

# Chapter Four

## Conclusions and Recommendations

4.1 Caring for our Country has been described as an initiative which will achieve an environment that is healthy, well-managed and resilient. In launching the program, the government's intention was to build on the legacy of three decades of investment in natural resource management while addressing weaknesses identified in previous programs. In the committee's opinion, in its current form Caring for our Country falls well short of achieving this.

### Transitional arrangements

4.2 The committee notes that 2008-09 was a transitional year for Caring for our Country and that the initial funding arrangements under the program were intended to create certainty for regional NRM bodies in particular while the longer term arrangements for the program were developed. The committee also notes that the speed with which the departments needed to act in order to develop the initial Business Plan and process the transitional funding round did not auger well for consultation with stakeholders or the provision of key information. The committee notes the statements by the departments that they have embarked on a process of continual improvement in relation to the development of future Business Plans and that they are seeking to gather appropriate feedback to assist with that process.

4.3 However, the Committee remains concerned that although the Caring for our Country Program commenced on 1 July 2008 there was a significant delay in the release of two key documents: the Business Plan and the monitoring and evaluation framework. The Business Plan for 2009-10 was not released until 28 November 2008. As the reference document upon which organisations would be basing their submissions for funding, it is disappointing that this document was not made available earlier in the process. Similarly, the Australian Government Natural Resource Management Monitoring, Evaluation, Reporting and Improvement Framework (MERI) – again an important resource document for those interested in obtaining funding for the development of natural resource management activities – did not become available until late April 2009.

4.4 The committee also notes that the transition to Caring for our Country has been an extremely disruptive and anxious time for a lot of people involved in NRM. The committee has heard from people who are struggling to maintain physical and human resources while they attempt to secure ongoing financial resources. For many, seeing hard won gains in community involvement and project outcomes put at risk during this period of uncertainty has been a source of great stress. In this context the committee notes the observations of one witness that the lessons from the transition between NHT1 and NHT2 do not appear to have been heeded in the transition to Caring for our Country. Mrs Brennan, representing the South Gippsland Landcare Network, told the committee:

In my honest opinion, given that there was to be such a major change, we probably should have done all this sort of work and then announced the change. We have announced the change in May that we are now going to Caring for our Country, but the business plan is not out. The information we received about what we could apply for was there but it was not the best quality. ... Realistically now we should be a hell of a lot better at this.<sup>1</sup>

## **A national strategy**

4.5 The committee notes that the establishment of a set of national NRM targets through the Caring for our Country Business Plan process is an attempt to respond to calls for greater guidance from the Commonwealth in the strategic management of natural resources.

4.6 However, the committee is concerned that the national priorities and targets identified in the Business Plan appear to have been developed in relative isolation and are the product of only limited consultation with a selective range of stakeholders who were, for the most part, Commonwealth Government agencies. The committee notes that the haste with which the program was introduced, together with the decision to employ a competitive funding mechanism, appears to have had some bearing on this.

4.7 The consequences of this closed shop approach to the establishment of priorities and targets are significant and far reaching. The committee received evidence that the national priorities and targets do not translate readily to the local or regional level and have thereby excluded funding for initiatives to address important issues. The committee received numerous examples of the difficulties experienced by NRM groups in seeking to align the national priorities with regional and local priorities and in translating them into appropriate on-the-ground targets at the local level.

4.8 The committee received evidence that the lack of synchronicity between the Caring for our Country Business Plan, state NRM plans and regional plans has the potential to effectively undermine efforts to date to achieve an integrated landscape management approach. This also precludes strategic efforts by regional organisations to ensure a joined-up and synergistic approach to tackling overlapping problems or projects.

4.9 The committee is also concerned that there is an ongoing problem with the reliance of national planning and prioritisation on the nomination and identification of key threatening processes and threatened ecological communities by state and territory agencies through processes under the *Environment Protection and Biodiversity Conservation Act 1999*. This becomes increasingly problematic with the apparent move away from Commonwealth-state bilateral investment agreements and collaboration in regional NRM planning processes. The committee is concerned that

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1 Mrs Belinda Brennan, South Gippsland Landcare Network, *Committee Hansard*, 17 October 2009, p. 113.

there now appears to be no driver for states and territories to devote resources to these listing processes or to continue to embrace national data collection and sharing protocols.

4.10 The committee is strongly of the view that changes need to be made to the Business Planning process to foster an integrated and longer-term approach to land management. The targeting and prioritisation process needs to be informed by research, analysis and expertise at all levels – national, state, regional and local – to ensure that key threats to sustainable land management and biodiversity conservation identified at the local and regional level are capable of being addressed by Caring for our Country. The committee considers that the current annual Business Plan model is not compatible with a rigorous and collaborative approach.

