NRM in WA

WA is the largest State in Australia and covers an area in excess of 2.5 million square kilometres - nearly 30 per cent of the continent. The State is bounded by over 12,000 kilometres of coastline much of which is in relatively pristine condition.

WA is one of the most biologically diverse regions in the world. The State boasts:

- 141 or nearly 70 per cent of Australia's mammal species, 25 of which are unique to WA.
- 439 reptile species, 42 per cent of which are unique to WA.
- More than 1,600 fish species.

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<sup>1</sup> Non-renewable resources such as minerals, oil and gas are not directly covered as they are traditionally addressed through regulatory and/or approval processes.

<sup>2</sup> Biodiversity refers to all living things such as plants, animals, fungi, bacteria and micro-organisms.

- Hundreds of thousands of invertebrate species, and
- More than 12,000 plant species.

WA's natural environment provides for a wide variety of production and other economic opportunities. Table 1 summarises some of the economic values derived from our natural resources. Whilst this economic contribution of around \$15 billion per annum (plus \$59 billion for mining) is significant it is important to note that a number of the values of our natural resource lie outside our traditional market-based valuation system. These include a sense of place or identity; indigenous cultural and non-indigenous heritage values; and spiritual and amenity values.

Table 1: Estimated annual contribution from natural resources

Activity	Estimated annual contribution
Agriculture <sup>1</sup>	\$ 6.1 billion
Tourism <sup>2</sup>	\$ 7.5 billion
Recreational fishing <sup>1</sup>	\$ 0.6 billion
Pearling and aquaculture <sup>1</sup>	\$ 0.5 billion
Forestry production <sup>3</sup>	\$ 0.3 billion
Mining <sup>4</sup>	\$58.6 billion

Notes:

<sup>1</sup> 2008 figures. DAFWA (2008).

<sup>2</sup> 2007 figures. WA Tourism (2007).

<sup>3</sup> 2005/06 figures. ABARE (2006)

<sup>4</sup> Included for comparison. 2007-08 figures. DMP (2009).

Indigenous peoples were the original custodians of the land and managed its resources on a sustainable basis for thousands of years. However social and economic development since European settlement has had a number of unintended consequences for the natural environment. As a result there is a wide range of natural assets that are currently under threat of degradation or loss. It is only in relatively recent times that we have started to appreciate how sensitive our unique ecosystems are. For example:

- There has been major loss of native habitat due to clearing for agriculture since settlement in the 1830s and continuing loss due to urban development particularly in coastal regions.
- The habitat value of remaining vegetation is under threat from unsustainable grazing and agricultural practices, inappropriate fire regimes and, weed and pest incursion.
- There are 339 threatened plant and 118 threatened animal species.
- Over four million hectares (NLWA, 2007) of agricultural land is affected by secondary salinity and there is the possibility that this area may double over the next fifty years.
- Nine per cent of birds, seven per cent of reptiles and 16 per cent of amphibians are extinct or threatened.
- Average winter rainfall in the South West has dropped 15 per cent over the past 30 years. This has produced a corresponding 50 per cent reduction in average annual flows in some South West rivers and streams (Indian Ocean Climate Initiative 2005). In contrast average annual rainfall in parts of the Pilbara and Kimberley has increased.

Understanding of the environment has improved over time, and we have made significant progress in dealing with many issues. However new threats such as climate change continue to emerge which compound and exacerbate existing NRM challenges. Generally speaking recovery of natural resources is far more difficult and costly than conservation or mitigation. It also needs to be acknowledged that trade-offs will need to be made between natural resource priorities given the challenges are numerous and financial resources are limited.

## 2.2 Current NRM arrangements in WA

This section of the report provides a brief description of NRM organisations and their role in WA.

### 2.2.1 Western Australian Government

Under the *Commonwealth of Australia Constitution* the State is responsible for land and water management within its boundaries. NRM is covered under a range of WA Government legislation (refer to EDO 2001, EDO *et al* 2001) administered by a number of Government agencies:

- The Department of Agriculture and Food (DAFWA) fosters the sustainable development of agriculture, food and fibre industries. It is the lead agency for NRM and hosts the State NRM Office which assists in coordinating NRM efforts throughout government and supports community Regional NRM Groups.
- The Department of Conservation and Environment has the lead responsibility for protecting and conserving the State's environment on behalf of the people of Western Australia. This includes managing the State's national parks, marine parks, conservation parks, State forests and timber reserves, nature reserves, marine nature reserves and marine management areas. It also includes conserving biodiversity, and protecting, managing, regulating and assessing many aspects of the use of the State's natural resources.
- The Department of Water manages the State's water needs to ensure they are met, both now and in the future. It also provides comprehensive information to industry, expert technical support and professional guidance to government on the status of water and the viability of new source development.
- The Departments of Planning and Infrastructure; Fisheries; Indigenous Affairs; and Local Government and Regional Development, as well as the Forest Products Commission play a significant role in managing natural resources.

These agencies have a combined budget of more than \$370 million annually (2007/08 figures, refer to Appendix B) to deliver NRM activities.

A draft State NRM Plan has been developed to articulate the direction for planning, implementing and reviewing efforts to protect and enhance natural resources. An Implementation Strategy is currently under development.

### 2.2.2 State structures

The State has several structures in place that underpin the development and assist with the integration and implementation of the NRM Program. These structures were established to ensure cooperation and consultation between all participants. Although not an exhaustive list, they include:

- The **NRM Ministerial Committee** consisting of Ministers' responsible for NRM and includes the agriculture and food; water; and environment and conservation portfolios to provide a whole-of-government approach for NRM within the State.
- The **NRM Council** which was established to provide high level strategic and policy advice to NRM Ministers.
- The **Council of Natural Resource Agencies Chief Executives (CONRACE)** consisting of Directors-General from the Departments of Agriculture and Food; Environment and Conservation; Fisheries; Planning and Infrastructure; Water; the Forest Products Commission and; others as required. It is responsible for delivering NRM outcomes for the State and is supported by a Senior Officers Group.
- A **Regional NRM Coordinating Group** that consists of the six Regional NRM Group Chairs. Collectively they work towards coordination and cooperation across regional boundaries. They are assisted by a regional chief executive officer group.

### 2.2.3 Regional NRM Groups

There are currently six Regional NRM Groups involved in the delivery of NRM in WA. Refer to Figure 1. The groups, listed below, are independent incorporated associations:

- Avon Catchment Council Inc. (ACC).
- Northern Agricultural Catchments Council Inc (NACC).
- Perth Region NRM Inc. (PRNRM).
- Rangelands NRM Inc.
- South Coast NRM Inc.; and
- South West Catchments Council Inc. (SWCC).

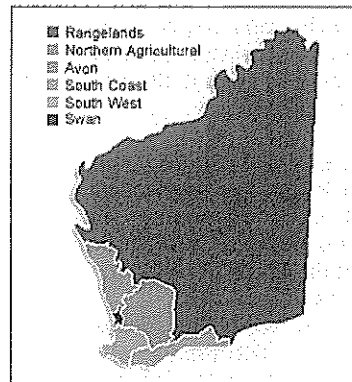


Figure 1 - Map of WA Regional NRM Groups.  
Note: Swan is now referred to as the Perth region.

### 2.2.3 Commonwealth Government

The Commonwealth Government is responsible for ensuring Australia meets its international obligations in relation to the environment and the sustainable management of natural resources. While State and Commonwealth Governments work relatively independently to meet their respective obligations, collaborative arrangements are in place in some areas of common interest.

### 2.2.4 Joint Commonwealth and State Government Programs

There are good examples of collaborative arrangements with NRM programs. For example the extension of the NHT and NAP programs. These programs were introduced under a joint Commonwealth-State Agreement and implemented over five years in WA concluding in June 2008. These programs contributed \$536 million over five years. Funding comprised cash from the Commonwealth matched in cash and in-kind by the State.

The model for implementing these programs reflected a partnership approach designed to achieve two fundamental outcomes:

- Targeting and integrating investments that lead to improvements in resource condition; and

- Empowering regional communities participating in NRM planning and their decisions.

Under these programs funding was provided for the Regional NRM Groups to develop regional strategies. These strategies were accredited by both the State and Commonwealth and used to guide NRM investments in the regions.

These groups are the principal NRM body in each of the six regions. They are a formal regional partnership between the community, government and industry and provide leadership and direction for sustainable NRM within their regions. They are non-government organisations, primarily responsible for delivering funding from the State and Commonwealth Governments through NHT and NAP, to the region, to enable NRM projects and activities to occur. Each varies in structure. For example, ACC has no formal sub-regional community structure, however SWCC functions as a federation for its six sub-regional community structures.

Most groups were in existence prior to the extension of NHT and the introduction of NAP, but focused on capacity building, facilitation and assistance in funding applications for sub-regional catchment groups.

Within each region, there are various group structures from sub-regional, for example Blackwood Basin Group; Land Conservation District Committees such as the Murchison LCDC and smaller community groups such as Friends of Yellagonga Regional Park.

#### Caring for Our Country

The Commonwealth Government recently (2008) launched the Caring for our Country Program to replace the NHT and NAP programs. In its first five years (from July 2008 to June 2013), the Commonwealth Government will invest \$2.25 billion through the program to secure improved strategic outcomes across six national priority areas:

- The National Reserve System.
- Biodiversity and natural icons.
- Coastal environments and critical aquatic habitats.
- Sustainable farm practices.
- NRM in northern and remote Australia, and
- Community skills, knowledge and engagement.

In its first year (2008/09) implementation of the program has operated under interim arrangements via a Bilateral Agreement between the Commonwealth and State Governments. Full implementation of the program will commence on 1 July 2009 and conclude on 30 June 2013. The Commonwealth has proposed that they operate under a cooperative agreement between the two governments.

Caring for Our Country maintains financial support for the six Regional NRM Groups for each year of the program. An announcement was made on 13 February 2009 by the Commonwealth Government that a total annual indicative allocation of over \$24 million will be made to the six Regional NRM Groups to implement projects addressing nationally identified priorities for the life of the CfoC Program. (The program assumes that the State will also continue to support Regional NRM Groups.) The remainder of the CfoC funds will be invested via an open competitive bidding process. Proposals need to address priorities identified in the Business Plan 2009/10 (refer to <http://www.nrm.gov.au/publications/books/business-plan.html>).

At this early stage of implementation the arrangements to be made where State and Commonwealth Government priorities coincide is unclear but there are obvious opportunities for collaboration and integration.

### **2.3 Other organisations**

#### **Local Government**

There are currently 141 (WALGA 2009) Local Government Authorities (LGAs) in WA, although some LGAs are in the process of amalgamating. LGAs have legislative responsibilities for NRM (e.g. land use planning) and environmental management (e.g. waste management) and invested an estimated \$360 million in NRM during 2008/09 (WALGA 2009).

#### **Conservation Organisations**

The Conservation Council of WA is a State wide organisation focused on natural resource conservation. The Council is an advocacy and lobby group that represents 95 individual member groups.

While there are many active conservation organisations in WA, the two that have had significant participation in NRM are Greening Australia WA and World Wildlife Fund for Nature.

#### **Industry Organisations**

The State has two peak bodies to represent rural communities involved in agriculture and pastoralism - WA Farmers and the Pastoralist and Graziers Association (PGA).

These organisations have signalled their intentions to become more engaged in sustainable agriculture and pastoral considerations of NRM.

#### **Indigenous Communities**

Indigenous communities' traditional knowledge has an important role in NRM particularly in maintaining cultural heritage. Indigenous engagement has occurred through representation on Regional NRM Groups; active participation in projects as well as through employment opportunities. However it is acknowledged that this is an area that requires ongoing attention.

The State Government has recently announced the employment of an Indigenous NRM Facilitator to assist the State in ensuring that the indigenous peoples are better engaged in NRM.

#### **The community**

As early as the 1960s, individuals and local groups were actively involved in NRM responding to resource degradation on farms, recreation areas and public lands.

In the early 1980s the State Government established Land Conservation District Committees (LCDCs) for coordination and to provide access to technical advice required to maintain the natural resource base within their communities. Following this, there was a rapid expansion of landcare groups in WA throughout the 1980s and 1990s.

In the 1990s the Commonwealth Government's Resources Assessment Commission undertook an inquiry into the management and use of the resources of Australia's

coastal zone. As a result a coastal action program started. While community groups were undertaking activity well before this, the program saw a rapid expansion of 'Coastcare' groups.

Additionally there is a wide range of conservation and 'Friends of' groups that have been active over a long period of time, with many forming in the 1980s and 1990s. Often they were formed by concerned community members wishing to assist government agencies care for an area of particular interest. An example is the Friends of the Cape to Cape Track Inc, which formed in 1998 and supports DEC in fulfilling its objectives of the Track Management Plan.

The resources leveraged from community participation in NRM are significant and often go unrecognised. An independent study carried out by BRS (2005) show landcare is able to leverage between \$4.50 and up to \$8.50 for every dollar of public funds. Keogh (2006) also noted that calculation of community contribution often didn't value local knowledge and individual skills.

#### Scientific and Research Community

There are many universities, and other organisations involved in both research and education in NRM. These include the University of Western Australia (UWA) Centre of Excellence in Natural Resource Management (CENRM), Albany and the Cooperative Research Centre for Future Farm Industries (FFI CRC) involving universities and government agencies from across southern Australia including UWA, DAFWA and DEC. They form a vital role in NRM through the provision of research and education.

#### Schools

Educating children at primary and secondary level is critical to the future management of the State's natural resources. Some excellent programs have been implemented including the Tammin Landcare Centre that provided training for primary school teachers on NRM issues. Regional NRM Groups have also actively engaged students in NRM activity such as the Albany Senior High School marine science program where the students are actively involved in marine research.



### 3 Previous Reviews

NRM is complex. Its challenges relate to the inherent complexity and variability of natural resources; an increasing but often limiting scientific understanding of ecosystem functioning and; the need to change human behaviour. It is not surprising that NRM programs, and regional NRM programs in particular, throughout Australia have been under regular review as governments and communities grapple with the best way to invest limited resources. Refer to Appendix C for a brief listing. These reviews have been considered here as background information. Note that these reviews only refer to the regional delivery component, not the whole NRM Program. Importantly this is the first review to address the State NRM Program as a whole (c.f. the regional delivery component alone).

In summary:

- A Senate Committee Report (2006) found insufficient evidence to determine whether NAP, NHT and NLP achieved the identified goals in relation to salinity management. It also concluded that while there was strong support for the regional delivery model, uneven capacity of regional bodies influenced the effectiveness of planning and activity in salinity management.
- The Keogh Review (2006) identified the significant investments in human, time and financial resources to establish the regional delivery model nationally. It also identified the importance of communication and gaps in engagement.
- The Hicks Review (2006) focused on WA governance frameworks and structures. The majority of the review's recommendations have been considered and implemented.
- The Australian National Audit Office (2008) assessed and reported on the administration of the regional delivery programs for 2007/08. It concluded that improvements were needed in risk management, increased transparency and efficiency for funds management, and closer compliance with the bilateral agreements.
- Read (2007) reviewed the capabilities of government agencies and community in the delivery of NAP/NHT. Read concluded that the deficiencies related primarily to engagement, project planning and management; administration and outcomes-based reporting.
- Griffith et al (2007) identified key attributes and standards that could be applied for future quality assured regional NRM.
- The Commonwealth Government conducted ten national evaluations on individual aspects of NHT2 and NAP. Each evaluated the outcomes of regional investment of the specific asset areas being reviewed such as coastal, estuarine and marine; salinity and biodiversity. Refer [www.nrm.gov.au](http://www.nrm.gov.au)
- URS (2008) undertook an evaluation of the effectiveness of the regional investment planning, approval and review process. It focused on areas for improvement and recommendations for a future NRM program including:
  - more clarity around roles and responsibilities;
  - allowing more time to develop the whole process and subsequent documentation;
  - consistency in agency assessment and feedback;
  - improved communications on the steps of the process; and
  - valuing of people's efforts within the process.

