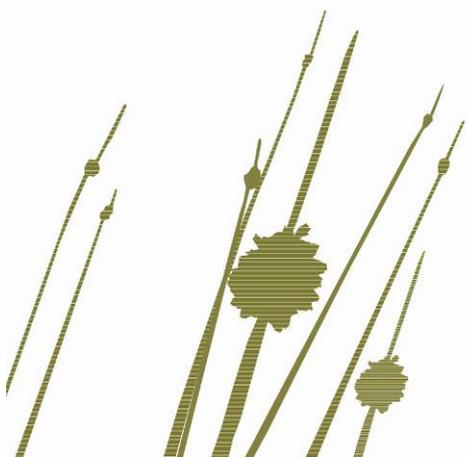


Improving Natural Resource Management in South Australia:

Regional Integration of South Australia's Environment and Natural Resource Management Delivery

October 2010



Government
of South Australia

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**Government
of South Australia**

Department of Environment
and Natural Resources

EXECUTIVE SUMMARY

The Department of Environment and Natural Resources (DENR) was established on 1 July 2010 by integrating the former Department for Environment and Heritage (DEH) and the Natural Resources Management Division of the former Department of Water Land and Biodiversity Conservation.

DENR's goal is to help the government and South Australians find a way to live sustainably and prosperously, without diminishing or damaging the environment. One of its priorities is to improve the delivery of environment and natural resources management (NRM) in South Australia.

The changes encompass four key elements:

- **Creating a clear identity through a single regional face for environment and natural resource management services.**
- **An integrated NRM workforce.**
- **Improving delivery through an increased emphasis on collaborating, partnering and engaging with local communities.**
- **Improving integration through a shift to landscape approaches linking across both public and private lands.**

The changes will build on the achievements of the past, retain what has worked well and strengthen existing relationships.

The changes will also preserve and place greater emphasis on the statutory role for regional Natural Resource Management Boards.

Regional Delivery for both DENR and NRM Boards will occur through an agreed Annual Implementation Plan and will take place through a single regional delivery structure.

The Annual Implementation Plan will provide clarity, transparency and accountability for the partnership and for broader relationships with community, industry, non-government organisations, local government and other government agencies.

This document sets out seven strategies:

- Strategy 1: Align Regional Boundaries to match the existing statutory Natural Resource Management boundaries.
- Strategy 2: Implement an integrated delivery model for each region.
- Strategy 3: Create a single community face for NRM in each region.
- Strategy 4: Clarify governance and inter-governmental relationships.
- Strategy 5: Integrate Planning, Review and Investment.
- Strategy 6: Streamline business support and corporate services.
- Strategy 7: Manage the change process in a consultative way.

Expected benefits from these changes include:

- Greater community understanding and ownership of planning and on-ground delivery for environment and natural resource management.
- A greater impact when addressing environment and natural resource management through more coordinated community, industry, individual landowner, local government and state agency efforts.
- More resources available to on ground activities through efficient and simplified regional structures of the NRM Boards, DENR and other government agencies (where possible), which simplify support arrangements and remove duplication of activities.
- More cohesion in natural resource management: a single public interface will mean that advice and actions taken by NRM Boards or DENR will be much more coordinated and the involvement of the community, primary producers, landholders, industry and Local Government better facilitated.
- A more holistic approach to natural resource management issues will be achieved: a landscape-scale approach (by both NRM Boards and DENR) will lead to a consistently broad view of problems and required solutions.

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1. How we got here: history and background

Natural Resource Management (NRM)

The Natural Resources Management Act 2004 defines the institutional arrangements for natural resources management in South Australia.

The main functions of each (of eight) NRM Board is to develop and implement a Regional NRM Plan and to promote public involvement in integrated and sustainable natural resources management within its region. Developing a Regional NRM Plan, in particular, involves rigorous processes of consultation – with the community, industry, non-government organisations and all spheres of government - in determining the priorities and future directions for natural resources management.

The eight Boards (and associated NRM regions) were established in late 2004, and incorporated a number of previously separate institutional arrangements covering areas such as water catchment management and soil conservation.