### **Recommendation 1**

**4.11 The committee recommends that a more rigorous and comprehensive approach is taken to the identification of national priorities for inclusion in the Caring for our Country Business Plan. This process must include engaging regional and local expertise to ensure that targets established in the Business Plan are relevant at the regional and local level.**

4.12 The committee notes that the extent to which formal collaboration between states and the commonwealth will continue to be a feature of NRM is unclear under Caring for our Country. Witnesses have emphasised the important role that state governments play in NRM and that coordination between all levels of government is critical to the success of NRM initiatives. The committee notes that there is considerable support for the states to continue to formulate state level NRM plans and for this strategic thought and planning to be formally encouraged and recognised in the formulation of national NRM priorities.

### **Recommendation 2**

**4.13 The committee recommends that the Commonwealth Government continue to pursue bilateral agreements with state and territory governments to ensure greater investment in natural resource management and the continuation of natural resource management reform.**

### **Competitive funding model, community engagement and capacity building**

4.14 The committee is strongly of the view that Caring for our Country needs to be refocused to provide better support for a coordinated approach to long-term strategic regional planning, based on collaboration and co-contribution by key stakeholders.

4.15 The committee is concerned that the Caring for our Country business model has alienated and disenfranchised people whose participation in NRM is crucial to its success. It is very clear that the extent of land use change needed at the landscape scale to address the combined challenges of landscape degradation, weed and pest management, biodiversity conservation, and sustainable water use in a changing

climate will continue to require a significant level of voluntary action and private investment by land managers and regional communities.

4.16 The committee is concerned that the focus on short-term competitive funding grants, together with a reduction in support to regional NRM planning and coordination is critically undermining social and institutional capital in regional areas. As mentioned above, the committee is concerned by the substantial loss of experienced staff and volunteers, and of capacity and expertise from NRM as a result of the new program approach at a time when it is sorely needed.

4.17 The committee notes that under previous programs responsibility for this work fell largely to regional NRM bodies and that by and large, regional NRM organisations have the expertise, local engagement and regional understanding to perform this role. The committee notes evidence that the performance of regional NRM bodies in this regard was not always consistent. The committee heard evidence which suggested that, with the shift in funding arrangements under Caring for our Country, the need for the roles and responsibilities of regional bodies to be more clearly defined is greater than ever to ensure the important work of community engagement and capacity building is continued.

4.18 The committee also notes evidence from regional NRM bodies that the quantum of base line funding received under Caring for our Country to date has impacted heavily on staffing and resources and has compromised their ability to continue field and outreach work.

4.19 The committee considers that, while there may be benefits to be gained through the use of a range of means of delivery and management of natural resource projects, there is still a clear role for role of regional NRM bodies under Caring for our Country. Regional NRM bodies are well placed to foster working partnerships, facilitate engagement and build capacity at the regional and local level. However, this role needs to be more clearly defined and regional bodies need to be supported strategically and financially to undertake this work consistently.

### **Recommendation 3**

**4.20 The committee recommends that the role of regional NRM organisations under Caring for our Country be more clearly defined and that a review be undertaken to assess the adequacy of support provided to regional NRM organisations in this regard. This review must consider the appropriate level of institutional support and base line funding necessary for regional NRM organisations to successfully undertake this role.**

4.21 The committee is also concerned that, despite Caring for our Country's aim of encouraging collaboration at the regional and local level, evidence received suggests that the competitive process has actively discouraged such cooperation in many instances. The committee heard reports of groups who, while collaborating on certain projects through regional NRM groups, were also submitting overlapping and competing project proposals in an effort to improve their chances of success. The committee also heard concerns that stakeholders may have been holding back information from certain joint efforts to enhance the chances of competing projects.

4.22 The committee notes that under previous programs NRM groups, land managers and agencies successfully collaborated on longer term strategic projects. The committee is not convinced that the current competitive model provides for this, despite its claims to provide incentives to support such collaboration. The committee notes that engagement with relevant stakeholders and partners will be taken into account when determining whether a proposal "demonstrates clear and measurable achievements against at least once of the Caring for our Country targets" in the Business Plan.<sup>2</sup> The committee considers that any funding model should provide much clearer incentives for collaboration on long-term landscape scale strategic planning and action to ensure that individual projects are carefully considered and coordinated with a view to producing tangible landscape outcomes. The committee believes that proposals that have been developed and negotiated by a number of stakeholders to address common issues at the landscape level are more likely to be outcome focussed and capable of practical implementation.

4.23 The committee is also concerned that under Caring for our Country, NRM groups appear to no longer have the flexibility to leverage Commonwealth funds through other sources of investment. The committee considers that initiatives to attract additional investment for NRM projects from private and overseas sources should be encouraged.

