

TERRAIN RESPONSE TO NLP2 REGIONAL LAND PARTNERSHIPS CONSULTATION QUESTIONS

To be submitted by 23 October.

NB: This is an initial draft response. Terrain welcomes the feedback of partners and other community members. Please provide comments/suggestions to penny.scott@terrain.org.au by Sunday 22nd. We will endeavour to consider as much input as possible in our final submission. Please also feel free to use/adapt any of these responses in your individual submissions.

Consultation Question 1

Are there any other key elements of the current regional model that should be retained?

Terrain congratulates the Australian Government on the extensive review of the NLP Program and successfully incorporating findings into the Regional Land Partnerships component of the new NLP program. We are pleased to note that the NLP program will fund key components of the existing regional delivery model and offer no suggestion as to what other elements should be incorporated.

Consultation Question 2a

How can the Government ensure there are opportunities for communities and industry to engage in Regional Land Partnerships?

Building community capacity is essential if the NLP program outcomes are to be met and sustainable natural resource management across Australia achieved. Terrain welcomes the fact that the Australian Government has recognised this as an essential element of the new program, including a strong emphasis on Indigenous engagement. Community and industry engagement is a two way process where empowered and active communities and industries will seek engagement where they see it relevant and beneficial. But it is critical that proponents of the Regional Land Partnerships demonstrate clearly how they will provide opportunities to community to be active participants in this program. It is also important that the proponents are resourced adequately to allow for pro-active engagement of communities. Terrain offers the following suggestions which may aid improved engagement of communities and industries:

- The Program Logic lacks any clarity on the outcomes that the government is seeking from community engagement. It is critical that this is an integral part of the logic, and very clear and transparent.
- It is important that the Service Provider is able to develop a clear framework for how they will measure community engagement outcomes – related to those specified by the investor, and that their outcomes indicators strongly reflect local and regional circumstances and communities.
- Ensure that the successful Service Providers are able to clearly demonstrate a history of strong engagement, and clear results from that engagement, but also ensure that they are clearly held to account for community engagement outcomes (not just activities) through their reporting obligations.
- Service Providers need to demonstrate how they will deliver on the principles of subsidiarity – critical for effective community engagement. By this we mean that decision making needs to occur at the level/scale that is closest to where the issue needs to be addressed – where possible, community and/or industry should be actively and meaningfully involved in the decisions that impact them, or that impact the way regional/community resources are

channelled; this needs to be balanced with ensuring decisions deliver on long-term NRM outcomes.

Consultation Question 2b

What are the challenges in supporting communities and industry to achieve this?

No one size fits all. Community and industry have widely varied motivations and reasons for engagement, as well as different limitations to engagement. This means that delivery of NLP2 will be complex and any funding or negotiation around service provision needs to recognise this.

It is also critical not to underestimate the resources/effort it takes to undertake and sustain meaningful and genuine community engagement, as well as how important on-going relationships and trust are in supporting communities to be active participants in NRM.

One of the ongoing challenges for community and industry engagement in NRM is the short-term nature of funding for community groups themselves to do great works. The limited scope for groups to apply for small-medium grants through the current NLP2 for local priorities will be a challenge for ongoing engagement and participation, as well as the often short-term nature of funding.

Consultation Question 3

How can the departments support collaboration under Regional Land Partnerships?

Terrain congratulates the Australian Government on the strong recognition of the importance of collaboration and building long-term and productive partnerships at the regional and local levels. We fully concur with the benefits that you have indicated that strong partnerships offer this program. Like engagement, a collaborative approach is required if complex problems in a highly varied landscape are to be overcome. To gain greater and more effective collaboration, Terrain offers the following suggestions:

- Building partnerships takes time, and a foundation of trust and common understanding is a critical basis. As such, it is important that the resourcing required to build effective and productive partnerships – that deliver a vast range of benefits – is recognised as a valid area of investment, and is valued for the contribution that it brings to longer-term NRM outcomes in the region.
- There needs to be strong alignment and collaboration across all the RLP elements and other parts of the National Landcare Program as well as other AG programs such as the Land Sector component of the Emissions Reduction Fund, Reef Trust, etc. and Queensland (and other state) programs.
- Tenderers should be required to provide evidence of the *result* of their partnership building expertise – not just list the number of partnerships or examples where they have engaged a wide range of partners. For example, demonstrate the tangible difference that this effort in collaborating and establishing/maintaining partnerships has made. It is critical that there is purpose behind partnership building, and that there is a mutually beneficial gain along the way.
- Partner leverage of resources (including funds) demonstrated through the tendering process should be non-Australian Government funding (as opposed to other federal funds that the tendering organisation may have secured);

Consultation Question 4a

How can co-investment be increased through Regional Land Partnerships?

There are many examples in Queensland where shared responsibility around natural resource management is occurring or being established. Tackling the decline of the GBR health is an example

of this. Shared responsibility needs to occur at multiple scales across the broad spectrum of decision making and implementation. Terrain supports the Australian Government's emphasise on driving a shared responsibility model. Driving co-investment is one critical component in this shared responsibility approach. Terrain offers the following suggestions to increase co-investment:

- Consider reporting systems which require the Service Delivery agent to report more accurately on co-investment (cash and in-kind) which encourages them to seek it out, and also ensures that it is properly valued as a program outcome. Simple tools exist to capture this information accurately.
- Clarity on the expected cost-sharing ratios between public/private benefit generated by program funds;
- Co-investment (cash and in-kind) occurs where priorities align, and at times require some negotiation and a reconsideration of project approach. It will be important to have a level of flexibility in the delivery of the NRM Projects to allow for adaptive management when unexpected, mutually-beneficial co-investment opportunities present themselves, providing that the project is still delivering on the outcome. If such adjustments to project delivery and focus result in high levels of transaction costs (e.g. re-negotiating activities/short term deliverables) with the investor, this will hinder innovation in securing co-investment partnerships to deliver the desired outcomes. In short, don't lock projects unnecessarily when fantastic opportunities might arise.
- Recognise the broader contribution of land managers and the community are as valid as cash co-investment, a critical contributor to long-term NRM outcomes and an important indicator of community NRM stewardship – in addition to cash investment.

Consultation Question 4b

Please identify constraints (if any) within the Overview of Proposed Tender Requirements that may result in constraints to co-investment opportunities.

Whilst a procurement approach is a recognised approach to gain "good value for money", if not careful it can be counterproductive to driving a greater collaborative approach which may result in more effective delivery. Terrain offers the following caution:

- A procurement approach may result in possible partners becoming competitors rather than collaborators, and limiting the total amount of co-investment that could be raised. A strong message needs to radiate that "a collaborative approach is valued above all else";
- It may not be possible to predict and specify the exact co-investment opportunities at the project design phase – organisations – in particular the private sector – may not be motivated to commit to investment in a project that it is not yet confirmed. It is often during the implementation of the project, where concrete discussions can be held about co-benefits and collaboration opportunities, that co-investment becomes a reality. This is often a result of partnership building investment from the implementation of the project itself.

Consultation Question 5

What types of sustainable agriculture core services do you see the Regional Agriculture Landcare Facilitators delivering in your region?

Terrain supports the desired outcomes identified in the core services component of the guidelines. To increase the likelihood of success in achieving these outcomes, the management of the function should be left to the successful tenderer for their Management Unit/s. This is particularly important to ensure that this valuable resource can be responsive to the local and regional situation, which also changes over time. Too much prescription of the services of this role will detract from the individuals' capacity to respond and innovate. Terrain's past experience with this role is that it

provides the perfect opportunity to tailor support and services to the needs and opportunities of the region.

Consultation Question 6a

In relation to 'services to be performed' in Item 4 of the Overview of Proposed Tender Requirements:

Terrain congratulates the Australian Government on producing a set of guidelines which are easily understood. We offer the following feedback:

Does the list of services provide sufficient guidance on what the departments are seeking, whilst allowing room for innovation?