- The Regional Chairs Review is being undertaken on behalf of the six Regional NRM Groups to:
  - Clarify any unique attributes the Regional Model may have which contribute to achieving NRM outcomes and how these may add value to existing NRM investment,
  - Define the areas where Regional NRM Groups add real value to NRM Program delivery,
  - Define roles and responsibilities for Regional NRM Groups based on the above to enable the best outcomes for NRM program delivery

The review is due to report in March 2009.

## 4 Consultation

The review period was undertaken over a relatively short time period (seven weeks) and consequently broad consultation was not possible. Submissions were requested from key stakeholders and the broader community, after which the Panel met with key stakeholders to discuss the issues raised. Refer to Appendix D for details of the submission process and the submissions received.

There is a great deal of passion and commitment among NRM stakeholders evident from the number and nature of comments in the responses submitted to the review. Written submissions were received from:

- The Departments of Agriculture and Food; Water; Indigenous Affairs; and Planning and Infrastructure; and the Forest Products Commission.
- The six Regional NRM Groups;
- Key peak bodies and industry groups - Conservation Council of WA, Greening Australia WA, Pastoralists and Graziers Association, Swan River Trust, Western Australia Farmers Federation and the WA Local Government Association;
- Five Local Governments - Port Hedland; Lake Grace; Dowerin; Kojonup; and Bridgetown-Greenbushes, Manjimup, Nannup and Boyup Brook (as a combined submission);
- 13 local NRM organisations; and
- 21 individuals.

The following is a range of views taken from the submissions. Those who submitted were from a wide range of organisations and individuals with varying experiences and knowledge of the operations and delivery of the State NRM Program. Submissions in general responded on the assumption that the State NRM Program covered only that component of the program identified as 'regional delivery'. (c.f. the broad State NRM Program)

To summarise:

- All submissions supported the need for a State NRM Program.
- Many submissions noting the State of Environment Report (EPA 2007) that documented the continuing decline of the State's natural resources concluded that the State Government must have a NRM Program.
- It was consistently recognised that the State is without a clear State NRM Plan and an investment framework to underpin it.
- Generally speaking submissions recognised the concept of the regional delivery model as sound, but identified that implementation by some organisations has been less than satisfactory.
- Many submissions (with the exception of the six Regional NRM Groups) were of the opinion that the regional NRM group structures were "top heavy", bureaucratic and too resource intense to be maintained and operate. Conversely the Regional NRM Groups reported that they offered a very cost effective delivery mechanism compared to the costs associated with government agency delivery.
- There was a perception amongst some sectors of the community that Regional NRM Groups have lost touch with them due to the need for the groups to concentrate on strategic investment into prioritised works.
- There was recognition that regional NRM groups had successfully delivered strategic planning; integration of NRM effort including amongst government

agencies; had leveraged considerable investment; and had tackled regionally contentious issues such as deep drainage.

- Responses from both government agencies and communities reported that duplication of administrative services and processes provided by the Regional NRM Groups were perceived as causing higher transaction costs. Some submissions indicated that it appeared as though the Regional NRM Groups were in direct competition with agencies.
- A number of advantages were identified for continuing to use Regional NRM Groups to deliver components of, and add value to, the State NRM Program, including:
  - Community engagement - since Regional NRM Groups are representative of, and closest to, the community, it was consistently identified that they are best placed to engage community to identify community values and their NRM priorities;
  - Facilitating and brokering integration across various themes and interests and enabling government agencies and communities to work together for a common outcome;
  - Facilitation of the use of local knowledge - considered alongside scientific information during the planning phase; and
  - Strategic planning - the development of regional NRM strategies covering the whole State for the first time.
- A consistent comment particularly from smaller community groups and some government agencies was that government agencies (not Regional NRM Groups) were best placed to provide the scientific and technical requirements for projects.
- It was suggested that technical projects were best delivered by government agencies alone or in partnership with sub-regional/catchment groups.
- It was also identified that the regional and/or sub-regional scales are often appropriate to deliver projects.
- It was also submitted that some government agencies had failed to deliver some technical projects and that the integration offered by regional groups had brought together partnerships to achieve project outcomes.
- A lack of clarity on roles and responsibilities of all participants in the NRM program was identified as a cause for concern for delivery of NHT2 and NAP.

## 5 Review of the current model and other models

Amongst other matters the terms of reference for this review required the Panel to assess:

- The advantages and disadvantages of the current model. To enable this, a list of critical success factors (CSF) for delivery of the State NRM program was defined (Section 5.1) which the current model was then assessed against (Section 5.2).
- Alternative models. Refer to Section 5.3

### 5.1 Critical success factors

A CSF is an element which is integral to the successful delivery of effective and efficient NRM services. Refer to Table 2.

Table 2: Critical Success Factors for NRM service delivery

Issue	Critical Success Factor
Strategic view	<ol style="list-style-type: none"> <li>1. NRM organisations have a <u>strategic</u> view of State NRM assets and priorities which integrates:                             <ol style="list-style-type: none"> <li>a. Environmental, economic and social factors.</li> <li>b. State, regional and local issues.</li> <li>c. Across disciplines, sectors and institutions.</li> <li>d. Regulatory and spatial planning (e.g. local government land use planning, water).</li> </ol> </li> </ol>
Roles and responsibilities	<ol style="list-style-type: none"> <li>2. Process and structures are in place to support delivery of strategic priorities and to coordinate service delivery.</li> <li>3. Each organisation involved in NRM planning and implementation is clear about its role and responsibility, and how its input or activities will be used.</li> <li>4. There is sufficient flexibility in roles of NRM organisations to accommodate the varying scale and nature of NRM throughout WA.</li> </ol>
Capacity	<ol style="list-style-type: none"> <li>5. NRM organisations retain the range of skills and experience needed for successfully achieving NRM priorities, appropriate to their responsibilities.</li> </ol>
Communication	<ol style="list-style-type: none"> <li>6. Strategic priorities are communicated across the network of organisations involved in NRM.</li> <li>7. Knowledge brokering is in place to share learnings within and between organisations and regions, and to facilitate good decision making.</li> </ol>
Community engagement	<ol style="list-style-type: none"> <li>8. NRM organisations are perceived as credible by regional communities.</li> <li>9. Communities are appropriately engaged in identifying regional and local environmental values and priorities, as well as social and economic challenges for NRM.</li> <li>10. Community consultation is appropriate for engagement of the full range of community organisations (i.e. from local-scale individual Landcare group to State wide industry group), and importantly actively engages:</li> </ol>

Issue	Critical Success Factor
	<ul style="list-style-type: none"> <li>a. Indigenous communities,</li> <li>b. The range of relevant industry, and</li> <li>c. Education institutions</li> </ul> <p>11. Community input is appropriately addressed in State priorities and feedback provided.</p>
Partnering	<p>12. Consultation with regional networks on an issues-basis (e.g. water, biosecurity, land use planning) is coordinated, if not integrated through a single organisation.</p>
Sound scientific basis	<p>13. Scientific understanding of resource management is sufficient to enable objective comparison of risks to assets.</p> <p>14. Adequate resource condition monitoring is in place to assess the effectiveness of management interventions in the longer term.</p>
Governance	<p>15. Methods to determine accountability for expenditure of government funds by NRM organisations approximate public sector standards.</p> <p>16. Delivery organisations have the capacity to monitor and report on project performance and to implement timely remedial action when necessary.</p> <p>17. There is self-evaluation of the performance of NRM organisations supported by independent audit to facilitate continuous improvement.</p> <p>18. Standards are in place to guide proportionate investment where service delivery results in both public and private benefit.</p>
Efficiency	<p>19. Duplication of effort, particularly administration is minimised.</p> <p>20. Bureaucratic process and transaction costs ("red tape") are minimised.</p>
Outcome oriented	<p>21. The emphasis of effort by delivery organisations is implementation of strategic priorities.</p> <p>22. Outcomes are measurable.</p>
Decision making	<p>23. Investment decisions are based on objective information and aligned to strategic priorities.</p> <p>24. Economic analyses better accommodate the intrinsic natural values of assets (i.e. non-market values) and the inherent variability of natural systems (e.g. seasonal events).</p>
Volunteerism	<p>25. NRM organisations maintain and acknowledge a high ratio of volunteer and in-kind support.</p>
Resourcing	<p>26. Adequate and secure (i.e. long term) State resources are available to address priority issues.</p> <p>27. NRM organisations access opportunistic investment from a range of Commonwealth Government and private sector funding sources.</p>

## 5.2 Assessment of the current model

Table 3 provides an assessment of the current NRM model against CSF.

Table 3: Assessment of the current NRM model.

Issue	Critical Success Factor	Assessment of Current NRM Model.
Strategic view	<p>1. All NRM organisations have a strategic view of State NRM assets and priorities which integrates:</p> <ul style="list-style-type: none"> <li>a. Environmental, economic and social factors.</li> <li>b. State, regional and local issues.</li> <li>c. Across disciplines, sectors and institutions.</li> <li>d. Regulatory and spatial planning (e.g. local government land use planning, water).</li> </ul>	<ul style="list-style-type: none"> <li>- The absence of State level strategic priorities has been a long held criticism of the model. This will be addressed to some extent by the development and implementation of the State NRM Plan for WA.</li> <li>- Six regional NRM strategies are now in place identifying agreed stakeholder NRM priorities for each of the State's NRM regions.</li> <li>- However, there remains a real need for improvement in this area. For example, input into agency strategic planning</li> <li>- Community engagement by agencies in their prioritisation process is ad hoc at best.</li> <li>- Cross agency prioritisation and cooperation is not well developed.</li> </ul>
Roles and responsibilities	<ul style="list-style-type: none"> <li>2. Process and structures are in place to support delivery of strategic priorities and to coordinate service delivery.</li> <li>3. Each organisation involved in NRM planning and implementation is clear about its role and responsibility, and how its input or activities will be used.</li> <li>4. There is sufficient flexibility in roles of NRM organisations to accommodate the varying scale and nature of NRM across WA.</li> </ul>	<ul style="list-style-type: none"> <li>- The current model contains complex arrangements for decision making and implementation. There is confusion due to a lack of clarity on the role of NRM organisations.</li> <li>- Existing Regional NRM Groups have evolved in response to regional conditions and circumstances.</li> <li>- Some organisations retain a 'control' culture at the expense of wider involvement and outcome delivery.</li> <li>- Reduced competition and enhanced collaboration between organisations is needed to improve State-wide delivery of the NRM program.</li> <li>- Regional NRM Groups have performed an independent broker role in project development.</li> </ul>
Capacity	<p>5. All NRM organisations retain the range of skills and experience needed for successfully achieving NRM priorities, appropriate to their responsibilities.</p>	<ul style="list-style-type: none"> <li>- Previous programs as well as the current transition to an new joint State-Commonwealth program has resulted in a boom and bust funding cycle leading to a potential loss of focus and capacity.</li> </ul>

Issue	Critical Success Factor	Assessment of Current NRM Model.
Communication	<p>6. Strategic priorities are communicated across the network of organisations involved in NRM.</p> <p>7. Knowledge brokering is in place to share learnings within and between organisations and regions, and to facilitate good decision making.</p>	<ul style="list-style-type: none"> <li>- Ongoing uncertainty means that some Regional NRM Groups have difficulty retaining skilled and experienced NRM practitioners.</li> <li>- Inadequate or poor communication is a perennial issue for all levels of government and community groups.</li> <li>- Good communication occurs at regional scale due to each regional NRM Group having a communications specialist either employed or contracted. They are responsible for managing knowledge generated by the programs they administer.</li> <li>- Data and information is stored within individual NRM organisations' systems and is not always available or compatible.</li> </ul>
Community engagement	<p>8. NRM organisations are perceived as credible by regional communities.</p> <p>9. Communities are appropriately engaged in identifying regional and local environmental values and priorities, as well as social and economic challenges for NRM.</p> <p>10. Community consultation is appropriate for engagement of the full range of community organisations (i.e. from local-scale individual Landcare group to State wide industry group), and importantly actively engages:                     <ul style="list-style-type: none"> <li>a. Indigenous communities,</li> <li>b. The range of relevant industry, and</li> <li>c. Education institutions</li> </ul> </p> <p>11. Community input is appropriately addressed in State priorities and feedback provided.</p>	<ul style="list-style-type: none"> <li>- The current model does represent commitment (and investment) by a range of NRM stakeholders in improving NRM decision making. There are variations in the effectiveness of community engagement processes across existing NRM organisations, although an acceptable standard is yet to be defined.</li> <li>- Input from some sectors of the community has been less than desirable. Indigenous communities are becoming more engaged in NRM at a regional and sub-regional scale.</li> <li>- Participation of education institutions has contributed research outcomes.</li> <li>- At a regional and lower scale school students have actively participated in NRM activities.</li> <li>- Feedback on input provided by the community is particular focus for improvement in any future model.</li> </ul>



Issue	Critical Success Factor	Assessment of Current NRM Model.
Partnership	12. Consultation with regional networks on an issues-basis (e.g. water, biosecurity, land use planning) is coordinated if not integrated through a single organisation.	<ul style="list-style-type: none"> <li>- There are many examples of the successful partnering of stakeholders to plan and implement activities e.g. Lake Warden Recovery Catchment and GeoCatch, however this does not always happen. These examples need to be built on in any future model.</li> <li>- Brokering partnerships between participants including government agencies and communities has resulted in good integration.</li> <li>- Opportunities to reduce the burden of consultation for community groups by consolidating processes need to be realised.</li> </ul>
Sound scientific basis	13. Scientific understanding of resource management is sufficient to enable objective comparison of risks to assets. 14. Adequate resource condition monitoring is in place to assess the effectiveness of management interventions in the longer term.	<ul style="list-style-type: none"> <li>- The scale of NRM issues across the State means that data of an adequate scale and currency can be expensive and logistically difficult to collect. However, more concerted effort is required to better define and prioritise NRM assets and resource condition across the State. Better use of remote sensing technology could assist this process.</li> </ul>
Governance	15. Methods to determine accountability for expenditure of government funds by NRM organisations approximate public sector standards. 16. Delivery organisations have the capacity to monitor and report on project performance and to implement timely remedial action when necessary. 17. There is self-evaluation of the performance of NRM organisations supported by independent audit to facilitate continuous improvement. 18. Standards are in place to guide proportionate investment where service	<ul style="list-style-type: none"> <li>- Compliance and quality controls across regional NRM organisations are inconsistent. The risk of expenditure of public funds may not meet accountability requirements in some cases.</li> <li>- Best practice accountability processes are not currently in place for all NRM organisations.</li> <li>- Current monitoring and reporting requirements are overly onerous and focus on outputs.</li> <li>- Inadequate evaluation processes are in places, which do not encourage adaptive management.</li> <li>- Standards required for effective and efficient delivery in NRM are not well developed.</li> </ul>

Issue	Critical Success Factor	Assessment of Current NRM Model.
Efficiency	<p>delivery results in both public and private benefit.</p> <p>19. Duplication of effort particularly administration are minimised.</p> <p>20. Bureaucratic process and transaction costs ('red tape') are minimised.</p>	<ul style="list-style-type: none"> <li>- Complex administration mechanisms were developed to cope with a compacted program to account for risk management.</li> <li>- Program implementation was complex with unclear roles and responsibilities.</li> <li>- Adaptation will be required for new programs due to reduced annual funds and changing roles.</li> </ul>
Outcome oriented	<p>21. The emphasis of effort by NRM organisations is implementation of strategic priorities.</p> <p>22. Outcomes are measured.</p>	<ul style="list-style-type: none"> <li>- Under the current model there are some good examples of outcomes being achieved. However there is limited evidence of widespread achievement of program outcomes. This is a factor of both targeting of actions and monitoring of outcomes (c.f. outputs), as well as the long time lags associated with achieving outcomes from NRM interventions.</li> </ul>
Decision making	<p>23. Investment decisions are based on objective information and aligned to strategic priorities.</p> <p>24. Economic analyses better accommodate the intrinsic natural values of assets (i.e. non-market values) and the inherent variability of natural systems (e.g. seasonal events).</p>	<ul style="list-style-type: none"> <li>- Regional NRM Groups have developed government approved strategies that identify priority assets and targets.</li> <li>- A more structured and transparent approach is needed to prioritise and integrate investment decisions across <u>all</u> NRM organisations.</li> </ul>
Volunteerism	<p>25. NRM organisations maintain and acknowledge its high ratio of volunteer and in-kind support.</p>	<ul style="list-style-type: none"> <li>- Although more accurate data is needed the current model reportedly yields high levels of community engagement and co-funding of action. The important contribution made by volunteers especially in sharing their local knowledge and skills needs better recognition.</li> </ul>
Resourcing	<p>26. Adequate and secure (i.e. long term) State resources are available to address priority issues.</p> <p>27. NRM organisations access opportunistic</p>	<ul style="list-style-type: none"> <li>- There is a significant annual investment by the State in NRM however the impact of the current 'efficiency dividend' requirements is unknown.</li> <li>- NRM organisations and other bodies will continue to have opportunity to</li> </ul>

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Issue	Critical Success Factor	Assessment of Current NRM Model.
	investment from a range of Commonwealth Government and private sector funding sources.	<p>access funds from other sources including the Commonwealth.</p> <ul style="list-style-type: none"> <li>- An increased level of certainty about future funding arrangements and support for NRM from the State is required.</li> </ul>

### 5.3 Other models

A range of alternative models were considered to determine whether the model or elements of it could be applied to improve the State NRM program. These models were selected from within and external to the NRM arena and from government and non-government implementation models.

