



# Local Land Services Annual Report 2018-19



Local Land  
Services



National  
Landcare  
Program



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### Disclaimer

The information contained in this publication is based on knowledge and understanding at the time of writing October 2019. However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of Local Land Services or the user's independent adviser.

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Local Land  
Services

**The Hon. Adam Marshall**

Minister for Agriculture

Minister for Western NSW

52 Martin Place  
Sydney NSW 2000

Dear Minister Marshall

**Submission of Local Land Services 2018-19 Annual Report**

In accordance with the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*, and the Regulations under these Acts, I am pleased to submit to you the 2018-19 Annual Report of Local Land Services for presentation to the Parliament of NSW.

The annual report outlines the achievements for the 2018-19 financial year in the context of the organisation's strategic priorities and responsibilities.

These achievements were made possible by the expertise and commitment of our staff and the leadership and direction of our boards.

Yours sincerely

**Richard Bull**

Chair  
Local Land Services Board

# Contents

<b>From our Chair and Chief Executive Officer</b>	<b>3</b>
<b>Our work across NSW</b>	<b>6</b>
<b>Our funding partners and review of operations</b>	<b>30</b>
<b>Achieving positive results</b>	<b>31</b>
Meeting key challenges	31
<b>Our business</b>	<b>38</b>
Our charter	38
Our aims and objectives	38
Our customers, stakeholders and investors	38
Our values and behaviours	39
<b>Our strategic direction</b>	<b>40</b>
Key Performance Indicators	40
Measuring our performance	40
Our goals and strategies	41
<b>Our services</b>	<b>42</b>
<b>Our people</b>	<b>44</b>
Human resources	44
Number and remuneration of senior executives	45
People, ethics and conduct policies	46
Workforce diversity	48
Multicultural policies and services program	50
Agreements with Multicultural NSW	50
Disability inclusion	51
Work health and safety	51
Requirements arising from employment arrangements	51
<b>Our governance</b>	<b>52</b>
Management and structure	52
Board members	52
Our Board	53
Local Land Services board members	54
Our structure and senior officers at 30 June 2019	56
Consumer response	58
Government Information (Public Access)	59
Promotion and overseas travel	61
Risk management and insurance activities	62
Internal Audit and Risk Management Attestation Statement	63
Public interest disclosures	64
Digital information security policy ration	65
Additional matters	66
Financial reporting structure	66
Payment of accounts	68
<b>Appendix</b>	<b>70</b>
Disclosure of controlled entities and subsidiaries	70
Land disposal	70
Consultants	70
Funds granted to non-government community organisations	71
Research and development	100
Acronyms	103
Local Land Services financial statements	104

# From our Chair and Chief Executive Officer

On behalf of our staff and Board, we are pleased to present our 2018-19 Annual Report.

Our 80 board members and over 1,000 staff members operate from more than 100 locations throughout NSW and are dedicated to securing the future of agriculture and the environment for NSW communities.

We strive to connect our customers with the best services, advice and networks. Our programs and partnerships continue to grow farm productivity and healthy environments and our services and partnerships play a vital role in helping to protect against pests, diseases and environmental threats.

We are on the ground when it matters with knowledge, networks and experience.

## Milestones

January 2019 marked five years since Local Land Services was established.

We are proud of the work undertaken alongside you to secure the future of agriculture and the environment for NSW communities.

Some of the significant achievements over our first five years as Local Land Services include:

- \$44.1 million in NSW and Australian Government funding supporting 1,130 land managers and community groups to improve management of natural resources
- ensuring market access through livestock systems including 19,400 on-farm plant and animal disease investigations
- managing more than 381,000 pest animals by on-ground baiting, trapping and shooting and coordinated aerial baiting campaigns.
- 10,334 properties undertook ground baiting on more than 22.1 million ha and almost 8,000 km of aerial bait lines were laid
- weed management on more than 1.1 million ha

**Richard Bull**  
Chair



**David Witherdin**  
Chief Executive Officer



- more than a quarter of a million landholders attending a diverse range of 14,000 training and awareness raising events, with an average of seven information events held every day of every year
- almost 700 projects to protect Aboriginal cultural heritage and ecological knowledge
- works to improve more than 41,000 km of rivers and estuaries and improvements to 344,000 ha of wetlands
- more than 550 landholders received authorisations under the new Land Management Code, which allows better management of more than 30,000 ha of land, balanced by more than 14,000 ha set aside to be managed for conservation and nearly 193,000 ha managed to control invasive native species.

