



RECOMMENDATION

MURRAY
CATCHMENT ACTION PLAN

November 2006



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Enquiries

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List of acronyms

CAP	Catchment Action Plan
CMA	Catchment Management Authority
DEC	Department of Environment and Conservation
DNR	Department of Natural Resources
DPI	Department of Primary Industries
JSC	Joint Steering Committee
LWMP	Land and Water Management Plan
MER	Monitoring Evaluation and Reporting
NRC	Natural Resources Commission
NRM	Natural Resource Management
NSW	New South Wales
PVP	Property Vegetation Plan

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1 Introduction and overview

The Natural Resources Commission (NRC) has reviewed the Murray Catchment Action Plan (CAP) and recommends that this CAP be approved. The NRC further recommends that the Minister require the Catchment Management Authority to undertake a review of the Catchment Action Plan within 2 years of approval to incorporate its progress on the specific actions identified in this report.

CAPs are an important component of the new institutional model for delivering natural resource management (NRM) in NSW. Under this model, 13 Catchment Management Authorities (CMAs) are responsible for planning and investing in NRM within their catchments. Each CMA has developed a CAP to use as a 10-year strategic plan or 'investment portfolio' for NRM in its region. These CAPs should set clear directions for all NRM activities in their regions and should integrate other NRM plans, including regional strategies, water sharing plans and regional conservation plans. Ultimately, the CAPs should set the direction for an integrated, whole-of-government approach to achieving catchment and state-wide targets, and should become the primary vehicle for public and private investment in NRM.

The NRC is required to advise the Minister for Natural Resources on whether or not to approve the CAP prepared by each CMA. Specifically, the NRC must determine whether each CAP complies with the *Standard for Quality Natural Resource Management*¹ (the standard) and promotes the state-wide targets for NRM.²

In addition, the NRC agreed to consider whether each CAP fulfils other specific requirements nominated by the NSW Government and Joint Steering Committee (JSC).³

1.1 Overview of findings

The NRC's recommendation is based on its findings that the Murray CAP:

- demonstrates a high level of compliance with the standard at this point in time
- provides a high degree of confidence that the targets will promote the achievement of the state-wide targets over time.

The CAP also fulfils all legislative and most other specific government requirements, however many of the targets are not yet completely SMART.⁴

¹ Natural Resources Commission (2005) *Standard for Quality Natural Resource Management*. Available at <<http://www.nrc.nsw.gov.au/module.aspx?id=3>>.

² Natural Resources Commission (2005) *Recommendations: state-wide standard and targets*. Available at <<http://www.nrc.nsw.gov.au/module.aspx?id=3>>.

³ Including the priorities set by the Australian Government and NSW Government Natural Resource Management Joint Steering Committee, NSW Department of Natural Resources, NSW Department of Environment and Conservation and NSW Department of Primary Industries.

⁴ 'Specific, Measurable, Achievable, Relevant and Timebound' (SMART), see below for further details.

The NRC believes that the Murray CMA can continue to refine its CAP and targets and successfully work with its community to implement the CAP as:

- it has robust plans to improve its compliance with the standard and increase its organisational capabilities
- the recommended actions will focus the CMA on the key areas that require improvement
- the NRC will periodically review the CMA's progress.

The NRC considers that to successfully implement the CAP, the Murray CMA will require support from the government. This support will be necessary to:

- enable the CMA to enhance its internal knowledge and information management systems
- develop an effective monitoring and evaluation program, given the limited funding available and historic lack of clarity on roles and responsibilities for monitoring and evaluation in NSW
- provide flexibility in funding cycles to improve the ability of the CMA to deliver NRM outcomes in priority areas.

1.2 NRC's recommendation

In accordance with Section 13 (b) of the *Natural Resources Commission Act 2003*, the NRC recommends that the Minister approve the Murray Catchment Action Plan without alteration.⁵

The NRC further recommends that the Minister require the CMA⁶ to undertake a review of the Catchment Action Plan within 2 years of approval to incorporate its progress on the following actions:

- a) continuing to develop and implement transparent decision-making and priority-setting systems
- b) continuing to develop and implement the *Community Participation Strategy*, including mechanisms to assess costs, benefits and risks of partnerships and a stakeholder analysis
- c) continuing to develop and implement a comprehensive risk management strategy for identifying, assessing and managing risks at all levels within their organisation
- d) continuing to develop the *Monitoring, Evaluation and Reporting Implementation Plan*⁷
- e) strengthening relationships with *Land and Water Management Plan* implementation authorities to ensure that their activities align with CAP targets
- f) maintaining and enhancing links between the CMA and local government as a key part of supporting the integration of natural resource management and local planning.