While the list of models reviewed was not exhaustive, it was sufficient to provide examples of alternatives which could be adapted for use in the State NRM program. Appendix E provides a brief description of the models reviewed which are summarised below.

#### 5.3.1 Other State Regional NRM Models

These models do not look at the whole of State NRM Program but how other jurisdictions undertake regional delivery of NRM activities.

- Regional NRM models to deliver on joint Commonwealth and State/Territory Government programs vary considerably in structure and composition. Generally speaking they are a mix between statutory authorities and incorporated entities.
- Queensland uses a similar model to that of Western Australia, with 14 regional organisations.
- Statutory authorities existed in New South Wales and Victoria in some form prior to the delivery of the NHT2 and NAP Programs. More recently these have been used to deliver NHT2 and NAP Programs, and are also funded to deliver statutory obligations such as vegetation and floodplain management, and biosecurity compliance. Both jurisdictions have NRM legislation to underpin the program and to establish the statutory authority. The authorities have board members who are appointed by the relevant Ministers on a skills basis. South Australia recently established a statutory approach.
- Tasmania has a combination of statutory and incorporated associations.

Generally speaking these models satisfy the majority of the identified critical success factors for effective and efficient delivery of NRM with the exception of community consultation. As the regional body membership in several of the models consists of Ministerial appointees, there is often criticism that they do not have a sound understanding of local or regional issues or communities' priorities. As a result, the ability to truly engage the community (and the flow-on benefits derived) is not easily achieved. From WA's perspective, this statutory model creates two potential difficulties:

- There are several pieces of legislation that give statutory effect to the State's NRM program (refer to Appendix F). Regional NRM Groups would need to be being formed under one of these Acts, which may impose a restriction or narrowing of the NRM role. A single, integrating piece of legislation is complex and unlikely to be enacted within in this government's term. T
- If the State pursued a statutory model such as the one used in NSW it potentially would leave the State with a legislative and financial legacy that may no longer be useful for any changed funding opportunities.

In 2004 the South Australian Government introduced new legislation to integrate its NRM activities under one piece of legislation, resulting in the establishment of eight Regional NRM Boards.

The key functions of each regional NRM board are to:

- Undertake an active role with respect to the management of natural resources within its region;
- Prepare a regional NRM plan in accordance with the NRM Act;
- Implement the NRM plan;
- Keep their NRM plan under review to ensure that the objects of the NRM Act are being achieved; and
- Promote public awareness and understanding of the importance of integrated and sustainable NRM within its region, to undertake or support educational initiatives with respect to natural resources management, and to provide mechanisms to increase the capacity of people to implement programs or to take other steps to improve the management of natural resources.

### 5.3.2 Other Models in Western Australia

There were several models that are used for delivery of services that were considered here including:

- The *Soil and Land Conservation Act 1945* to give statutory powers to the Land Conservation District Committees (LCDCs) established under the Act.
- Waterways Management Authorities such as GeoCatch which is a community based organisation that manages waterways in Geopraphe Bay.
- Royalties for Regions Model that delivers through Regional Development Commissions, Local Government and Landcorp.
- Regional Road Funding Program delivered through Local Government.

Given their respective foci and capacities it was considered that none of these models could be used in their current form to deliver the State NRM program.

All of the government models had governance and accountability measures in place, elements which could be applied to future NRM program implementation.

Community engagement processes used in these models were relatively narrow in their focus and not generally applicable to the broad ranging field of NRM which needs to engage across a broad range of organisations and individuals. Without effective community engagement in NRM the flow on benefits of community ownership and subsequent leveraging of knowledge, skills and resources would not be delivered.

Another issue which came to the fore was the most appropriate scale for delivery of NRM. LCDCs for example generally operate along Local Government boundaries, whilst water management authorities operate at the catchment scale. These scales may not always prove the most appropriate for NRM issues since they usually need to be prioritised in the context of cross-catchment or regional scales.

Local Government is considered to be 'closest' to the community and offers advantages in terms of understanding local issues and direct accountability to their constituents. There are also deep seated institutional concerns relating to resourcing and responsibility shifting (primarily from the other two spheres of government) which would need to be addressed for local government to offer

benefits in the delivery of NRM outcomes. There are several advantages in the Local Government model, however building capacity to understand and address NRM delivery would take time and significant investment. There are some examples of local government/s successfully tackling NRM issues for example, the North East Wheatbelt Regional Organisation of Councils (NEWROC) delivers integrated NRM for seven LGAs.

The St John Ambulance offers an example of a non-government structure which is not solely reliant on government funding and has a large volunteer base. It is considered to have good governance and accountability measures and strategic planning processes that identify and implement community priorities in their area of interest.

## 6 Findings and recommendations

After considering the information before the Panel the following findings and recommendations are provided.

### 6.1.1 Continuation of the State NRM program

The State Government is primarily responsible for biodiversity conservation and sustainable development. It also assists the Commonwealth Government in implementing its international obligations.

Western Australia's natural assets are abundant, diverse and unique. They provide the basis for economic prosperity, healthy ecosystems and community wellbeing. The WA community continues to express its desire to protect its natural resources for the benefit of current and future generations. The reported decline in the condition of our resource base indicates that more needs to be done to better balance NRM with development.

**Recommendation 1.** That a State NRM Program be continued in order to protect Western Australia's unique and highly valuable natural assets for current and future generations.

### 6.1.2 Policy and planning to underpin State NRM Program

The Panel noted that while there are regional NRM strategies, a State Sustainability Strategy and a State Salinity Strategy, a State NRM Plan is not yet in place. A State NRM Plan will assist in planning, delivery and assessment of outcomes at the State level. While the recent finalisation of the Plan is commendable, further work is needed to focus on outcomes (priorities) and a strategy for implementation.

**Recommendation 2.** That the State NRM Plan is implemented as a matter of urgency.

The Panel considered that the State's investment in NRM needs to be tightly focussed on the State NRM priorities. To achieve this, an investment framework is needed to provide information on identified priorities, economic benefits and cost and assessment of trade-offs.

**Recommendation 3.** That investment through the State NRM program is transparent and focussed on State priorities.

Closely tied to improved focus of investment is the need for a monitoring, evaluation and reporting framework. This framework should provide information on the effectiveness (outcomes achieved) and the efficiency (benefit-cost ratio) of the State NRM Program, and form the basis for adaptive management.

**Recommendation 4.** That a monitoring, evaluation and reporting framework for the State NRM Program is implemented to assess the effectiveness and efficiency of the State NRM Program.

### 6.1.3 Community Engagement

The Panel considers that the principal way to increase the effectiveness and efficiency of the State NRM program is through engaging the community in all aspects of identification of priorities, development of projects and implementation. This would include for example, identification of community values; prioritisation of assets through considering trade-offs and; co-investment. Note that the term **community engagement** is used here to refer to the full spectrum of community including government agencies, regional groups, sub-groups, local government, industry, NGOs, landowners and individuals.

There are a number of mutual benefits from the use of a model built on community engagement at a regional scale. These include:

- Integration of international, national and State policies into regional planning.
- Community input and participation in regional planning to balance public intervention with private enterprise and initiative.
- Integration of technical and local knowledge during planning and implementation, meaning solutions are tailored to regional condition and circumstances.
- Leveraging investment from a wide range of sources including knowledge, skills, resources and cash.
- Coordination of NRM services which has the advantage of economy of scale as well as a 'one stop' shop for the community.
- Enables effective tackling of cross-jurisdictional and cross-boundary NRM issues.
- Facilitation of partnerships between all sectors of the community leading to ownership of challenges and solutions.
- Building of community capacity for continued involvement in NRM planning, service delivery and reporting.
- Addressing contentious issues (e.g. deep drainage; strategic and prioritised investment), and
- Facilitation of communication and networking to provide an improved understanding for all partners.

The Panel considers that community engagement provides significant benefits to the State and will add value to the State NRM Program in particular.

The review considered a series of alternative models for community engagement and achieving the described benefits. While each model had its strengths, none were considered suitable for use by the State NRM Program. This was due to a narrow and specific focus, localised scale and/or the fact that the organisation is likely to be perceived as unacceptable by one or more organisations currently involved in NRM.

The review has reinforced the many benefits to NRM of community engagement at the regional level in WA. The six Regional NRM Groups with State and Commonwealth funding have driven a process to develop strategic plans for every region. This is supported by the fact that every State government in Australia has committed to a regional NRM model.

The Panel acknowledged the considerable time, effort and resources invested in the groups to enable them to contribute to the State's NRM Program and the high transaction cost of establishing a new arrangement. Whilst noting that there are



some weaknesses in the current community engagement process conducted by the Regional NRM Groups, the Panel concluded that the six Regional NRM Groups (subject to addressing any serious weaknesses) are at present, the most suitable organisations with the appropriate capacity to provide community engagement services for the State NRM Program.

**Recommendation 5.** That community engagement is an integral part of the State NRM program with particular emphasis at regional scale.

#### 6.1.4 Roles and Responsibilities

The review identified that it is critical that there is absolute clarity in the roles and responsibilities of all NRM organisations to achieve effective and efficient outcomes in the State NRM program. It also recognised that there are different pieces of legislation that must be addressed however emphasises the need for transparency to avoid confusion and potential duplication of effort and services.

**Recommendation 6.** That roles and responsibilities for implementing (planning; service delivery; monitoring, evaluation and reporting and; adaptive management) the State NRM Program are clearly articulated.

For NRM organisations delivering community engagement services this includes as a minimum:

- NRM planning including:
  - Development and facilitation of processes to identify community priorities (at appropriate scales).
  - Integration at regional scale of priorities through considering trade-offs in a transparent way.
  - Provision of these priorities into regional and State prioritisation processes.
  - Community consultation on policy development and program delivery, and
- NRM service delivery:
  - Partnership development.
  - Identification of the most appropriate scale and delivery organisation.
  - Development and implementation of processes that facilitates community ownership and leverages investment (skills, resources and knowledge).
  - Development and delivery of capacity building programs to add value to the State NRM Program.
  - Identification of research and technology gaps from a community perspective.
- NRM monitoring, evaluation and reporting
  - Assessment at the regional level of outcomes delivered through the entire State NRM program, regardless of delivery mode.
  - Development and implementation of a regional knowledge collection, storage and dissemination frameworks.
  - Identification of behavioural change achieved and future needs for input into a State outcomes framework, and

- Provision of a feedback loop to the community to facilitate adaptive management.

**Recommendation 7.** That roles and responsibilities for community engagement processes (planning; service delivery; monitoring, evaluation and reporting and; adaptive management) are clearly articulated.

The review highlighted that the success of on-ground activity depends on several factors, but importantly the appropriate skills (including technical) and service delivery at the right scale. The mode of service delivery can range from a fully integrated arrangement (e.g. various government agencies, industry bodies and community organisations in partnership) to an individual organisation (e.g. 'Friends of' group).

**Recommendation 8.** That project planning ensures that service delivery occurs at the most appropriate level - individual, organisation or partnership.

#### 6.1.5 Capacity and skills required for Community Engagement

The Panel recognises that successful community engagement requires ongoing maintenance of community capacity. The Panel reviewed a number of examples that have previously been used including the Envirofund Program, community facilitator networks, and devolved grants - which have been implemented with varying degrees of success.

**Recommendation 9.** That the State provides support for community engagement.

The six Regional NRM Groups have previously received considerable resources (approximately \$400,000 per year) to establish a core business structure, allowing them to participate in the delivery of NHT and NAP. Under the Caring for Our Country program each group has been allocated \$2.3 - \$5.5 million per year (a total \$24.1 million) by the Commonwealth Government to deliver national priorities in their regions (starting 1 July 2009). Up to 10 per cent of this allocation can be used for core administration costs.

For the purpose of this review, core administration is defined as the essentials required by an organisation to have the capacity to provide a service as contracted and account for management of the risk associated with investment of public funds. It is agreed this covers a General Manager, administration support and Board running costs.

The State has recently allocated \$250,000 to each regional group for the 2008/09 financial year for core administration costs.

The State Government will need to consider arrangements to contribute to core administration costs to maintain the capacity of organisations selected to undertake the implementation of the State NRM program.

**Recommendation 10.** That the State government provides a contribution towards the core administration costs of the organisations selected to undertake the community engagement component of the NRM program.

There are a number of skills essential for effective NRM community engagement and attaining credibility, including:

- Stakeholder communication.
- Co-ordination and extension of information.
- Facilitation and negotiation for decision-making e.g. trade-offs between assets.
- Brokering skills to develop business partnership for delivery at the best scale and by the most appropriate organisation.
- Co-ordinating local knowledge and networks.
- Analysis and interpretation of policy and its impacts on the region.
- Marketing and communication.
- Systems for monitoring, evaluation and reporting.
- Risk management for quality assurance and probity audit, and
- Strategic planning.

These skills should be an essential requirement prior to any discussion being held with potential providers of the community engagement service.

**Recommendation 11.** That prior to the selection of any organisation to provide community engagement as part of the State NRM Program, evidence is provided of the essential skills required.

A business contract approach is recommended for the provision of community engagement services. A contract would specify agreed roles, expectations, responsibilities, services being provided, resources and timelines. Contracts could be initiated for a four year period with an annual review and the possibility of extension where appropriate.

**Recommendation 12.** That the provision of community engagement services is managed through the use of business contracts with appropriate providers.

#### 6.1.6 State and joint community infrastructure

A strong process for implementation is required to underpin the program. Noting the value of some of the committee structures already in place (their contribution to a whole-of-government integrated NRM approach) such as the NRM Ministerial Committee and CONRACE, the Panel offers the following advice to improve on these arrangements.

The NRM Council is a representative body that provides high level policy advice to the lead NRM Minister on NRM issues in the State. The Panel considers that the State NRM Program will be better served by establishing a Peak Community Advisory Committee and an Independent Advisory Group to advise State Government on its NRM Program (refer to recommendations below).

**Recommendation 13. That the NRM Council be replaced with new advisory groups.**

In the past the State had a peak advisory body to advise the government on matters regarding salinity. The State Salinity Council kept the government of the day and community fully informed of the policy, performance and effects of programs specifically designed for salinity management.

The Panel considers there is a role for a peak community advisory group for NRM. The role of this group would be to:

- Represent the collective view of regional NRM communities.
- Identify and report on NRM priorities within this NRM community of interest.
- Receive information on development and implementation of government NRM policy.
- Provide advice on the performance of government NRM policy and programs.

As a minimum this group would be comprised of chairs of those organisations that deliver community engagement on behalf of the government.

**Recommendation 14. That a peak body consisting of representatives of organisations providing community engagement services be established to provide advice to the State Government.**

#### Independent Advisory Group

The Panel concluded that an independent body should be established to provide technical advice to the State Government on relevant environmental, economic and social issues. The body could function in a similar way to the Wentworth Group of Concerned Scientists - an independent group of scientists concerned with improving the long term management and conservation of the Australian landscape. It uses its combined experience, scientific expertise and shared values to work with others.