#### **Recommendation 4**

**4.24 The committee recommends that the Commonwealth Government consider avenues for providing clearer requirements and incentives to stakeholders to collaborate with a range of project partners on long-term landscape scale strategic planning and action.**

#### **Recommendation 5**

**4.25 The committee recommends that the evaluation method for competitive bid applications be modified to give greater consideration to the likelihood of projects achieving defined and measurable environmental outcomes.**

#### **Recommendation 6**

**4.26 The committee recommends that the funding model for Caring for our Country be reviewed and consideration be given to increasing the level of overall funding.**

#### **Application process**

4.27 The committee is concerned at evidence it received about the complexity and uncertainty of the application process. The committee is particularly concerned at the high transaction costs involved in the lodgement of applications, the lack of

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2 Department of the Environment, Heritage and the Arts and Department of Agriculture, Fisheries and Forestry, *Caring for our Country: Business Plan 2009-2010*, November 2008, p. 38.

transparency and accountability in the evaluation of proposals, and the limited feedback available to unsuccessful applicants.

4.28 The committee considers that the application process should be reviewed and that consideration is given to avenues for reducing the costs, in terms of time and resources, involved in lodging an application. The committee notes that a number of large-scale projects were approved on the basis of expressions of interest. The committee believes that this approach may offer a means of containing transaction costs across the full range of applications.

#### **Recommendation 7**

**4.29 The committee recommends that the application process be reviewed and that avenues for reducing the costs involved in submitting applications be considered, including the lodgement of expressions of interest.**

#### **Recommendation 8**

**4.30 The committee recommends that a framework be established to provide consistent support and feedback to all applicants for funding under Caring for our Country.**

### **Monitoring and Evaluation**

4.31 The committee understands that the monitoring and evaluation of NRM projects still remains a concern, despite claims that Caring for our Country was supposed to address issues raised in a number of ANAO reports. The committee notes concerns that monitoring and evaluation under Caring for our Country is very much focused on accountability and that the more complex aspects of evaluation are yet to be addressed.

4.32 NRM projects need to be monitored and evaluated on three levels. On one level projects must meet financial accountability and governance targets. On another level, NRM projects must be able to be evaluated against defined and measurable environmental targets. Finally, data must be collected in a consistent and coordinated manner to enable the evaluation of the longer-term impact of investment in NRM projects.

4.33 The committee is concerned that without an assessment process which ensures that selected projects have defined and measurable environmental targets, effective monitoring and evaluation of projects will be difficult. Similarly, without a consistent approach to the collection of rich data at the local level, longer term evaluation of the effectiveness NRM investment will be impossible.

4.34 The committee notes that there have been some worthwhile initiatives implemented at the state level to monitor NRM projects and to collect a consistent set of data regarding resource conditions. The committee urges the Commonwealth Government to consider the extent to which it could build on such approaches in the development of a national monitoring and evaluation system.

4.35 The committee considers that an important first step towards achieving this would be the instigation of a process of audit of natural resource conditions. The committee considers that such an audit would provide a means of establishing benchmarks against which to monitor and evaluate investment in NRM. The committee believes that this audit process must be appropriately coordinated to ensure that it draws on the resources and expertise of all tiers of government as well as regional NRM bodies. The committee also considers that such an audit process would benefit from the direct input of the Australian National Audit Office and its state and territory counterparts in establishing a set of generic audit criteria.

### **Recommendation 9**

**4.36 The committee recommends that the NRM Ministerial Council convene a working group to develop a framework and generic criteria which would form the basis for an ongoing process of audit of the condition of Australia's natural resources. The development of the framework and criteria must involve close liaison with departments and agencies involved in natural resource management at the Commonwealth, state and territory and local level and Commonwealth, state and territory audit offices.**

4.37 The committee is conscious that at the time that it commenced its inquiry in June 2008, at the beginning of the transition to Caring for our Country, it was difficult for those involved in natural resource management to provide a considered assessment of the impact of the program and the extent to which it represents an improvement on previous programs. Even eighteen months later, it is still difficult for stakeholders to determine this. The early evidence presented to the committee was characterised by anxiety and concern. This position appears to have not changed. The committee is disappointed to observe that, rather than building on the lessons and achievements of the past, Caring for our Country has placed this legacy in grave danger. Where previous programs had successfully mobilised people and resources in all levels of government, private industry and local communities, Caring for our Country has effectively disenfranchised people engaged with NRM. The committee considers that key elements of the Caring for our Country business model must be reviewed and refocussed before the program could be said to deliver a comprehensive national approach to natural resource management.

**Senator Fiona Nash**  
**Chair**