⁵ Under Section 23 (1) of the *Catchment Management Authorities Act 2003*.

⁶ Under Section 26 (1) of the *Catchment Management Authorities Act 2003*.

⁷ The continued development of the *Monitoring, Evaluation and Reporting Implementation Plan* should ensure the CMA develops targets which are more 'Specific, Measurable, Achievable, Relevant and Timebound' (SMART). See Natural Resource Management Ministerial Council (2002) National Framework for Natural Resource Management (NRM) Standards and Targets. Available at <http://www.nrm.gov.au/publications/standards/index/html>.

Successful completion of these actions should enable the CMA to prepare and publish a revised CAP that will more fully comply with the standard and significantly increase the likelihood of the CAP promoting achievement of the state-wide targets.

The NRC will undertake an audit within 2.5 years of approval.⁸ To support this, the NRC will require a letter from the CMA to report their progress on the actions on a 6-monthly basis.⁹ If reasonable progress in completing the recommended actions is not evident from these letters, the NRC will consider bringing the audit forward.

1.3 Process used to develop this advice

The NRC developed its recommendation using a rigorous process developed in consultation with NSW Government agencies and the JSC, and subsequently endorsed by the CMA Chairs. The process included:

- identifying the needs of all government stakeholders and developing a single process to meet all of these needs
- meeting with the Murray CMA to help it prepare for the CAP review, and undertaking a formal review of the CMA's business systems (the 'Systems Review') to identify what changes to these systems were needed to comply with the standard
- providing follow-up support to the CMA to help it make the necessary changes to its business systems
- evaluating the draft CAP and supporting documents for compliance with the standard, likelihood of promoting achievement of the state-wide targets, and fulfilment of NSW legislative requirements and other government requirements
- discussing the NRC's initial findings and recommendation with the CMA and relevant government agencies; evaluating the final Murray CAP, supporting documents, and plans for improvement with relevant agencies; and finalising this advice.

In evaluating all CMAs' CAPs and formulating its advice, the NRC took into account that the CMAs are relatively new organisations, and that many aspects of the new institutional model for NRM are still developing. When the CMAs were established in late 2003, they were responsible for implementing on-ground activities in accordance with pre-existing Catchment Blueprints.¹⁰ In May 2005 the NSW Government adopted the standard and a set of state-wide targets for NRM.¹¹ The CMAs have been required to modify their operations according to the new standard, and to develop their CAPs in accordance with this.

The NRC also acknowledges that there will be variations between the CMAs' CAPs. This is because the new institutional model promotes regional decision-making and allows flexibility and innovation. It is also due to the fact that each CMA is at a different stage of organisational development. Given this, the NRC assessed the Murray CAP with regard to the Murray CMA's unique characteristics and current stage of development. Over time, application of the standard should underpin continuous improvement in all CMAs and their CAPs.

⁸ Under Section 13 (c) of the *Natural Resources Commission Act 2003*.

⁹ Under Section 16 (3) of the *Natural Resources Commission Act 2003*.

¹⁰ These 21 Catchment Blueprints were developed in 2002 by advisory Catchment Management Boards.

¹¹ Natural Resources Commission (2005) *Recommendations: state-wide standard and targets*. Available at <http://www.nrc.nsw.gov.au/module.aspx?id=3>.

1.4 Structure of this document

The rest of this document explains the NRC's recommendation in more detail:

- Chapter 2 sets out the NRC's assessment of the CAP against all requirements
- Chapter 3 sets out the NRC's assessment of whether the Murray CMA will improve its CAP and its compliance with the standard and likelihood of promoting the state-wide targets over time
- Chapter 4 sets out the NRC's recommendation and actions to focus the CMA on the key areas that require improvement, and outlines how the NRC proposes to monitor progress.

2 NRC's assessment of the CAP

The NRC assessed the Murray CAP to determine whether it is a good strategic plan that complies with the standard and will guide the Murray CMA in promoting achievement of the state-wide targets. In particular, it:

- examined the process the Murray CMA used to develop the CAP, and the resulting CAP, and evaluated these against the standard
- assessed the CAP targets to determine whether they promote achievement of the state-wide targets
- assessed whether the CAP fulfils NSW legislative requirements and reflects other specific government requirements.

