

Chapter 2

Landcare from 1989 to 2008

Introduction

2.1 This chapter outlines the history and development of Landcare from 1989 to 2008, including the Decade of Landcare; the establishment of the National Landcare Program; and the establishment and performance of the Natural Heritage Trust (NHT). The discussion identifies the lessons that have been learned from these programs.

2.2 The chapter concludes with an overview of evaluations and reviews of Landcare programs undertaken to 2008.

Decade of Landcare

2.3 'Landcare' is considered to have developed in Victoria in the 1980s, although the ethos existed long before that, as concerned individuals around the country took action to arrest the degradation of Australia's land and waterways. The Victorian Government, through the efforts of the then Minister for Conservation, Forests and Land, the Hon Joan Kirner AC, launched an initiative in 1985 to encourage a sustainable, integrated approach to agriculture and environmental management through local Landcare groups.

2.4 In 1989 an alliance between the National Farmers' Federation and the Australian Conservation Foundation produced a national plan for environmental management in rural areas and the Australian Government adopted the concept at a national level. In July of the same year, the Government's 'Decade of Landcare' commenced, with a funding commitment of \$320 million.¹ At its launch, the then Prime Minister, the Hon Bob Hawke AC, emphasised the need for government and the community to work together to address environmental degradation:

...the solutions...are to be found through co-operation at all levels of government and by community groups who care for the land, who want to repair our damaged environment.²

2.5 The focus of the first half of the Decade of Landcare was on encouraging a coordinated approach by community groups to address land degradation in rural areas, including encouraging landowners to integrate sustainable practices into the management of their land. The Government's role was to:

- stimulate private investment of financial resources and labour in Landcare activities; and

1 Department of Agriculture, *Making a difference: A celebration of Landcare*, 2012, p. 7, http://www.daff.gov.au/natural-resources/landcare/publications/making_a_difference_a_celebration_of_landcare.

2 The Hon Bob Hawke, Prime Minister, 'Launch of statement on the environment', 20 July 1989, p. 1, <http://www.bobhawkelandcareaward.com.au/bob-hawke-speech.pdf> (accessed 22 September 2014).

- facilitate public investment and community involvement in off-farm Landcare activities which were seen as having a high level of public benefit.³

2.6 The early Landcare program was described by the Victorian Landcare Council as a 'wildly successful' way to mobilise local action.⁴ Between 1985 and 1992, the number of Landcare groups increased from 76 to more than 1,300. In addition, by 1992 it was estimated that the membership of Landcare groups was over 39,000 or about 30 per cent of Australia's farm population.⁵

2.7 Dr Peter Ampt of the University of Sydney Faculty of Agriculture and Environment noted that a key strength of the early Landcare program was that the Government provided financial support to Landcare groups but did not dictate the focus of their activities.⁶ Dr Ampt stated:

Landcare was one of the first NRM [natural resource management] programs in Australia which not only brought together the concepts of conservation and production, but devolved governance and management of resources to local communities.⁷

2.8 The National Landcare Network (NLN) also pointed to the investment in farmers and the community and stated that a decade of farm productivity growth had been achieved: rather than investment in programs, the Landcare program asked farmers 'what they needed to address the land degradation and productivity issues that impacted upon them'.⁸ The Victorian Landcare Council also commented on research during this early period which found that:

Most farmers wanted to look after their land. What they needed was a way to learn how to do that. Landcare groups fostered a process of group learning that generated new norms of landholder practice and supported learning between peers. Landcare groups then functioned as repositories of local knowledge on good practice, handing on that knowledge to and mentoring new people settling in their local area.⁹

2.9 The certainty of funding was seen as a feature of early Landcare with the Farm Tree and Landcare Association (FTLA) commenting that 'you might not have

3 Department of Agriculture, *Decade of Landcare Plan, National Overview*, 1995, p. 4, <http://www.daff.gov.au/natural-resources/landcare/publications/decade-plan>.

4 Victorian Landcare Council, *Submission 16*, p. 8.

5 The Hon Simon Crean, Minister for Primary Industries and Energy, *House of Representatives Hansard*, 3 November 1992, p. 2419.

6 Dr Peter Ampt, *Submission 24*, p. 2.

7 Dr Peter Ampt, *Submission 24*, p. 1.

8 Mr David Walker, National Landcare Network, *Committee Hansard*, 29 August 2014, p. 8.

9 Victorian Landcare Council, *Submission 16*, p. 8.

had a ten-year project but you had ten years of the program and so you knew what was coming'.¹⁰

National Landcare Program 1992–1996

2.10 The National Landcare Program (NLP) was established in 1992 and replaced a range of existing programs. In response to concerns about the diversity and complexity of government programs and their lack of integration, the Commonwealth sought a more coordinated approach to its land, water and vegetation management programs under Landcare.

2.11 The *Natural Resources Management (Financial Assistance) Act 1992* consolidated the former funding mechanisms, including funding for Landcare groups, under one piece of legislation. The Act enabled the Commonwealth and the states and territories to enter into partnership agreements with a shared list of priority strategic outcomes and complementary initiatives to achieve them, to set up the means for state and territory funding of community Landcare projects and to monitor the results of those projects.¹¹

2.12 The three main components of the NLP were:

- The Sustainable Industry Initiatives;
- Natural Resource Innovation Grants; and
- The National Landcare Program Sustainable Practices component.¹²

2.13 The *Natural Resources Management (Financial Assistance) Act 1992* also established the National Landcare Advisory Committee. The Committee provided advice on national issues, strategic directions and policy priorities to be addressed in the National Landcare Program and provide the means through which community views on Landcare related issues can be provided to government.¹³ The committee comprised a majority of non-government members, from agriculture, conservation, Indigenous and other community groups, as well as representatives from federal, state and local governments.