Yes. Terrain appreciates allowing room for innovation and not applying strict limitations to the services that can be provided. The use of examples is helpful but may limit the scope of projects that are submitted, and stifle innovation and creative thinking in tackling issues in a local and regionally-specific way.

Are there any other services that should be added to this list, to deliver on the Regional Land Partnerships' outcomes?

With regard to the Environment components, the listed services in areas such as Threatened Species and Ecosystems focus very heavily on mainstream on-ground works. While this is important, there are other services that are required to deliver on the recovery plans for these species and ecosystems, and these activities will be as varied as the species themselves. Examples could include addressing issues with roadkill, monitoring populations, building strategic co-investment partnerships (e.g. with the philanthropic sector). Providing clear reference to projects within the Threatened Species Prospectus as well as specific priority actions and strategies listed in current Recovery Plans provides clear focus but also the scope for addressing the extreme diversity of threats to species and ecosystems. With regard to the scope of services for the Agricultural component, there is a good range of services specified, offering a clear focus but room for tailored solutions.

Consultation Question 6b

In relation to 'proposed method for engaging Service Providers' in Item 1.3 of the Overview of Proposed Tender Requirements:

What, if any, are the positive or negative implications for providers that may result from structuring the contracting arrangements in this way?

- We understand and appreciate the logic for clearly identifying the service provider and approving the provision of Core Services first, and then working through the NRM projects. However, the requirement of the tender guidelines is that the provision of core services and projects are negotiated in parallel. Without certainty of the scale of core services, this may be challenging.
- Clarity on the likely funding allocations for each Management Unit (even a range) would assist the Australian Government in determining value for money on the Core Services component of the tender. Currently, given no funding guidelines, the government may find that they are unable to determine value for money as they are not comparing apples with apples. In many cases, there are economies of scale in the delivery of such services. In addition, it is unclear for the tenderer how to determine the quantity of core services that are required, when the allocation for each management unit has not been provided.

- It is unclear from the documentation why there is a requirement to submit at least one 1-year project. It is much easier to develop an integrated and long-term approach based on a package of projects.

What is the best way to balance certainty for service providers with flexibility and adaptive management?

If there is a clear agreement up front about the 5-year outcomes the projects are trying to achieve, this should be the basis for entering into a contract to deliver those outcomes (this is the **what**). Neither party would expect there to be a major change at that outcomes level. The adaptive management relates to **how** these are delivered, and this is where flexibility can be built in. Contracting based on clear outcomes provides certainty to the Service Provider as there is a clear agreement upfront about what will be delivered over that period, and for what price. Flexibility in the way the projects are implemented over time will allow for adaptive management.

This is the purpose of the MERI plans, and utilising them in the way they are intended – i.e. to continually measure and test progress towards outcomes, and assumptions – will allow learning and adaptation over time. The contract needs to be written in a manner which allows MERI induced flexibility.

Consultation Question 6c

In relation to 'Demonstrated expertise' in Item 2 of the Overview of Proposed Tender Requirements:

Are these areas of expertise sufficient and appropriate? If not, please outline any recommended changes.

Terrain considers them to be adequate. Credible evidence needs to be provided by tenders regarding previous experience against these areas of demonstrated expertise.

Consultation Question 6d

In relation to 'Management Units' in Item 3 of the Overview of Proposed Tender Requirements:

Is there a better way of facilitating improved efficiencies—whereby providers may deliver services across two or more geographic regions (Management Units) — other than the process outlined? If so, please provide details.

Terrain appreciates the flexibility that tenders are provided to demonstrate improved efficiencies in whichever way they prefer.

Consultation Question 6e

Are the services and proposed requirements in the Overview of Proposed Tender Requirements clearly set out? If not, please outline suggested improvements.

Overall adequate. However, the assessment criteria are missing from the current documentation. The documentation is not clear how the Government intends to structure its payment schedule to ensure viability of the Service Delivery arrangements and the smooth delivery of the NRM Projects. Payment schedules should reflect the delivery mode, recognising that in many cases funding will be channelled directly to partners and community-based organisations that are cash flow poor and require substantial upfront payments to initiate project activities.