The NRM Council is the peak NRM body in the State with responsibility to advise the Minister, develop a State NRM plan, monitor and evaluate the condition of the natural resources across the State, report on the performance of NRM and the integration of natural resources management practices.

The NRM Council has a role in the assessment of Regional NRM Plans. NRM Boards provide advice to the NRM Council on emerging natural resource management issues.

The linkage between the State NRM Plan, Regional NRM Plans, related plans and government strategies is depicted in the following diagram (Figure 1).

Regional NRM Plan Context

- ⋯→ Sets a policy framework
- - -> Must take account of
- To be consistent with

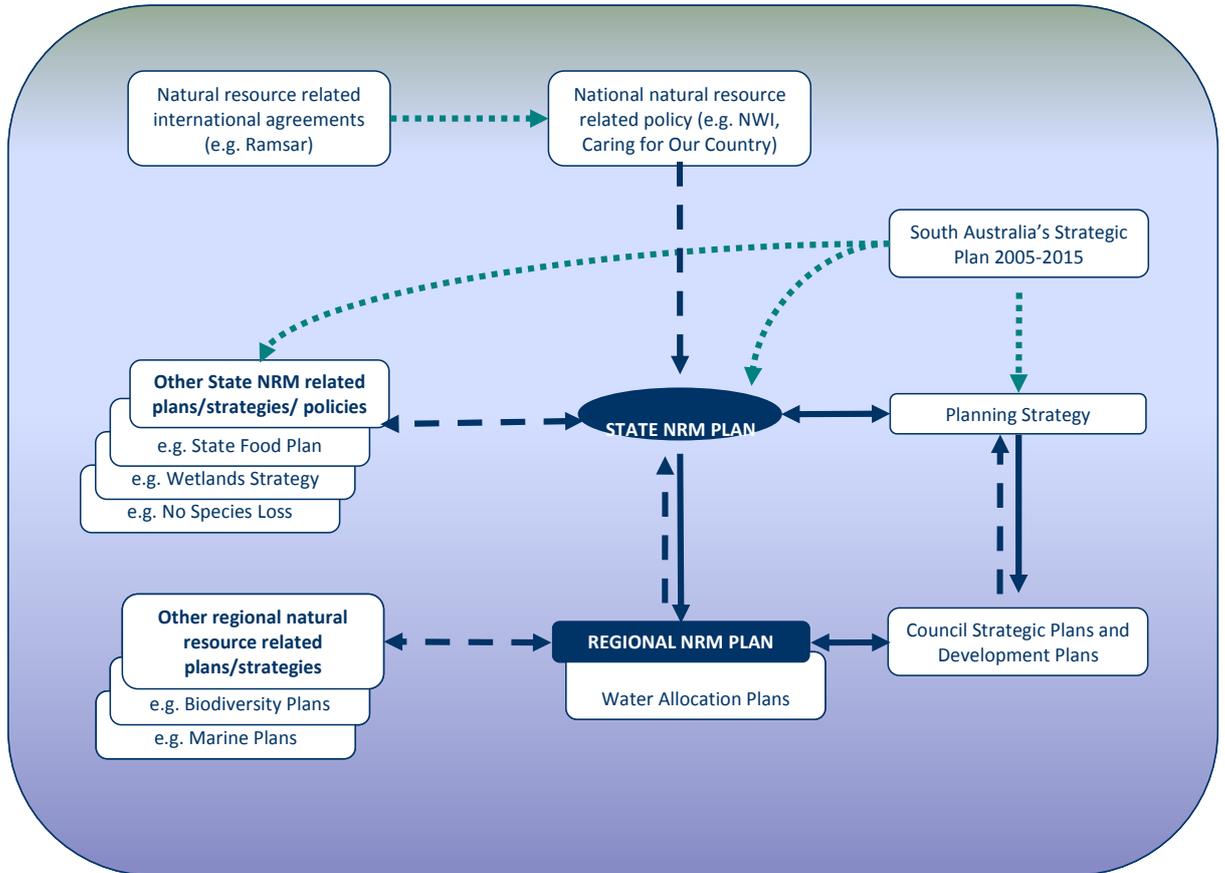


Figure 1: Relationship between NRM plans and strategies

Support for the NRM Council and Boards was supplied through the Department of Water Land and Biodiversity Conservation (DWLBC) to 30 June 2010.