Outcomes of the National Landcare Program

2.14 The second half of the Decade of Landcare focused as much on natural resource management (NRM) as on sustainable agricultural practices. Raising awareness, sharing information and building skills in Landcare groups were given greater prominence. Government funding also began to be more closely tied to

10 Ms Susi Johnson, Farm Tree and Landcare Association, *Committee Hansard*, 13 October 2014, p. 34.

11 The Hon Simon Crean, Minister for Primary Industries and Energy, *House of Representatives Hansard*, 3 November 1992, p. 2419.

12 Senate Rural and Regional Affairs and Transport References Committee, *Natural Resource Management and Conservation Challenges*, February 2010, p. 4.

13 The Hon Simon Crean, Minister for Primary Industries and Energy, *House of Representatives Hansard*, 3 November 1992, p. 2419.

catchment and regional priorities, with the idea that projects implemented by catchment management authorities would build on local Landcare activities.¹⁴ The Victorian Landcare Council commented on the application of government funding on the ground:

NLP [National Landcare Program] funding supported local group coordination and administration, property and catchment planning and demonstration projects, but excluded direct funding for new works or practices, on the expectation that farmers should invest their own money in putting into practice the changes they learned through their local Landcare group.¹⁵

2.15 By 1997, the number of Landcare groups had increased to 4,000 assisted by government support. Engagement with farmers was high with around 40 per cent of farmers in NSW and Western Australia being members of Landcare. Community involvement was also high. Small, localised groups were involved in both identifying areas of need and implementing projects to lessen environmental degradation. Landcare NSW was of the view that:

This approach saw the proliferation of Landcare groups, widespread involvement and support from the community, and a sense of joint ownership for the significant natural resource management problems faced. Group members felt their efforts and involvement to be valued by their neighbours, their community and by the government.¹⁶

2.16 The NLN commented on the contribution that the NLP made to changing attitudes as well as practices:

It was this basis of the original National Landcare Program, and its emphasis on building the capacity of local communities to take ownership of their NRM issues and the responsibility of 'fixing' them, that resulted in the transformation of attitudes and action towards addressing land degradation and improving landscape productivity and resilience that characterised the 'Decade of Landcare'.¹⁷

2.17 Mobilisation of volunteers was a further factor in the success of the program with Landcare NSW stating:

...the original National Landcare Programme, guided by the Decade of Landcare Plan provided the resourcing that supported and enabled volunteerism to be mobilised to achieve results. The value of volunteerism should not be underestimated.¹⁸

14 Department of Agriculture, *Decade of Landcare Plan, National Overview*, 1995, p. 4, <http://www.daff.gov.au/natural-resources/landcare/publications/decade-plan>.

15 Victorian Landcare Council, *Submission 16*, p. 8.

16 Landcare NSW Inc, *Submission No. 47*, p. 3.

17 National Landcare Network, *Submission 46*, p. 6.

18 Landcare NSW Inc, *Submission 47*, p. 5.

2.18 The informal observation was that Landcare activities were achieving results on the ground, through revegetation, weed control, fencing of waterways and changes to stock management. Reporting on those achievements in a standardised way in order to obtain or maintain funding was, however, difficult for many small Landcare groups.

2.19 Landcare groups also began to form networks across regions as advantages were seen in larger scale Landcare organisations. These advantages included more efficient project administration and increased credibility of funding bids. In addition, networks took learning from projects and made this available across member groups.¹⁹

2.20 The Victorian Landcare Council submitted that Landcare entered an integrated catchment management phase from 1995. It stated:

Encouraged by the success of Landcare, government NRM managers began to consider whether the cooperation and planning of action that worked well at local level could be reproduced for whole catchments. A second motivation for what came to be called Integrated Catchment Management (ICM) was the need to integrate the activity now happening across private and public sectors and focus it on priorities within a catchment. Local Landcare groups changed practices, but it was difficult to notice improvements in resource condition at landscape level. The time required to fix land degradation was starting to sink in—integration of effort was needed.²⁰

Natural Heritage Trust 1996–97 to 2007–08

2.21 The Natural Heritage Trust (NHT) was established in June 1997 by the *Natural Heritage Trust of Australia Act 1997*. The preamble to the Act expressed, in stark terms, the view held at the time about the state of Australia's environment:

The Parliament of Australia recognises the need for urgent action to redress the current decline, and to prevent further decline, in the quality of Australia's natural environment.

There is a national crisis in land and water degradation and in the loss of biodiversity.

There is a need to conserve Australia's environmental infrastructure, to reverse the decline in Australia's natural environment and to improve the management of Australia's natural resources.²¹

2.22 In establishing the NHT, the Government acknowledged both the need for national leadership and the importance of the Commonwealth Government working cooperatively with state governments so that 'effective outcomes in matters relating to environmental protection, natural resources management and sustainable agriculture' could be achieved.²²

19 Victorian Landcare Council, *Submission 16*, p. 8.

20 Victorian Landcare Council, *Submission 16*, p. 8.

21 *Natural Heritage Trust of Australia Act 1997*, preamble.

22 *Natural Heritage Trust of Australia Act 1997*, preamble.