Overall, the NRC considers that the Murray CAP contains many elements of a good strategic plan. The NRC found that the Murray CMA followed a reasonable process to develop the CAP. The CAP demonstrates a high level of compliance with the standard for this point in time. The NRC has a high degree of confidence that it will promote the state-wide targets.

It is also satisfied that the CAP fulfils all legislative and most of the other government requirements, however many of the targets are not yet completely SMART.

The NRC has identified some areas of the CAP that require improvement to more fully comply with the standard and promote achievement of the state-wide targets, including collaboration, monitoring and evaluation, and risk management. It also identified that the CMA needs to improve its priority-setting and decision-making systems. The NRC believes that the Murray CMA will be able to refine the CAP and CAP targets over time, to address these areas. The CMA has demonstrated that it has robust plans in place to achieve improvement. In addition, the actions recommended by the NRC will help the Murray CMA to focus on the key areas requiring improvement.

The sections below discuss in detail the NRC's assessment of the process used to develop the Murray CAP, whether the targets within this CAP will promote achievement of the state-wide targets, and whether the CAP fulfils the legislative requirements and reflects other specific government requirements.

The Murray CMA's plans for improvement are discussed in Chapter 3 and the NRC's recommended actions are outlined in Chapter 4.

2.1 Is the CAP consistent with the state-wide standard?

A CAP that is developed in accordance with the standard and state-wide targets should contain clear priorities that were determined using a rigorous and transparent process. The NRC evaluated CAPs against the following question to test this requirement:

- Was the CAP developed using a rigorous and transparent process?

The standard contains seven interdependent components which, when applied properly and together, should help CMAs make rigorous and transparent decisions and prioritise their NRM activities in a way that leads to sensible and integrated NRM outcomes at all scales.

Proper application of the standard in developing a CAP should help CMAs to:

- use the best available information
- take appropriate account of scale issues to maximise the net benefit of investments
- capture opportunities for collaboration to maximise gains
- engage the community in a meaningful way
- effectively manage risks
- establish monitoring and evaluation systems
- effectively manage information.

The NRC examined the process the Murray CMA used to develop its CAP, and evaluated this process and the resulting CAP against the standard. The NRC found that the process was reasonable, and that the CAP demonstrates a high level of compliance with the seven components of the standard. However, some aspects of the CMA's decision-making and prioritisation for the CAP were not completely transparent. The NRC's assessment takes into account the fact that the Murray CMA is a relatively new organisation operating within a new regional model for NRM. Given this, the NRC does not expect the same level of compliance with the standard that it might expect from a more mature organisation.

The Murray CAP describes the process the CMA used in developing the CAP, including the following key phases:

- **Reviewing the Murray Catchment Blueprint:** The CMA used information from the Blueprint and some of the Blueprint targets as its starting point. It developed technical teams for each theme area to ensure that technical information was accurate, up to date and used effectively.
- **Consulting with the community:** The CMA undertook a round of consultation to seek feedback from the wider community. It also established seven Murray Landholder Community Advisory Groups to provide advice on issues of concern within their localities and to assess the suitability of actions and the proposed management strategies.
- **Consulting key stakeholders:** The CMA consulted with key stakeholders through workshops and discussion. These included local government, irrigation groups, nature conservation groups and the indigenous community.
- **Technical teams:** The CMA used technical teams in each theme area to review and update targets throughout the CAP development process.
- **Internal Review:** The CMA used an internal subcommittee comprising of senior staff and Board members to review the draft CAP.
- **Finalising the CAP and submitting it to the Minister and NRC:** The CMA Board refined the CAP in response to submissions. The CMA then submitted the CAP to the Minister for Natural Resources and the NRC.

Table 2.1 summarises the NRC's assessment of the Murray CAP development process and the resulting CAP against the components of the standard. The table also lists selected evidence to support this assessment.