**Recommendation 15. That an independent body be established to provide high level advice to the lead Minister for NRM on environmental, economic and social issues relevant to the State NRM program.**

#### 6.1.7 Other NRM partners

The State Government will continue to have access to opportunistic funding programs such as the current Caring for our Country Program. The Panel considers that the State should seek a partnership with the Commonwealth Government where national priorities match those of the State. The panel sees these programs as an opportunity to achieve outcomes for the State in NRM.

**Recommendation 16.** That the State Government seek a partnership with the Commonwealth Government on opportunistic funding programs to deliver NRM outcomes in WA where priorities align.

The Panel acknowledges that there have been varying degrees of success in engaging a range of partners in NRM. There is a need to improve this engagement. Of particular importance is:

- Local Government - who have particular skills in a range of environmental management services particularly land-use planning. Regional organisations of councils could represent the most effective way of integrating Local Governments' skills and knowledge. It must be noted that local government have contributed to the regional level of NRM by their participation in regional organisations.
- Engagement of indigenous communities has improved, but increased participation would be preferable. The recent establishment of a State indigenous NRM facilitator will assist in increasing participation.
- Primary industry participation in NRM is recognised as important but has been limited by the sector's capacity for involvement.
- Education of the next generation is a fundamental component for achieving State NRM outcomes.

**Recommendation 17.** That programs are initiated to ensure Local Government, indigenous communities, education institutions and industry are engaged and more actively participate in the State NRM program.

#### 6.1.8 Other Issues

There are currently six Regional NRM Groups servicing the State. They are based on water catchments in the five south west corner catchments, while the Rangelands encompass the remainder of the State. There were several related issues that were highlighted in submissions that the Panel considered. These include:

- The rangelands region was considered too large to effectively manage. Note that Rangelands NRM Inc reported that they it did not see any benefits from splitting the region at this stage.
- The South West Catchments Council federated model is under threat with two sub-regions in particular wanting greater autonomy (Blackwood and Peel-Harvey).
- No comment was received to support increasing the number of regions.
- Comment was received questioning the usefulness of water catchments as basis for boundaries.

The Panel saw no fundamental issues with the number and size of the current regions but recognises there may be some benefits from realignment. In light of the review timeframe and focus the Panel considers further investigation appropriate. Alignment of boundaries needs to consider a number of factors including bio-regions; landscape processes such as hydrology, State Government based boundaries, the role of the organisation and the communities of interest.

**Recommendation 18.** That an investigation is conducted to determine the most appropriate regional boundaries and the number of Regional NRM Groups.

Currently there are three NRM organisations working within the Swan-Avon River system - Perth Regional NRM Inc, Avon Catchment Council and the Swan River Trust. The Panel considered that it would be useful to review each organisation's role in relation to NRM to identify any duplication of services and to ensure the most efficient structure for community engagement and delivery of the outcomes described above.

**Recommendation 19. That the above investigation includes advice on an appropriate structure for community engagement and NRM program implementation in the Swan-Avon Catchments.**

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## 8 Acknowledgements

The Review Panel appointed by the Minister for Agriculture, Food and Forestry comprised of:

- Garry English (Chair), retired farmer and immediate past Chair of South Coast NRM Inc.
- David Hartley, Executive Director NRM, Department of Agriculture and Food; and
- Craig Warner, Acting Assistance Director, Strategic Policy and Evaluation, Department of Treasury and Finance.

Executive support was provided to the Panel by Barbara Morrell, DAFWA.

Other officers providing input to the review include Marion Burchell, Ross George, Linda Lee, Luke Morgan and Eric Wright.

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## Appendix A – Terms of Reference

The NRM Goal in the draft State NRM Plan is:

*To enhance individual and community wellbeing through natural resource management activities that: improve productivity; conserve, and where possible, recover diversity of natural resources; and provide equity of opportunity to access natural resources and involve affected stakeholders in natural resource decisions.*

The objectives of the Review are to provide advice to the State government on:

1. The need to continue a State NRM Program.
2. The advantages and disadvantages of the regional NRM model.
3. The impact of the Commonwealth Government's new national NRM program (Caring for Our Country) on the current regional model.
4. Alternative regional models for effectively and efficiently delivering priority NRM outcomes for the State.
5. The preferred model to deliver a State Regional NRM program including:
  - Skills to ensure effective discharge of roles and responsibilities;
  - An adequate level of funding to undertake roles;
  - Administrative and other support required to undertake key roles, and adequately manage risks and accountabilities; and
  - A framework for evaluating the effectiveness and efficiency of delivery.
  - Accountability to Government without creating an excessive or unnecessary compliance burden.
6. Under the preferred model:
  - The structures, functions and activities required to ensure coordination of government departments and agencies involved in NRM policy and delivery of services.
  - The structure, functions and activities required for the coordination and operation of regional NRM groups.

## Appendix B – State Government investment in NRM for 2007/08

Investment process	NRM Investment 2007/08 by State Government										TOTAL
	Flooding	Position & contamination	Salinity	Soil degradation <sup>1</sup>	Pests, Weeds & Diseases <sup>2</sup>	Habitat loss <sup>3</sup>	Fire <sup>4</sup>	Resource consumption	Recreation & Tourism	Development	
Sustainable use of land resources	0	410,000	7,629,000	1,091,401	28,972,793	0	6,495,992	0	2,423,040	\$17,022,226	
Sustainable use of ground & surface water resources	0	936,703	7,691,726	0	0	0	38,530,767	0	209,492	\$17,369,688	
Sustainable use of marine resources	0	0	0	0	0	500,000	47,240,000	0	0	\$17,740,000	
Terrestrial biodiversity / nature conservation	0	0	1,966,952	0	22,592,527	25,637,782	17,959,843	0	15,310,579	49,257,352	
Ecological management of the marine environment	0	0	0	0	220,000	2,000,000	0	0	0	\$2,220,000	
Ecological management of rivers, wetlands & estuaries	2,537,040	8,428,744	2,367,362	0	130,000	952,377	0	2,248,404	11,110,127	\$32,395,741	
Coastal management	0	139,331	0	0	0	0	0	0	0	\$139,331	
Waste management	0	0	0	0	0	0	0	0	0	0	
Institutional / policy & planning	0	28,576,914	0	0	14,017,523	13,845,785	5,725,249	0	4,703,953	0	
<b>TOTAL</b>	<b>2,537,040</b>	<b>38,491,692</b>	<b>19,654,650</b>	<b>1,091,401</b>	<b>65,922,813</b>	<b>42,345,944</b>	<b>30,081,084</b>	<b>88,019,171</b>	<b>24,626,222</b>	<b>56,999,991</b>	<b>\$370,370,038</b>

<sup>1</sup> includes air, land, water, marine from nutrients, chemicals, sedimentation etc

<sup>2</sup> includes dryland and irrigation

<sup>3</sup> includes acidity, erosion, waterlogging, soil health etc

<sup>4</sup> includes introduced and native pests, environmental and agricultural weeds and diseases (e.g. dieback)

<sup>5</sup> includes cleaning, grazing, fragmentation

<sup>6</sup> includes management of inappropriate fire regimes

<sup>7</sup> includes impact of resource consumption (eg water), recreation etc

### NRM Investment 2007/08 by Department

Department	TOTAL
Agriculture and Food	\$37,197,000
Environment and Conservation	\$205,863,248
Fisheries	\$51,420,000
Forest Products	\$7,402,186
Indigenous Affairs	\$2,423,040
Water	\$66,064,564
Land Administration	\$0
<b>TOTAL</b>	<b>\$370,370,038</b>

## Appendix C – Previous NRM Reviews

Note that all references are included in Section 7.

### Regionalisation and Regionalism:

#### Jennings & Moore, 2000

This paper explores the rhetoric behind current interest in regional delivery and suggests other means of achieving those objectives.

Participatory democracy achieved at a local community level through improving and considering local governance, decentralisation, participation, accountability, equity and empowerment. Participatory democracy gives communities a sense of ownership and outcomes through being involved in policy making.

A regional planning approach enables solutions to be tailored to regional conditions and circumstances thereby enhancing the probability of achieving sustainability. It is also argued that there are economies of scale in regionally providing NRM in terms of

#### Lane, McDonald and Morrison, 2004

This paper examines the Wentworth Group's solution to environmental problems through a decentralised technique. While decentralisation relates to water, the theory and practice of decentralisation relates to regional NRM. The paper identifies five key areas for consideration and debate around decentralised regionalism:

- Defining a “region”;
  - Power, conflict and community;
  - Developing mechanisms for accountability;
  - Subsidiarity; and
  - The tensions between democracy and technocracy.
- The paper uses examples from around the world to reveal the complexities and potential pitfalls of this approach.

#### Moore, 2005

This chapter provides an overview of NRM in Australia and set in the context of regionalization and regionalism. Moore uses Dahl's notion of “demos” as a means of moving around the issues of representation and participation. She questions whether it is important for NRM to be democratic and concludes that it is. She then states that regional groups do not fully represent their demos and provides some comment on how they could be better represented. Moore also provides thoughts on how regional delivery of NRM is a model of pluralistic participation in regional development governance.

### Volunteerism and community approaches:

#### Johnston, Green, Stephens, Syme and Nancarrow, 2006

The CSIRO conducted a three year research program aimed at exploring the desired role of democracy in regional NRM, development of common public administration model and the long term role and viability of volunteerism in NRM.

It provides alternative modes of governance, administration and NRM implementation to ensure long term effective landscape management.

Johnston et al (2000) believe there is a strong need to establish a long term vision of values and goals for NRM in order to address these challenges. Consideration needs to be given to the desired role of democracy in regional NRM, development

of common public administration model and the long term role and viability of volunteerism in NRM.

Moore, Jennings and Tracey, 2001

This journal article explores the elements of successful stakeholder involvement through three NRM sectors in Australia. The researchers used three advisory bodies as case studies in the protected area, agricultural area and mining sector. The research included that perceptions of fairness, identifying a planning process as the “place to be”, and realise mutual benefits were key elements to building effective partnerships.

Vanclay, 2004

This presents 27 principles for successful adoption of agricultural extension including awareness that farming is a social act, recognition of social diversity of farmers and social drivers. These form the basis of adoption of agricultural research and techniques.

Vanclay’s key point is that agriculture is a social and cultural act and that management practices need to be conceived on a social as well as physical, technical and structural basis. This would assist with the promotion and adoption of sustainable agricultural practices.

**Subsidiarity:**

Marshall, 2008

The purpose of this paper was to:

- Establish successful community based arrangements under the NRM regional delivery model;
- Identify a set of guidelines that leaders and decision makers might apply in designing nested systems of community based NRM.

Marshall suggests a nest approach would help manage the problems from establishing voluntary cooperation from a large and diverse population. However, it would be important for government to resource and facilitate the process and define parameters for the process to ensure it integrates with government programs.

Marshall used both a quantitative (multiple regression analysis) and qualitative (interviews and workshops) methodologies to determine how nested community based NRM applies to the regional delivery model. Three regions were used as case studies - South West Catchments Council, Fitzroy Basin Region in Queensland and the Mallee Region in Victoria.

Marshall cites a number of challenges with a regional delivery model including: Up-scaling of the community based approach;

Pressures on regional bodies to assume responsibilities that may result in a perception by their constituents as being extensions of government;

Governmental expectations that regional bodies will invest funds strategically rather than spread funding across their constituency;

There is a constant risk that community ownership of regional decisions may be weakened by perceptions of inequity, favouritism or “playing politics”.

Marshall suggests a nest approach would help manage the problems from establishing voluntary cooperation from a large and diverse population. However, it would be important for government to resource and facilitate the process and

define parameters for the process to ensure it integrates with government programs.

International research has identified “nested” approaches to community based NRM as a potential way of responding to the above challenges. This approach involves structuring programs concerned with larger scale NRM problems as “nested multi-level systems of community based governance”.

Key findings included:

- Qualitative Research:
  - Four themes were identified concerning how the regional delivery model might be made more community based:
  - Don't do what a lower level group can do for itself;
  - Appraise lower level capacities, and recruit with respect;
  - Invest in strengthening lower level capacities; and
  - Establish and maintain vertical trust.
  
- Quantitative Research:
  - Farmers' vertical trust in the regional delivery model was associated with their adoption plans for conservation practise;
  - The farmers' trust in their sub regional body was most likely associated with their adoption of plans;
  - Farmer's trust in their regional body was the second most likely reason for adopting plans;
  - Trust in the sub regional body is the variable as to whether adoption of plans occurred or not
  - Farmers' vertical trust in the regional delivery model was more likely associated with green plans (biodiversity conservation) rather than brown plans (sustainable agricultural production) due to the impact of government clearing regulations which has resulted in farmers mistrusting anything perceived to be aligned with a green agenda. Regional bodies and sub regions were in a position to reverse this distrust as long as they were not perceived as extensions of government or “under their thumb”.
  
- Research Findings:
  - Community based approaches are capable of succeeding under the regional delivery model in motivating greater voluntary cooperation from farmers;
  - Highlights the importance of farmers coming to adopt reciprocity strategies in respect of their key relationships (subregional body, regional body) under the regional delivery model;
  - Farmers need to come to trust that governance structures are prepared to reciprocate their cooperation (value their input) will they overcome free riding and opposition to adoption of reciprocity strategies;
  - Sub regional groups have the advantage in eliciting farmer behaviour as they are better positioned to engage then effectively;
  - Nested, multi-level approach to community based NRM within regions, at least where capacities below the regional group is sufficient, justify devolution of responsibilities to subregion groups or other levels.
  - Identified eight guidelines for community based NRM(attached). These guidelines provide a system wide process of “institutional



diagnosis” that seek to identify and remedy the key issues limiting effectiveness in motivating trust and reciprocity needed for cooperative voluntary adoption of conservation practices under a regional delivery model.

#### **Governance and Decision Making:**

##### Lockwood, Davidson, Curtis, Stratford, and Griffith 2007

Lockwood et al present a suite of governance principles for natural resource governance that, while developed in an Australian multi-level context, has general applicability and significance at local, sub-national and national scales. The principles can be used to direct the design of governance institutions that are legitimate, transparent, accountable, inclusive and fair and that also exhibit functional and structural integration, capability and adaptability. Together, they can also serve as a platform for developing governance monitoring and evaluation instruments.

##### Brown and Bellamy, 2006

NRM poses significant governance challenges however it is increasingly evident that a regional and systemic focus in NRM is a critical mechanism for addressing the sustainability of our interconnected natural and social systems. This chapter provides essential elements of good governance recognised both internationally and nationally for an adaptive regional NRM system. Although the ‘jury is still out’ on the outcomes of the new regional NRM delivery experiments, the multi-layered and polycentric nature of Australia’s federal system for NRM is revealing some opportunities for a more adaptive, participative and deliberative regional style of governance. It also identifies a number of key lessons emerging from the current regional NRM practice that are critical elements necessary for enhancing adaptive capacity of NRM governance within Australia’s federal system.

##### Robins, 2007

This discussion paper provides guidance on effective strategies for NRM boards to deliver national programs such as NHT, NAP, NWI. It examines capacity building strategies used in other sectors (eg health) and risk and emergency management for ideas that could be applied to NRM. The paper presents 22 capacity building options that have the capacity to enhance human, social, institutional and/or economic capital.

##### University of Southern Queensland, 2004

This document provides a performance excellence guide for regional NRM bodies to help design and implement components of an integrated management system to meet their strategic objectives and assess overall performance and capability.

##### Seymour, Pannell, Roberts, Marsh, and Wilkinson, 2008

This study identifies areas where the use of information in decision making could be improved through qualitative analysis through phone interviews. The information type was largely biophysical with poor consideration of economic and social information. The papers conclude that regional bodies need to become more systematic users of information with stronger processes to integrate knowledge from a range of disciplines and stakeholders.

##### Pannell, Ridley, Seymour, Regan and Gale, 2007

This paper provides a comparison of regional NRM arrangements in Australian jurisdictions.

#### Bessen, 2004

The report aims to identify how the state and regional NRM groups can work together to deliver NRM outcomes under the NHT and NAP bilateral agreements. The recommendations within the report were developed through a series of meetings with regional NRM chairs and Executive Officers. The report provides a consultative snapshot and not a thorough review of NRM in WA.