2.23 The NHT was to be a comprehensive, integrated program to conserve, repair and replenish Australia's natural capital infrastructure.²³ The NHT's objectives were :

- biodiversity conservation – the conservation of Australia's biodiversity through the protection and restoration of terrestrial, freshwater, estuarine and marine ecosystems and habitat for native plants and animals;
- sustainable use of natural resources – the sustainable use and management of Australia's land, water and marine resources to maintain and improve the productivity and profitability of resource based industries; and
- community capacity building and institutional change – support for individuals, landholders, industry and communities with skills, knowledge, information and institutional frameworks to promote biodiversity conservation.²⁴

2.24 The NHT provided funding for environmental activities across three tiers of government:

- national investment, delivered in accordance with the National Strategic Plan;
- regional investment, delivered in conjunction with the National Action Plan for Salinity and Water Quality; and
- local action, delivered through the Commonwealth Government Envirofund.

2.25 The Act established the Natural Heritage Ministerial Board, giving the Minister for the Environment and the Minister for Agriculture joint oversight of the NHT and a forum in which to discuss all matters relating to its operations and effectiveness. The Natural Heritage Trust Advisory Committee was also formed, comprising experts in biodiversity conservation, land and water management, native vegetation, river and wetland ecology, and coastal and marine systems. The committee's role was to advise the ministerial board on the integration of environmental protection, NRM and sustainable agriculture and the effectiveness of projects funded by the NHT account.

Funding

2.26 The NHT was delivered in phases: the first phase, NHT1 (1996–97 to 2001–02) allocated \$1.5 billion to NRM and environmental activities. The second phase, NHT2 (2002–03 to 2007–08) allocated \$1.3 billion to NRM activities. In 2007, the Government committed a further \$2 billion to extend the NHT until 2012–13.²⁵

2.27 The NHT made available larger amounts of funding from a single source. State and territory government agencies, local governments and community groups

23 *Natural Heritage Trust of Australia Act 1997*, s. 3.

24 Natural Resource Management Ministerial Council, *Framework for the Extension of the Natural Heritage Trust*, October 2002, p. 1.

25 Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, pp 34–35.

could apply for funding in partnership, which enabled Landcare groups to become involved in larger scale projects. Funding was available for national partnerships, regional strategies and community grants.²⁶

National Heritage Trust Phase 1

2.28 NHT1 was favourably received by Landcare and community groups. The Shire of Capel stated that locally-determined priorities were coordinated by existing local catchment and Landcare groups. In addition, funding was provided for the 'upskilling' and resourcing of local community members to work with landholders to do on-ground landcare works. The Shire noted that this created good up-take of funds for fencing of waterways, off-stream watering of stock, weed control and revegetation projects.²⁷

2.29 The South West Catchments Council (SWCC) noted that under NHT1 significant numbers of coordinators and facilitators were employed by local Landcare groups, which resulted in increased capacity to support landowners and community groups.²⁸ It concluded that Landcare was changed from 'a kitchen table landcare through to a more professional industry'.²⁹ The Shire of Capel also commented on the contribution of Landcare coordinators with a good understanding of their community and local issues. Skilling and resourcing community members, it stated, to work with landholders on the ground, contributed to building relationships and networks.³⁰

2.30 It was also noted that the application and funding process for community groups was simple and easy with one submitter stating:

The application forms were direct, were easily completed and achieved goals for restoration of waterways and vegetation well beyond the expectations of most groups. The dollar return for government was well matched by both community volunteer time and funds from corporate sponsors. It followed well the decade of landcare.³¹

2.31 Environs Kimberley provided evidence that the NHT saw 'a very important investment in cultural and natural resource management across Australia but also in the Kimberley'. It noted that the NHT was a 'bottom-up approach' that allowed local

26 Australian Government, *Final Evaluation of the First Phase of the Natural Heritage Trust*, 2005, p. ii.

27 Shire of Capel, *Submission 9*, p. 1. See also, Esperance Regional Forum Inc, *Submission 42*, p. 1.

28 South West Catchments Council, *Submission 11*, p. 2. See also, Murrumbidgee Landcare Inc, *Submission 33*, p. 1; Chittering Landcare Group, *Submission 40*, p. 1.

29 Mr Damien Postma, South West Catchment Council, *Committee Hansard*, 7 October 2014, p. 16.

30 Shire of Capel, *Submission 9*, p. 1.

31 Name Withheld, *Submission 2*, p. 1.

groups to prioritise funds, which led to 'great community building' and 'really empowered a lot of people in the local area'.³²

2.32 Environs Kimberley, while supportive of the flexibility the NHT afforded grassroots organisations, noted that it 'lacked an overarching kind of strategy' to assist larger scale projects.³³ It was also noted by submitters that under NHT1 there was no systematic or nationally consistent monitoring and evaluation framework and protocols to capture, record, and store data to assess the impact and effectiveness of on-ground works. It was thus difficult to determine the outcomes of the investment of funds.³⁴ NHT1 was also criticised as being piece-meal, non-strategic and taking a 'vegemite' approach: 'spreading funds thinly across landholders and landscapes'. As a consequence, it was difficult to ensure investments were making 'a valid and measureable contribution towards improving the condition of natural resources'.³⁵

2.33 Evaluation of NHT1 undertaken by the Government, found that it was successful in fostering partnerships between the different levels of government and community stakeholders and in raising landholders' awareness of sustainable property management. Managers of Landcare projects were able to report on significant levels of on-ground activity. These included 1.57 million hectares of native vegetation works undertaken, 63 million seedlings planted and a reduction of 206,000 kg per year in the amount of nitrogen entering waterways.³⁶

2.34 The evaluation found that, as had been observed during the Decade of Landcare, the environmental outcomes of these activities could not be accurately predicted without 'good baseline data and appropriate monitoring systems' and that outcomes take time and may vary over time.³⁷

Natural Heritage Trust Phase 2

2.35 In the 2001–02 Budget, the Government foreshadowed the extension of the NHT, with funding of \$1 billion to be provided from 2002–03 to 2006–07. In addition, the Government sought funding contributions from state and territory governments.³⁸ A further \$300 million was committed in the 2004–05 Federal Budget to extend NHT2 until 30 June 2008.