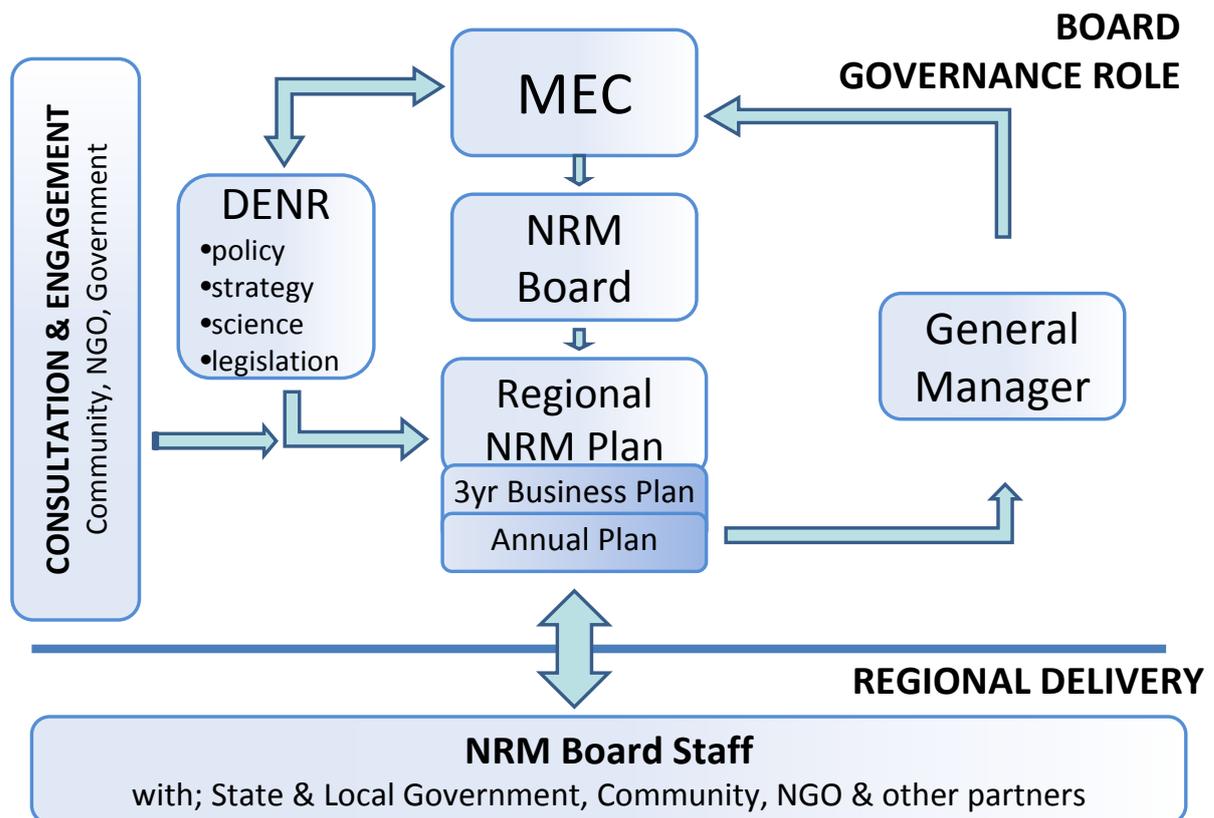


Figure 2: Existing NRM Governance and Delivery Arrangements

Department of Environment and Natural Resources (DENR)

DENR was established on 1 July 2010 from a combination of the former Department for Environment and Heritage (DEH) and the Natural Resources Management Division of the former Department of Water Land and Biodiversity Conservation. DENR administers 19 Acts (listed in Appendix 2) with an emphasis on management of landscape and seascape.

DENR’s role includes a long history in the management of the State’s National Parks and reserves system and delivery of visitor, wildlife and fire management on public lands. DENR’s role also includes environmental management services across the landscape and Crown Land, built heritage, coastal management and animal welfare services delivered through a range of partnership arrangements.