#### Senate Committee Report, 2006

The Environment, Communications, Information Technology and Arts References Committee was requested to assess and report on the long term success of federal funded programs aimed at reducing the extent and economic impact of salinity.

The terms of reference included:

- Whether goals of the NAP, NHT and NLP to address salinity had been attained;
- The role regional NRM groups were required to play in managing salinity affected areas and the legislative and financial support to assist them in achieving such goals;
- And identify actions taken as a result of recommendations made by the House of Representatives' Science and Innovation Committee's inquiry "Science overcoming salinity: coordinating and extending the science to address the nation's salinity problem", and how those recommendations could be used to assist NRM stakeholders to address and reduce salinity.

The Report was developed using information from:

- Comments received as a result of advertising in The Australian;
- Directly writing to organisations and stakeholders;
- Comments from jurisdictions;
- Public hearings in a range of locations across Australia; and
- Site inspections.

In terms of achieving outcomes, the Committee found that it received little evidence to make an assessment on whether the goals of these national programs have been attained. It agreed that it was too early in the process to comment given the outcomes are long term and that complex interactions between biophysical and socioeconomic factors meant that existing problems became evident over many years. The Committee identified a number of issues which detracted or may detract from the effective contribution the national programs would make to salinity management.

The Committee concluded that the NRM programs were a positive step in the right direction, and that it was important to build on the advances made.

The Committee reviewed the regional delivery model and concluded that while there was strong support for this model, there were significant concerns expressed about the uneven capacity of regional bodies to effectively plan and achieve salinity management outcomes. The impediments identified were:

- Inadequate standards of corporate governance;
- An inadequate accreditation process;
- Limited ability to apply research at a catchment level; and
- Insufficient access to local current data.

The Committee also identified the need to adequately engage all relevant stakeholders in regional planning and implementation processes as an area requiring improvement.

The report also looked at how effective regional groups were at communicating information, in particular, sound salinity science. The Committee found that:

- Research needed to be conducted at different scales and effectively communicated and/or translated across those scales.
- Current funding arrangements limited research at a national and state level.
- There was a need to better target and communicate salinity science and research to land managers and regional bodies on ground.
- There was a need to better support and fund extension services.
- There was a need for greater investment in research and development on profitable solutions for salinity management and a demand for updating salinity mapping.

The Committee investigate the extent and importance of urban salinity and found that it is an emerging issue that all levels of government are generally ill prepared. (WA was mentioned as an exception).

The triple bottom line of salinity management was also explored by the Committee. Tensions exist between:

- Balancing public and private interests and investment in salinity management;
- Preventing salinity versus reversing salinity or adapting to salinity; and
- Balancing voluntary, persuasive and prescriptive regulatory/policy measures.

The Committee acknowledged the enormous difficulty of balancing competing interests and achieving economic, environmental and social outcomes as well as balancing the public and private interests. It also highlighted the importance of bringing all stakeholders together. It concluded that:

- There was no one right way to approach salinity. In some instances there would be no cure to salinity and in other cases, adapting would be the most viable option;
- There is no one solution or response to salinity, with the most appropriate response determined by a range of factors;
- Balancing competing interested and accepting trade-offs will be an ongoing element of salinity management;
- Salinity management needs to include triple bottom line outcomes;
- A more rigorous and systematic approach to salinity investment is required, including a comprehensive risk management approach considering bio-physical, social and economic factors. Regulatory and policy instruments may be required for specific situations. This would assist in managing triple bottom line tensions; and
- Greater industry involvement in salinity as well as attracting large scale private investment was also discussed.

#### Read, 2007

This report is one evaluation of five developed by the Joint State Commonwealth Steering Committee to be undertaken by the State Evaluation Committee. It evaluated the capability of government agencies and community in the delivery of the NAP and NHT2 programs in Western Australia against six specific evaluation objectives.

- Regional investment planning and evaluation
- Regional implementation
- Government agency support
- Whole of government capability
- Success factors
- Identifying deficiencies

The evaluation was undertaken according to an Evaluation Framework. The evaluation was undertaken by questionnaire and semi-structured interview processes with people actively involved in natural resource management in WA, including some specifically involved in three regional case studies. This evaluation is based largely on subjective assessment derived from informed opinion expressed by those involved.

The evaluation concluded:

- Recognised the complexity of adopting a strategic regional NRM delivery approach to achieve outcomes;
- A need to appreciate the achievements that have occurred in a relatively short period of time;
- While there are current deficiencies in the model, the skills and capabilities to overcome these are available through government and community organisations;
- There is continuous improvement of capability within the organizations involved although there are identified limits to the extent to which this can occur within the NRM regions;
- The deficiencies that occur relate primarily to engagement, project planning and management, administration and outcomes-based reporting;
- A need to improve engagement through partnership arrangements and by government leadership to clarify roles and responsibilities in regional NRM planning and implementation.
- The need to be able to demonstrate that the investment being made will deliver targeted NRM outcomes;
- Funding for monitoring and the ability to demonstrate resource condition change as a result of the NAP and NHT2 investment is currently inadequate;
- The need for planning and management of regional and cross-regional scale projects and adequate assessment of technical or economic feasibility, or assessment of public benefit and social impacts.

#### Keogh, Chant and Frazer, 2006

The Keogh Review was a national review undertaken to inform early consideration of a future NRM program. The Review provided independent advice to the Natural Heritage Ministerial Board on:

- Strengths and weaknesses of the regional delivery arrangements under the current NRM programmes;
- Improve the effective delivery of NRM programmes, including suggestions to streamline the process; and
- Enhance regional community engagement in NRM.

The Reference Group consulted a range of NRM stakeholders including regional NRM groups, state and territory governments, sub-catchment groups, industry groups, community groups, local government, Indigenous community members, landcare groups and other stakeholders.

Key points of relevance to this review include:

- Significant human capital, time and financial resources have been invested in building capacity and networks between communities, industry and government under the regional delivery model;
- Some key sectors such as the primary sector and local government could be better engaged;
- Gaps in engagement could be identified and targeted to increase the representativeness of regional groups and effectively engage these sectors or members of the community;
- Investigate the potential of the regional model to align government programmes to achieve multiple outcomes for Indigenous Australians;
- Quality assurance measure be introduced for monitoring and improving governance arrangements and operational performance of regional NRM groups;
- Better linkages developed between regional planning and statutory local government planning frameworks;
- Better promotion and communication of the benefits to urban communities from sustainable agricultural production; and
- The importance of baseline data in measuring programme success.

#### Australian National Audit Office, 2008

The objective of this audit was to assess and report on the administration of the regional delivery programs. The review was based on the views of a wide range of stakeholders and lessons learned from program evaluations conducted by the Joint Team. Key points made were:

- Attention needs to be given to addressing transparency and accountability of funds managed, particularly in terms of meeting audit requirements and offsetting unspent funds;
- The quality and measurability of targets in regional plans needs attention;
- There is a need to report meaningful outputs that contribute to agreed outcomes (acknowledgement of long lead times, long term outcomes);
- Performance measurement is an ongoing issue.
- The Australian National Audit Office made four recommendations based on the above designed to improve the delivery of the regional model through better management of risks, greater transparency and efficiency in the management of funds, closer compliance with bilateral agreements and more accurate reporting to Parliament. These recommendations related to and were agreed to by the DAFF and DEWH.

#### Hicks, 2006

Hicks conducted a review of the current NRM regional delivery arrangements in WA. The review was conducted by interviewing a number of key NRM stakeholders across government agencies, local government, regional NRM groups, experts, practitioners and private citizens. The review aimed to provide advice to the State Government on:

- Overarching governance framework and structures for regional NRM delivery in WA including:
  - Representation of all stakeholders and the community;
  - Incorporate democratic principles in selecting representatives and consultation processes;
  - Operate under best practice governance and accountability standards;

- Capacity to identify regional prioritise, implement policy and manage programs to achieve NRM outcomes in an efficient and effective manner;
- Appropriate structure for the provision of high level NRM policy and strategic advice form community to government;
- a pathway and timeframe for the development of an overarching governance framework and structures.

There is little in the report that would inform this review, as many of the recommendations within the Review have been considered in the State Government's response and have been implemented.

#### URS, 2008

This report commissioned by the Department of Agriculture and Food focuses on areas for improvement and recommendations around a future NRM program. The evaluation focused on the process of developing the investment plans and the review/assessment of those plans. The report provides a number of recommendations within the boundaries of the current model.

#### **NRM Review Governance**

The regional delivery model, rather than emphasising a singular state-centric, 'expert based' top-down model of NRM decision making, emphasises NRM governance arrangements and decisions are achieved through the process of inclusion and engagement of stakeholders, interest groups and communities. This change now requires, for example, a broader understanding of the social context of NRM including issues related to governance and organisational development; the role and contribution of stakeholders and interest groups in decision making; the social relationships, networks and power relationships that exist in relation to NRM; and the importance of understanding the contribution local knowledge can make to NRM decision making<sup>1</sup>.

From a policy perspective there has been an increased interest in assessing the effectiveness and quality of regional NRM governance arrangements. The 'Pathways to Good Practice in Regional NRM Governance' program with funding from Land and Water Australia; research on the capacity of NRM Boards funded by the Rural Industries Research and Development Corporation<sup>2</sup>; research undertaken by the CSIRO; and recent research funded by the NLWRA to assess the social and institutional foundations of NRM (Fenton and Rickert 2008) are all examples of this interest. There is thus a recent body of knowledge and expertise in governance and a relatively common understanding about governance from both a policy and social/ institutional perspective that can be used to help shape good governance practices in NRM.

In Western Australia a three-year research program has also been undertaken to examine issues in regional NRM volunteerism; including future options for volunteerism and NRM, and the development of alternative futures for improved

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<sup>1</sup> Colliver, R. (2007). Social sciences and NRM: scope and contribution of social sciences in NRM - Organisational and Institutional. Paper presented at Social and Economic Information in NRM, Western Australian Forum, 3-4 April 2007, Fremantle. DAFWA, Perth.

<sup>2</sup> Robins, L. (2007). Enabling regional NRM Boards: A discussion paper on capacity building options. Centre for Resource and Environmental Studies. The Australian National University, Canberra.

resilience and efficiency in volunteerism<sup>3</sup>. The conclusions and recommendations of this study are considered in some detail later in this report.

#### **An analysis of factors that contribute to the success, partial success or failure of the regional approach<sup>4</sup>**

NRM is a long term process (potentially over 200 years) so relatively speaking the regional NRM model is in its infancy. The process is undergoing continuous evaluation and reform to ensure accountability of investment and to improve its implementation.

Community-based approaches to environmental management have become widely adopted over the last two decades. From their origins as an approach to solve local environmental problems (for example Landcare groups), they are now supported by governments as a way of dealing with such problems at much higher spatial levels. However this up-scaling, in this case from local to regional scale, to deal with environmental problems that need to be defined and managed at a broader scale (landscape, catchment or region-wide), has according to Marshall has run well ahead of knowledge about how they might work.

The regional model for NRM implementation and the assignment of tasks across governance levels has revolved largely around the 'principle of subsidiarity'. Although various definitions of this principle exist, they generally share in common the implication that any particular task should be decentralized to the lowest level of governance with the capacity to conduct it satisfactorily. This principle has been applied widely to a wide range of problems that centralised governments have struggled to deal with and implies that a higher level of organization should refrain from undertaking tasks that could be performed just as well by a grouping closer to the individual.

The relevance of this principle to community-based governance of larger-scale environmental problems has not gone unnoticed by those dealing with common property problems. For instance, Marshall (*op cit.*) quotes a proposal from the literature that the advantages of small groups in achieving voluntary cooperation be extended to large-scale common property problems by means of 'nested groups ... with subsidiarity', that is, co-management applied across two or more levels. This appears to be the approach for the regional NRM model with multi-level governance arrangements at national, state, regional and sub-regional (in some cases) levels. There are also pre-existing arrangements for local community based groups whose connection and level of trust with the regional groups has been mixed. Many claimed to have been disadvantaged or overlooked under the regional model. Accusations that Regional NRM Groups are.. "just another level of bureaucracy" was an indicator of this.

While a more detailed assessment of this nested approach can be found in Marshall's paper some of the issues and barriers referred to include:

- How to assign governance tasks across the different levels and managing cross-level (vertical) interactions to ensure they are complementary and not

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<sup>3</sup> Johnston C, et al (2006). Volunteerism, democracy, administration and the evolution of future landscapes: Looking ahead: CSIRO Land and Water Client Report, May 2006.

<sup>4</sup> Marshall, GR (2008) Nesting, subsidiarity and community-based environmental governance beyond the local level. *Intl. J of the Commons* 2(1):75-97.

conflicting. Difficulties in trust arise when actions by one grouping spill over to impact at a higher level. For example concerns about 'cost-shifting' between national and state levels are common. Also decentralised (regional) decision-making has led to concerns over investment performance where accountability for the expenditure resides at a higher governance level. This has been the subject of a number of reports the most recent being a critical audit by the Australian National Audit Office<sup>5</sup>. This has in part resulted in the new Commonwealth government changing NRM program implementation arrangements, principally introducing greater centralisation of decisions about national priorities and outcomes required. In effect diminishing subsidiarity and strengthening the purchaser-provider or principle-agent approach.

- Decentralization of all tasks to local levels is too simplistic. For instance, governments can have advantages over local community-based groups in tasks like: establishing a legal framework which allows local groups to gain legally-enforceable acknowledgement of their identity and rights; and supplying formal conflict-resolution mechanisms when groups resolving their own conflicts would be too divisive.
- Commonly governments and policy makers underestimate the capacities of subunits at any level to self-organise governance arrangements for which they are currently too small.
- Decentralization initiatives will generally require the security of law, to ensure they effectively decentralise rights rather than being concerned more with delegating privileges.
- Higher-level organizations generally, and central governments in particular, tend to overestimate the pace at which lower-level subunits early in their life cycle can build their capacities to perform demanding tasks. The S-shaped curve needs to be kept in mind. This perspective allows decentralization to proceed gradually, allowing lower-level capacities to accumulate incrementally until capacity reaches the critical mass at which the pace of decentralization can be accelerated.
- Those steeped in the thinking and decision-making practices associated with each level typically regard their way of doing things as preferable to others, and push more or less aggressively for changes that would move the whole, multi-level system toward their own mode of operation.

### **Up-scaling community based NRM in Australia**

Marshall also reviewed the rapid evolution over the last two decades of what he calls the ... "(Australian) government sponsored experiment in community based conservation". "The experiment has centred on the delivery of federal and state/territory government funds to landholders to undertake the kinds of on-ground actions needed to address the nation's mounting problems of natural resource degradation. During these decades the focus of the experiment has been up-scaled from local groups (typically involving 20-30 farmers) to regional bodies (sometimes representing populations of hundreds of thousands)."

Some conclusions of Marshall's are as follows:

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<sup>5</sup> Australian National Audit Office Audit Report No. 21 2007-08. *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*. [http://www.anao.gov.au/uploads/documents/2007-08\\_Audit\\_Report\\_21.pdf](http://www.anao.gov.au/uploads/documents/2007-08_Audit_Report_21.pdf)



- In general, governments did not consult well with landcare and other local groups when deciding how to up-scale the experiment in community-based NRM. Hence the disenchantment mentioned previously.
- Adoption of the regional delivery model under the NAP arrangements constituted a further clear step in the process of decentralizing responsibilities for allocating public funds to on-ground activity in NRM. COAG in 2000 argued when establishing the new model that the new regions represented the most effective level for engaging the community in NRM. This position was reiterated recently as follows: 'The community ownership principle ... reinforces the biophysical importance of the region as a basic unit for NRM programme delivery' (NRMMC 2006<sup>6</sup>). To date, this position remains unsubstantiated by evidence and the assumptions about what constitutes an effective region are unclear. In WA with sparse populations and large areas, efficiency tended to be a predominant consideration in deciding the regions.
- Regional bodies are struggling to find workable arrangements for genuine community-based governance given the size of the regions with which they are now expected to engage. For instance, the area of the South West Catchments Region is 51,657 km<sup>2</sup>, with a fast growing population of more than 195,000. This makes community engagement a formidable challenge<sup>7</sup>.
- Under the NAP arrangements there was a shift towards a purchaser-provider or principle-agent approach and away from the principle of subsidiarity. Because of the government's fiscal dominance this made partnerships more difficult. Also stringent upward accountability measures made it difficult for groups to be perceived as community based as they were required to spend resources on compliance measures that would otherwise go to projects of more interest to communities.
- An important issue therefore is to effectively link the enthusiasm and knowledge of local action groups with processes that occur at a regional scale. The development or strengthening of sub-catchment or sub-regional groups has been a strategy of the current regional groups.
- NRM players tend to participate in activities designed to build their capacities only when they expect participation to help further their goals. Capacity-building efforts are therefore unlikely to succeed unless the target population are confident they will benefit from the capacities developed.