32 Dr Malcolm Lindsay, Environs Kimberley, *Committee Hansard*, 7 October 2014, p. 2.

33 Dr Malcolm Lindsay, Environs Kimberley, *Committee Hansard*, 7 October, p. 2.

34 South West Catchments Council, *Submission 11*, p. 2. See also, Queensland Regional NRM Groups Collective, *Submission 22*, p. 3.

35 Cited in B Clarke, 'NRM and the Coast: Past, Present and Future', Australian Coastal Society, *Submission 8*, Attachment 3, p. 4.

36 Australian Government, *Final Evaluation of the First Phase of the Natural Heritage Trust*, 2005, p. v.

37 Australian Government, *Final Evaluation of the First Phase of the Natural Heritage Trust*, 2005, pp v and viii.

38 Australian Government, *Investing in our Natural and Cultural Heritage*, Chapter 2: Budget Overview, 22 May 2001 http://www.budget.gov.au/2001-02/minst/html/enviro-02.htm#P168_12542.

2.36 In announcing phase two, the Government highlighted the successful implementation of the NHT. State and community investment in the NHT was estimated to be three dollars for every dollar provided by the Commonwealth. The Government stated:

The Trust is leading the world in terms of government delivery of integrated environmental and sustainable agriculture outcomes.³⁹

2.37 The three primary objectives of the NHT remained the same. However, the then Minister for the Environment and Heritage, the Hon Dr David Kemp MP, noted that lessons had been learned from the first phase of NHT operations and that the Trust extension would have a simpler structure, more targeted investment and an increased regional focus.⁴⁰ The regional focus was selected for NHT2 as:

...it offered a framework for NRM planning and action that suited the specific circumstances of different regions and allowed the social, economic and environmental dimensions to be considered in an integrated way. Further, a regional focus was also considered the most suitable for determining priorities, sharing investment arrangements and for coordinating actions over a large area involving many people.⁴¹

2.38 The adoption of the regional model was also based, in part, on the outcome of the mid-term review of the first phase of the NHT which identified concerns about lack of planning and priority setting for biodiversity conservation.⁴²

2.39 The process of regionalisation culminated in the formation of 56 regional NRM bodies. The regions varied considerably in size, population density and environmental management challenges.⁴³ Each regional body had responsibility for the preparation of a regional NRM plan, with the Commonwealth Government investing resources to assist in this process. Each plan was accredited by Commonwealth and state and territory governments according to a set of agreed criteria. A regional investment strategy provided the details of the funds required to implement the plan. Activities funded at the national level included major resource assessment, research, industry strategies and innovative management.

2.40 At the local level, small-scale grants of up to \$30,000 were made available to local groups through the Australian Government Envirofund. These funds were

39 Australian Government, *Regional Australia: Partners in Growth*, May 2001.

40 Australian Government, *Towards a Sustainable Australia: Commonwealth Environment Expenditure 2002–03*, 14 May 2002, p.8, http://www.budget.gov.au/2002-03/budget_ministerial/index.html.

41 Standing Committee on Agricultural and Resource Management, p. 33, cited in Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, p. 35.

42 Joint Team, *Mid-Term Review of the Natural Heritage Trust: Review of Administration*, November 1999, p. 5.

43 Australian Coastal Society, *Submission 8*, Attachment, B Clarke, 'NRM and the Coast: Past, Present and Future', *Paper presented at NSW 20th Annual Coastal Conference*, p. 5.

available to individuals or groups to carry out work targeting local issues or to build their capacity to manage these issues. Projects were required to meet at least one of the NHT's stated priority areas and be able to clearly demonstrate NRM benefits.⁴⁴

Evaluation of NHT2

2.41 This second phase of the NHT was viewed positively by most submitters. For example, the Northern Agricultural Catchments Council noted that, in Western Australia, the NHT delivered structural improvements including:

- increased funding and cooperation from the states;
- the development of regional strategic plans and targets, allowing for community input, a sense of regional autonomy and the measurement of achievements; and
- the development of regional NRM not-for-profit groups with strong governance and accountability mechanisms.⁴⁵

2.42 The provision of funding under NHT2 for paid staff to administer funding and to assist with project plans and applications was also seen as a positive step with one submitter commenting:

This is why the NHT 2 funding was very successful – it recognised that to gain the maximum benefit from volunteers there needs to be a paid officer to deal with all the paperwork and pre planning required for projects.⁴⁶

2.43 The regional model under NHT2 was supported by submitters. For example, Border Rivers CMA stated that regional plans offered a higher level of coordination, prioritisation and rigour to NRM investment, and the administration by regional groups additionally provided local technical expertise that replaced lost government services.⁴⁷ The SWCC similarly observed that the pooling of state and federal money for distribution via one source—the regional body—was 'a very structured system' but it encouraged smaller groups to collaborate to achieve an outcome.⁴⁸

2.44 GeoCatch commented that the model provided a flexible approach to local delivery. In the case of GeoCatch, a model of 'subsidiarity' was used, where NRM was delivered at the lowest level possible for effective outcomes. GeoCatch concluded that

44 Australian Government, *Towards a Sustainable Australia: Commonwealth Environment Expenditure 2002–03*, 14 May 2002, p.10, http://www.budget.gov.au/2002-03/budget_ministerial/index.html.

