

Chapter 4

The role of regional bodies

The Regional Model

4.1 In November 2000 the Council of Australian Governments (COAG) agreed to a regional model for the delivery of the NAP. Following this, the NRM Ministerial Council adopted a regional delivery model for NHT funding of environmental activities at a regional level, leading to the integrated implementation of both programs based on regional needs.¹

The principal driver underpinning the regional delivery model for NRM is to 'harness the capacity of those closest to the problem on the ground', building on local knowledge, experience and expertise and enabling flexible and responsive solutions to local NRM challenges.²

4.2 The key features of the regional delivery model include:

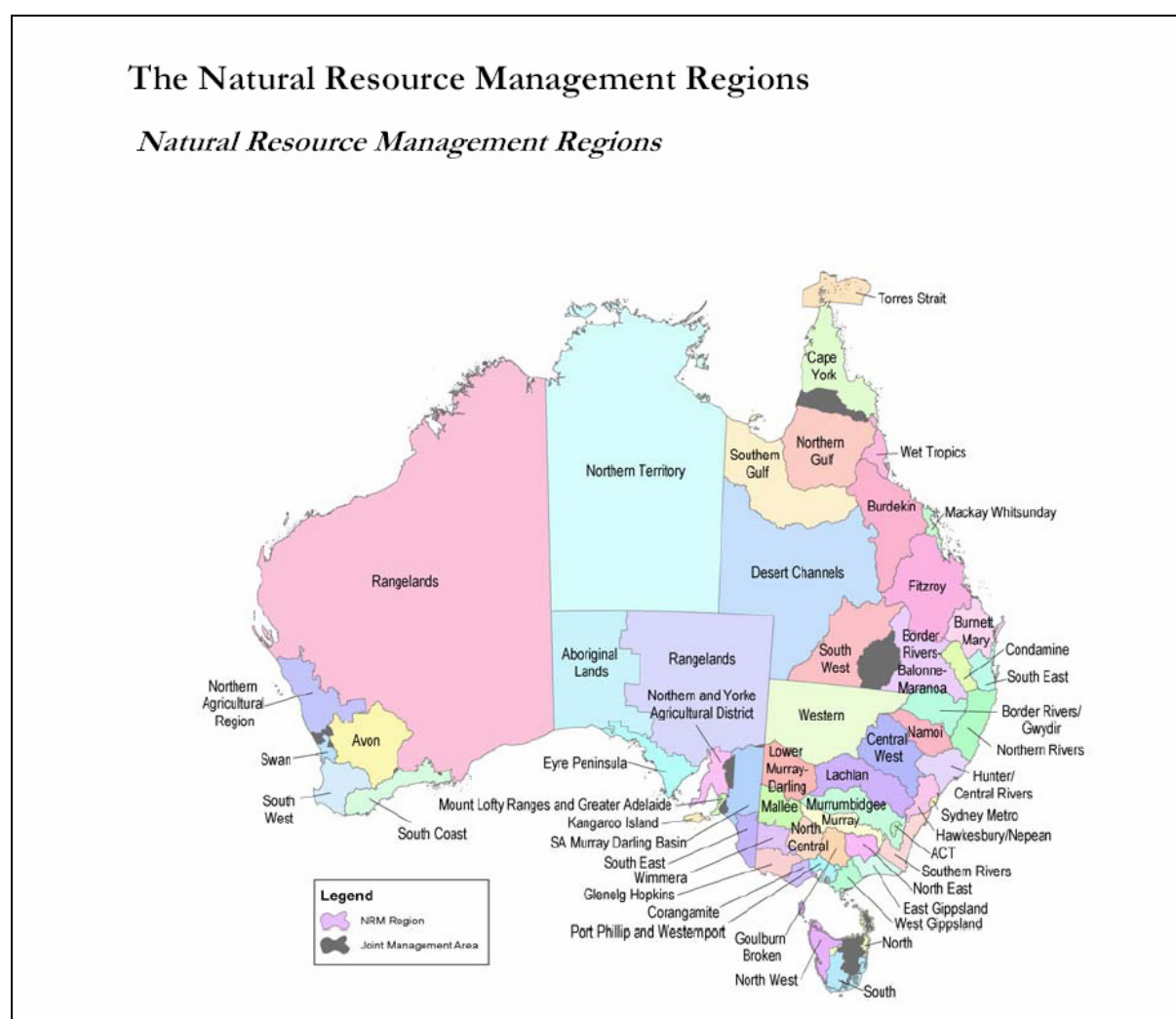
- the development of a framework that sets out the respective NRM roles for Commonwealth, state/territory and local governments and the community;
- a shift from funding of individual projects to funding outcomes determined through regional NRM strategic planning;
- devolution of decision-making to a regional level – that is, a dispersed rather than centralist approach that allows for flexible decision-making tailored to local conditions and needs;
- introduction of national standards and targets to guide and provide direction for investment in NRM;
- a comprehensive accreditation, monitoring and evaluation framework to achieve consistent and acceptable standards of program delivery; and
- encouragement of community capacity building through involvement in local NRM.³

4.3 A total of 56 NRM regions have been established across Australia. The boundaries for each region were agreed to by the Australian and state/territory governments.

1 Department of Agriculture, Fisheries and Forestry and Department of the Environment and Heritage, *Submission 24*, Attachment I, p. 33.

2 Department of Agriculture, Fisheries and Forestry and Department of the Environment and Heritage, *Submission 24*, Attachment I, p. 6.

3 Department of Agriculture, Fisheries and Forestry and Department of the Environment and Heritage, *Submission 24*, Attachment I, p. 33.



Map Source: Department of Agriculture, Fisheries and Forestry and Department of the Environment and Heritage, *Submission 24*, Attachment G

The role of regional bodies

4.4 The Australian Government Department of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage describe the role of the regional bodies responsible for these regions as follows:

The key role of regional bodies involves undertaking regional natural resource management planning, prioritising regional level investments, co-ordinating actions at the landscape scale, getting community ownership in decision making and reporting on progress.⁴

4.5 The role of regional bodies includes:

- mobilising community involvement and contributions to achieving positive NRM outcomes at a regional level;

⁴ Department of Agriculture, Fisheries and Forestry and Department of the Environment and Heritage, *Submission 24*, p. 4.

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- undertaking comprehensive consultation with the broad community and segments of the community with interests in natural resource management;
 - developing integrated NRM plans that would form the basis for strategic investment by governments, the community and other stakeholders in action to improve management of natural resource and the environment;
 - developing management, resource condition and aspirational targets as agreed by governments and communities in partnership as part of building the integrated NRM plans;
 - developing investment strategies as a basis for undertaking targeted investment by governments and community to provide on ground NRM improvements;
 - facilitating the delivery of education and information to the broad community and segments of the community with interests in natural resource management;
 - providing advice on priorities for investment of grants and other related funding;
 - monitoring and evaluating progress and reporting against targets at the regional scale;
 - ensuring effective governance arrangements are in place in both establishing priority setting processes and in accounting and administering government and community funds; and
 - representing regional community NRM interests to State and Australian Government governments.⁵

Regional Plans

4.6 Government investment in the form of NHT and NAP funding for the regions is based on regional plans rather than allocated on the basis of individual project applications. The regional plans identify regional priorities and set up a framework for investment in action.

4.7 The regional bodies develop their plans with feedback and advice from all levels of government and specialist advisory bodies. All key stakeholders are included in the planning process through consultation and negotiation. Stakeholder groups include communities, Indigenous people, academic/scientific communities, environmental groups, industry, local governments and state/territory and Commonwealth agencies. The plans are jointly agreed to by government and the community and, along with investment strategies for implementing the plans, they outline the goals, timelines and roles and responsibilities of all relevant parties.

5 Taken directly from the Department of Agriculture, Fisheries and Forestry and Department of the Environment and Heritage, *Submission 24*, p. 13.

4.8 The regional planning process takes account of the environmental, economic and social dimensions of any natural resource management issues and should be based on sound science.⁶

The accreditation process

4.9 All regional plans must be accredited before they can be implemented. Plans are accredited against criteria that were developed by the Australian and state/territory governments through the Natural Resource Management Ministerial Council in May 2002.