The current charter given to DENR is to help the government and South Australians find a way to live that is both sustainable and prosperous – without diminishing or damaging the environment. In doing so, one of its priorities is to improve the administration of natural resources management in South Australia.

2. *What we want to achieve: the change goal*

The change goal is to improve the administration of natural resources management in South Australia. This goal encompasses four elements:

- **A single regional face for NRM.** This will deliver at the regional level portfolio services for the Minister for Environment and Conservation, Minister for Water and Minister for the River Murray. Close relationships will be established with Primary Industries and Resources SA and the Department of Planning and Local Government to ensure that regional service delivery is integrated. Support services will be rationalised and simplified to gain efficiencies.
- **An integrated NRM workforce.** This will ensure the best delivery of NRM projects and programs support services will be rationalised and simplified.
- **An increased emphasis on collaborating, partnering and engaging local communities.** The NRM Boards are already the community face of natural resource management – in developing Regional NRM plans, engaging communities, working with government to decide priorities, helping resolve difficult natural resource conflicts and monitoring the condition of natural resources in regions. The goal is for the NRM Boards to further improve the level of community engagement and ownership of natural resource management decisions.
- **A shift to landscape approaches.** This will involve an increased emphasis on linking natural resource management activities across public and private lands (and waters) to achieve the best results.

The change goal builds on the achievements of the past, retains what has worked well and strengthens the relationships that already exist. In particular, it preserves (and places greater emphasis on) the statutory role for each NRM Board in developing, monitoring and reporting on its Regional NRM Plan.

What will change is the way in which delivery occurs. Delivery for both DENR and NRM Boards will occur through an agreed Annual Implementation Plan, jointly owned by both DENR and each NRM Board. Delivery for each region will also be integrated under a single regional delivery structure with a single Regional Manager. The Annual Implementation Plan will provide clarity, transparency and accountability for the partnership and for the broader relationship with community, industry, non-government organisations and government agencies.

In broad terms, the “below the line” functions depicted in Figure 2 will be the focus for this change.

The following diagram (Figure 3) depicts the elements of the new arrangements. It shows the Regional NRM Plan and the DENR Corporate Plan (the driving documents for NRM Boards and DENR) and identifies the chain of plans, which flow from these documents. The Annual Implementation Plan will be the jointly agreed document by which the regional business of each NRM Board and DENR is delivered.

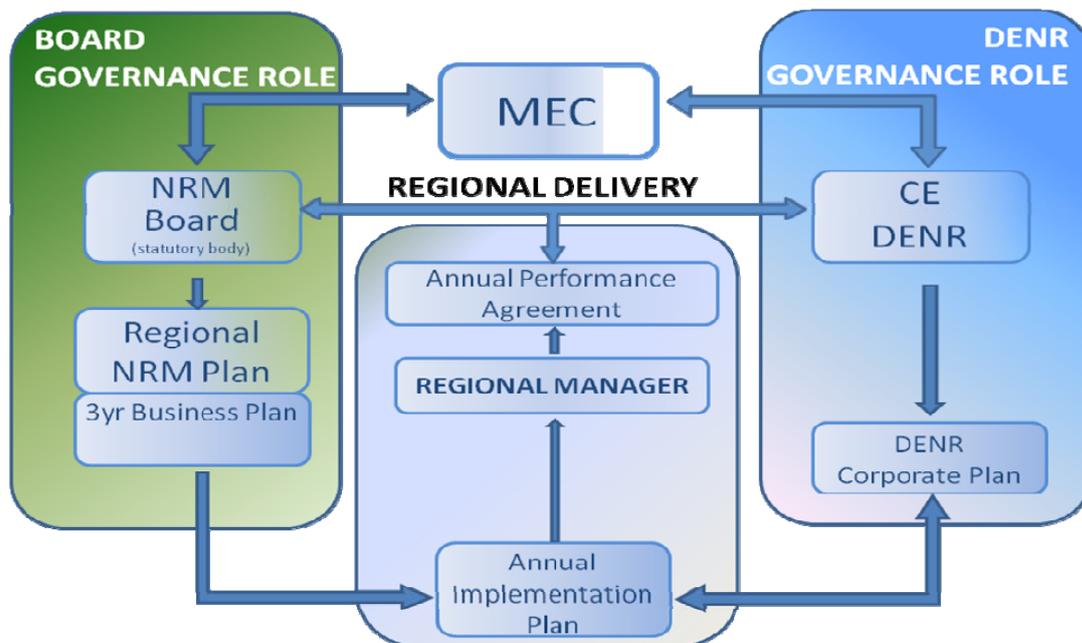


Figure 3: New Regional Governance and Delivery Arrangements for Environment and Natural Resources Management