45 Northern Agricultural Catchments Council, *Submission 67*, p. 1.

46 Name Withheld, *Submission 2*, p. 2. See also, Mr Francis Smit, Landcare SJ Inc, *Committee Hansard*, 7 October 2014, p. 59.

47 Border Rivers Catchment Management Association, *Submission 21*, p. 2.

48 Mr Damien Postma, South West Catchments Council, *Committee Hansard*, 7 October 2014, p. 14.

the 'result was a "ground up" approach, with an engaged, active and vibrant local NRM community'.⁴⁹ The SWCC added that the regional model:

...further developed and cemented the formation of a passionate and interconnected professional Landcare and NRM network, with improved project delivery at both the local and regional strategic levels. It was guided by the principles of subsidiarity, which is a principle still shared and highly regarded by the South West Catchments Council (SWCC). It enabled and facilitated investment into "self-determined" priorities, based upon the accredited Regional NRM Strategy. It was also the first time that NRM investment included a real focus on the engagement of Aboriginal people and Local Government into regional priority setting.⁵⁰

2.45 The SWCC concluded that a professional and collaborative NRM sector was developed as it moved away from volunteer-driven works and solely local priorities. The NRM sector was 'well-resourced, empowered, and was delivering much more strategic projects with far greater rigour in appropriately scaled project management, data collection, monitoring and reporting'.⁵¹

2.46 Other submitters, while recognising the positive aspects of the NHT, such as adequate resources and flexibility, noted that these aspects also led to negative outcomes in some cases. For example, the Condamine Alliance commented that poor governance and performance standards in some community groups led to an inability to clearly demonstrate results.⁵²

2.47 The Shire of Capel also pointed to concerns with NHT2 including that:

- the shift to federal priorities and catchment councils alienated active local Landcare groups from the decision-making process and many folded or lost funding for projects;
- many decisions on local priorities at the new catchment council were made behind closed doors due to confidentiality. This alienated the smaller active local groups who were excluded from the process even further;
- Landcare coordinators, who had built up networks, lost their positions and projects lost their on-going funding; and
- the administrative workload increased due to an extra tier of administration between the on-ground work and the Commonwealth Government.⁵³

2.48 The Australian Coastal Society also commented that the regional model under NHT2 did not fit well in those states where local councils were not part of the NRM

49 Geographe Catchment Council, *Submission 10*, p. 1. See also, South Coast NRM, *Submission 17*, p. 1.

50 South West Catchments Council, *Submission 11*, pp 2–3. See also, Bass Coast Landcare Network, *Submission 20*, p. 2.

51 South West Catchments Council, *Submission 11*, p. 3.

52 Condamine Alliance, *Submission 3*, p. 2.

53 Shire of Capel, *Submission 9*, p. 1.

regional governance structure such as in Queensland and NSW. It was suggested that local government was marginalised with the Australian Local Government Association asserting that local government was the 'missing link' in NRM.⁵⁴

2.49 As with NHT1, there were continuing concerns with monitoring and evaluation and accountability including reporting based on outputs rather than outcomes that could be used to quantify improvements.⁵⁵ However, the Chittering Landcare Group observed that towards the end of NHT2 the Government was trialling a Performance Story Evaluation using the Monitoring, Evaluation, Reporting and Improvement (MERI) process and it argued that this told a different story about Landcare outcomes.⁵⁶

2.50 In summing up the NHT, Professor Allan Dale commented on the moves to address environmental problems:

In the NAP [National Action Plan] and NHT time we were probably getting the closest to a very serious nationally, leadership oriented, natural resource management framework for the Australian landscape. While it was fairly experimental and, to a certain extent, embryonic, I believe that in the four, five or six years when that was starting to operate, we were actually seeing the potential of dealing with some very serious landscape problems that we have nationally. We were not fixing them immediately but we were certainly starting to see those things become more tractable. That meant we were getting a step closer towards some serious long-term solutions. We did it also, I believe, in a way that was starting to move us towards real recognition of the role of the voluntary sector and also recognition that that sector, particularly the Landcare sector, is a part of the puzzle as opposed to a solution to the puzzle in total.⁵⁷

Evaluations and reviews

2.51 During the first period of Landcare programs, a number of evaluations and reviews were undertaken. This section provides a brief overview of the reports of the Australian National Audit Office (ANAO) and the independent review undertaken in 2006.

1996–97 – ANAO Report – Commonwealth NRM and Environment Programs

2.52 In 1996–97, prior to the introduction of NHT, the ANAO examined a range of relevant NRM programs. The ANAO review commented on issues related to the measurement of outputs and monitoring and evaluation. While acknowledging that some work was being done by agencies in an attempt to measure outputs, the ANAO found that, generally, accounting was limited to specific items such as increases in the number of Landcare groups or the quantity of fencing erected to protect vegetation.