We farewellled Minister Niall Blair, who retired from the front bench, and welcomed the Hon. Adam Marshall MP, who now serves as Minister for Agriculture and Western NSW.

## Soil Conservation Service turned 80

The Soil Conservation Service, which joined Local Land Services in October 2017, celebrated its 80th birthday. The Soil Conservation Service has played a key role since 1938 in improving land management, particularly in the prevention of erosion and improvement in soil health, and is considered one of the most trusted services in regional NSW.



## Connecting our customers

### Drought

The severity and length of the NSW drought is testing many of our customers and communities.

Local Land Services is working to deliver and connect you to the NSW Government's \$1.8 billion Emergency Drought Relief package including the adjustment for Local Land Services rates.

We have supported your decision-making and planning for recovery, including the provision of nutritional and agronomic advice.

The scale of customer interaction was immense, with more than 45,000 support conversations taking place since June 2018, or an average of 860 per week. We continue to connect you to the information and advice to help you now, and into the future.

We recognise the huge strain drought puts upon farming families and their communities. We've been involved in events to support and connect with people including farm family gatherings, mental health initiatives, agri-skill partnerships with TAFE and the DPI Rural Resilience Program.

We will continue to be with you, as this drought extends and into the recovery phase, which we all hope is soon.

### Listening to our customers

Customers are at the heart of Local Land Services and a 2018 independent survey found:

- 94% of land managers had heard of us
- 79% of private land managers were extremely satisfied or satisfied with their most recent use of the organisation
- 71% of private land managers are highly likely to use us again.

Areas for improvement include complaint handling, innovation and new ideas, and increased use of digital services. We are working to address these issues to better meet your needs.

In December 2018, the Rate-It App was introduced, which allows all customers to provide real-time feedback on their interactions with our staff. In the first seven months we received more than 3,650 ratings with 82 per cent awesome and 17 per cent good.

## Growing healthy environments and farm productivity

### Local Land Services boards

We also introduced a new board recruitment plan, approved by Minister Blair in June 2018, which ensures our boards can retain important corporate knowledge and experience.

We had 14 new appointed board members and two reappointed members commence on 28 February 2019. We welcomed our first Aboriginal board members, as well as increasing the percentage of women on the Local Land Services boards to 42 per cent with the appointment of 14 women.

### Local Landcare Coordinators Initiative

The \$15 million Local Landcare Coordinators Initiative has seen more than 60 locally-based coordinators deliver hundreds of on-ground projects with the support of a central team.

Through this partnership, we've grown the effectiveness of the Landcare network and increased community participation.

Sixty three per cent of groups reported an increase in participants and 87 per cent of groups said they can achieve their goals. More than 2,000 training events were hosted collaboratively by Local Land Services and Landcare. The four-year program concluded in July 2019, however, due to its success has received \$22.4 million to continue.

## Protecting the environment and agricultural industry

This year we've continued our commitment to keeping NSW biosecure.

More than 400 people contributed to the development of the Regional Strategic Pest Animal Management Plans, which were launched by Minister Blair on 1 July 2018.

There was a similar level of interest in shaping management of the travelling stock reserve (TSR)

network in NSW, of which 534,000 ha is managed by Local Land Services.

We received more than 900 submissions on the TSR Plan of Management in the first review round. Your submissions, along with feedback from industry and other stakeholder groups has shaped the draft TSR Plan of Management, a single statewide plan for consistent management. The draft attracted a further 150 submissions during December 2018.