Table 2.1: NRC assessment of the CAP development process against the standard

Component	Assessment of process against this component	Evidence
Collection and use of knowledge	<p>The CAP shows that the CMA followed a structured process for the collection and use of best available knowledge to inform its decisions on the CAP. However, the prioritisation process is not completely transparent.</p> <p>The next steps for the CMA are to continue to develop and implement enhanced decision-making and priority-setting systems and to address identified knowledge gaps.</p>	<ul style="list-style-type: none"> ▪ The CAP provides general descriptions of the catchment’s natural resource assets, condition and trends, and some economic, social and cultural factors. ▪ The CAP describes how the CMA used theme teams and consultation with the community, stakeholders and technical teams to access knowledge and information. ▪ The CMA used information obtained from the Blueprint, but also identified data gaps for each theme area and used expert panels to assess the reliability and currency of the Blueprint data. ▪ The CAP describes the condition of each asset and outlines processes for managing knowledge, identifies key knowledge sources and key knowledge gaps.
Determination of scale	<p>The CAP demonstrates that the CMA considered some spatial, temporal and institutional scale issues. However, it is not clear how it prioritised activities and determined the optimal scale for investment.</p> <p>The next step for the CMA is to improve its processes for determining optimal scale which should become a key component of its decision support and prioritisation systems.</p>	<ul style="list-style-type: none"> ▪ The CAP integrates planning instruments at a range of levels of governance. It shows the relationship between the CAP, the CMA and all levels of governance that influenced the CAP. ▪ The CAP effectively details the institutional frameworks influencing the CAP. However, it does not describe the roles and responsibilities of other NRM groups in the catchment. ▪ <i>Appendix 6</i> describes the scale of activity for each management target.
Opportunities for collaboration	<p>The CAP provides evidence that many potential collaborators were involved in developing the CAP, and acknowledges the importance of collaboration for effective implementation.</p> <p>The next step for the CMA is to strategically evaluate opportunities for collaboration when determining how to implement its CAP. The CMA should also ensure effective collaboration with <i>Land and Water Management Plan</i> (LWMP) implementation authorities.</p>	<ul style="list-style-type: none"> ▪ The CAP identifies existing partnerships and the role they play in delivering the CAP. The CAP also identifies potential partners for each management target and describes the scale of collaboration that is required to implement certain actions. ▪ The CAP does not clearly describe how the CMA will ensure alignment between CAP targets and LWMP activities to which a significant proportion of the CMA’s funding is allocated. ▪ The CAP states that it will develop and implement a <i>Community Participation Strategy</i>. The CMA should also ensure this strategy maximises benefits from collaboration by assessing costs and benefits associated with partnerships.

Component	Assessment of process against this component	Evidence
Community engagement	The CAP demonstrates that the community was effectively involved in the development of the CAP and outlines mechanisms to achieve ongoing engagement.	<ul style="list-style-type: none"> ▪ <i>Section 2.7</i> and <i>Appendix 1</i> explain how the community was consulted and engaged in CAP development including the formation of CAP advisory groups and the creation of links with the indigenous community. The CAP outlines “community guidance” for each theme. ▪ The CAP also describes mechanisms by which the community will have continual input into the implementation of the CAP. ▪ Most targets are strongly linked to community participation and the role of engagement and communication is discussed for each target area. ▪ The CMA identifies that its success depends on “joint ventures” and the participation and commitment of the entire community.
Risk Management	The CAP outlines the importance of understanding and managing risk at all levels and scales of the CMA’s activities. The next step for the CMA is to continue developing and implementing a comprehensive risk management strategy to identify and manage risk at all organisational levels.	<ul style="list-style-type: none"> ▪ The CAP outlines the importance of managing risk throughout the implementation process and highlights the need for considering the precautionary principle in decision making. ▪ The CAP provides an assessment of risk for each management target that addresses risk at different scales. In some theme areas (eg Biodiversity) the CAP identifies strategies for mitigating risk. In other sections risk is identified, but mitigation strategies are not identified. ▪ The CAP discusses risk associated with climate change at a number of scales of CMA activity.
Monitoring and evaluation	The CAP does not set out how it and the targets will be monitored and evaluated, but outlines an approach to developing a <i>Monitoring, Evaluation and Reporting (MER) Implementation Plan</i> . The next steps for the CMA are to complete the plan, and to review and revise the CAP targets accordingly.	<ul style="list-style-type: none"> ▪ <i>Section 8 (Monitoring, Evaluation and Reporting)</i> outlines the process for developing a <i>MER Implementation Plan</i>, based on the ‘logical framework’ approach. ▪ The CMA has identified key data gaps, many of which affect the potential for delivering effective MER. The CAP indicates that prioritisation of gaps will be undertaken based on value and achievability.