54 Australian Coastal Society, *Submission 52*, p. 4.

55 Wild Matters Pty Ltd, *Submission 26*, p. 2.

56 Chittering Landcare Group, *Submission 40*, p. 1.

57 Professor Allan Dale, *Committee Hansard*, 29 August 2014, p. 50.

The ANAO commented that agencies were still 'unable to indicate in any detail the outcomes that had been achieved from any of the programs examined'.⁵⁸

2.53 The ANAO made specific suggestions in relation to the reporting framework being established under the then draft Partnership Agreements between the Commonwealth and the states and territories for purposes of the intended NHT program. The ANAO suggested that any performance reporting framework should:

- identify appropriate mechanisms for Commonwealth and state/territory monitoring and evaluation of projects and programs;
- allow the relevant parties to evaluate the extent to which actions or activities of governments and project proponents result in progress against NHT objectives; and
- provide for audits to ensure that agreed monitoring and evaluation measures would be effective.⁵⁹

2.54 In addition, the ANAO commented that there was scope and capability to make significant improvements to the performance and financial accountability of the programs examined; less resources should be devoted to input controls; and greater attention should be given to essential program-level financial and performance monitoring, evaluation and reporting. The ANAO concluded that:

- there were significant problems in relation to duplication of projects, and the responsibilities of groups/agencies/organisations for project outputs and outcomes were unclear;
- program objectives were broad and difficult to measure across all programs; and
- a single, comprehensive management information system for collecting and collating data, which allows information to be processed and reported on in a customised format, was required.⁶⁰

ANAO Report – 1997–98 – Preliminary Inquiries into the Natural Heritage Trust

2.55 In 1998, following concerns raised by the then Leader of the Opposition, the Hon Kim Beazley MP, the ANAO undertook preliminary inquiries into the allocation of funding and the adequacy of the approval process under the NHT.

2.56 The ANAO found that the membership of state and regional assessment panels needed to be broadened 'to counter any perceptions that recommendations to

58 Australian National Audit Office, *Commonwealth NRM and Environment Programs*, Audit Report No. 36, 1996–97, p. 3.

59 Australian National Audit Office, *Commonwealth NRM and Environment Programs*, Audit Report No. 36, 1996–97, p. 70.

60 Australian National Audit Office, *Commonwealth NRM and Environment Programs*, Audit Report No. 36, 1996–97, pp 24–27.

the Commonwealth might be oriented towards particular interests'.⁶¹ The report noted, should this not occur, it could be 'a potential factor influencing decisions about the greater proportion of NHT funding distributed to rural regions'.⁶²

2.57 The ANAO reported that, while 90 per cent of approved funding in the first round of NHT went to projects in Coalition electorates, this aligned with the proportion of project recommendations made by the regional and state assessment panels. Further, the ANAO found that the selection model for NHT projects favoured areas with established Landcare groups and Catchment Management Committees, which 'tended to be in rural regions held by the Coalition members of Parliament.' The ANAO noted that both departments with oversight of the NHT had moved to address this design problem by promoting the formation of Landcare and catchment groups in metropolitan areas.⁶³

2.58 The ANAO concluded that the NHT decision-making process was fundamentally sound in providing transparency and rigor. However, there was scope to enhance the geographic reach of the programs, to seek an increase in the level of biosecurity conservation expertise on state and territory assessment panels and to more clearly communicate the emphasis placed on particular selection criteria.⁶⁴

ANAO Report – 2000–01 – Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust

2.59 In June 2001, the ANAO released the findings of an audit conducted to examine:

- the performance information used to support the administration of the \$1.5 billion in Commonwealth financial assistance under the NHT; and
- compliance with legislative requirements for performance monitoring and reporting.⁶⁵

2.60 The ANAO found that, while the performance information used had strong design features, there were significant management and reporting challenges. The challenges included:

- determining suitable performance information can be technically difficult when measuring change in environmental conditions;

61 Australian National Audit Office, Audit Report No. 42, *Preliminary Inquiries into the Natural Heritage Trust*, 1997–98, p. 8.

62 Australian National Audit Office, *Preliminary Inquiries into the Natural Heritage Trust*, Audit Report No. 42, 1997–98, p. 10.

63 Australian National Audit Office, *Preliminary Inquiries into the Natural Heritage Trust*, Audit Report No. 42, 1997–98, p. 22.

64 Australian National Audit Office, *Preliminary Inquiries into the Natural Heritage Trust*, Audit Report No. 42, 1997–98, p. xii.

65 Australian National Audit Office, *Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust*, Audit Report No. 43, 2000–01, p. 11.

- the absence of baseline data on environmental condition in much of Australia;
- lack of agreement on funding resulted in problems in implementing the performance information system including the absence of an integrated national database to manage the program from application through to project acquittal; and
- lack of consistent data across the states and territories.⁶⁶

2.61 The ANAO's report acknowledged that, with the large number of people and organisations involved in the delivery of NHT, it can be a challenge to demonstrate the achievement of outcomes. However, the report went on to state that 'the complexity of delivery arrangements does not absolve Commonwealth agencies from their responsibility to demonstrate accountability to the Parliament'.⁶⁷

2.62 The ANAO made a number of recommendations including the development of baseline data and targets, performance indicators linked to the allocation of sufficient resources for effective monitoring and reporting; implementation of performance measures; and consideration of the development of a shared project/program management information system between the Commonwealth and states and territories to enhance and streamline the collection and analysis of performance information.⁶⁸

ANAO Report – 2004–05 – The Administration of the National Action Plan for Salinity and Water Quality

2.63 The objective of the ANAO's audit of the administration of the National Action Plan for Salinity and Water Quality (NAP) was to examine and report on the planning and corporate governance for the new regional delivery model of the NAP, jointly administered by the Department of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage (the agencies).⁶⁹

2.64 The ANAO's report acknowledged that significant progress had been made in reaching agreements between governments and introducing a new regional delivery model. However, it was noted that it had taken almost four years for this progress to be achieved. The report went on to comment that, if longer-term outcomes for salinity and water quality were to be achieved:

...close attention must be paid to building on recent research initiatives and actively encouraging regions to put in place measures that are well targeted

66 Australian National Audit Office, *Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust*, Audit Report No. 43, 2000–01, pp 11–15.

67 Australian National Audit Office, *Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust*, Audit Report No. 43, 2000–01, p. 79.