### Biosecurity

We work to minimise biosecurity risks and their affect on agricultural production, international market access or environmental health.

We were instrumental in securing \$37.5 million to extend the Wild Dog Exclusion Fence by 742 km along the borders of South Australia and Queensland. This will further protect our agricultural industry from the threat of pests.

### Emergency Management

We are proud to be the boots on the ground supporting agriculture, animals and communities through emergencies such as fire and flood.

We support the delivery of animal and agriculture emergency responses, led by the NSW Department of Primary Industries, with a range of other agencies.

In 2018-19 we provided support during 33 emergency management and biosecurity responses.

These comprised:

- nine bushfires
- 11 storm and flooding situations
- one heatwave
- two invasive species responses
- five animal welfare cases
- four animal biosecurity and food safety
- one plague locust response.

Events included the Tingha, Tabulum and Wallangarra fires; an outbreak of *Salmonella enteritidis*; and responding to incursions of yellow crazy ants and black knapweed.

During 2018-19 there were 20 regional, statewide and interstate training exercises undertaken to ensure our staff are well trained and prepared for future biosecurity and emergency management incidents.



**Richard Bull**  
Chair  
Local Land Services  
Board

October 2019



**David Witherdin**  
Chief Executive  
Officer

October 2019



# Our work across NSW

**Local Land Services is committed to supporting land managers to make the best decisions and undertake improved practices for biosecurity, agricultural production, natural resource management, travelling stock reserves and emergency management.**

## Connecting our customers

### Central Tablelands

#### First Nations Peoples Participation Plan

A First Nations Peoples Participation Plan was developed to increase the level of participation and engagement with Traditional Owners, native title groups, First Nations community groups, individuals, and land councils within the Central Tablelands region by incorporating valuable Indigenous knowledge and practices into the work that we do.

Our commitment and approach to building strong working relationships with Traditional Owners and First Nations peoples is outlined in the plan. Yindyamarra is an ancient Wiradjuri philosophy that guides people on how to conduct oneself on country. Yindyamarra emphasises you must respect and honour all people and all parts of country, respect everything living and growing, give honour, be respectful, tread lightly, listen and go slowly when on country, be polite and patient with all then all will respect you. Look after the land and rivers then the land and rivers will look after you.

This philosophy helped guide the development of the framework and how we will foster cooperative relationships with First Nations peoples communities to support the improvement of the health of lands and water to achieve environmental outcomes in a culturally appropriate manner.

The plan is guided by key principles and provides a basis for how local staff can better shape community engagement and involvement with traditional owners and First Nations peoples with respect to participation activities, programs and partnerships. The plan also informs the First Nations peoples of how we acknowledge and operate with cultural awareness with respect to local land management priorities and reconnecting First Nations peoples to country.

### Central West

#### Drought workshops supporting health and wellbeing

In response to the ongoing drought conditions and the affect on farming families, we teamed up with Landcare to develop a series of free drought support workshops with an emphasis on the health and wellbeing of farming women.

Taking a day off from farming life to prioritise wellbeing may be a hard decision; however the broader benefits to the health of individuals, their families and the broader community have been proven time and time again.

The sessions focused on creating ways to recharge, manage stress and look after yourself to become more resilient during stressful times.



Based on the highly successful 'energetic women in the environment' workshops conducted in Yeoval by Little River Landcare, three more events were run in Coonabarabran, Tottenham and Bedgerebong. The workshops were interactive and focused on health and mindfulness for the whole body. Topics of the day included areas of work/life balance, body awareness and health ramifications of busy lifestyles.

## Greater Sydney

### Biosecurity on the frontline

The Greater Sydney team continues to connect our customers with expert advice in pest animal management, animal health advice, programs, projects and grant funding. This year, our pest animal control programs saw more than 300 private and public landholders work collaboratively to reduce the impact of wild dogs, foxes and rabbits through coordinated control campaigns. Our biosecurity officers also trained more than 640 people at 60 events in the legal use of pest animal baits and Canid Pest Ejectors.