4.10 The accreditation criteria require regional bodies to demonstrate that their plans:

- cover the full range of natural resource management issues
- are underpinned by scientific analysis of natural resource conditions, problems and priorities
- have effective involvement of all key stakeholders in plan development and implementation
- focus on addressing the underlying causes rather than symptoms of problems
- include strategies to implement agreed natural resource management policies to protect the natural resource base
- demonstrate consistency with other planning processes and legislative requirements applicable to the region
- set targets at the regional scale, consistent with the national framework for natural resource management standards and targets
- identify strategic, prioritised and achievable actions to address the range of natural resource management issues and achieve the regional targets: this includes an evaluation of the wider social economic and environmental impacts of such actions and of any actions needed to address such impacts
- provide for continuous development, monitoring, review and improvement of the plan.⁷

Support for the Regional Model

4.11 The delivery of national programs through a regional model was viewed favourably by a number of witnesses. The key advantages of a regional approach identified were the ability for locally-based management to engage different

6 Australian Government Natural Resource Management Website, <http://www.nrm.gov.au/about-regions/index.html#boundaries> (accessed 5 January 2006).

7 Taken directly from the Australian Government Natural Resource Management Website, <http://www.nrm.gov.au/national/index.html> (accessed 5 January 2006).

community stakeholders, to build on local knowledge, and to tailor programs and practices to local need. The North Central CMA, Victoria, observed:

The regional approach necessarily taken by CMAs is appropriate to efforts to mitigate the effects of salinity: local-scale, appropriate decisions can be implemented as required. Additionally, CMAs are able to demonstrate leadership on diverse natural resource management issues – this cannot be achieved using a 'centralist' approach.⁸

4.12 Similarly the South Coast Regional Initiative Planning Team, WA, submitted:

We believe that the NRM Regional Model and the role of Regional NRM Groups in the management of salinity-affected areas will create significant positive benefit. The reasoning behind this is that the regions have a good understanding of the local issues and the management options available and how to achieve them through local knowledge and experience.⁹

4.13 The Centre for Salinity Assessment and Management, University of Sydney, highlighted the importance of community driven action:

The regional catchment management authorities (CMAs) are good vehicles to coordinate and manage catchment scale projects on salinity and other natural resource issues. CMA involvement ensures strategies address local problems, and are driven by communities rather than research providers.¹⁰

This was affirmed by the Burnett Mary Regional Group, Queensland:

Regional arrangements have created a groundswell of community actions and participation in activities to address salinity in our region.¹¹

4.14 The benefits identified by witnesses resonated with those reported by the Regional Implementation Working Group for NRM, which was established by the NRM Ministerial Council to examine regional delivery. In 2004 the Regional Implementation Working Group held a Community Forum, which gave the chairs of all regional organisations an opportunity to convey their views on the progress of the regional model and areas for improvement to the NRM Ministerial Council. The findings of this Forum were presented in the report, *Regional Delivery of NRM – Moving Forward*, in March 2005. The following benefits of the regional model were identified:

Regional delivery has contributed to systemic changes including:

- development of landscape-wide solutions;
- integration of NRM activities through plans and investment strategies;

8 North Central CMA, *Submission 39*, p. 2.

9 South Coast Regional Initiative Planning Team, *Submission 27*, p. 2.

10 Centre for Salinity Assessment and Management, *Submission 17*, p. 1.

11 Burnett Mary Regional Group, *Submission 30*, p. 1.

- formation of institutions and frameworks for delivering programs; and
- implementation of improved monitoring and evaluation programs.

It has helped generate attitudinal and social changes including:

- cultural change in acceptance of the need for catchment-wide solutions;
- target-setting and acceptance of the need to evaluate progress;
- an outcomes focus on the need for projects to contribute to overall improvements; and
- the development of local leadership and community commitment.¹²

4.15 In their joint submission, the Australian Government Department of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage concluded that the key message from regional communities expressed at the Regional Implementation Working Group's community forum was 'to continue with this approach as it provided the best means to deal with catchment wide natural resource management problems'.¹³

Governance Arrangements

4.16 The governance arrangements of regional bodies differ across the states and territories. As Mr Mike Lee from the Australian Government Department of Agriculture, Fisheries and Forestry noted, the regional bodies are 'creatures of the state'.¹⁴ That is, the governance structures of the regional bodies have been developed within the varied context of each state and territory. In some cases, regional bodies pre-existed the NAP and NHT delivering state-determined NRM outcomes. In WA, for example, the regional bodies were based on existing advisory committees. In Queensland and the ACT, alternatively, regional bodies were created following the identification of the NAP regional areas.¹⁵ Mr Forbes from the Australian Government Department of the Environment and Heritage told the Committee that regional bodies that pre-existed in some other form may have been inferred powers from the state.¹⁶

4.17 In their submission, the Department of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage provided an overview of the

12 Taken directly from the Department of Agriculture, Fisheries and Forestry and Department of the Environment and Heritage, *Submission 24*, Attachment I, p. 6.

13 Department of Agriculture, Fisheries and Forestry and Department of the Environment and Heritage, *Submission 24*, p. 4.

14 Mr Mike Lee, *Committee Hansard*, 6 September 2005, p. 10.

15 Department of Agriculture, Fisheries and Forestry and Department of the Environment and Heritage, *Submission 24*, p. 12.

16 Mr Malcolm Forbes, *Committee Hansard*, 6 September 2005, p. 10.

legislative arrangements of regional bodies on a state-by-state basis.¹⁷ This overview is summarised below with additional information as referenced. In brief, regional bodies in NSW, Victoria, Tasmania and South Australia are underpinned by legislation. There is currently no legislative basis for regional bodies in other states/territories.

State-by-state summary

South Australia

4.18 In July 2004, the SA Parliament passed the *Natural Resources Management Act 2004*, which provides a more integrated, streamlined and transparent system for NRM in South Australia. The Act established eight new statutory boards, one for each existing NRM region. Prior to this there were over 70 boards separately managing issues relating to water, pest plants and animals and soil conservation.

4.19 Following the introduction of the Act, interim Integrated Natural Resource Management (INRM) groups or boards were established. Statutory-based NRM Boards formally assumed responsibility for the delivery of natural resource management on 1 July 2005.

4.20 Each regional NRM board is comprised of up to 9 members appointed by the Governor on the nomination of the Minister. Appointments are based on relevant skills, expertise and experience in different aspects of NRM and land management, business administration, state and local government administration, regional and urban planning and Aboriginal heritage and land management. A majority of the board must reside within the region.¹⁸

4.21 The Act also provided for a new state NRM Council, which forms a peak body providing independent advice and developing and reviewing a state NRM plan. The first skills based council was appointed in April 2005 based on criteria identified in the Act.

4.22 The NHT is delivered through all eight NRM regions and the NAP is delivered through the regional bodies covering three priority NAP regions.

New South Wales

4.23 In 2003, the NSW Government introduced natural resource management reforms aimed at ending broadscale land clearing and encouraging responsible land management practices. Three bills were passed in the NSW Parliament to govern these reforms and enable a regional model for the delivery of natural resource management:

17 Department of Agriculture, Fisheries and Forestry and Department of Environment and Heritage, *Submission 24*, Attachment F.

18 *Natural Resource Management Act 2004*, Part 3, Division 3 (25).

- *Natural Resources Commission Act 2003*;
- *Catchment Management Authorities Act 2003*; and
- *Native Vegetation Act 2003*.

4.24 The *Natural Resources Commission Act 2003* established an independent Natural Resources Commission (NRC). The role of the NRC is to develop standards and targets for natural resource management, and to monitor the progress of catchment management authorities (CMAs) in reaching these targets.¹⁹

4.25 The *Catchment Management Authorities Act 2003* created 13 regional catchment management authorities (CMAs). The principal role of the CMAs is to coordinate natural resource management programs and services. This includes the development and implementation of Catchment Action Plans (CAPs) and associated investment strategies. Under the *Catchment Management Authorities Act 2003* the CAPs must take account of the state-wide standards and targets set by the NRC.²⁰

4.26 In January 2004, the CMAs were formally constituted as statutory authorities with a responsible and accountable board. CMA boards are appointed by, and report directly to, the Minister for Infrastructure and Planning and Minister for Natural Resources. Appointments are merit-based according to knowledge and experience in the following areas: primary production, environmental, social and economic analysis, state and local government administration, negotiation and consultation, business administration, community leadership, biodiversity conservation, cultural heritage, and water quality.²¹

4.27 Prior to the establishment of the 13 CMAs, a total of 21 Catchment Management Boards (CMBs) were involved in natural resource management in New South Wales.