Component	Assessment of process against this component	Evidence
Information management	The CAP suggests that available information was used and managed in an appropriate manner during CAP development.	<ul style="list-style-type: none">▪ The CAP outlines processes and approaches for updating information and for reviewing and sharing information in each theme area.▪ The CAP discusses quality of data and the need for considering the precautionary principle when relying on data of varying quality.▪ The CAP has well referenced information. It also identifies the key references used in each target area and knowledge that was used to inform the CAP.

2.2 Are the CAP targets likely to promote the state-wide targets?

For the management and catchment targets within a CAP to promote the achievement of the state-wide targets they need to:

- have been developed using a rigorous and transparent process that was compliant with the standard
- provide a basis for assessing performance, which means they need to be measurable (including having timeframes, units of measure, clear target levels, and performance indicators)
- be supported by information that demonstrates that they are relevant and achievable
- demonstrate linkages between the different sets of targets, which means that management targets should clearly contribute to catchment targets and catchment targets should clearly contribute to the state-wide targets.¹²

The NRC has a high degree of confidence that the Murray CAP targets will promote the state-wide targets. The NRC assessed the sets of CAP targets and found that they meet most of the above requirements. The CMA followed a reasonable process to develop the targets which demonstrated a high level of compliance with the standard for this point in time. The CMA has robust plans in place that will enable the CMA to improve its CAP over time, including developing and implementing a *Monitoring, Evaluation and Reporting Implementation Plan*.

The NRC found that while some of the targets are not easily measurable at this stage, they should provide a good basis for performance measurement as they are refined over time. Many of the targets include units of measure, quantified target levels and timeframes for achievement. However, many do not have baselines clearly identified, and most do not include performance indicators and monitoring programs that show how progress will be measured. However, the CAP indicates that the CMA has plans in place to identify monitoring needs in its *Monitoring, Evaluation and Reporting Implementation Plan* that, if supported by state-level monitoring and evaluation, should address these gaps and provide credible information to measure progress towards the targets.

The CAP contains general information to explain why the targets are achievable and relevant. The *Management Strategy* for each target (*Appendix 6*) justifies why and how each target is achievable. *Appendix 6* also refers to information used to develop the targets and provides details of key references. It also lists key information gaps that will need to be addressed through implementation of each target. *Appendix 6* of the CAP includes an assessment of many of the risks associated with achieving the targets and in many cases provides strategies to minimise these risks.

¹² These characteristics of targets correspond to the requirement of the Australian and NSW Government Joint Steering Committee that targets be 'Specific, Measurable, Achievable, Relevant and Timebound' (SMART). See Natural Resource Management Ministerial Council (2002) National Framework for Natural Resource Management (NRM) Standards and Targets. Available at <http://www.nrm.gov.au/publications/standards/index/html>.

The CAP provides supporting information to demonstrate the linkages between different sets of targets. *Section 3* of the CAP illustrates the relationships between management and catchment targets. Although some of the targets are not clearly articulated, the NRC believes these will be improved once the CMA has developed the logical frameworks within its proposed *Monitoring, Evaluation and Reporting Implementation Plan*.

It should be noted that a large proportion of the Murray CMA's budget is delivered through *Land and Water Management Plans* (LWMPs) in the region. However, if activities under LWMPs are not well aligned with the CAP targets, it will reduce their achievability and hence reduce confidence that they will promote the achievement of state-wide targets.

2.3 Does the CAP meet other government requirements?

CAPs need to fulfil a range of legislative requirements, including those under the *Catchment Management Authorities Act 2003*, the *Native Vegetation Act 2003* and the *Threatened Species Conservation Act 1995*. CAPs also need to reflect other specific requirements nominated by the NSW Government and JSC.

The NRC has assessed the Murray CAP against each of these requirements and priorities. It found that the CAP satisfactorily fulfils all legislative requirements (see Table 2.2) and most other government requirements (see Table 2.3). The management and catchment targets included in the CAP are not completely SMART at this stage, but as Section 2.2 discussed, the NRC believes that the Murray CMA will work towards improving its targets over time.

In developing its findings, the NRC has consulted with the Department of Natural Resources, Department of Environment and Conservation, the Department of Primary Industries and the JSC.