We continue to roll out new initiatives to address the changing nature of our landscape. This year saw over 50 landholders attend a series of cage trapping workshops to help tackle the rising number of foxes appearing in the more suburban areas of the region. We also expanded on the success of our Menangle Fox Control campaign to include the Wedderburn, Menangle, Picton and Camden areas, and we launched a similar campaign in the Mulgoa area. Run in partnership with local government and environmental groups, the campaigns adopt a landscape approach to fox control through coordinated control efforts twice a year.

Our biosecurity officers also successfully rolled out an innovative deer control program in the South West Sydney region. The trial involved the removal of deer in urbanised areas using thermal imaging and strict safety protocols with almost 500 deer removed from the Greater Sydney region as a result. Other initiatives included a comprehensive surveillance operation following the discovery of two cane toads in the Central Coast; a large scale fox control campaign in partnership with local councils across Northern Sydney; ongoing efforts to remove feral pigs in the Megalong Valley; and a series of workshops on drought resilience and grazing management for livestock owners.

Our customer service team connected more than 4,500 customers with information and advice as well as relevant projects and programs. The team also issued 286 Property Identification Codes (PICs) to stock owners across the region through the PIC application process.

## Hunter

### Connecting customers in drought

Record breaking drought conditions continue to affect the Hunter and Mid Coast, so our priority has been to connect our customers and local communities with timely and relevant support services. Aside from assisting producers with livestock and pasture advice, our focus has been on animal health, pest animal problems, applying for roadside grazing permits and available travelling stock reserves.

Our dedicated Drought Administration Officer, Anne Lantry, assisted local farmers with more than 180 claims for Emergency Drought Transport Subsidies with the NSW Rural Assistance Authority. Anne has also assisted with more than 30 Emergency Water Infrastructure Rebate claims for assets worth more than \$670,000.

We have been involved with a broad range of drought support, including partnering with NSW Department of Primary Industries Rural Resilience team, Rural Financial Counselling Service and local charities. More than 1,500 producers and customers participated in events including Farm Family Gatherings, Cuppa and Connect morning teas, Ladies Pamper Days, Business Drought Round Tables, Fishing with a Farmer and numerous producer focused workshops, giving farmers the right advice and support, and a small break off farm.

More than 210 locals completed AgriSkills courses, ranging from rural welding and fabrication to chemical application and weed identification, digital farm mapping and drone training. Participant feedback was overwhelmingly positive, thanks to the caring peer environment and support offered by TAFE NSW, the NSW Department of Primary Industries Rural Resilience team and Hunter Local Land Services.

Cattle producers sharing practical, sensible advice and the importance of making timely property and livestock decisions during drought was the catalyst for our drought management video series for fellow farmers. The videos focus on key areas including advanced drought planning, early weaning, feeding, destocking, and utilising assistance options to help local producers with on-farm decision making.

## Murray

### Collaborating with the rice industry for a sustainable future

The Murray and Riverina regions collaborated on a program to connect rice growers, business, industry bodies and government to demonstrate the environmental credentials and community value of the rice industry. Between now and 2023, the Ricegrowers Association of Australia, Sunrice and Murray and Riverina Local Land Services will roll out the National Interpretation Guidelines of the Sustainable Rice Platform (SRP).

The Australian SRP will be adapted from internationally recognised sustainability reporting instruments to help secure access to premium rice markets by providing evidence of the rice industry's clean, green production systems. It is being established thanks to funding from the Regional Land Partnerships component of the Australian Government's National Landcare Program.

Our role is to support the rice industry through the development process and co-ordinate with the Australian Government. We will also be connecting with other community and industry groups to share insights and create a whole farm reporting system.

The platform involves recording the range of farm management, agronomic practices, and workplace and labour arrangements that growers use to produce rice, including:

- water
- fertiliser
- staff management
- environmental management
- chemical application
- record-keeping.