4.28 The *Native Vegetation Act 2003* covers the management of native vegetation and the prevention of broadscale clearing. It predominantly applies to private rural land. CMAs hold powers under the Act and are responsible for assessing land-clearing proposals.

4.29 The NHT is delivered through all 13 regions while the NAP is delivered through the CMAs that cover seven priority regions.

Tasmania

4.30 The *Natural Resource Management Act 2002* is the principal piece of legislation underpinning natural resource management in Tasmania. The Act sets out

19 NSW Department of Infrastructure, Planning and Natural Resources, *Submission 22*, p. 2.

20 NSW Department of Infrastructure, Planning and Natural Resources, *Submission 22*, p. 2.

21 *Catchment Management Authorities Act 2003*, s. 8 (4).

the roles, functions and powers of the Tasmanian Natural Resource Management Council and three regional committees (NRM Cradle Coast, NRM North and NRM South). It also provides for the development of regional strategies and the accreditation process.

4.31 The role of the Natural Resource Management Council is to advise government and to liaise with the regional committees. The Council is comprised of up to 16 members appointed by the Government and reflecting a representative mix from the following groups: each of the regional NRM committees, the Aboriginal community, industry and land managers, conservation interests, state and local government, and community groups.²²

4.32 The three regional committees facilitate and coordinate regional natural resource management and are responsible for developing regional strategies. They do not have a regulatory role and therefore do not have enforcement powers.²³ The committees are appointed by the Government in accordance with selection criteria that aims to ensure a representative mix from the following stakeholder groups: community and conservation interests, the Aboriginal community, state and local government, industry and land managers.²⁴

4.33 Tasmania has one priority region under the NAP - the Midlands Region - which falls in both the North and South NRM regions.

Victoria

4.34 In Victoria, 10 regional Catchment Management Authorities (CMAs) deliver the NAP and the NHT at the regional level. The CMAs are body corporates established under the *Catchment and Land Protection Act 1994*. Members (up to 15) of authorities are appointed by the Victorian Minister for Environment and Conservation and comprise:

- A mix of experience and knowledge of land protection, water resource management, primary industries, environmental conservation and local government;
- a representative of the relevant department(s);
- at least one half of the members being persons whose principal occupation is primary production.

22 Department of Primary Industries, Water and Environment, *Tasmanian Natural Resource Management Framework*, 2002, p. 22.

23 Department of Primary Industries, Water and Environment, *Tasmanian Natural Resource Management Framework*, 2002, p. 24.

24 Department of Primary Industries, Water and Environment, *Tasmanian Natural Resource Management Framework*, 2002, p. 25.

4.35 Prior to the introduction of the *Catchment and Land Protection Act 1994* the 10 regional bodies were land protection boards.

4.36 Under the *Catchment and Land Protection Act 1994*, the CMAs are responsible for the development and implementation of regional catchment strategies and provide advice to State Government on both federal and state resource priorities in the region.

4.37 Under the *Water Act 1989* the CMAs may also have responsibilities in relation to waterway management, floodplains, irrigation and regional drainage systems.

4.38 The NHT is delivered through all 10 regions and the NAP is delivered by the CMAs covering four priority regions.

Queensland

4.39 In Queensland there are 15 NRM regions and 14 regional bodies. The regional bodies were established in 2003 and each body is responsible for developing and implementing a regional NRM plan. The NAP is delivered through the regional bodies covering four priority regions.

4.40 There is no legislative basis for the support of regional bodies in Queensland. Regional Bodies are, in the main, incorporated entities and not catchment management authorities.

Western Australia

4.41 There are six NRM regions in Western Australia and six corresponding regional bodies. The regional bodies are responsible for developing and implementing (accredited) regional plans.

4.42 Western Australia has four priority NAP regions and a fifth priority NAP region (the Ord) that overlaps with the Northern Territory.

4.43 Regional bodies in WA are not founded on any legislative basis. The regional bodies are incorporated entities but not catchment management authorities. The bodies are based on existing advisory committees following the identification of priority regions under the National Action Plan.

4.44 Management committee/board membership of the six regional bodies is set out in each organisation's constitution. Membership varies across the six organisations, however, all constitutions state that members must demonstrate a connection to, and live in, the region. Membership of each governing body is a mix of

state government and community members, with community members including local government, Indigenous, natural resource and land management interests.²⁵

4.45 It should be noted that a state-wide review of delivery and management of NRM in Western Australia, including the governance arrangements and status of regional bodies, has commenced.

Northern Territory

4.46 The Landcare Council of the NT (LCNT) was appointed as the regional body for the NT Region (the entire NT is one region) under the NHT Bilateral Agreement, which was signed in June 2003. In December 2003 the LCNT took on the additional role as regional body for the delivery of the NAP.

4.47 There is no legislative basis for the support of the regional body in the Northern Territory.

4.48 The LCNT is a community and industry based advisory body appointed by the NT Minister for Lands and Planning. The Council comprises representatives from industry, Aboriginal Land Councils, local government, non-government organisations, research bodies and the Territory Government and has an independent community chairperson. Executive support and financial and administrative management is provided by the Department of Infrastructure, Planning and the Environment. The NT Government is moving towards creating an incorporated entity to function as the regional body, which is expected to take effect in the 2005-06 financial year.

Australian Capital Territory

4.49 The ACT forms a single region for the delivery of NRM. The Natural Resource Management Territory Body acts as the regional body for the ACT and works closely with the Murrumbidgee Catchment Management Authority in NSW. The Murrumbidgee region, which is a NAP priority area, encompasses the ACT.

4.50 The ACT is currently negotiating its bi-lateral agreement for the delivery of the NAP. Originally, the ACT was not listed as a NAP region because it was anticipated it would be covered by the NSW NAP region (the Murrumbidgee-Lachlan), which encompasses it. However, the ACT now considers this is not the most productive way to address salinity in the ACT and is negotiating an agreement as a single region.²⁶

4.51 There is no legislative basis to support the regional body in the ACT. The regional body is not incorporated. It was created following the establishment of the

25 WA Department of Environment, answer to question on notice, 18 November 2005 (received 8 March 2006).

26 Dr Maxine Cooper, Executive Director, Arts, Heritage and Environment, ACT Chief Minister's Department, *Committee Hansard*, 28 February 2006, p. 11.

bilateral agreement for the delivery of the Natural Heritage Trust in the ACT, which sets out its membership and responsibilities.

Is more legislative support required?

4.52 Terms of Reference (b) to this inquiry sought to establish whether adequate legislative support was available to assist regional bodies in achieving national goals. However, little attention was given to the issue of legislative support in submissions received. WA was the exception to this. As noted above, the introduction of statutory arrangements for regional bodies is currently under consideration in WA within the context of a review of NRM delivery.

4.53 In their submission the Avon Catchment Council, WA, explained that an advantage of greater legislative recognition of regional bodies is that it would enhance their status, bringing them to the table on external but related decision-making processes:

Legislative recognition of Regional NRM Groups in Western Australia is an ongoing issue that is currently under review. In the interim it would be useful if environmental legislation review or development recognises the role and function of Regional Groups. This is not creating a role for NRM Groups in the delivery or coordination of legislation but is ensuring that a level of consultation is sought with NRM Groups in the decision making process.²⁷

4.54 At a public hearing in Perth, Mr Peter Sullivan, CEO of the Avon Catchment Council, expanded on this statement reiterating the benefits of further 'legitimising' the role of regional bodies. However, this was qualified by the concern that statutory recognition of regional bodies in WA could potentially weaken the community-based character of these organisations:

On the notion of a statutory umbrella and perhaps to what extent that statutory process feeds down to council level really we are quite open-minded about the benefits and, I suppose, some of the threats that that may pose. There certainly are benefits in terms of legitimising council's position in a state and regulatory context, but we do not want to undermine the fundamental basis of council, which is a community group. That can be managed in a statutory context, as it can in our current context as an incorporated association. The bottom line is that, if statutory meant not attacking the fundamental benefits of being a community based organisation and having community decisions reflected as part of the process, a statutory model would not necessarily be an issue for us.²⁸

27 Avon Catchment Council, *Submission 42*, p. 3.

28 Mr Peter Sullivan, *Committee Hansard*, 18 November 2005, p. 34.

4.55 Similarly, Mr Mike Lee from the Department of Agriculture, Fisheries and Forestry pointed to the tension between holding statutory powers and remaining a community driven body and highlighted the benefits of a community model:

The issue of when a regional body acquires enough statutory powers to perhaps cease to feel like a representative of the community is an interesting one. At this stage right across the country we are seeing regional bodies having a very large community content; the people involved have great energies, enthusiasm and passion. That is very good for governments, because it allows us to work with these people and implement our programs.²⁹

4.56 Commenting on the WA context, Councillor Clive Robartson, Western Australian Local Government Association, told the Committee that the Association favoured the current non-statutory approach, in part because it facilitated better relationships with local government:

[T]he association is supportive of the NRM regions remaining non-statutory as this enables greater flexibility for the NRM regions as a catalyst for change and improves the opportunity for partnership with local government.³⁰

4.57 Whilst limited evidence was received on this issue, the Committee believes that in the longer-term there could be a need to embed NRM decisions in the planning laws of local governments. For this reason, the Committee believes that further attention should be given to the issue of a statutory role for NRM bodies.