### Definitions and principles

Governance requirements for the regional NRM will depend on the future model and the roles and functions regional NRM bodies will be required to perform in the future

In general it is accepted governance for regional NRM bodies under the NAP/NHT arrangements will need to cover the following key elements<sup>8</sup>:

- Strategy and planning;
- Operations of the Board and Executive Management;

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<sup>6</sup> NRMMC (Natural Resource Management Ministerial Council) 2006 Framework for future NRM programmes, Canberra, Parliament of Australia,

<sup>7</sup> Regional Implementation Working Group 2005 Regional delivery of natural resource management - Moving forward, Canberra, NRM Ministerial Council,

<sup>8</sup> Turnbull (2005) Evaluation of Current Governance Arrangements to Support Regional Investment under the NHT and NAP. Consultancy report prepared for the Australian Govt.

- Statutory and contractual compliance;
- Organisational policies, procedures and processes;
- Ethical environment;
- Risk management;
- Performance monitoring and reporting;
- Financial management and reporting;
- HR management and reporting;
- IT and systems management;
- Information management;
- Asset management;
- Stakeholder engagement;
- Fraud control; and
- Project governance and management.

Under different arrangements only a selection of these elements may be required and not all necessarily delivered in-house.

### **Governance Principles for Regional Bodies Funded under NHT and NAP**

Based on a consideration of key references in relation to corporate governance and their understanding of the operations of the NHT and NAP programs, Turnbull believed that the following principles could be used as a basis for underpinning the governance of all regional bodies funded under the NHT and NAP:

1. **Clarity of Roles and Responsibilities:** The roles and responsibilities of the Board, Board Committees, the Chair, the CEO and the management team are clearly identified and communicated to Board members and staff.
2. **Board and Management Competence:** The Board and the management team have the skills and experience and are structured to conduct the business of the organisation efficiently and effectively, and are supported by relevant training and skills development.
3. **Ethical and Responsible Decision Making:** The organisation has processes in place to ensure that all actions, behaviours and decisions of the Board and staff are ethical, responsible, transparent and accountable.
4. **Identify and Manage Risks:** The organisation has appropriate mechanisms in place to identify and manage the risks to achieving its key business objectives.
5. **Enhance Performance:** The organisation fosters a culture of performance amongst Board members and staff by defining, measuring, reporting and reviewing individual and collective performance regularly.
6. **Respect the Interests of all Relevant Stakeholders:** The organisation identifies all of its stakeholders, has appropriate mechanisms and processes to engage them in its activities, and enjoys their confidence.
7. **Compliance with all Relevant Legislative and Accountability Requirements:** The organisation complies with all relevant legislative, contractual, reporting and accountability requirements.
8. **Informed Strategic Foresight:** The organisation develops and implements clear planning, strategy setting, resourcing and monitoring to operate in a changing business and regulatory environment.
9. **Robust Management Environment:** The organisation establishes and maintains an adequate control framework, including relevant policies and procedures (operational, HR and financial), appropriate tools and systems and robust and transparent management processes.

10. **Stewardship:** The organisation exercises its responsibilities on behalf of the region and the resources it uses are held in trust. The organisation ensures that its capacity to serve the public interest is maintained or improved over time, including in relation to its financial sustainability, the efficient and effective management of resources, and the trust placed in the organisation by the community and its funding providers.

Again these may not all be relevant to future arrangements but cover the full breadth of principles that could apply.

Reinforcing the view that there is now much literature to draw on in relation to governance of regional bodies Griffith et al (2007)<sup>9</sup> provided the Australian Government with a report proposing the key attributes and standards of a model for quality assured regional NRM based around the requirements of the NAP/ NHT programs.

It was found no 'off the shelf' quality assurance models met all of the evaluation criteria. However it was noted that least three integrated QA models had emerged in NRM over the past few years including: the NRC model in NSW; the Walter Turnbull model outlined above; and the University of Southern Queensland developed Performance Excellence Guide. The study found these models were useful starting points when considering attributes relevant for NRM.

The example, outcome based and NRM relevant standard, developed by this work had 11 components relating to:

- **Program logic** - generates confidence that assets, targets, investment and business processes are logically and consistently linked
- **Collection and use of knowledge** - generates confidence that best available knowledge is used to guide investment decisions
- **Community engagement** - generates confidence that regional communities are actively and meaningfully involved
- **Determination of scale** - generates confidence that the full spatial, temporal, sectoral and institutional implications and lags of decisions are understood
- **Opportunities for collaboration** - generates confidence that responsibility and costs of NRM are fairly and effectively shared
- **Risk management** - generates confidence that the likelihood, severity and frequency of ecological and organisational risks are taken into account in decision making
- **Monitoring & evaluation** - generates confidence that feedback mechanisms are in place to enable adaptation to changing conditions
- **Information management** - generates confidence that information is consistent with agreed protocols, ethically safeguarded and accessible.
- **Board & staff decision making** - generates confidence that good corporate governance arrangement are in place and practiced
- **Financial probity** - generates confidence that investment funds are securely and transparently managed and accounted for
- **Management environment** - generates confidence that day to day procedures are systematic, legal and ethical.

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<sup>9</sup> Griffith et al (2007) Exploring Key Attributes and Standards of a Model for Quality Assured Regional NRM. Report prepared for the Australian Government and Land and Water Australia.

Seven components of this standard were taken from the NSW Standard for quality NRM. While these were accepted as necessary and relevant in other jurisdictions, they were not deemed to be sufficient for a national NRM standard. Additional components relating to corporate governance and financial probity were drawn from sources such as the Walter Turnbull governance assessment tool and the Victorian Regional Catchment Investment Plan guidelines.

### **Previous Audits and Reviews**

#### Evaluation of Current Governance Arrangements to Support Regional Investment under the NHT and NAP (Turnbull, 2005)

This report was commissioned by the Australian Government and was conducted nationally under wide ranging Terms of Reference. The report reviewed governance arrangements for the NAP/ NHT programs of national/ state and regional structure, recommended the elements that needed be covered by governance arrangements, principles for better practice model and the needs of regional bodies including corporate governance principles and guidelines (for regional bodies funded under the NAP/ NHT2 programs) and competency requirements.

The report noted the significant demands placed on the Boards and staff of regional bodies by Australian and State/Territory governments. These included:

- Significant pressure on the capabilities of regional bodies to deliver approved projects and programs under the regional investment plans by June 2008;
- Regional bodies having to respond to and balance a range of often competing priorities from the Australian and State/Territory Governments;
- Regional bodies having to respond to a range of differing expectations from governments, local landholders; and
- Regional bodies are accountable to Government but also to local communities and other regional stakeholders.

The author never-the-less recommended (among many other things) the Australian Government consider the regional delivery model for delivery of NHT and NAP programs as an appropriate vehicle for delivering NRM programs in the future.

#### Review of governance and accountability framework over the regional delivery model (Stamfords Consultants 2007)

The report, commissioned by the Department of Agriculture and Food, outlines the following:

- Strengths and weaknesses of the current governance and accountability framework.
- Findings and recommendations presented in the format of business issues, implications and recommendations.
- Efficiencies and other observations.

The main finding was that there is no set of clear best practice standards established for governance and accountability. Each region has interpreted the requirements differently; hence a lack of consistency exists across the Regions. The following five staged sequential approach to address this was recommended:

1. Preliminary planning at State level
2. Development of an effective Agreement
3. Monitoring
4. Acquittal

## 5. Evaluation

This sequence was critical to the successful implementation of change, as key milestones need to be achieved in order to effectively implement the subsequent processes.

Strengths and weaknesses of the current framework.

*Strengths:*

- Regional Groups are legally incorporated bodies.
- Comprehensive agreements in place.
- Reporting requirements are being adhered to.
- M&E Plans are in place.

*Weaknesses:*

- No formal risk management framework.
- No standard performance measures.
- No verification of outcomes and outputs.
- No best practice standards

Conclusions and recommendations

*Inadequate program planning by the State with a need for:*

- State Risk Management Plan developed
- Performance measures developed and standardized.
- Program guidelines developed

*Gaps in funding agreement with the need to include:*

- Appropriate funding for administration/ monitoring.
- Best practices standards.
- Risk Management assessment needs to be incorporated in terms and conditions of agreements.

*Ineffective monitoring and evaluation with a need for:*

- Standards
- Reports at appropriate levels

*Efficiencies and other observations:*

- Risk management needs improvement - examples given.
- Need to engage a single auditor to conduct all audits.
- Review reporting process.

Australian National Audit Office (ANAO), Regional Delivery Model for the Natural Heritage Trust (NHT) and National Action Plan for Salinity and Water Quality (NAP) (ANAO, 2008).

The ANAO report focused on:

- implementation of the regional delivery arrangements;
- governance and financial management for regional delivery; and
- monitoring, evaluation and reporting on the programs' performance.

The report follows a previous ANAO report on national NRM programs in 2004/ 05. It found that while good progress has been made, significant deficiencies remained regarding governance and accountability, and in demonstrating value for money.

Particular issues raised by ANAO were:

- Attention needs to be given to addressing the transparency and accountability of Commonwealth Government funds managed by the States/

Territories, particularly in terms of meeting the auditing requirements of agreements.

- The quality and measurability of targets (in Regional NRM Strategies) is a concern.
- There needs to be information provided on best practice and the cost-effectiveness of investments to inform better decision making.
- It is not possible to report meaningfully on the extent to which outputs contribute to outcomes sought by government.
- Monitoring and evaluation is generally lacking in most regions and there needs to be increased validation of data that is collected.
- Significant delays in making payments is a major issue, constraining the effectiveness of regional groups.

With regard to regional governance, the ANAO report suggests the current NRM model based on regional delivery presents significant risks and that future arrangements must match the level of risk regarding the effectiveness and efficiency of expenditure.

The ANOA concerns mirror those of the WA Department of Treasury and Finance, in relation to on-going programs. That is:

- allocating funds to projects with agreed and measurable outcomes on a priority basis;
- provision of detailed scientific and financial justification for proposed investments;
- the need to reduce duplication of administrative and management functions related to regional delivery; and
- the need to improve program monitoring, evaluation and reporting focusing on relevant and measurable outcomes.

The current Federal Government's response (8 February, 2008 press release from Federal Environment Minister, Peter Garrett) to the report is that it .... "will review a \$3.5 billion environmental protection program set up by the former Coalition government". The response also stated that the audit was critical of the lack of information showing what the projects had achieved and that the Federal Government will discuss changes to the program. Presumably these discussions led to the changes implemented under Caring for Our Country.

#### DAFWA Internal Audit, 2007

A DAFWA internal review and audit of the NRM Office procedures drew attention to a number of business improvements. For example:

- significant inconsistencies between the broad outcomes that are approved via investment plans and the actual outcomes that are funded by regional groups, making reporting on investment effectiveness very difficult; and
- the regional groups capacity to enforce contracts with delivery agents was still a significant risk, as indicated by most groups having difficulty managing milestone and financial reporting.

A 'master - servant' rather than a 'partnership' relationship (as required under the bilateral agreement) between regional groups and the State was also noted. This was largely considered to be a function of the groups' focus on managing funds and delivery. The NRM Office was in a position of having to monitor and audit compliance of the groups, when it would be more beneficial if they were partners in monitoring/ auditing delivery agents in relation to project performance. This could have been achieved simply by the Office contracting direct with delivery

agents, managing compliance and providing reports to the regional groups for review and advice regarding acceptability of performance and approval to continue.

#### Other Reviews

A key point of the Report to the Australian Government's Interdepartmental Committee by State and Territory Treasuries (2007) on NRM states that *while the regional model is supported, greater flexibility could be applied to ensure investment is directed more strategically at high priority activities, which could involve greater flexibility to allocate funds between regional and State level projects*. The Report details concerns shared by all jurisdictions about the current model, which were:

- it leads to 'equitable' allocations to a large number of projects spread across regions rather than being concentrated on projects that independent experts had indicated would deliver the greatest public benefit;
- community thinking is 'local' rather than state-wide, and may focus on treating symptoms rather than causes and on private rather than public assets. The result may be investment that is non-strategic;
- there is duplication of administrative and management functions across regional groups; and
- it heightens risks in relation to accountability for performance of public expenditure and financial management.

The State Evaluation Committee's report (2007) for the JSC on community and government capacity to implement the NAP and extension of NHT notes that though significant progress was evident ..."*capacity deficiencies in regional strategy and investment planning and implementation remain and need to be addressed - specifically regarding project planning and design. Evaluation respondents perceived a need for fewer but larger scale projects that are developed with access to science-based information for delivery at a scale that will improve resource condition. Some respondents noted that there was almost no assessment of the public benefits to be derived from the public investment, of the technical and economic feasibility for the proposed projects to deliver the targeted outcomes, or of the social impacts.*"

The State Evaluation Committee's report (March 2008) for the JSC, *Evaluation of the effectiveness of the Regional Investment Planning*, highlights significant deficiencies with investment planning for NRM. In particular the lack of clarity that exists about State NRM priorities and the inherent problems this creates for regional scale planning, and in turn the mistrust and anxiety that emerges between State and regional level decision makers. It also highlights the need for better communication and transparency regarding investment decisions, uncertainty about responsibilities and the need for greater accountability for expenditure of public funds.

## Appendix D – Submissions to the Review

Submissions were called for by:

- Direct letter of invitation to all key stakeholders.
- Advertisement in the West Australian and regional newspapers.
- Information on the [www.nrm.wa.gov.au](http://www.nrm.wa.gov.au) website; or
- Media releases through the Ministers office and DAFWA media.

A three week period for submissions was available to all interested individuals and organisations, with a closing date of 6 February 2009. The panel met with the key stakeholders during the week of 10 February. The meetings were tailored to address the issues identified by their submissions.

Written submissions were received from the following.

### Key Stakeholders

- Avon Catchment Council
- Conservation Council )
- Department for Planning and Infrastructure
- Department of Agriculture and Food (DAFWA)
- Department of Water
- Department of Indigenous Affairs
- Forest Products Commission
- Geographical Association of WA
- Northern Agricultural Catchments Council
- Pastoralists and Graziers Association
- Perth Region NRM
- Rangelands NRM
- South Coast NRM
- South West Catchments Council
- Swan River Trust
- Western Australian Farmers Federation
- WA Local Government Association

### Local Government Authorities

- Shire of Bridgetown-Greenbushes
- Shire of Dowerin
- Shire of Kojonup
- Shire of Lake Grace
- Shire of Port Hedland

### Land Conservation District Committees (LCDCs) and Catchment Groups

- Cape To Cape
- Conservation Volunteers

- GeoCatch
- Esperance Regional Forum
- Leschenault
- Moore Catchment Council
- Oyster Harbour
- Peel Harvey LCDC
- South East Regional Centre of Urban Landcare WA
- West Midlands
- Wheatbelt Catchment Alliance
- Upper Blackwood
- Yarra Yarra

### Others

- Marjorie Apthorpe
- Phil Bellamy
- Jenny Borger
- S Carter
- DAFWA, Biosecurity
- Richard Diggins
- Gavin Drew
- Gary Dring
- Elizabeth Eaton
- Linda Fidge
- Rosanna Hindmarsh
- Landskills
- Bernie Masters
- Pam McGregor
- Damian Priest
- Jill Richardson, Ella Maesapp
- Rural Solutions
- Lex Stone
- Russel and Sally Thomson
- Peter Wheatherley
- Ross Williams



Meetings were held with the following

- Avon Catchment Council
- Commonwealth Government
- Department of Conservation and Environment
- Department of Fisheries.
- Department of Local Government and Regional Development
- Department of Water
- Greening Australia WA
- Northern Agricultural Catchments Council
- Rangelands NRM
- South Coast NRM
- South West Catchments Council
- Swan River Trust
- Pastoralists and Graziers Association
- Perth Region NRM
- Western Australian Farmers Federation
- Western Australian Local Government Association
- World Wide Fund for Nature

## Appendix E – Other Models

### Other NRM Models used in Australia

Regional NRM groups have been established around Australia, in most cases by State agencies, to:

- Foster a strategic approach to NRM at the regional level
- Facilitate community input to regional plans via landcare and catchment groups networks
- Facilitate access to Australian Government funds, originally under NHT1 and the Regional Partnership Program and subsequently the NAP and NHT2 programs.