The platform aims to showcase the high level of sustainable management Australian rice growers apply to produce premium-quality rice grain. In addition, it will help market Australian rice to the highest-returning markets across the world. A group of 20 rice producers developed a pilot program to provide feedback and create simple-to-use tools.

Ultimately, the tools should provide the basis for other Australian agriculture sectors to produce similar programs – leading to more sustainable and profitable agriculture production across Australia.

## North Coast

### Supporting North Coast land managers

January 2019 was the time many on the North Coast deeply felt the affect of the drought that has been ravaging much of NSW for the past few years. Since January, drought conditions continued to spread across the entire North Coast region with more than a third of the area now classified as being in intense drought. The on-going dry conditions have depleted farm water and pasture reserves, the availability of quality supplementary feed options and influenced prices. It has also brought additional risks to stock health with an increase in plant toxicities being seen in the region when cattle in search of feed begin to graze on toxic plants. Many beef and dairy producers have made, and continue to make, tough decisions to destock their properties. We are providing property and livestock management advice to hundreds of drought-affected landholders through information days, providing online resources, and by connecting them with other support options available from government and non-government sectors.

The Regional Strategic Pest Animal Management Plan was launched in July 2018. Prepared in collaboration with community, industry and other key regional stakeholders, the plan identifies 10 species for priority management, including wild deer, foxes, feral cats, wild dogs and cane toads, plus a further four 'alert' species. The Regional Strategic Pest Animal Management Plan identifies risks at a regional level and outlines how public and private land managers, community and all other stakeholders share the responsibility to implement actions. Local action plans are being developed to identify responsible stakeholders and areas where resources are best directed and to create localised control programs. We are working with all land managers to develop these local plans, creating local pest and predator groups to work together to control pests.

## North West

### Connecting with North West communities

Our teams are continuing to deliver the best services and advice to help secure the future of agriculture and the environment.

Drought technical advice regarding confinement feeding and sacrifice paddocks has helped reduce the rate of environmental damage, together with stock advice allowing landholders to minimise costs when feeding stock or making decisions to destock at good livestock prices.

The ag extension team addressed 1,442 customer enquiries this year, with an additional 4,253 drought customer engagements, mainly focused on livestock feeding and maintaining animal health.

With increased engagement and networking, the community has been brought together to improve social connectedness through drought service provision.

We have also secured partnerships with industry partners to address key regional priorities including managing weeds with Grains Research and Development Corporation's support and improving the uptake of viable agricultural technology with the University of Sydney.

We had over 80 engagements with local Aboriginal organisations, and partnerships have been formed with Walgett, Wee Waa and Tamworth Local Aboriginal Land Council to host 20 knowledge sharing events on culturally significant areas within their respective communities. These partnerships have helped protect and manage eight sites for environmental outcomes and connected over 500 people 'back on country'. Tamworth Local Aboriginal Land Council, along with local elder Lenny Waters, hosted cultural awareness training for staff, board members and Community Advisory Group members.

Community Advisory Groups representing the seven local government areas and Aboriginal communities have been actively supporting the North West Board and our customers during drought by bringing issues forward and helping to distribute information to their networks.

## Northern Tablelands

### Connecting landholders with customer focused services

Three separate, but concurrent natural disaster declared bushfires occurred in the Northern Tablelands in February 2019. The emergency response team was assembled from Northern Tablelands, North Coast, Hunter and North West regions as well as the Local Land Services Sustainable Land Management team.

The team connected our customers to services by effectively working together with customers' needs as the focus. Central to its success was effective planning, excellent communication, speed of action, and seamless cross-regional and business unit collaboration.

Customers received phone support, follow up personal contact, field team visits, access to evacuation and recovery centres and ongoing public meetings. Importantly, the affected landholders via public meetings from across all fire grounds, openly acknowledged the effectiveness of the response.

To quote one customer, "I couldn't believe that a government department could actually care so much!"

The sustainable agriculture team has piloted the Get Smart program to introduce agricultural technology to Northern Tablelands farmers. The program looked at some key agricultural apps and online programs designed to help farmers make decisions about climate, livestock nutrition, pest animal management, cropping tools and more.