Many benefits are expected from implementing the change goal, including:

- Greater community understanding and ownership of planning and on-ground delivery for environment and natural resource management.
- A greater impact when addressing environment and natural resource management through more coordinated community, industry, individual landowner local government and State agency efforts.
- More resources available to on ground activities through efficient integrated and simplified regional structures of the NRM Boards, DENR and other government agencies which simplify support arrangements and remove duplication of activities.
- More cohesion in natural resource management: a single public interface will mean that advice and actions taken by Boards or DENR will be much more coordinated and the involvement of the community, primary producers, landholders, industry and local government better facilitated.
- A more holistic approach to natural resource management issues will be achieved: a landscape-scale approach (by both NRM Boards and DENR) will lead to a consistently broad view of problems and required solutions.

3. Making the change: our strategies

Seven key strategies have been identified to deliver the change goal. They are described below.

3.1 Strategy 1: Align Regional Boundaries. *This means:*

- *The current NRM board boundaries will be used as the basis for the new regional delivery model and the old DEH regional boundaries will be realigned to the NRM boundaries.*
- *A review of the NRM boundaries will be undertaken to determine whether any refinements in boundaries are required to ensure that they meet current integrated natural resources management, environmental, social and economic needs.*

3.2 Strategy 2: Implement an integrated delivery model for each region. *This involves:*

- *A new Regional Manager being appointed for each region as soon as possible.*
- *Each Regional Manager will work with DENR and the NRM Board to deliver regional integration.*
- *An improvement in delivery structures to improve service to the community, and*
- *An improvement in working relationships with regional stakeholders.*

Existing regional staff would transition to the integrated delivery structure by the start of the 2011-12 financial year.

Each Regional Manager will be responsible for the negotiation of an Annual Implementation Plan between DENR and the Regional NRM Board. The Regional Manager will be accountable for delivering the endorsed annual implementation plan through the integrated workforce and available resources.

The following diagram (Figure 4) extends the picture depicted in Figure 3, further, and shows an outline of the delivery mechanism.

The Regional Manager's dual accountability to their NRM Board and to the Chief Executive, DENR will be challenging and will rely on a strong relationship being developed between DENR and each NRM Board. However, the Annual Implementation Plan will provide clarity on the priorities to be delivered and on performance measures and management action targets.