Table 2.2: NRC assessment of the CAP against legislative requirements

Legislative requirement	Finding
Biodiversity certification	<p>The NRC considers that the Murray CAP, and the CMA's systems that underpin it, meet the requirements for biodiversity certification.</p> <p><i>Sections 5 and 7</i> and <i>Tables 6.2 and 6.4 (Appendix 6)</i> contain detailed information on native vegetation and threatened species management, including managing key threatening processes. These are also incorporated into targets and suggested management actions.</p> <p>Plans to implement actions for biodiversity conservation are detailed in the biodiversity and water themes which contain targets for both aquatic and terrestrial habitats.</p> <p>The CMA has identified potential collaborators in biodiversity conservation actions in <i>Sections 5 and 7</i>.</p>
Environmental planning instruments and other natural resource plans	<p>The CAP lists existing international, national, state and regional policies and strategies and indicates how they relate to the CAP (<i>Section 2.10, Figure 5 and Appendix 5</i>). It also states that the CMA considered the objectives of relevant state and regional plans in developing the CAP.</p> <p>The CAP also contains a target to achieve integration between the CAP and Regional and Local Environmental Plans.</p>
Environmental Water Trust Fund	<p>The CAP states that an Environmental Water Management Plan will be developed by 2010, and outlines the requirements of a CAP for an Environmental Water Trust Fund.</p>

Table 2.3: NRC assessment of the CAP against state and national priorities

State/national priority	Finding
JSC Investor Preferences	A table in the CAP depicts the relationship between management and catchment targets and Investor Preferences. However, the CAP does not adequately address Weeds of National Significance and Weeds on the National Environmental Alert List.
SMART targets	<p>Many of the targets in the CAP are not SMART, largely because robust performance indicators are not specified. The CAP also identifies the reasons for not having SMART targets and identifies gaps and weaknesses for each target area.</p> <p>The NRC considers that the CMA's <i>Monitoring, Evaluation and Reporting Implementation Plan</i> is likely to improve the CMA's ability to measure its performance against targets.</p>
Native vegetation management priorities and programs	The NRC considers that the native vegetation management priorities and targets in the CAP are consistent with the <i>Native Vegetation Act 2003</i> . The CAP focuses on managing native vegetation in accordance with the Act. It contains references to the use of PVPs to assess clearing applications and to ensure that any clearing maintains or improves environmental outcomes.
Salinity targets	The CAP states that the end-of-valley salinity targets were developed by DLWC's Murray Region in liaison with the MDBC. The targets are consistent with the MDBC Salinity Audit and the NSW Salinity Strategies.
National framework for NRM standards and targets	The NRC considers that the CAP targets are consistent with all relevant 'national matters for targets', as specified in the <i>National Framework for NRM Standards and Targets</i> .
Blueprint evaluation	The CAP explains that information was drawn from the former Blueprint and outlines how the information was assessed and used to underpin the CAP.
NSW Government Statements of Intent	Not applicable.

3 NRC's assessment of the CMA's capacity to improve the CAP over time

The NRC assessed whether the Murray CMA will continue to improve its CAP's compliance with the standard and likelihood of promoting achievement of the state-wide targets. The NRC believes that the CMA will continue to improve, for the following reasons:

- the CMA has demonstrated that it has robust plans in place to improve compliance against each component of the standard, to refine the catchment and management targets, and to increase its organisational capabilities
- the actions the NRC has recommended will encourage the CMA to focus on the key areas that require improvement and will promote accountability to the NRC, other CMAs, investors and the broader NSW community
- the NRC will regularly review the CMA's progress of these recommended actions, which will provide an additional incentive for the CMA to address key issues and demonstrate progress within reasonable timeframes.

3.1 The CMA's plans to improve the CAP

The NRC has assessed the Murray CMA's plans for improving the CAP over time, based on its discussions with the CMA during the CAP review process and its evaluation of the CAP. The NRC is satisfied that the CMA has robust plans and processes in place for improving its CAP, the CAP's compliance with the standard and promotion of the state-wide targets. It notes that many of these plans are explained in the CAP, so that they are clear to investors and the broader community.

Table 3.1 summarises the NRC's assessment of the Murray CMA's plans to improve its CAP against each component of the standard. The NRC believes it is important that the CMA implements, reviews and refines all of these plans and processes, and then updates the CAP within 2 years. In addition, it believes the CMA should give particular attention to improving its approach to collaboration, monitoring and evaluation, risk management, and improving its priority-setting and decision-making systems. Improvements in these areas will be crucial to the ongoing success of the CMA as an organisation.