There were five workshops held across the Northern Tablelands region to test some of the available agricultural technology products, attracting more than 70 participants. One of these workshops titled 'Agmentation' was delivered in partnership with University of New England (UNE) and provided the opportunity to work together alongside primary producers, technical engineers, UNE researchers, industry stakeholders, university students and regional high school students to focus on a problem statement and develop solutions for agriculture in regional Australia.

## Riverina

### Working with Aboriginal communities to connect to country

Our teams actively work with local Aboriginal communities to support and increase involvement in a variety of environmental activities throughout the region. The Aboriginal Sites Training Program is a core part of this work, designed to guide Aboriginal communities to provide cultural heritage assessment advice and services to private and public land managers, developers and government departments.

This year, 19 participants signed on for the program representing various localities including, Tumut, Young, Wagga Wagga, Narrandera, Leeton, Griffith, Darlington Point and Hay, are taking part. The program will see participants qualified in a Certificate II Conservation and Land Management, with a focus on identifying Aboriginal cultural sites and artefacts and land management, Aboriginal Cultural Sites Assessment certificate, training in the Aboriginal Heritage Information Management System and mentoring with local Aboriginal Elders. At the completion of the program, the graduates will have a greater capacity to identify and record Aboriginal site types and cultural landscapes in the Riverina.

The training program was designed and supported by Riverina Local Land Services, the Griffith Local Aboriginal Land Council, National Parks and Wildlife Services and the NSW Industry and Investment – Tocal College, Aboriginal Rural Training Program. It was part funded under the Australian Government's National Landcare Program and Catchment Action NSW.

Education of cultural heritage is a priority for Riverina Local Land Services. In 2019, the inaugural Aboriginal art competition was held in the region. This was designed to raise the profile of the Local Land Services Reconciliation Action Plan in the local community, particularly within the younger generation. Ten schools from across the region took part, and the quality of artwork was outstanding. The theme was 'Let's Work Together for a Shared Future' (the 2019 NAIDOC theme) and Mount Austin High School was announced as the winner. Each school was presented with a didgeridoo as a thank you gift.



## South East

### Building resilience in South East communities

Over the last 12 to 18 months our agriculture and district vet teams have run workshops to provide customers with information regarding production advice, drought advice and support, soil health, and their own mental health and wellbeing. These events have provided a welcome opportunity for producers to have time off farm to catch up with friends and neighbours, as well as learn about and access the services available to them during this difficult time.

Our Aboriginal community support team is working with the Aboriginal and wider communities to bring traditional fire regimes and land management practices back to the South East. These programs are engaging young Aboriginal people, involving them in Caring for Country and teaching them about culture. The programs also encourage the broader community to participate, with great interest shown at the Ngulla Firesticks Cultural Burning forum hosted by Ulladulla Local Aboriginal Land Council in June. The Aboriginal community support team also provides a key link between community, government agencies and the academic community in the hope sharing traditional knowledge can lead to practice change leading to healthier country.

Our team also supports a range of local groups, including dairy development, beef and sheep production, farming systems, small farms networks and conservation groups, as well as the regional Landcare network. Our local biosecurity teams supported the 2,400 Feral Fighters members to manage pest animals as a community.

These important links help build the capacity and resilience of communities to manage the many challenges rural life presents. We pride ourselves on being there when it matters with the knowledge, networks and experience to make a difference to South East communities.



## Western

### Working together to protect World Heritage Areas

In the first year of a five year project, Western Local Land Services and a number of stakeholders have partnered to tackle the ongoing threat introduced rabbits pose to the values of the Willandra Lakes Region World Heritage Area (WLRWHA) and at the same time, reduce the impact rabbits have on primary production in the Western region.

This project is a great example of the local landholders and community working with agencies like ours to make improvements to primary production while also protecting the values of the WLRWHA. The greatest threat to these values is soil erosion resulting from reduced vegetation cover, which then exposes the archaeological material, making it vulnerable to destruction.