These groups vary considerably in structure and composition. Generally speaking they are a mix between statutory authorities and incorporated entities whose Board members are volunteers with a strong commitment to NRM and whose representation are based on subject knowledge and ability. Regional NRM Groups are usually supported by professional staff whose numbers have grown substantially over the last five years as funding arrangements meant the groups were responsible for management and administration of up to \$20 M per year.

### New South Wales

NSW has a Natural Resources Commission Act 2003 and Catchment Management Authorities Act 2003. The Natural Resources Commission Act establishes the Natural Resources Commission (NRC), which is responsible for: setting state-wide targets; approving regional plans; and auditing implementation. The Catchment Management Authorities Act establishes Catchment Management Authorities, which have Boards appointed by a Minister with skills-based membership, and operate in accordance with NSW's public sector legislation. The Act outlines requirements for developing catchment action and annual implementation plans, which are approved by the Minister and the NRC.

### South Australia

SA developed a Natural Resource Management Act 2004, bringing together its Animal and Plant Control (Agricultural Protection and Other Purposes) Act 1986, Soil Conservation and Land Care Act 1989 and Water Resources Act 1997. It has the powers and functions of these Acts and establishes a framework for NRM institutions, decision-making and administration. The Act provides for a State Council and regional boards, with a priority action for the Council being to develop a State NRM Strategy which was completed in 2006.

### Tasmania

Tasmania's Natural Resource Management Act 2002 is a relatively simple piece of legislation that provides for a statutory State Council and incorporated Regional Committees. The NRM Council is appointed by the Minister and determines priorities, investment principles, and accreditation criteria for regional strategies. The Regional Committees are declared by the Minister. The legislation is aligned with Tasmania's Resource Management Planning System to bring land use planning and NRM together.

Their NRM Framework and the Natural Resource Management Act 2002 was reviewed in 2007. A Final Report assessing the performance of the NRM Framework and legislation over the previous five years was published in 2008. The State

Government has said it is committed to implementing all 18 recommendations which include matters related to: the setting of State NRM priorities; the functions and membership of the Regional Committees, and the operation of the NRM Council, and will involve some minor amendments to the legislation and the Framework. (For further information see: <http://www.dpiw.tas.gov.au/inter.nsf/WebPages/HBAW-7FS37B?open>)

### Queensland

The State of Queensland has a similar model to Western Australia, with 14 regional organisations. These are structured differently with 8 operating as limited companies; 5 incorporated associations and 1 advisory body. They are all community-based organisations, with the changing structures due to business decisions for streamlined structures and appropriate management and investment of the increasing funding responsibilities. All have been established in response to the NHT and NAP Programs. It is of interest that the 14 regional bodies have chosen different structures to operate under. With changes to the Commonwealth funding model, Queensland may undergo a review of its requirements.

### Other relevant models

A variety of models operates within the State to deliver different components of programs either on behalf of or in partnership with government or in fact delivered by Government itself. A selection of models has been identified, described and assessed against the critical success factors for the purpose of the review.

A number of existing statutes could be used or modified to create Regional NRM groups under legislation. Using and/or modifying existing statutes may achieve the same results as outlined in Option 1, but more quickly. They could provide transitional arrangements pending new legislation if that option was preferred.

Water Resources

Waterways Management Authorities were previously considered as an option for regional groups. The Authorities were established under the *Water Resources Conservation Act 1976* however, the *Water Resource Legislation Amendment Act 2007*, has removed them from the Act.

The Act does provide for advisory committees under the *Water Agencies (Powers) Act 1984* and for Water Resources Advisory Committees under the *Rights in Water and Irrigation Act 1914*. These are formed as Committees of Government to advise the Minister for Water Resources, with accountability via the Department of Water. Geocatch is a Water Advisory Committee under the Water Agencies (Powers) Act. The Water Services Legislation Amendment and Repeal Bill and the Water Services Bill will significantly amend and subsequently replace this legislation and thus may be a short-lived option. These Bills are expected to pass in late 2009 early 2010.

The Cockburn Sound Management Council is formed under the Environmental Protection Authority Committee mechanism. The Council oversees the implementation of an environmental management plan. It has an independent Chair and its members, functions and reporting mechanisms are specified in a State Environmental Plan (2005)

([http://portal.environment.wa.gov.au/portal/page?\\_pageid=513,1003230&\\_dad=portal&\\_schema=PORTAL](http://portal.environment.wa.gov.au/portal/page?_pageid=513,1003230&_dad=portal&_schema=PORTAL)).

The Council is supported by DEC.

Nine Regional Development Commissions (RDCs) are established under the *Regional Development Commission Act 1993*. Each has a Board of Management,

with a Chairman and Director, and reports to the Minister for Regional Development. Membership comprises one third from each of the community, local government and ministerial appointments.

It may be possible to integrate NRM issues into the activities of RDCs, which would see a closer link to local government, and environmental issues considered along with social and economic issues. However, they don't have an adequate base of expertise and have had limited engagement in NRM and the associated networks, which could take some time to develop. They don't have regulation making power and accordingly no planning powers. In addition, their boundaries are based on local government districts, not catchment boundaries.

Table E1: Regional Development Commission Model

Regional Development Commission Objectives	Strengths	Limitations	Statutory Amendment Required
<ul style="list-style-type: none"> <li>• maximise job creation and improve career opportunities for people working in regional WA;</li> <li>• develop and broaden each region's economic base;</li> <li>• identify infrastructure services to promote economic and social development;</li> <li>• identify and encourage regional investment;</li> <li>• provide information and advice to promote business development;</li> <li>• ensure that regional government services are comparable to the metropolitan area;</li> <li>• facilitate coordination between</li> </ul>	<ul style="list-style-type: none"> <li>• established groups with regional perspective and experience;</li> <li>• boundaries set by legislation as groups of LGAs, operates across catchments;</li> <li>• RDCs already have assigned a coordination role on behalf of State Government;</li> <li>• can integrate economic, social and environmental aspects;</li> <li>• subject to FAAA: receives appropriations and moneys lawfully received;</li> <li>• body corporate, legal agent of the Crown.</li> </ul>	<ul style="list-style-type: none"> <li>• limited engagement on sustainable use of natural resources;</li> <li>• boundaries LGA not catchment based;</li> <li>• cannot undertake operational contracts ;</li> <li>• not empowered to enter into business undertaking, acquire land, borrow money;</li> <li>• cannot rate;</li> <li>• no regulation or planning powers;</li> <li>• perceived as not having political rather than community focus and not understanding the NRM 'business'.</li> </ul>	<ul style="list-style-type: none"> <li>• amend Act to include NRM and environmental criteria as part of role of Commissions;</li> <li>• provide for rating power to fund NRM projects;</li> <li>• provide for powers to develop regional plans and/or local laws.</li> </ul>

Regional Development Commission Objectives	Strengths	Limitations	Statutory Amendment Required
relevant statutory bodies and State government agencies.			

**Local Government**

Two or more local governments can establish a regional local government under the Local Government Act 1995 subject to approval by the Minister for Local Government. Members, procedures and financial contributions are set out in ‘establishment agreements’. The approach provides for democratically elected representatives, with an understanding of local issues who are accountable to their constituents and the State. It also provides a linkage to land use planning powers under the Planning and Development Act 2005.

However, it may represent a significant new direction for many local governments, and be seen as an attempt by the State to shift responsibility without additional resources, or as an attempt to rationalise local governments.

Table E2: Regional Local Government Model

Regional local Government Attributes	Strengths	Limitations	Statutory Amendment Required to Meet Criteria
<ul style="list-style-type: none"> <li>two or more local governments can establish a regional council subject to Minister for Local Government approval;</li> <li>can be wound up at the direction of the Minister;</li> <li>purpose, members, procedures and finances set out in establishment agreement;</li> <li>some Local Government Act provisions do not apply (constitution,</li> </ul>	<ul style="list-style-type: none"> <li>Regional local governments could largely be established based on existing NRM boundaries;</li> <li>can rate for funds;</li> <li>democratically elected representatives, understand local issues and accountable to constituents;</li> <li>boundaries readily identifiable with community of interest;</li> <li>Increases local government</li> </ul>	<ul style="list-style-type: none"> <li>May be resisted as cost shifting and views that NRM is not a direct LGA interest;</li> <li>Community perceptions that local government is an inappropriate mechanism for NRM coordination and delivery;</li> <li>No independent rating power;</li> <li>No independent power to develop local laws;</li> <li>No</li> </ul>	<ul style="list-style-type: none"> <li>NRM role of the model should be spelled out in the Act;</li> <li>Include ability of the regional government to develop local NRM laws and rating;</li> <li>Provide for broader membership (including community and government representation).</li> </ul>

Regional local Government Attributes	Strengths	Limitations	Statutory Amendment Required to Meet Criteria
elections, electors meetings, rates and service charges, borrowings unless specified in establishment agreement.	<ul style="list-style-type: none"> <li>formal involvement in NRM.</li> <li>Local/ regional action and works core business.</li> <li>Some good models of LGA involvement exist.</li> </ul>	<ul style="list-style-type: none"> <li>representation of State government or community NRM interests.</li> </ul>	

### Soil and Land Conservation

The *Soil and Land Conservation Act 1945* provides for statutory groups at State and local levels, and could be amended to provide for regional groups. The peak State group identified in the Act is the Soil and Land Conservation Council, which has been in recess since the formation of the NRM Council. The Act could be amended to provide a statutory State NRM Council and regional NRM groups as sub-committees of the Council. The groups could have prescribed membership, appointment processes, and roles and functions in the same way the Act does for the Soil and Land Conservation Council and land conservation district committees. There may be an opportunity to amalgamate defunct or inactive LCDCs with active groups to form larger, more effective groups operating at a sub-regional scale. LCDCs would ideally cover two to three local government districts and operate as umbrella groups for the local, non-statutory groups in the area (a role many LCDCs successfully perform now).

Current LCDCs could continue in their role as the primary drivers for local action and provide a community focus for regional/ landscape scale planning and management.

Table E3: Land Conservation District Model

LCDC Attributes	Strengths	Limitations	Statutory Amendments Required to Meet Criteria
<ul style="list-style-type: none"> <li>operate in respect to a defined land conservation district (boundaries cannot overlap);</li> <li>manage projects; carry out works; perform</li> </ul>	<ul style="list-style-type: none"> <li>existing structure with track record in NRM;</li> <li>membership representative of community interests;</li> <li>effective linkages with government and</li> </ul>	<ul style="list-style-type: none"> <li>prescriptive membership;</li> <li>functions limited to land conservation - no reference to biodiversity, waterway conservation;</li> <li>limited</li> </ul>	<ul style="list-style-type: none"> <li>Remove some elements of the prescriptive membership in the Act;</li> <li>establish the new LCDCs as "bodies corporate" so as to make clear they can hold</li> </ul>

LCDC Attributes	Strengths	Limitations	Statutory Amendments Required to Meet Criteria
<p>functions agreed; review, assess and report;</p> <ul style="list-style-type: none"> <li>• can recommend soil conservation rate be applied in the district to fund activities;</li> <li>• can recommend local laws be applied within the district.</li> </ul>	<p>community;</p> <ul style="list-style-type: none"> <li>• able to carry out projects;</li> <li>• can recommend local laws e.g. for clearing, management practice;</li> <li>• ability to recommend soil conservation rates be applied to fund land conservation projects;</li> <li>• track record in attracting and managing external sources of funding;</li> <li>• potential to review existing LCDCs, reducing administrative costs and promoting more strategic focus;</li> <li>• can provide intermediary between local “on-the-ground” groups and regional groups whose current core business is planning and investment..</li> </ul>	<p>statutory planning role;</p> <ul style="list-style-type: none"> <li>• not bodies corporate, so question about ability to hold and manage funds;</li> <li>• administration cost to government;</li> <li>• perception that LCDCs (being under the authority of DAFWA are not true NRM bodies;</li> <li>• proposals to review/ amalgamate LCDCs may be viewed with suspicion.</li> </ul>	<p>funds in bank accounts;</p> <ul style="list-style-type: none"> <li>• Highlight and promote the sections of the Act that empower LCDCs to take an active role in developing local laws in their districts;</li> <li>• Broaden functions to ensure water, biodiversity and sustainable development issues are taken into account.</li> </ul>

**Non-statutory Model**

The Ministerial Committee model provides the Minister with the ability to establish State and regional committees. Under this approach, a non-statutory board

appointed by the Minister (or Cabinet) could for carry out specified functions for example developing and monitoring implementation of the regional NRM strategies by providing advice on allocation of funds to priorities. The administrative support, project management and reporting could be via a public authority. An example of this is the Board that oversaw the Gascoyne-Murchison Strategy (GMS). It had an independent chairperson with membership appointed by Cabinet, was required to provide annual reports and had its accountability provided through a public authority (in this case DAFWA). This may offer a readily implemented solution or, at least an appropriate interim arrangement ahead of a statutory regime if this was favoured.

Regional groups would be established as 'Boards or Committees of Government', supported via an enforceable Agreement between them and the Government. There are a plethora of statutory and non-statutory Boards and committees in Western Australia established to provide advice to Government on particular issues and assist with implementing Government programs. Another example is the following set up to allocate regional road funds in accordance with state government guidelines.

Local involvement through the State's network of Regional Road Groups provides the opportunity for all Local Governments to be directly involved in decision making through the allocation of road funds to projects that affect their region. Furthermore, they provide an avenue for local and regional issues to be considered when these decisions are being made.

The relevant legislation dealing with road management in Western Australia is as follows:

- The Commissioner of Main Roads has responsibilities for roads in Western Australia as set out in the *Main Roads Act 1930* and the *Road Traffic Act 1974* (including the Road Traffic Code 2000).
- Local Governments have responsibilities for roads as defined in the *Local Government Act 1995*.

The Agreement requires that funds are allocated to the areas of greatest need where they will provide maximum benefit to all road users and the Western Australian community. Under the Agreement WALGA and Main Roads Western Australia are committed to the principles of:

- Autonomy by Local Government in the allocation of road funding based on locally and regionally identified priorities, and principles agreed by Main Roads Western Australia and the Western Australian Local Government Association,
- Sharing of revenue from vehicle registrations in proportions agreed between the State Government and WALGA,
- Funding certainty for Local Government for the term of the Agreement (five years),
- Continuation of the successful partnership between State Government and Local Government to preserve and enhance the State's vital road network.

The State Road Funds to Local Government Advisory Committee oversees, monitors and recommends to the Minister for Planning and Infrastructure the distribution of State funds to Local Government roads. The membership of the Advisory Committee is specified in the Agreement and is chaired by the Commissioner. Regional Road Groups make recommendations to the Advisory Committee in relation to the Annual Local Government Roads Program for their Region and any



other relevant issues. Membership of Regional Road Groups comprises elected Local Government representatives (Councillors and Commissioners as appointed under the Local Government Act from time to time) with all Local Governments being represented. In some Regions, Sub-Groups are formed for logistical reasons. In general around \$90 M per year of agreed funding is allocated to road projects via this mechanism. Funding comes from an agreed proportion of vehicle registrations. Further information is available from [http://www.mainroads.wa.gov.au/Documents/loc\\_gov\\_agree8.u\\_2016243r\\_1n\\_D08%5E23155465.PDF](http://www.mainroads.wa.gov.au/Documents/loc_gov_agree8.u_2016243r_1n_D08%5E23155465.PDF)

St John Ambulance is a self-funding charitable organisation active in all States and Territories, dedicated to helping people in sickness, distress, suffering or danger. It provides first aid training, first aid services at public events and supplies first aid equipment. St John runs the ambulance services in Western Australia and provides a range of community services and youth development programs. It has been active for over 125 years. Fundraising is not an end in itself; it takes pride in its volunteer ethos, its ethical standards and in its independence. In 2007 its national business centre reported revenue of \$16.44 million. Its corporate governance structures are sound with a Risk and Compliance Committee that reports on its investment strategy, corporate governance and quarterly reporting. It also has an Australia wide Strategic Plan.