Table 3.1: NRC's assessment of the Murray CMA's plans to improve

Component	Plans to improve
Collection and use of knowledge	<ul style="list-style-type: none"> ▪ The CMA has identified the need to enhance its priority-setting processes and has signalled its intention to use decision support systems to improve rigour and transparency. The CMA will also use tools to assist it to make trade offs between different management scenarios. These include use of multi criteria analysis. ▪ The CMA will use an education and awareness program to build capacity of staff and external stakeholders and ensure feedback into planning processes. ▪ The CMA will use new knowledge, data and information to update their CAP and to improve the quality of their targets.
Determination of scale	<ul style="list-style-type: none"> ▪ The CAP states that the decision support tools used by the CMA at present will be upgraded to enable more effective prioritisation. ▪ The CMA intends to use a variety of tools to assess projects. This will assist them to consider all relevant information including scale issues, and in making the reasons for decisions more transparent. ▪ The CMA is developing a process to translate higher level institutional influences to the catchment, subcatchment and property level.
Opportunities for collaboration	<ul style="list-style-type: none"> ▪ The CMA is developing a <i>Community Participation Strategy</i> which will include stakeholder identification and an evaluation of potential collaborators. ▪ The CMA intends to explore partnerships with collaborators to assist with project funding.
Community engagement	<ul style="list-style-type: none"> ▪ The CMA is developing a <i>Community Participation Strategy</i>. It will also hold an annual forum for the community to comment on the CMA and to engage with different CMA projects. ▪ The CMA will focus on awareness raising activities, skills and training and facilitation and support to improve their capacity to involve the community and to improve the capacity of the community to work with the CMA.
Risk management	<ul style="list-style-type: none"> ▪ The CMA will train CMA staff in risk assessment techniques and will report to the Board on risk related issues. ▪ The CMA will develop a formal risk assessment process including the development of appropriate proforma project plans.
Monitoring and evaluation	<ul style="list-style-type: none"> ▪ The CAP outlines the CMA's plans to develop a <i>Monitoring, Evaluation and Reporting Implementation Plan</i>. Once implemented, this should assist the CMA to quantify and demonstrate progress towards targets, and use the results to guide improved practice. Key steps include constructing logic tables, analysing knowledge gaps, monitoring and evaluating projects, analysing resource condition monitoring requirements and developing a partnership approach to undertake monitoring. ▪ The CMA has appointed an MER officer who will be responsible for improving internal monitoring, evaluation and reporting capacity including the development of guidance to ensure MER is considered in all project planning. ▪ The CAP states that the CMA will address resource constraints for monitoring activities by taking a partnership approach and building staff capacity. ▪ The CAP states that the CMA will form an MER Steering Committee to prioritise MER needs.
Information management	<ul style="list-style-type: none"> ▪ The CMA is developing a knowledge system which will incorporate a records management system and a reference database, and will follow national and state standards for data management and data sharing.

4 NRC's recommendation

In accordance with Section 13 (b) of the *Natural Resources Commission Act 2003*, the NRC recommends that the Minister approve the Murray Catchment Action Plan without alteration.¹³

The NRC further recommends that the Minister require the CMA¹⁴ to undertake a review of the Catchment Action Plan within 2 years of approval to incorporate its progress on the following actions:

- a) continuing to develop and implement transparent decision-making and priority-setting systems
- b) continuing to develop and implement the *Community Participation Strategy*, including mechanisms to assess costs, benefits and risks of partnerships and a stakeholder analysis
- c) continuing to develop and implement a comprehensive risk management strategy for identifying, assessing and managing risks at all levels within their organisation
- d) continuing to develop the *Monitoring, Evaluation and Reporting Implementation Plan*¹⁵
- e) strengthening relationships with LWMP implementation authorities to ensure that activities align with CAP targets
- f) maintaining and enhancing links between the CMA and local government as a key part of supporting the integration of natural resource management and local planning.

The NRC considers that this approach will allow the Murray CMA to 'get on with business', while also ensuring continuous improvement in the CAP document and implementation. The above actions are discussed in detail below.

- a) should encourage the CMA to build on its existing decision-making processes and to make them more robust, transparent and consistent with the standard. This should help the CMA to clearly record, communicate and justify its future decisions about prioritisation of issues, targets, management actions, priority investment regions and approaches to investment delivery. It should also help the CMA to make its consideration of scale issues more explicit and to identify the optimal scale for its activities. The CMA should consider the range of existing tools and collaborate with other CMAs, state agencies and research organisations to determine an appropriate framework.
- b) should encourage the CMA to continue developing its *Community Participation Strategy*. The CAP shows that the CMA has undertaken extensive consultation with the community during the planning phase. It is important that it establishes effective processes and procedures for continuing to engage and collaborate with the community through CAP implementation and review phases. In particular, it should include a mechanism to evaluate potential partnerships on the basis of risks, costs and benefits, so that partnerships contribute to maximising gains and minimising costs.