Planning powers

4.58 In SA, the Committee heard that the regional NRM boards hold the legislative power to amend development applications. However, as yet, regional boards have not resorted to this legislative power, instead working in consultation with local councils. Mr Wickes from the Department of Water, Land and Biodiversity Conservation explained:

Under the current act, the board can make a change to the development applications. Where they set it up and say, 'This is what we're going to do in our district,' the boards can make a change to that. Under law they have not because, as soon as they start talking about it, they work together. We are just changing the development act so that it has to take account of those activities and put in new arrangements, so the development act and the Natural Resources Management Act will work closely together in doing what you are saying. So we are setting the processes up. We have a planning strategy to now recognise those things, and that planning strategy then influences the planning programs of the council. We have started a process where they then have a program of what should happen and that

29 Mr Mike Lee, *Committee Hansard*, 6 September 2005, p. 10.

30 Councillor Clive Robartson, *Committee Hansard*, 18 November 2005, p. 76.

can influence that program. We are trying to get all those connections going at the moment with local government and the planning fraternity.³¹

4.59 The Australian Conservation Foundation saw a legislative role for regional bodies in relation to planning and put forward a specific recommendation:

That appropriately accredited regional NRM bodies be granted referral powers on local government land-use planning decisions, and be resourced appropriately to ensure that local government decisions match regional NRM standards.³²

4.60 While the Committee received limited evidence from regional bodies on the issue of legislative support and legislative powers, from a local government perspective significant concerns were expressed. As discussed in Chapter 3, the view put to the Committee was that investing regional bodies with statutory powers could infringe on local government's areas of responsibility. The ALGA firmly opposed regional bodies holding legislative powers:

ALGA rejects any proposal to grant catchment management authorities legislative powers.³³

Consistency in arrangements

4.61 The House of Representatives Report observed that the legislative basis and organisational structure of the regional bodies varies considerably across the states and suggested there could be some merit in introducing national consistency in this respect.³⁴

4.62 However, this did not emerge as a concern in this inquiry. In fact, from a WA perspective Councillor Clive Robartson from WALGA argued against consistency on the grounds that the broader political and regulatory environments were different across states:

I would not like to see statutory CMAs being put into place in Western Australia, because the situation here is different to what is happening in the eastern states. ... I was on the Australian Landcare Council for a period of time, representing the Australian Local Government Association, so I had a bit of feedback and liaison with people from particularly New South Wales with their CMA—Catchment Management Authority, or whatever they are called—and it struck me that that probably fitted New South Wales quite well. There seems to be greater political influence in local governments in New South Wales, so there is a different understanding. There is a different approach to local government. That does not happen as much in Western

31 Mr Roger Wickes, *Committee Hansard*, 16 November 2005, p. 15.

32 Australian Conservation Foundation, *Submission 19*, p. 12.

33 ALGA, *Submission 13*, p. 3.

34 House of Representatives Standing Committee on Science and Innovation, *Science Overcoming Salinity*, May 2004, p. xxxiii.

Australia. We tend to work together in local governments in a different way and so encouraging voluntarily involvement, I think, is important for Western Australia, at this point anyway.³⁵

4.63 Given the lack of evidence, it is difficult for the Committee to assess the extent to which legislative consistency and greater legislative support across the states is possible and desirable. Any move to reform the broader governance structures of regional bodies is, perhaps, best determined on a state-by-state basis. In this way, arrangements can be introduced that take into account the existing governance structures, relationships between state and local governments and the regional bodies, and the level of maturity of regional bodies. The starting point for reform should be: how can we best deliver the desired NRM outcomes in this state, under these conditions?

Other Issues

4.64 Notwithstanding the support for the concept of the regional model discussed earlier, a number of concerns about the regional model in practice emerged during the course of the inquiry.

Uneven capacity of regional bodies

4.65 Evidence revealed a significant concern about the uneven capacity of regional bodies both across and within states. While there is general appreciation for the concept of a regional model, in practice performance to-date has been variable. Greening Australia observed that those regional bodies functioning effectively have built on existing 'local knowledge, skills and experience'. At the same time, other regional bodies have 'returned to first principles' prolonging the planning process at the expense of on-ground action.³⁶

4.66 Within the Queensland context, the Local Government Association of Queensland reported that local government councils were concerned that there was a 'general lack of capacity of the regional bodies to effectively undertake the required tasks'.³⁷

4.67 The CRC for Plant-Based Management of Dryland Salinity conveyed its support for the regional model and noted the potential of regional bodies, while highlighting their uneven ability. This variation in capacity was viewed as a product of the differing stages of development or maturity of regional bodies across the states:

We are committed to supporting the regional delivery model for national programs, and increasingly are working with catchment management authorities on R&D delivery. Importantly regional bodies have the potential

35 Councillor Clive Robartson, *Committee Hansard*, 18 November 2005, pp 80-81.

36 Greening Australia, *Submission 16*, p. 3.

37 Local Government Association of Queensland, *Submission 8*, p. 2.

to draw together sound science, National/State priorities and community preferences into a rational investment process and should be given time and a relatively stable policy environment in which to work. However, we observe that their capacity to meet program and community expectations is uneven across Australia, reflecting an 'evolutionary process' from differing State/Territory starting points.³⁸

4.68 Similarly, Mr Corey Watts from the Australian Conservation Foundation noted 'a great deal of variety in the quality of regional delivery' and argued that 'decision-making tools' were needed across all regions to enable a strategic approach and enhance the capacity to engage landholders and other groups.³⁹

4.69 Along these lines, Dr Prosser from the CSIRO told the Committee, 'We believe that regional authorities have a crucial role to play in salinity management, but they have widely ranging capacities to meet their goals'. He went on to explain that many regional bodies do not have the requisite skills to apply current research to local conditions:

[T]here are significant technical challenges in assessing how to manage salinity in each catchment. Techniques are available to identify the assets for protection, the salt sources and the flow pathways and to design the management options. Research in these areas is continuing to provide more accurate and sophisticated techniques. ... However, our experience is that the use of that research is limited, because it requires translation to be relevant to local conditions. The general principles are understood, but their application to each local condition needs to take into account the local environment and the local cause and effect relationships of salinity. That requires expert interpretation of those general principles using the local knowledge. Many regional groups have not developed those skills to date. They do not have the skills amongst their staff to do that.⁴⁰

4.70 When questioned further about the reasons for the uneven capacity of regional bodies and whether it was funding levels or other factors driving their level of performance, Dr Prosser responded in the negative:

No, it is about their capacity, it is about their skill levels and it is about their youth as institutions. A lot of these regional groups are fairly young institutions. The longest existing ones are the Victorian CMAs, and they are the most sophisticated. I do not believe that is a coincidence. It is just the time it takes to develop up that regional scale, the thinking and the tackling of these problems in a strategic way to develop other skills in house.⁴¹

38 CRC for Plant-Based Management of Dryland Salinity, *Submission 18*, p. 2.

39 Mr Corey Watts, Acting Manager, Land and Water Program, ACF, *Committee Hansard*, 28 February 2006, p. 27.

40 Dr Ian Prosser, *Committee Hansard*, 6 September 2005, p. 30.

41 Dr Ian Prosser, *Committee Hansard*, 6 September 2005, p. 33.

4.71 Mr Leslie Roberts from the Murray-Darling Basin Commission, which deals with 20 regional bodies in the Murray-Darling region, similarly expressed the view that funding levels was not the problem.⁴²

4.72 In accord with the views put forward by the CRC for Plant-Based Management of Dryland Salinity and the CSIRO, Mr Matthew Kendall from the Murray-Darling Basin Commission pointed out that there is a strong correlation between the maturity of regional bodies and their capacity for a coordinated and integrated approach:

Looking at the Victorian example, where they have had catchment groups in place for 10 years or more, there has been an increasing level of coordination, to the degree where there is very good integration between the state government, those catchment groups and the Commonwealth through the national action plan. Certainly the independent audit group has reflected on the differing stages that each state is at in terms of its catchment bodies. Some are much newer—for example, Queensland.⁴³

Delays in on-ground action

4.73 A concern raised by Greening Australia was the amount of time taken for regional bodies to prepare their catchment strategies. While noting that this is 'an undeniably difficult and complex task', Greening Australia stated:

Our core submission is that the tasks of strategic planning and on-ground action need to be more effectively linked. This requires a framework for empowering action and then learning from the results. This will require increased devolution of budgets and decision-making and improved monitoring and evaluation to assess the effectiveness of alternative approaches.⁴⁴

4.74 Similarly, the Local Government Association of Queensland suggested that 'excessive strategic planning is limiting funding for on-ground projects'.⁴⁵

4.75 The ANAO audit of the NAP reported that in many regions comments had been made about the challenges of the planning process by regional bodies, state agencies and research institutions. Again, this varied depending on the stage of development of the regional body. Newly established organisations were restricted by a lack of research material and data. Established organisations were able to draw on existing resources and, for some, existing plans. The report further noted that the

42 Mr Leslie Roberts, *Committee Hansard*, 6 September 2005, p. 39.

43 Mr Matthew Kendall, *Committee Hansard*, 6 September 2005, p. 40.

44 Greening Australia, *Submission 16*, p. 3.

45 Local Government Association of Queensland, *Submission 8*, p. 2.

degree of (geographical) access to research institutions impacted on the planning process.⁴⁶

Getting beyond the local

4.76 The Centre for Salinity Assessment and Management, University of Sydney, pointed to a potential downside or risk in the local nature of the regional delivery model. Without diminishing the value of local knowledge and activities, the Centre argued for the importance of ensuring CMAs tap into current research being carried out at a national and even international scale:

... there are risks in CMAs primarily focusing on local and community-based activities, including local knowledge not being linked with the best contemporary national and international research, and not giving appropriate weight to scientific endeavours. It is also important to recognise that natural resource management problems in Australia are too large to be solved by local scale activities alone ...⁴⁷

4.77 The need for regional bodies to have improved access to current research was a major concern raised in the inquiry. This is discussed in more detail in Chapter 5.

Improving the accreditation process

4.78 The CRC for Plant-Based Management of Dryland Salinity emphasised the role that a strong accreditation process can play in achieving consistent, quality standards of NRM program delivery. It was argued that the accreditation process needs to be strengthened, with particular attention directed towards mechanisms that enable sound investment decision-making. The need for guidance and support for regional bodies in meeting strengthened accreditation requirements was noted:

A stronger accreditation process is required, making funds conditional on use of a rigorous approach to selection of investments by regional bodies. Investment decisions should be (a) science-based, (b) outcome-focused and (c) designed around an understanding of landholder adoption of conservation technologies. For instance, use of conventional decision tools such as benefit/cost analysis should be expected. There should be guidelines and training support for regional bodies in the use of such an approach to investment. The principle of adaptive management is important here – the measure of achievement should not be “dollars out the door by 30 June” but the level of confidence that investment will realize maximum impact over time, in the face of changing economic and environmental conditions.⁴⁸

46 Australian National Audit Office (ANAO), *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, p. 55.

47 Centre for Salinity Assessment and Management, *Submission 17*, p. 1.

48 CRC for Plant-Based Management of Dryland Salinity, *Submission 18*, p. 1.

4.79 At a public hearing in Perth, Mr Goss, CEO of the CRC, expanded on the CRC's concerns noting that an improved accreditation process would help to bring into line the performance of regional bodies in terms of governance, planning, and investment decision-making, and counteract some of the teething problems of the NAP and NHT:

On the matter of accreditation, this is really an acknowledgment that the regional bodies are still evolving—and that is uneven across Australia—and also that the National Action Plan for Salinity and Water Quality and the Natural Heritage Trust themselves are programs that have only a few years behind them, and they have gone through some pretty painful iterations in settling things down.

The accreditation process becomes very important in not only starting to bring in governance for investment of this scale, but also in starting to bring in some consistency, and even some learning behind it, so that the groups that have different starting points start to get to a level of common good planning, good governance and good investment behaviour. We see accreditation, and in fact benchmarking and performance, as very important means to that end.⁴⁹

4.80 Commenting on the state of play as at late 2004, the ANAO Audit Report noted that the quality of accredited regional plans was variable, which could, in turn, impact on the timing and quality of outcomes.⁵⁰ This variability undermines the intent of the accreditation process, which was introduced to provide quality assurance and, concomitantly, consistency.

Relationships with Other Players

4.81 As noted above, one of the perceived advantages of the regional delivery model is the access to local knowledge, expertise and need. Regional bodies are positioned to engage with landholders, environmental groups, industry bodies, Commonwealth, state and local governments, Indigenous communities, and science-research communities. Central-West CMA, NSW, made the observation that 'You need to engage people to create change'.⁵¹

4.82 It was pointed out to the Committee, however, that this engagement at the local level is also one of the major challenges for regional bodies. The Avon Catchment Council, WA, made the general point that regional bodies have many stakeholders to liaise with and many different – and sometimes competing – interests to weigh up; this is a 'difficult and complex task'.⁵²

49 Mr Kevin Goss, *Committee Hansard*, 18 November 2005, p. 19.

50 Australian National Audit Office (ANAO), *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, p. 64.

51 Central West CMA, *Submission 9*, p. 3.

52 Avon Catchment Council, *Submission 42*, p. 1.

4.83 Mrs Elizabeth Eaton, Chair of the Northern Agricultural Catchment Council, also noted the challenge faced by regional bodies in accommodating different interests:

In terms of on-ground delivery, there can be some tensions between a technical assessment of what will make a difference to the natural resource as opposed to what land-holders might see as being a more productive response. Regional groups again are charged with being able to find a pathway that achieves the required difference to the natural resource and encourages sufficient private investment to contribute to that difference. That is one of the challenges of the strategy and investment planning process.⁵³

4.84 Particular relationships were highlighted in the evidence received:

- relationships between regional bodies;
- relationships between regional bodies and local government;
- relationships between regional bodies and industry groups; and, more broadly,
- the capacity of regional bodies to engage the community.

These are discussed below.

Relationships between regional bodies

4.85 Mr De Landgraft from the WA Farmers Federation told the Committee that communication between regional bodies needs to improve if the salinity programs are to be successful:

The real success of these programs will come by tackling some very major projects. To that end, these catchment groups have to talk to each other a little bit more, too. I am aware of one example where the Avon Catchment Council through its drainage corner, if you like, is very keen on the Swan River project, but I have heard some very senior people in the Swan Catchment Council saying, 'Over my dead body.' There needs to be a lot of communication internally as well as externally, and some cooperation in delivering outcomes.⁵⁴

4.86 This observation is a reminder that, to some extent, regional boundaries are artificial when it comes to salinity management. In some cases, cross-catchment work may need to be undertaken. In NSW, for example, Mr Neville Pavan from the Hawkesbury-Nepean CMA told the Committee that the CMA was working collaboratively with other CMAs from neighbouring regions to address salinity issues in the adjoining areas.⁵⁵ In other cases, action taken in one region could have impacts on land and water quality in another region – construction of deep drains and potential

53 Mrs Elizabeth Eaton, *Committee Hansard*, 18 November 2005, p. 37.

54 Mr Trevor De Landgraft, *Committee Hansard*, 18 November 2005, p. 57.

55 Mr Neville Pavan, *Committee Hansard*, 14 October 2005, p. 62.

downstream effects for example. For these reasons, good communication between regional bodies is important.