The key to its success and effectiveness lies in effective leadership and replenishment of their volunteer core. It has a strong volunteer ethos, is volunteer lead and relies heavily on volunteers to undertake its work.

It is essentially self funded with first aid training, publications, first aid kits and public duty income and donations funding its activities. It is not dependent on government funding. It is now focusing on gaining corporate sponsorship. They are also currently considering having dialogue with Red Cross, Surf Life Saving and Anglicare for possible joint endeavours.

In WA it issued 109 564 first aid certificates; had 786 first aid volunteers; recorded 56 224 hours of voluntary first aid service; treated 82 262 first aid casualties; had 104 community care volunteers and did 9 647 hours of voluntary community care in 2007.

The organisation continually refines its operations to meet the changing expectations and needs of the community in addition to a continual review and development of policy.

The structure, organisation and operations comply with the critical success factors identified. Through its strategic Plan and Policies it complies with all identified factors. There is much to be learnt from this and other similar organisations.

Table E4: Summary of options for Regional NRM groups in WA under current Statutes

Criteria for regional NRM structures	Regional LCD model	EPA model (Cockburn Sound)	RDC model	Regional LGA model	NRM Group (Committee of Govt.)	Regional Road Fund Model
Administratively efficient (does not require separate systems)	Yes - DAFWA	Yes - DEC	Yes - RDCs	Yes - via participating LGAs	Yes - conditions can be specified by Cabinet.	Yes - Main Roads
Fosters coordination/integration with government and other organisations	To some degree mainly aligned to sustainable agriculture and land degradation	Yes - broad range of actors involved across catchment and water body.	Partially - already has a co-ordination role on behalf of state govt. and interacts with a broad range of stakeholders	Two or more local governments may form regional local govt. May result in additional groups being established.	Representation can be sourced from organisations based on networks, knowledge and ability	Yes via committees specified by agreements and procedures signed by Ministers and WALGA.
Statutory or institutional basis	Yes <sup>10</sup>	Yes - EPA committee constituted under SEP <sup>11</sup> which outlines functions reports to EPA/Minister	Yes - established under RDCA <sup>12</sup> Reporting to the Minister for Regional Development.	Yes - established under LGA <sup>13</sup> may form 'establishment agreements'	No - a non statutory committee appointed by the Minister	State and regional advisory groups established by Agreement and required to comply with obligations of Commissioner under statute <sup>14</sup>
Regionally based and representative of regional community interest	Yes. Currently very localised	Yes - Ministerial appointees.	Yes	Yes - elected representatives.	Yes - can be appointed by Minister(s)	Yes - via Regional Road Groups

<sup>10</sup> Soil and Land Conservation Act 1945.

<sup>11</sup> State Environmental Policy for the Cockburn Sound

<sup>12</sup> Regional Development Commission Act 1993.

<sup>13</sup> Local Government Act 1995.

<sup>14</sup> Main Roads Act 1930; Road Traffic Act 1974; Road Traffic Code 2000.

Criteria for regional NRM structures	Regional LCD model	EPA model (Cockburn Sound)	RDC model	Regional LGA model	NRM Group (Committee of Govt.)	Regional Road Fund Model
Effective community consultation, reporting and feedback	Partially - a function of district Committee, but membership is prescribed.	Yes - required to report annually against targets	Yes	Yes	Can be required to report annually and be accountable to Minister(s).	Yes - via Regional Road Groups
Ability to monitor and report on project performance	Yes - may need technical support.	Yes - function supported by DEC	Yes - however will need different expertise to assist	Yes	Yes	Yes - via Regional Road Groups supported by MRWA
Fostering clearer role for local government	Yes - membership requirement and can recommend local laws be applied in district	Yes - LGAs represented re planning powers	Yes a coordination role for local govt already exists	Yes	Yes via Agreement with government	Yes - because of nature of program but agreements and procedures specify representation.
Minimising duplication of legislation and building on current statutory strengths.	Yes - some amendments recommended.	Yes	Yes	Yes	Cabinet approval. Can build on current strengths	Yes
Integration of social, economic and environmental factors	Partially. Main focus on land degradation and agricultural land use.	Partially - focus is the environmental condition of water body.	Weak in NRM areas. Regional economic & social already included	Yes - for example via planning powers.	Yes	Focus is on roads but plans will need to consider environmental and social aspects.
Can prepare integrated land, water and biodiversity plans.	Would require functions to be broadened	Yes - operates under an EMP/SEP	Limited capacity on NRM issues.	Limited capacity on NRM issues.	Yes - via Regional NRM plans and investment priority	Agreement can provide for this.
Eligible to attract Commonwealth funds	Yes	Yes - via DEC	Yes	Yes	Yes	Yes

## Appendix F – WA NRM-related Legislation

- *Aboriginal Heritage Act 1972*
- *Aerial Spraying Control Act 2001*
- *Agriculture Act 1988*
- *Agricultural and Related Resources Act 1983*
- *Agricultural Practices Act 1995*
- *Agricultural and Veterinary Chemicals Act 1995*
- *Agricultural Produce Act 1983*
- *Bush Fire Act 1954*
- *Coastal Waters Act 1980*
- *Conservation and Land Management Act 1984*
- *Contaminated Sites Bill 2002*
- *Country Areas Water Supply Act 1947*
- *Environmental Protection Act 1986*
- *Fertiliser Act 1977*
- *Fish Resources Management Act 1994*
- *Health Act 1956*
- *Heritage of Western Australia Act 1990*
- *Land Administration Act 1997*
- *Local Government Act 1995*
- *Main Roads Act 1930*
- *Metropolitan Region Town Planning Scheme 1959*
- *Metropolitan Water Supply, Sewerage and Drainage Act 1909*
- *Metropolitan Water Authority Act 1982*
- *Pollution of Waters by Oil and Noxious Substances Act 1987*
- *Regional Development Commission Act 1993*
- *Rights in Water and Irrigation Act 1914*
- *Soil and Land Conservation Act 1945*
- *Swan and Canning Rivers Act 2006*
- *Town Planning and Development Act 1928*
- *Transfer of Land Act 1893*
- *Water Agencies Act 1984*
- *Water and Rivers Commission Act 1995*
- *Waterways Conservation Act 1976*
- *Water Corporation Act 1995*
- *Western Australian Planning Commission Act 1985*
- *Wildlife Conservation Act 1976*

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# Government Response to the Natural Resource Management (NRM) Review

## Recommendations

- Recommendation 1. **That a State NRM Program be continued in order to protect Western Australia's unique and highly valuable natural assets for current and future generations.**

### Government Response: Agreed.

The Government agrees that a State NRM Program should be continued, recognising that the State contributes around \$380 million per annum to NRM outcomes within State Agency budgets. Additional funding directly to a State NRM Program will enable key state priorities and targets to be met. A \$30 million program has been delivered in the 2009-10 State Budget, with a review of the program to guide consideration of further NRM investment leading into the 2010-11 budget process.

- Recommendation 2. **The Government will adopt a new WA NRM Policy developed in conjunction with this response. This will be followed by the State NRM Plan and Implementation Strategy, which will be developed as a part of the Government's NRM Policy.**

### Government Response: Agreed.

The Government will table in Parliament and release to the public the WA NRM Policy<sup>1</sup> with this response to the NRM Review. It should be noted that the State NRM Policy has been two years in development, and the result is broad policy rather than specific outcomes rather than specific priorities and targets. The latter will be delivered in the State NRM Implementation Strategy being developed as a part of the Government's new NRM Policy.

- Recommendation 3. **That investment through the State NRM program is transparent and focussed on State priorities.**

### Government Response: Agreed.

The Government has adopted a policy of defining State priorities, which will guide NRM investment by the State. Future investment will also rely on improved investment analysis and decision-making which will be delivered in the State NRM Implementation Strategy.

- Recommendation 4. **That a monitoring, evaluation and reporting framework for the State NRM Program is implemented to assess the effectiveness and efficiency of the State NRM Program.**

### Government Response: Agreed.

The Government has continued funding to the State NRM Office, which will be tasked with the development of a unified monitoring, evaluation and reporting framework. The

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<sup>1</sup> *Western Australian Natural Resource Management Policy, 2009*



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Government plans to measure all State NRM activity including that undertaken within State Agency budgets using this model. This will be used for assessment of all NRM delivery in Western Australia, and for the first time will allow for comparative analysis such as expected versus actual outcomes, assessment across themes and with other management programs.

**Recommendation 5. That community engagement is an integral part of the State NRM program with particular emphasis at regional scale.**

**Government Response: Agreed.**

The Government will continue to engage with the community, and a key role for the community to identify those regional assets the community identify as important. The Government will also consider the community prioritisation of regional assets in setting the State NRM priorities.

The Government proposes that Regional NRM Groups remain as the principal point of community engagement in the NRM process.

**Recommendation 6. That roles and responsibilities for implementing (planning; service delivery; monitoring, evaluation and reporting and; adaptive management) the State NRM Program are clearly articulated.**

**Government Response: Agreed.**

The Government has prepared a new State NRM Policy<sup>2</sup> to better identify and communicate the roles of different groups. Regional communities, through Regional NRM Groups, will provide asset identification and regional prioritisation roles. This information will be coordinated with the implementation of the WA NRM Policy by the State NRM Office.

Regional NRM Groups will also be requested to provide feedback on the value and effectiveness of State and Commonwealth NRM programs relevant to their region.

The State Government, through the State NRM Ministerial Council, will identify (via the State NRM Implementation Strategy; incorporating state and regional priorities), specific projects that best fulfil the outcomes of the WA NRM Policy, and will decide on appropriate delivery organisations. These might include but are not restricted to State agencies, regional and sub-regional groups, local government authorities, NGOs, community groups, educational institutions, the private sector, and even individual community members.

The State NRM Office will manage contracts with delivery organisations, manage compliance issues including Federal Caring for Our Country compliance, develop a standardised reporting framework, and provide support to the State NRM Ministerial Council and any state NRM advisory group.

The roles and responsibilities in NRM implementation are outlined in the new State NRM Policy and will be further specified in the NRM Implementation Strategy.

**Recommendation 7. That roles and responsibilities for community engagement processes (planning; service delivery; monitoring, evaluation and reporting and; adaptive management) are clearly articulated.**

**Government Response: Agreed.**

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<sup>2</sup> *Natural Resource Management in Western Australia*, May 2009, Minister for Agriculture and Food





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The Government supports community engagement in the process of planning NRM outcomes, in particular the identification and prioritisation of assets and feedback and monitoring the implementation and progress of investments.

The regional NRM groups, or catchment councils, are well placed to deliver community consultation. This would be a continuation of part of their current activity.

**Recommendation 8. That project planning ensures that service delivery occurs at the most appropriate level – individual, organisation or partnership.**

**Government Response: Agreed.**

This is a key principle of the State NRM Policy. The Government proposes that the most appropriate and efficient organisation to deliver projects and services would be tasked with their delivery. This might include but not be restricted to State agencies, regional and sub-regional groups, local government authorities, NGOs, community groups, educational institutions, the private sector, and even individual community members. All decisions on the appointment of service delivery agencies will be made by the WA State NRM Ministerial Council.

**Recommendation 9. That the State provides support for community engagement.**

**Government Response: Agreed.**

The Government proposes to contract the community engagement process of the State NRM Program and core administration at the level of \$250,000 per annum for each NRM region, complementing the Caring for Our Country core funding to region groups provided by the Commonwealth.

It is envisaged that existing Regional NRM Groups would provide those services, however should they be unable or unwilling to provide the required services, the State NRM Ministerial Council would need to decide on alternative organisations which could be contracted to provide the required services. These contracts would be managed by the State NRM Office.

**Recommendation 10. That the State government provides a contribution towards the core administration costs of the organisations selected to undertake the community engagement component of the NRM program.**

**Government Response:**

See Recommendation 9.

**Recommendation 11. That prior to the selection of any organisation to provide community engagement as part of the State NRM Program, evidence is provided of the essential skills required.**

**Government Response: Agreed.**



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The State NRM Ministerial Council will require an organisation proposing to undertake community engagement and consultation as part of the State NRM Program to have adequate capacity for that role. Advice in that regard would be given by the State NRM Office.

**Recommendation 12. That the provision of community engagement services is managed through the use of business contracts with appropriate providers.**

**Government Response: Agreed**

The Government, through the State NRM Ministerial Council will engage through business contracts appropriate community consultation organisations. These contracts will be managed by the State NRM Office.

**Recommendation 13. That the NRM Council be replaced with new advisory groups.**

**Government Response: Partially Agreed.**

The WA State NRM Ministerial Council is the only decision making body under the new State NRM Policy. The State NRM Ministerial Council will establish a revamped mechanism in the form of a peak body with regional representation to provide communication between the State NRM Ministerial Council, regional NRM groups and the greater WA NRM community on NRM matters. This body will perform the functions of the existing NRM Council, although the detail of its structure and roles will be developed by the WA Ministerial Council. The State NRM Ministerial Council will also be asked to decide on its' need for an independent advisory group on NRM to be formed.

**Recommendation 14. That a peak body consisting of representatives of organisations providing community engagement services be established to provide advice to the State Government.**

**Government Response: Partially Agreed**

See recommendation 13 above. A peak body encompassing the roles of the existing NRM Council will be maintained, but the WA State NRM Ministerial Council will establish its structure and clearly define its roles. Organisations providing community engagement services will be able to continue collaborative partnerships, forums and meetings between community and delivery organisations. The State NRM Ministerial Council will establish a new mechanism to replace the previous State NRM Council's roles in providing communication between the State NRM Ministerial Council and community and regional NRM groups on NRM matters. This would not prevent direct communication between those community bodies to Ministers of the State.

**Recommendation 15. That an independent body be established to provide high level advice to the lead Minister for NRM on environmental, economic and social issues relevant to the State NRM program.**

**Government Response: Agreed in Part.**

The WA NRM Ministerial Council will decide on the need for an independent advisory body on NRM as a part of its initial discussions.



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**Recommendation 16. That the State Government seek a partnership with the Commonwealth Government on opportunistic funding programs to deliver NRM outcomes in WA where priorities align.**

**Government Response: Agreed**

The State Government has sought to re-engage with the Commonwealth, with the aim of commencement of negotiations with the Commonwealth to prepare a Caring for Our Country Cooperative Agreement. It should be noted that every effort will be made to ensure Commonwealth and State investment is complementary, focused on State priorities and maximizes benefits for Western Australia.

**Recommendation 17. That programs are initiated to ensure Local Government, indigenous communities, education institutions and industry are engaged and more actively participate in the State NRM program.**

**Government Response: Agreed**

The State NRM Policy identifies that many groups should be involved in NRM delivery in Western Australia, including State agencies, regional and sub-regional groups, local government authorities, NGOs, community groups, educational institutions, the private sector, and even individual community members. Indigenous communities are also important for engagement on regional NRM priorities, and as a resource that can assist in service delivery, particularly in remote areas.

**Recommendation 18. That an investigation is conducted to determine the most appropriate regional boundaries and the number of Regional NRM Groups.**

**Government Response: Agreed**

The Government proposes to look at the issue of regional boundaries during the 2009-10 financial year. This will be an internal Government investigation involving consultation with regional NRM groups.

**Recommendation 19. That the above investigation includes advice on an appropriate structure for community engagement and NRM program implementation in the Swan-Avon catchments.**

**Government Response: Agreed**

The Swan-Avon catchment will be examined, as will all other regional NRM groups.