¹³ Under Section 23 (1) of the *Catchment Management Authorities Act 2003*.

¹⁴ Under Section 26 (1) of the *Catchment Management Authorities Act 2003*.

¹⁵ The continued development of the *Monitoring, Evaluation and Reporting Implementation Plan* should ensure the CMA develops targets which are more 'Specific, Measurable, Achievable, Relevant and Timebound' (SMART). See Natural Resource Management Ministerial Council (2002) *National Framework for Natural Resource Management (NRM) Standards and Targets*. Available at <http://www.nrm.gov.au/publications/standards/index/html>.

- c) should encourage the CMA to build on the risk assessment in the CAP to develop and implement a comprehensive risk framework. This framework should assist the CMA to systematically identify, assess and manage risks at all levels of its business, including Board strategic decision-making, target prioritisation, investment program planning, and project planning and implementation. It should encompass the risks listed in the CAP and ensure that these risks are reviewed and managed as part of an ongoing risk management process. By developing processes to effectively identify and manage risk, the CMA will be more able to avoid significant mistakes/failures and to provide confidence to stakeholders and investors.
- d) should ensure that the CMA implements the plans for developing the *Monitoring, Evaluation and Reporting Implementation Plan* it has described in the CAP. This will enable to CMA to clearly map the catchment priorities, the catchment and management targets that deliver on these priorities, the relationships and assumptions between these targets and the monitoring and evaluation required to show progress. Development of the *Plan* should help the CMA to obtain the information necessary to refine targets – including making targets more measurable and better demonstrating that they are relevant and achievable, thereby improving promotion of the state-wide targets. Implementation of this *Plan* will allow the CMA to directly link investment to priorities and monitoring of targets, and will provide investors with a clear picture of CMA expenditure and progress. The *Plan* will also support continual improvement and adaptive management within the CMA.
- e) should encourage the CMA to work collaboratively with LWMP implementation authorities to align their activities with the CAP targets. This should ensure that the significant funding delivered through LWMPs contributes to the achievement of CAP targets. It should also help to manage some of the risks that CAP targets are not achieved because of the influence of other parties on NRM in the catchment. In turn, this should improve the CAP's promotion of the state-wide targets.
- f) should encourage the CMA to continue to build relationships with local government to maximise integration of the CAP and local planning instruments. Local government will play a key role in the achievement of CAP targets and the CMA needs effective mechanisms for working collaboratively with local government.

4.1 How should the CMA demonstrate progress?

The NRC will require the Murray CMA to report 6-monthly, in a letter, on its progress in undertaking the actions detailed above. This will require the CMA to assess and report on its own progress at regular intervals.

This kind of regular self-assessment is important for the CMA's own adaptive management, and will also create opportunities for it to seek guidance or support where necessary.

4.2 How will progress be monitored?

Regular review of the CMA's progress should assist the CMA in achieving and demonstrating continuous improvement. It should also highlight any additional obstacles to the CMA's progress. In addition, it should provide investors with increased confidence as they move beyond 2008/09 and into the next funding cycle.

The NRC will:

- require the Murray CMA to report 6-monthly, in a letter to the NRC, on its progress in taking the actions listed in this chapter
- undertake an audit if progress in taking the actions is not adequate
- audit the effectiveness of the implementation of the most recent version of the Murray CAP within 2.5 years of the date of approval
- undertake a mid-term review of this CAP in 2011. This will be a formal audit of the CMA's compliance with the standard and promotion of the state-wide targets.

4.3 What can the government do to support this CMA?

The NRC considers that to successfully implement the CAP, the Murray CMA will require support from the government to:

- enable the CMA to enhance its internal knowledge and information management systems
- develop an effective monitoring and evaluation program, given the limited funding available and historic lack of clarity on roles and responsibilities for monitoring and evaluation in NSW
- provide flexibility in funding cycles to improve the ability of the CMA to deliver NRM outcomes in priority areas.

These issues are also relevant to other CMAs, and are more fully explained in the NRC's consolidated report on all CAPs.