4.87 As noted earlier, the ACT, whilst a region in its own right, is also located within the Murrumbidgee Catchment region. Dr Maxine Cooper from the ACT Chief Minister's Department told the Committee that being the 'hole in the doughnut', working cooperatively with the Murrumbidgee CMA is important. She explained: 'environmental issues do not respect any political jurisdiction'. As a result, the ACT regional body and the Murrumbidgee CMA are developing a memorandum of understanding to underpin their relationship.⁵⁶

4.88 Sound communication between CMAs can also lead to exchange of information, circumventing the problem of 'reinventing the wheel' or duplicating effort. In their submission Hunter-Central Rivers CMA suggested that a framework for communication between CMAs – a 'framework that facilitates exchange of salinity information' – would lead to improved use of investment.⁵⁷

4.89 Mr Aldred from the Department of Agriculture, Fisheries and Forestry, told the Committee that as the regional groups are maturing, communication and information exchange between them is increasing. He further explained that the Australian and state/territory governments are providing more forums for regional bodies to formally meet and exchange ideas and concerns and provided examples of this kind of activity.⁵⁸

Relationships between regional bodies and local government

4.90 Local Government has the capacity to play a significant role in salinity and broader natural resource management. The Australian Local Government Association explained that councils can undertake a range of tasks to help regions meet their salinity targets, for example, modifying watering of parklands and reserves to reduce saline discharge and recharge, and taking on an educative role with the community.⁵⁹

4.91 The Australian Conservation Foundation (ACF), outlined the broad range of policy tools that local government can use to contribute to natural resource management:

- Land-use planning
- Development approvals
- Public land management

56 Dr Maxine Cooper, Executive Director, Arts, Heritage and Environment, Chief Minister's Department, ACT, *Committee Hansard*, 28 February 2006, p. 14.

57 Hunter-Central Rivers CMA, *Submission 2*, p. 2.

58 Mr Tom Aldred, Executive Manager NRM, Department of Agriculture, Fisheries and Forestry, *Committee Hansard*, 28 February 2006, pp 40-41.

59 Australian Local Government Association, *Submission 13*, p. 3.

- Infrastructure management
- Financial incentives
- Management agreements
- Revolving funds
- Joint NRM Authorities
- Environmental levies
- Financial management assistance
- Community capacity building and networks
- Direction and leadership⁶⁰

4.92 A major concern expressed by the ALGA was that there has been a lack of coordination between regional bodies and local government leading in turn to a lack of congruence between regional and local plans. It was clear from the ALGA's comments that local government should be involved in the regional planning process and not simply the implementation process:

To date there has been a lack of effective local government involvement in the regional arrangements. A recent ALGA Natural Resource Management (NRM) survey of councils suggested that while 73 per cent of councils had attended briefings by their regional organisations, only 12 per cent had actually contributed to their regional plan. This is not effective engagement and will not result in local and regional plans being compatible. As a result, optimal environmental outcomes can not be achieved.⁶¹

4.93 However, the ALGA went on to say they imagined a more productive relationship in the future as regional bodies moved into the implementation stage. Greater consultation and collaboration would, it was suggested, minimise duplication:

We would anticipate that as the regions move from a planning phase into an implementation phase, greater consultation with local governments will occur. This will reduce duplication and will result in good partnership projects to reduce salinity levels. Catchment management authorities need to understand the role councils play in environmental management and the benefits of working with councils to achieve environmental goals, such as reduced salinity.⁶²

4.94 The Local Government Association of Queensland (LGAQ) submitted that member councils of LGAQ who were represented on regional boards were generally satisfied with the regional process. Those councils with no direct board involvement, in the main, did not share this satisfaction. Some of the concerns put forward were:

60 Taken directly from the Australian Conservation Foundation, *Submission 19*, p. 50.

61 Australian Local Government Association, *Submission 13*, p. 2.

62 Australian Local Government Association, *Submission 13*, p. 2.

'lack of appreciation of local government roles and responsibilities to influence natural resource management', 'lack of understanding and skill to effectively engage Councils' and 'confusion over regional boundaries with some councils included in 3 different regions'.⁶³

4.95 Mr Malin from the Western Australian Local Government Association told the Committee that within WA local government representation on the regional bodies had improved.⁶⁴ However, Councillor Robartson observed that it would have been beneficial to have greater local government involvement from the outset.⁶⁵ He went on to explain that a move in WA to establish regional local government structures would better place local government to actively engage in regional natural resource management.

4.96 In SA, a proactive and considered approach was taken to ensuring local government involvement from the beginning. Mr Wickes from the Department of Water, Land and Biodiversity Conservation said that local government was involved in developing the legislation to underpin the regional model. Further, local government representation is achieved through designated observer positions on the NRM boards. However, Mr Wickes explained that the process of securing broad local government involvement is ongoing, with some Councils actively involved while others are less interested:

The Local Government Association helped us to draw up the legislation and actually sat here in this house the whole time it was debated to help us with it. Built into it is quite a strong relationship with local government. The issue, of course, is maintaining that relationship. Local government here have always looked after quite strongly the animal and plant control and feral side of it, and they are all very keen to get into the broader natural resources debate. As we have said, some councils have taken that on very strongly, whereas others have not. The challenge now is to get all those local governments to embrace that. The rural areas are probably more around it than the Adelaide type councils. But it is on the local government agenda; it is quite regularly on the agenda of the local government forum with our minister—in fact, it is on the agenda for the next forum. So it is something that we are trying to build up. People with local government experience are members of the NRM boards, and each board can have on it a person representing local government, like a chief executive, who is not a voting member but partakes in all the meetings. We are trying to make that a stronger relationship, and there are quite a number of forums going on at the moment where the NRM, the natural resource management, chair and the executive officer are meeting with all the local governments.⁶⁶

63 Local Government Association of Queensland, *Submission 8*, p. 2.

64 Mr Nathan Malin, *Committee Hansard*, 18 November 2005, p. 79.

65 Councillor Clive Robartson, *Committee Hansard*, 18 November 2005, p. 79.

66 Mr Roger Wickes, *Committee Hansard*, 16 November 2005, p. 15.

4.97 Regional body responses to the issue of local government engagement were varied. Some described a strong and engaged relationship with local governments in their region. For example, Namoi CMA, NSW, talked positively of their relationship with local government. In a supplementary submission they stated: 'Local Government is very supportive of work carried out by the CMA and provides resources and time'.⁶⁷

4.98 Similarly, Mr Gledhill from the Lachlan CMA told the Committee that local government 'has taken us on 100 per cent' and explained the CMA has formed a reference group with local government partners.⁶⁸

4.99 Mr Dan Meldrum from the River Murray Catchment Management Board in SA told the Committee that their organisation had a 'reasonable level of understanding' of local government's policy and regulatory roles in NRM and that communication between the regional body and local government was good.⁶⁹

4.100 On the other hand, as discussed in Chapter 3, a regional body in NSW expressed concern about local government's lack of understanding about - or lack of willingness to - take into account, salinity management issues in relation to urban development of rural lands.⁷⁰ This observation highlights the need for a willingness by all stakeholders to engage with the challenge of salinity.

4.101 Like the ALGA, the Australian Conservation Foundation (ACF) stated that the potential of local government in NRM is not adequately harnessed. However, ACF was quite critical of local government's role in contributing to this state of affairs:

The potential NRM capacity of local municipalities remains grossly untapped, and the linkages between regional NRM and investment plans appear to be weak for the most part. ACF's consultations with representatives of several regional NRM organisations reveal a high level of frustration with local government involvement (or lack thereof) in the regional planning process is very common. At best, local government support for integrated catchment management and sustainable land use is variable; at worst local government obstinacy and ignorance of the principles of Integrated Catchment Management can make the efforts of regional-catchment planners a waste of time.⁷¹

4.102 The Committee believes that the regional bodies are best-placed to be the primary managers of NRM as this is their specific function and area of expertise. However, clearly local government has a strong role to play. As discussed in the previous chapter and noted above, the Committee heard concerns that some local governments do not adhere to NRM principles in their planning decisions and other

67 Namoi CMA, *Submission 25a*, p. 1.

68 Mr Robert Gledhill, Chair, Lachlan CMA, *Committee Hansard*, 28 February 2006, p. 30.

69 Mr Dan Meldrum, *Committee Hansard*, 16 November 2005, pp 48-49.

70 Hunter-Central Rivers CMA, *Submission 2*, p. 2.

71 Australian Conservation Foundation, *Submission 19*, p. 51.

processes. In light of this, the Committee believes that local government peak bodies and individual councils should direct more attention to strengthening local government's NRM practices and integrating local government processes with those of the regional bodies.

4.103 Local government involvement in the management of salinity was a major issue that emerged in the inquiry. In the previous chapter the following issues were discussed within the context of the governance framework for national programs: lack of clarity around the roles and responsibilities of local government and regional bodies, and the use of planning powers. In Chapter 6 the role of local government is again addressed within the context of urban salinity. The Committee notes that while there is a clear need to better integrate local government and regional body processes, there were also impressive examples presented to the Committee of local government, regional bodies and other stakeholders working collaboratively and productively together. Some of these examples are outlined in Chapter 6.