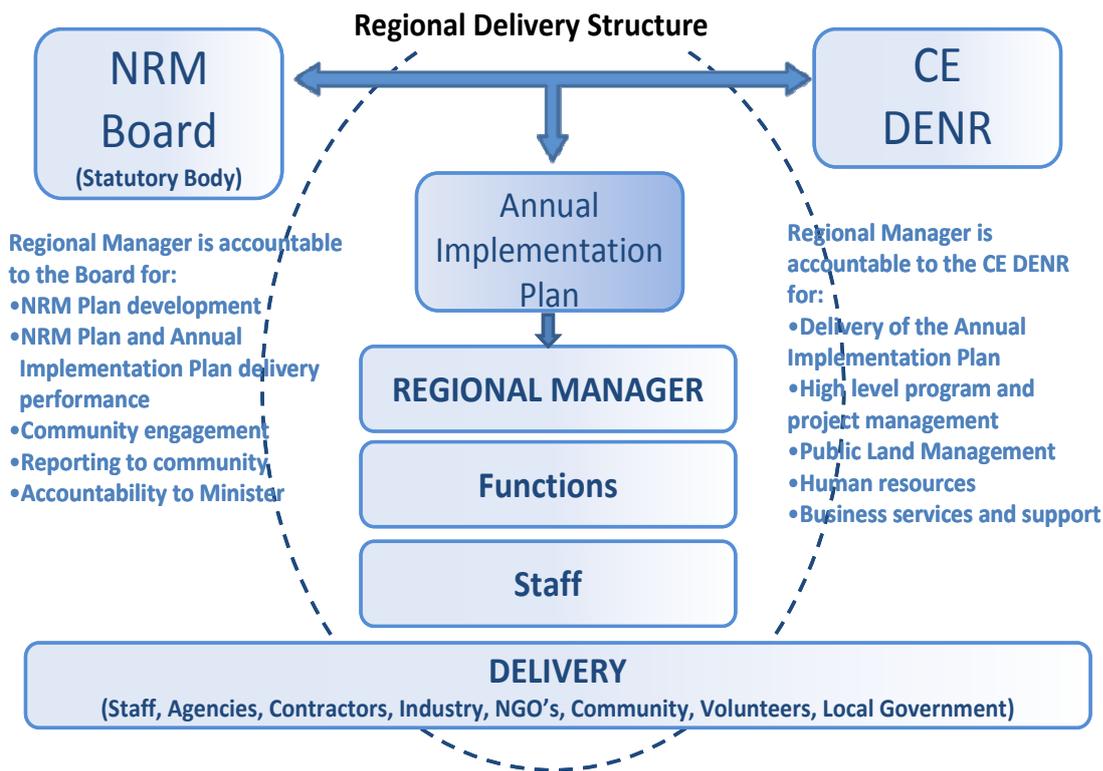


Figure 4: Integrated Organisational Arrangements

The Annual Implementation Plan will, in time, include all of the work to be funded and delivered by the new regional model. This will include all NRM programs funded through government. All programs should seek to meet the goals of the Region’s NRM plan, although it is acknowledged that a funding organisation may “tie” funding to particular NRM Plan outcomes.

As is currently the case, delivery will be multi-faceted with a wide variety of delivery partners. A clear objective for the new integrated delivery model is to strengthen community ownership in the regions and ensure that regional delivery services remain responsive to community needs and aspirations.

3.3 Strategy 3: Create a single community face for NRM in each region. *This includes:*

- *Establishing in each region a single public interface, as part of the integrated delivery arrangements for that region.*
- *Reviewing communications and media protocols and procedures in light of the integrated arrangements.*
- *Revising the branding applicable to the integrated delivery arrangements.*
- *Reviewing community interface arrangements at all levels to facilitate maximum community involvement in natural resource management.*

3.4 Strategy 4: Clarify governance and inter-governmental relationships. *This includes:*

- *Developing effective models for community consultation which support integrated regional delivery of NRM.*
- *Developing a revised protocol for interaction with the Australian government.*
- *Clarifying roles and responsibilities between state government agencies involved in NRM, NRM Boards and the integrated regional model of delivery.*
- *Legislative changes to support the new arrangements.*
- *Reviewing the roles of NRM groups and advisory bodies.*

3.5 Strategy 5: Integrate planning, review and investment. *This includes:*

- *The development of an Annual Implementation Plan for each Region as the basis for integrated delivery for DENR and NRM requirements: this would be linked to DENR Corporate and Program Plans, and NRM Business Plans.*
- *The streamlining of the existing processes for development of Regional NRM Plans and NRM Business Plans: these are seen as very resource intensive.*
- *The streamlining of the existing processes for NRM Board Annual Reports and associated financial audit processes.*
- *The development and implementation of a Monitoring, Evaluation, Reporting and Improvement (MERI) framework.*

The following diagram (Figure 5) depicts the relationship between the hierarchy of NRM plans.

Planning processes

A preliminary review of the planning processes has identified that:

- The NRM planning process is very resource-intensive, both to the NRM Boards and community members. Opportunities to streamline the process should be considered.
- The Monitoring, Evaluation, Reporting and Improvement processes are inconsistent across the NRM Regions. Supporting information systems are at times fragmented and it is difficult to aggregate data from property level up to regional, state-wide and national scales. However, a working MERI system is a requirement of the Australian Government's Caring for Our Country funding allocation to NRM Boards. Development of a consistent MERI is an important medium-term goal.

- There is a need to link elements of DENR’s planning processes – particularly the annual determination of delivery priorities – with the NRM process in order to produce an Annual Implementation Plan for each region.