68 Australian National Audit Office, *Performance Information for Commonwealth Financial Assistance under the Natural Heritage Trust*, Audit Report No. 43, 2000–01, pp 28–30.

69 Australian National Audit Office, *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, p. 13

and appropriate for the formidable challenges being presented to the NAP regions of Australia.⁷⁰

2.65 The ANAO stated that the monitoring and reporting framework for NAP was generally sound. However, the delays in establishing the framework, had resulted in performance reporting based on estimates rather than on actual performance. The ANAO stated that high priority should be given to ensuring a consistent quality of actual performance outputs for the remainder of the program. In particular, the ANAO pointed to the importance of reporting on the extent to which concentrated action under the program has led to significant land or water use change over time.⁷¹

2.66 The report acknowledged that the delivery of NAP through regional bodies was a new, and evolving, process for agencies, but the joint delivery approach of the agencies had also demonstrated the advantages of presenting a simplified 'face of government' to clients.⁷² In terms of managing program risks, however, the report concluded that:

...at the regional level, strong and concerted action by all stakeholders is required if the program risks are to be effectively managed. In particular, there are substantial residual risks in small, newly established, community-based bodies having primary responsibility for delivering challenging outcomes and managing substantial allocations of Australian Government funds.⁷³

Ministerial Reference Group for Future NRM Programme Delivery – 2006

2.67 In recognition of the scheduled cessation of funding, in June 2008, for both the NAP and NHT, an independent reference group (the Reference Group), chaired by Mr Kim Keogh, was commissioned by the Natural Heritage Ministerial Board to give consideration to the future of NRM programs.

2.68 The Reference Group was required to review the regional delivery of the government's NRM programs and to provide independent advice on:

- the strengths and weaknesses of current NRM programs' regional delivery arrangements;
- improving the effective delivery of NRM programs regionally, including possible actions to streamline processes; and

70 Australian National Audit Office, *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, p. 15.

71 Australian National Audit Office, *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, p. 17.

72 Australian National Audit Office, *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, p. 16.

73 Australian National Audit Office, *The Administration of the National Action Plan for Salinity and Water Quality*, Audit Report No. 17, p. 18.

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- enhancing regional community engagement in NRM, including through involvement of local government, Landcare groups, volunteers and other stakeholders.⁷⁴

2.69 Following consultation with key stakeholders, the Reference Group reported in March 2006 and concluded that:

- there was strong community support for continuing the regional delivery of NRM across Australia;
- the past five years have seen a giant shift in Australia's approach to NRM with greater emphasis on regional priorities;
- significant human capital, time and financial resources have gone into building the necessary links between communities, industry and government for the successful regional delivery of NRM programs;
- some key sectors, such as the primary industry sector and local government, are yet to be wholly engaged;
- security of funding is an essential ingredient to the long-term success of NRM; and
- a commitment by the Commonwealth Government to continue funding the regional delivery of NRM programmes would be welcomed.⁷⁵

2.70 The Reference Group found overwhelming support for the regional delivery of NRM across Australia. Stakeholders indicated that, compared with the way in which previous programs and projects were managed, the regional delivery approach had resulted in a greater level of professionalism and strategic thinking in the way natural resources were managed. It had also 'led to an increased understanding of natural resources by both those directly involved and the general community'.⁷⁶

2.71 The Reference Group concluded that the regional NRM model had been successful in engaging volunteers and, as a consequence, provided good value for money. The value of the volunteer contribution was estimated by the Australian Landcare Council to be worth more than three times that provided through formal investor funding.⁷⁷

74 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangements for Regional Delivery of Natural Resource Management Programmes, Final Report*, March 2006, p. 5.

75 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangements for Regional Delivery of Natural Resource Management Programmes, Final Report*, March 2006, p. 13.

76 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangements for Regional Delivery of Natural Resource Management Programmes, Final Report*, March 2006, p. 23

77 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangements for Regional Delivery of Natural Resource Management Programmes, Final Report*, March 2006, p. 6.

2.72 However, it was noted that stakeholders had raised concerns about the regional delivery model including:

- problems with the way in which investment was delivered;
- NRM programs being delivered outside the regional model; and
- problems obtaining sufficient baseline data and science underpinning regional target-setting.⁷⁸

2.73 The Reference Group made 28 recommendations relating to areas such as government support for NRM, community engagement including volunteer and Indigenous engagement, and improvements to delivery, communication and capacity building, as well as information and knowledge, and monitoring and evaluation.⁷⁹

ANAO Report – 2006–07 – The Conservation and Protection of National Threatened Species and Ecological Communities

2.74 The 2006–07 ANAO audit, while primarily designed to report on the range of measures to protect and conserve threatened species and ecological communities in Australia, included the implementation of recovery actions and conservation through programs such as the NHT.⁸⁰ Between 2002 and 2006, approximately \$251 million funding under the NHT targeted threatened species and ecological communities.⁸¹

2.75 The ANAO reported that the administering agency's evaluation of the program had found that there was a 'lack of standard, meaningful and quantified monitoring and evaluation systems for the national investment stream'. The ANAO came to a similar conclusion. As a consequence, reporting to Parliament on the extent to which NHT initiatives, funded at the national level, have contributed to program objectives had been limited.⁸² However, the ANAO went on to state that 'without Commonwealth funds, delivered through the NHT, many more species and ecological communities would have no actions undertaken to protect and recover them'.⁸³

78 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangements for Regional Delivery of Natural Resource Management Programmes, Final Report*, March 2006, pp 5–8.