Relationships with industry

4.104 Encouraging industry engagement in salinity management was an issue raised during the inquiry and in the House of Representatives Report. At a regional level, the importance of developing partnerships with private sector players was brought to the Committee's attention.

4.105 The Namoi CMA submitted that focusing on developing regional partnerships – particularly with agribusiness – will be important in achieving 'on-ground change'.⁷² Mr Truman from the CMA explained to the Committee that:

There is an opportunity for joint funding here between the CMA and agribusiness to try and extend the money that we have for our incentives. Although we have only had a limited budget initially, if we can develop some partnerships there then we may be able to extend our funding and our ability to do our on-ground works longer.⁷³

4.106 Mr Meldrum from the River Murray Catchment Management Board in SA agreed that there was a need to develop regional partnerships and that good communications networks were critical to achieving this:

I think effective communication networks are the key. We seem to be going down that path at the moment. We are in the process of establishing a resource information centre for the South Australian Murray-Darling that Minister Maywald will be launching next week. Basically, that initiative is to share information between natural resource management agencies and industry groups to have multiple use of the same information so that they

72 Namoi CMA, *Submission 25*, p. 2.

73 Mr George Truman, *Committee Hansard*, 14 October 2005, p. 28.

are sort of managing issues jointly. Regional development boards and the Department of Trade and Economic Development are part of that as well.⁷⁴

4.107 The Committee was encouraged to hear that some regional bodies are actively seeking to build partnership with industry in order to fund necessary salinity management projects. In regional New South Wales the Committee heard from the Lachlan CMA who told the Committee that they had been very successful in leveraging \$16 million in non-government money:

[W]e are just about to sign off on our 1,000th project in the Lachlan catchment in the last 18 months, which roughly totals \$30 million. The important message there is that out of that \$30 million \$14 million has been provided by the New South Wales state government and the Commonwealth government. The other \$16 million is private money that has come in from outside, and the list of people who have been putting those dollars in is in the papers we have provided. They are people like TransGrid, Country Energy and local government. I think that is an important message: that for every dollar the government is putting in we are managing to get outside dollars in as well.⁷⁵

The Committee concurs with Mr Gledhill that this is indeed an important message.

Community engagement

4.108 The WA Farmers Federation registered its support for the role of regional bodies but expressed concern that not all regional groups were effectively engaging with the community – in particular, with landholders. This was seen to lead to an imbalance in the decision-making process and, in turn, the outcomes sought:

WAFarmers supports the roles of regional catchment management authorities. The major criticism that WAFarmers has of the regional catchment management authorities is the lack of community awareness of what their role is and what activities they are undertaking. Whilst one group's communication is very good, others range from basic to non-existent.

Given this uncertainty, community concern is being expressed over a perceived focus on biodiversity outcomes as opposed to sustainable farming and salinity control outcomes.

A perception also exists of excessive Government agency influence in group decision making processes, particularly when these agencies may be competing for project funding.

These perceptions highlight a major shortfall in this process. There is an urgent need to engage more landholders in the process.⁷⁶

74 Mr Dan Meldrum, *Committee Hansard*, 16 November 2005, p. 49.

75 Mr Robert Gledhill, *Committee Hansard*, 10 February 2006, p. 29.

76 WA Farmers Federation, *Submission 41*, p. 3.

4.109 This concern was reiterated by Mr Binning, CEO of Greening Australia:

The critical comment I would make is that if you did a survey of land managers in most regions of Australia they would be unaware of what the regional process is doing. They would have a fair degree of uncertainty and fear around that process.⁷⁷

4.110 In the 2005 report by the Regional Implementation Working Group, *Regional Delivery of NRM – Moving Forward*, the difficult task for regional bodies in keeping community groups engaged in planning and development of investment strategies was noted. The report indicates that some community individuals and groups have felt marginalised in the regional process.⁷⁸

4.111 As noted in the previous chapter, the River Murray Catchment Water Management Board identified three challenges in building community trust and securing ongoing community engagement: prior poor consultation between government and the community; lack of continuity in funding streams from one program to the next; and limited time/resources for landholders and other community members to take part in activities.⁷⁹

4.112 The Australian Conservation Foundation submitted that the Landcare movement and other community networks have not been adequately supported or harnessed in the move to a regional delivery model for NRM:

... the regional NRM processes are largely bypassing Landcare and other community networks. The sense in Landcare circles is that, if this is the case, Landcare has no option but to 'go its own way,' regardless of the directions and priorities of the regional bodies. What is striking is that this view seems to be shared even by many of those Landcarers on regional and catchment boards, and others in the movement, most of whom seem to see the potential in the regional model.⁸⁰

Another layer of bureaucracy?

4.113 An issue potentially inhibiting community engagement is that regional bodies are viewed by some sections of the community as another layer of bureaucracy and not embedded in the community. The Regional Implementation Working Group observed:

77 Mr Carl Binning, *Committee Hansard*, 28 February 2006, p. 20.

78 Department of Agriculture, Fisheries and Forestry and Department of Environment and Heritage, *Submission 24*, Attachment I, p. 18.

79 River Murray Catchment Water Management Board, *Submission 45*, pp 1-2.

80 Australian Conservation Foundation, *Submission 19*, p. 48.

Some community groups have perceived regional organisations as just another level of bureaucracy remote from the 'real' community.⁸¹

4.114 This was certainly a view expressed by the Wheatbelt Drainage Alliance – a group of land managers in WA's wheatbelt, committed to putting forward land manager concerns to the state and federal governments. In their submission, they characterised the regional delivery structure as follows:

... a new level of bureaucracy that has no structure or line of command with a top down approach ignoring long established sub regional and structured groups within the region.⁸²

4.115 The Pastoralists and Graziers Association, WA, argued that many landholders did not feel a part of the regional planning processes, which could lead to the view that regional bodies are another tier of bureaucracy. The need for the regional groups to remain community-based was emphasised:

The Regional catchment management groups have the potential to be very valuable or detrimental to the fight against salinity. The “Decade of Landcare” program has created a groundswell of grass roots support for salinity management. The development of the strategies and investment plans by these groups is a long and complex process and many landholders feel detached from the process and therefore often the catchment groups themselves. This leaves the potential for the catchment groups to be seen as bureaucracies by the land managers, which would work against the goodwill and support that the land managers have for salinity management. These groups must remain community based so that they reflect community perceptions and aspirations. The groups need to be clearly separated from the government agencies and their directives to avoid the perception of a bureaucracy.⁸³

4.116 As noted in Chapter 3, the ALGA suggested that granting regional bodies legislative powers would increase community perception that they were another bureaucratic layer.

4.117 Mrs Elizabeth Eaton, Chair of the Northern Agricultural Catchments Council, raised this issue within the context of the WA review of governance arrangements of regional bodies. She noted that not all sections of the community are supportive of potential moves to strengthen the corporate governance requirements of regional bodies to bring them in line with corporate boards. While the rationale underpinning any such move is to ensure greater accountability, for some, more rigorous requirements are seen to be a form of bureaucratisation:

81 Department of Agriculture, Fisheries and Forestry and Department of Environment and Heritage, *Submission 24*, Attachment I, p. 18.

82 Wheatbelt Drainage Alliance, *Submission 44*, p. 6.

83 Pastoralists and Graziers Association, *Submission 4*, p. 2.

I have been a member of that governance review committee where regional groups are being compared roughly to boards of organisations and expected at that level to demonstrate the kind of accountability that you would expect of a board.

In the subset of regional groups that they used for the study, they found all regional groups were demonstrating at least satisfactory performance on that issue and that a couple of them were actually at better practice. There is a clear expectation with the expenditure of government funding that we have that level of accountability and transparency of operations. Some portions of our community are not overly comfortable with that approach and will say that we are becoming bureaucratic. We do get a bit caught in that parcel of criticism and I think the community groups are committed to making sure that their operations are transparent to gain the confidence of the government in our operations.⁸⁴

4.118 The Committee understands the importance of community-based NRM planning. However, the Committee does not hold to the view of community members, reported by Mrs Eaton above, that strengthened corporate governance amounts to bureaucratisation. Rather, the Committee supports robust corporate governance arrangements to ensure accountability for public funds, providing requirements are not disproportionate to the size and complexity of the organisation.