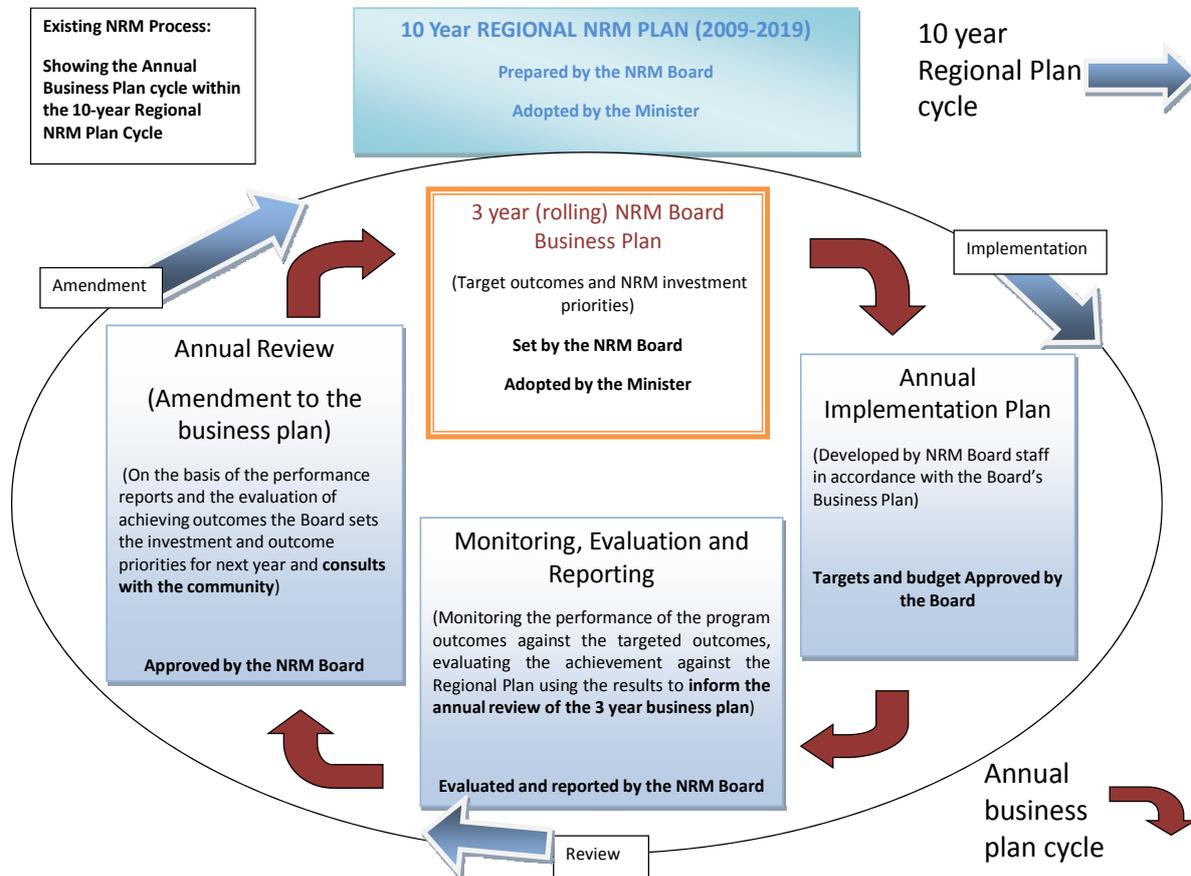


Figure 5: NRM Planning Process

Annual Reports

DENR prepares a statutory Annual Report (including financial statements) for the Minister for Environment and Conservation to present to Parliament.

Each (of eight) NRM Board prepares a statutory Annual Report (including financial statements) that is submitted through the NRM Council by 31 October each year. NRM Groups, where established, are also required to develop Annual Reports and financial statements.

Annual Report preparation for both DENR and the eight NRM Boards is a complex and resource intensive process.

Preparation of the financial statement and conduct of audits for all entities within DENR and the NRM Boards is also a complex and time-consuming process with tight timeframes.