79 Ministerial Reference Group for Future NRM Programme Delivery, *Review of Arrangements for Regional Delivery of Natural Resource Management Programmes, Final Report*, March 2006, pp 9–12.

80 Australian National Audit Office, *The Conservation and Protection of National Threatened Species and Ecological Communities*, Audit Report No. 31, 2006–07, pp 14–15.

81 Australian National Audit Office, *The Conservation and Protection of National Threatened Species and Ecological Communities*, Audit Report No. 31, 2006–07, p. 21.

82 Australian National Audit Office, *The Conservation and Protection of National Threatened Species and Ecological Communities*, Audit Report No. 31, 2006–07, p. 22.

83 Australian National Audit Office, *The Conservation and Protection of National Threatened Species and Ecological Communities*, Audit Report No. 31, 2006–07, p. 27.

ANAO Report – 2007–08 – Regional Delivery Model for the National Heritage Trust and the National Action Plan for Salinity and Water Quality

2.76 In February 2008, the ANAO reported on its audit of the regional delivery model for NHT and NAP. The audit focused on:

- the implementation of the regional delivery arrangements;
- governance and financial management for regional delivery; and
- monitoring, evaluation and report on the programs' performance.⁸⁴

2.77 The ANAO found that the design of the regional delivery model had taken into account a wide range of stakeholder views and the lessons learned from the program evaluations conducted by the administering departments.⁸⁵ It stated that the model was supported by well-designed bilateral agreements between the Australian Government and the states and territories, and included a comprehensive planning and accreditation process based on the 'best available' science.⁸⁶

2.78 Progress in implementing improvements in administration following the 2004–05 ANAO report had 'been comprehensive and well-focused on significant risks'.⁸⁷ The report also noted that there were still a number of issues that needed to be addressed, including significant areas of non-compliance by state agencies with the bilateral agreements that would require attention leading into the proposed next phase of NHT (NHT3).

2.79 In addition, the ANAO commented that measuring achievement adequately was still proving complex, not least because the 56 NRM regions used a variety of measuring and reporting systems. While acknowledging the extensive activities undertaken to promote conservation and address salinity and erosion, the ANAO stated:

There is little evidence as yet that the programs are adequately achieving the anticipated national outcomes or giving sufficient attention to the "radically altered and degraded Australian landscape" highlighted in the 1996 *Australia: State of the Environment Report*.⁸⁸

84 Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, pp 14–15.

85 Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, p. 15.

86 Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, p. 15

87 Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, p. 15.

88 Australian National Audit Office, *Performance Audit Report No. 21 2007–08, Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, p. 16.

2.80 The ANAO concluded that performance measurement has been an ongoing issue highlighted in ANAO audits since 1997–98 and should be a priority for attention in the lead up to NHT 3.⁸⁹

2.81 In relation to the implementation of regional delivery, the ANAO found that while the regional delivery was well supported by stakeholders, documentation on the economic costs and benefits of difference 'on-ground' actions needed to be substantially improved and that there was little information as to what options are best to deliver value for money outcomes. The ANAO also found that there were significant limitations in regional plans, though it recognised that these plans were based on best available information at the time. In addition, it noted that 'the ability of regions to quantify what the investments will achieve against program outcomes is constrained by the absence and general nature of some targets and the lack of relevant monitoring and/or modelling systems'.⁹⁰

2.82 In terms of NRM governance arrangements, the ANAO noted that they were inherently complex and challenging because of the number of organisations involved in service delivery. However, it found that administrative arrangements had been subject to substantial review and improvement since raised in the 2004–05 ANAO audit. Improvements included formalising arrangements, independent evaluation and development of a regional governance checklist.⁹¹

2.83 In relation to monitoring, evaluation and reporting, the ANAO noted that while a monitoring and evaluation framework had been endorsed by the NRM Ministerial Council in 2002, implementation had been stalled by the lack of agreement on appropriate performance indicators. In addition, reporting largely focused on activities and outputs rather than progress towards outcomes.⁹²

2.84 The ANAO made four recommendations to improve the delivery of the regional model through the better management of risks, greater transparency and efficiency in the management of funds, closer compliance with bilateral agreements and more accurate reporting to the Parliament.⁹³

89 Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, p. 16.

90 Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, p. 19.

91 Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, pp 19–20.

92 Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, pp 22–24.

93 Australian National Audit Office, *Regional Delivery Model for the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality*, Audit Report No. 21, 2007–08, pp 27–28.

Committee comment

2.85 Over the three decades from small beginnings in 1989, natural resource management grew to encompass 56 regional bodies, many hundreds of community groups and thousands of volunteers and landholders. The Government's investment in NRM returned significant dividends through contributing investment by landholders and volunteers, changes in attitude to NRM and environmental improvement.

2.86 The committee notes that, with the implementation of the NHT, national leadership was acknowledged and the NHT aimed to develop a comprehensive and integrated program. The 'bottom up' approach under NHT1 allowed local groups to prioritise funds and so facilitate engagement and to build capacity among stakeholders. The establishment of the regional model under NHT2 was generally seen as a positive step towards greater coordination of effort and a more professional approach to NRM.

2.87 While there were significant strengths in the NHT model, weaknesses were also identified including the lack of an overarching strategy and the need for national coordination to enable better integration of regional, state and national priorities.

2.88 The committee notes that a continuing problem of both the NLP and NHT was the monitoring, evaluation and reporting systems. While improvements were seen over the three decades, there remained concerns that further enhancements were needed to provide greater consistency of accountability and governance and a more meaningful and consistent approach to monitoring and evaluation. One area highlighted in many evaluations was the need for baseline data and underlying science to inform target setting and to contribute to an understanding of the condition of NRM resources.