Ensuring a representative mix in NRM Planning

4.119 The Committee appreciates the challenges that regional bodies face in engaging a diverse set of stakeholders with a sometimes diverse set of interests. However, given that regional planning is, by design, community driven, the Committee stresses the importance of ensuring that all relevant stakeholder group interests are represented in a balanced way.

4.120 Several examples of good practice in community engagement were provided to the Committee during the inquiry.⁸⁵ The Committee suggests it would be beneficial to systematically gather mechanisms for stakeholder input from across the states so that the most effective mechanisms can be adopted in less successful jurisdictions. A balanced mix of stakeholder input through formal mechanisms should be continued and encouraged.

4.121 The Committee notes that board representation is one mechanism through which broad stakeholder representation is currently achieved in some jurisdictions,

84 Mrs Elizabeth Eaton, *Committee Hansard*, 18 November 2005, p. 37.

85 See for example, Department of Agriculture, Fisheries and Forestry and Department of Environment and Heritage, *Submission 24*, Attachment I, pp 19-21. Good practice examples in the following areas are provided: an innovative community engagement plan, a Dairy Australia initiated program to bridge the gap between NRM plans and land manager interests, and Queensland's regional approach to Indigenous engagement. See also, Glenelg Hopkins CMA, *Submission 7*, p. 4, for details of consultation actions for developing their Salinity Plan.

while in other states boards are merit-based. In light of concerns expressed about the adequacy of the corporate governance arrangements of some regional bodies (discussed below), the Committee warns of the challenges in using a representative board model as a means of securing broad community input. Representative board members can face significant challenges in balancing sectional interests with their governance (fiduciary) duty to act in the interests of the organisation as a whole. Additionally, representative boards have a tendency to be large (to accommodate all stakeholder groups), which can, in turn, lead to inefficient decision-making.

Resourcing and Support

4.122 Given the uneven capacity of regional bodies reported by several witnesses (discussed above) it is clear that more support and guidance for regional bodies is required.

4.123 This is consistent with the ANAO Audit Report, which presented findings of a survey with regional bodies showing that 54% disagreed or strongly disagreed with the statement: 'In shifting to the regional delivery model for the NAP and other initiatives, adequate guidance and information was provided to assist regions in dealing with increased workload and responsibilities'.⁸⁶ The Report also revealed concerns about ongoing support:

Regions in particular have commented about the shortcomings in the level of ongoing support in the preparation of regional plans.⁸⁷

Corporate governance guidance

4.124 Mr Andrew McMillan from the WA Farmers Federation told the Committee of early concerns from regional bodies in WA about their ability to manage the new programs. Specifically, unease was expressed about their standards of corporate governance:

I have only been in the state for a handful of years, but I have been here since the NRM groups were first kicked off. My first introduction was at a seminar in Fremantle where Sir James Hardy and the group that was overseeing the whole program came across. I think four of the groups presented and, at the end of it, every one of those groups said, 'We have a real issue in our ability to manage the corporate governance of these schemes.' It was a cry for help. But when the bureaucrat summarised at the end of the day, it seemed he must have been in a different room because he certainly did not hear that.

86 Australian National Audit Office (ANAO), *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, p. 97.

87 Australian National Audit Office (ANAO), *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, p. 59.

Since then I think these groups have been struggling to come to terms with the role, the accountability, the legal implications of what is required in managing considerable amounts of taxpayers' funds.⁸⁸

4.125 Similarly, concerns about the standards of corporate governance at the regional level were also reported following the ANAO audit of the NAP. The ANAO Report referred to a 2003 report by the Victorian Auditor-General, which noted concerns surrounding corporate governance for the State CMAs. The Victorian report highlighted a lack of knowledge and experience of financial management at the board level. The ANAO expressed concern about these findings given that the Victorian CMAs are advanced in relation to other states/territories.⁸⁹

4.126 The ANAO put forward a recommendation that corporate governance templates and relevant training to ensure regional bodies meet acceptable standards of corporate governance be introduced.⁹⁰ The Regional Implementation Working Group similarly proposed that guidelines on best practice in governance and accountability be developed.⁹¹

Access to research and data

4.127 A major theme that emerged during the inquiry was inadequate access to, or capacity of regional bodies to access, latest science and research findings. Enhancing the capacity for regional bodies to incorporate good science into their regional plans through adequate support was directly addressed in the House of Representatives Report in recommendations one, three and fifteen. This issue is addressed in Chapter 5.

Financial Support

4.128 At a public hearing in Perth, Mr Bradley, CEO of the Northern Agricultural Catchments Council, told the Committee that he had undertaken an analysis that showed the Council was only receiving 10% of the funding needed to effectively manage NRM in the region.⁹² Mrs Eaton, Chair of the Council, explained that this made prioritising of investment – in particular, weighing up competing interests – very challenging.⁹³ Mr Bradley's and Mrs Eaton's comments highlighted the need for

88 Mr Andrew McMillan, *Committee Hansard*, 18 November 2005, pp 54-55.

89 Australian National Audit Office (ANAO), *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, pp 82-83.

90 Australian National Audit Office (ANAO), *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, 2004-05, p. 84.

91 Department of Agriculture, Fisheries and Forestry and Department of the Environment and Heritage, *Submission 24*, Attachment I, p. 5.

92 Mr Alan Bradley, *Committee Hansard*, 18 November 2005, p. 42.

93 Mrs Elizabeth Eaton, *Committee Hansard*, 18 November 2005, p. 42.

the careful prioritising of investment and tools to assist regional bodies in achieving this.

4.129 The Avon Catchment Council submitted that broadly the 'true cost of managing salinity' was not covered by existing funding. However the Council reflected positively on the financial support at a regional level:

The financial support available through the National Action Plan for Salinity and Water Quality (NAP) and the Natural Heritage Trust (NHT) is highly effective and highly targeted at regional priorities for salinity management. Both programs are integrated with the regional strategic and investment planning process and have enough scope to enable effective salinity management programs to be developed and implemented.⁹⁴

4.130 Namoi CMA in NSW expressed concern about the impacts of required monitoring and evaluation on the CMA's resources:

Expensive monitoring and evaluation requirements are time consuming and are heavy resource users. CMA's are small entities with limited resources.⁹⁵

4.131 Mr Bugden from Murrumbidgee CMA noted the time, energy and resources needed to fulfil the different financial reporting requirements of the state and Australian governments.⁹⁶

4.132 As discussed in the previous chapter, the most pressing issues raised were short funding cycles and funding security beyond 2008.

4.133 As discussed in Chapter 3, some regional bodies raised concerns about the prioritising of funding under the NAP. Mr Neville Pavan from the Hawkesbury-Nepean CMA told the Committee that not all CMAs have access to adequate financial support because their region was not designated a priority area under the NAP:

[A]ll catchment management authorities do not have the financial support to effectively manage salinity. The Hawkesbury-Nepean catchment, which includes Sydney's drinking water catchment and the rapidly expanding development of Western Sydney, is not designated as a national action plan priority area. This means that the Hawkesbury-Nepean Catchment Management Authority has limited access to funding to address rural and urban salinity issues.⁹⁷

94 Avon Catchment Council, *Submission 42*, p. 2.

95 Namoi CMA, *Submission 25*, p. 2.

96 Mr Gregory Bugden, Business Manager (Investment), Murrumbidgee CMA, *Committee Hansard*, 28 February 2006, p. 25.

97 Mr Neville Pavan, *Committee Hansard*, 14 October 2005, p. 59.

Conclusion

4.134 The Committee heard substantial evidence that there is strong support for the regional delivery model. However, there were significant concerns expressed about the uneven capacity of regional bodies across the country to effectively plan and achieve salinity management outcomes. The major impediments identified were:

- inadequate standards of corporate governance
- an inadequate accreditation process
- limited ability to apply research at a catchment level
- insufficient access to local current data.

4.135 The Committee notes that these concerns largely reflect those expressed in the ANAO audit report of the NAP, and the Ministerial Council's Regional Implementation Working Group Report.

4.136 The Committee was particularly concerned about the last two of the above dot points: limited ability to access research and insufficient access to local data. These two issues are considered in more detail in the following chapter within the context of a discussion on supporting and communicating research.

4.137 Ensuring all relevant players are adequately engaged in the regional planning and implementation process emerged as another area requiring greater attention. In particular local government involvement in salinity management, and NRM more broadly, is an area that requires greater attention.