There are opportunities for streamlining some of these processes e.g. investigating whether Regional NRM Boards' Annual Reports can be incorporated with DENR's Annual Report.

3.6 Strategy 6: Streamline business support and corporate services. *This includes:*

- *Reviewing existing business support arrangements and streamlining them based on DENR's Frameworks and policies to support the integrated delivery model and NRM Board operations.*
- *Targeting the start of the 2011/12 financial year for all NRM Boards and DENR Regional Services to use common integrated shared services, business support and corporate services including business planning, common financial recording and reporting procedures, common information and communication technology and project planning, management and reporting systems, and common human resource management systems.*

3.7 Strategy 7: Manage the change process in a consultative way.

This includes:

- *Establishing an Implementation Taskforce to manage the change process.*
- *The Implementation Taskforce preparing communication materials e.g. on the rationale for the change; and tools for managers to assist in the change process.*
- *Using the Presiding Members' Forum as a reference group in the implementation of the changes.*
- *Establishing an effective communication and feedback program to NRM Boards, local government, community members, managers and staff on planned changes and achievements – including regular regional visits by change leaders.*
- *Developing an evaluation strategy to ensure there are plans for the achievement of milestones (including the identification of success measures and means to measure and report on success).*

4. *Where to from here: next steps*

Implementation of this plan is will occur in phases, reflecting the need to get change processes happening quickly (to the end of the 2010-11 financial year) followed by the implementation of medium-term actions and reviews in subsequent financial years.

The focus of the implementation process will be to ensure that there is no loss of momentum of the existing work of the NRM Boards and DENR and their partners.

There will be consultation with NRM Boards, government agencies and stakeholders to determine the right solutions to the many challenges to achieve Regional Integration.

The following is an outline of the phasing of the actions. The Implementation Taskforce will develop and manage a much more detailed schedule.

Phase 1: - "Early Actions" October 2010 - June 2011

- An Implementation Taskforce is established within the Regional Services Directorate of DENR by October 2010.
- Adopt current NRM boundaries as the basis for the new regional delivery model and realign the existing (ex-DEH) regional boundaries to the NRM boundaries. By October 2010.
- Support the integration of NRM Boards operations and DENR operations by appointing a single Regional Manager to each region. By January 2011.
- Adopt a single central public interface for each region and rationalise satellite offices where practical without significant investment or service disruption. By June 2011.
- Adopt NRM branding for each region and combine with DENR or other appropriate Department identity. Apply to all delivery operations and revise communication protocols to reflect the new regional delivery model. By June 2011.
- Cluster regional business support and corporate service arrangements in each region to support the ongoing business of eight NRM Boards, DENR regional operations, a single regional shopfront and revised functional management arrangements. By June 2011.
- Review of community engagement and volunteer support arrangements to guide NRM Boards in developing improved community engagement options. By March 2011.
- Review of branding of NRM at a regional, DENR, Environment and Conservation Portfolio, and state-wide level. By June 2011.
- A single system of integrated and streamlined business planning, accounting and reporting based on DENR's policies, procedures and systems. By June 2011.

Phase 2: – Maintaining the momentum July 2011 - June 2012

- Commence the new financial year with common financial recording and reporting procedures, common or streamlined human resource management arrangements and common project planning, management and reporting systems.
- Review NRM boundaries and adjustments required to fully incorporate outstanding public land management issues. By July 2012.
- Combine business planning for the NRM Board implementation plan and DENR priorities for regional service delivery. By July 2011.
- Develop and implement a consistent approach to monitoring, evaluating and reporting of environment and natural resource condition trends and program outcomes across regional services (and NRM Agencies). By June 2012.
- Implement agreed methodologies for compliance across DENR (including NRM Boards), Biosecurity SA and the Department for Water. By December 2011.
- Implement a revised branding and communications protocol for the new regional delivery model. By June 2011.

Phase 3: - Full integration July 2012 and beyond.

- All NRM Boards and DENR Regional Services are supported through a fully integrated shared services, business support and corporate services model including business planning linked directly to the NRM Regional Plan and approved via the NRM Act statutory requirements, DENR corporate systems and Treasury and Finance financial planning and budgeting processes. This will mark the end of the transition for business support and corporate service.