Managing the total grazing pressure is essential for maintaining vegetation cover and integral to this is managing rabbit infestations. An added challenge is determining the most appropriate rabbit control options in sensitive cultural areas which have the potential to contain archaeological material, and to avoid destruction of the material.

We have worked with the project partners, who include the Willandra Landholders Alliance, Western Landcare NSW, NSW National Parks and Wildlife Service, World Heritage staff and local Aboriginal community members, to achieve some great outcomes, such as:

- carried out control works for rabbits over 13,000 ha
- assisted landholders across 10 properties to map 6,500 warrens
- ripped 3,000 warrens
- bringing landholders of the WLRWHA together to participate in a single rabbit control program which is funded until 2023
- applying appropriate control options to suit preservation of cultural heritage
- establishing a framework for on-going rabbit control.

The Willandra Lakes rabbit control project is supported by Western Local Land Services through funding from the Australian Government's National Landcare Program.

## Soil Conservation Service

### Urban rehabilitation Scrubby Creek

A degraded reach of Scrubby Creek located in Mount Hutton near Newcastle, has undergone rehabilitation to improve the poor conditions from ongoing channel incision and aggradation. Our team assessed the physical condition of the creek to determine the extent of work to be completed. Heavy infestations of invasive weeds, including willows were found along the creek as well as rubbish build up. These conditions resulted in frequent flooding on the adjoining properties.

Soil Conservation Service was engaged by the Lake Macquarie City Council to develop a design which would restore the channel's capacity and remediate the degraded reaches of the creek. Works involved channel re-profiling and widening, installation of rock bed-control structures, spoil placement and revegetation.

## Agquip and Henty Field Days

Our team are on the ground, providing practical advice to landholders and rural communities at events and field days, including Agquip and the Henty Machinery Field Days. These events allow our team to connect with customers, industry and stakeholders to provide advice on erosion issues, water and general natural resource management.

The Soil Conservation Service site this year took on a practical approach, with the addition of a demonstration site, where a bulldozer was used to demonstrate dam construction. We also had a range of resources on display, including brochures, factsheets and videos, as well as staff available to onsite to answer customer enquiries. Attending field days is a valuable way for our staff to connect with customers and stakeholders, to increase engagement and potential business opportunities.

## Sustainable Land Management

### Review of private native forestry

As part of the NSW Forest Industry Roadmap, Local Land Services is leading a NSW Government Private Native Forestry Review. This will support the development of new rules, regulations and approvals for private native forestry that are good for landholders, the timber industry and the environment. We conducted targeted engagement with a range of key stakeholder groups before developing the Review Terms of Reference. A public submission period on the terms of reference was held between 22 November 2018 and 15 February 2019.

A total of 204 submissions were received. To ensure objective analysis, an independent consultant analysed the submissions and produced an analysis report. This report can be found at: <https://www.lls.nsw.gov.au/sustainable-land-management/pnforestry/private-native-forestry-review-2018>. The report will guide the next review stage which is to develop and test draft Private Native Forestry Codes of Practice.

### Connecting customers to the Local Land Services 'one-stop-shop'

During the past year, the Sustainable Land Management team worked to connect customers to the full suite of information and help available through Local Land Services.

When new farmers, Kristian and Wendy Randall, moved to the NSW north coast to a property near Sextonville, they made full use of our 'one-stop-shop.' They worked with the Sustainable Land Management team in using the Land Management Code to expand pasture areas, and established a Private Native Forestry Plan. We also helped them tap into the expertise of other Local Land Services officers in the region, including in livestock, agriculture and biosecurity. The Randalls believe that without the guidance of Local Land Services, they would have made many mistakes in establishing their enterprise.





# Growing healthy environments and farm productivity

## Central Tablelands

### Herd level surveillance

The diagnostic service our district vets provide is a core part of our overall disease surveillance strategy and provides evidence of our success in informing, planning and improving best practice farm management.

While targeted surveillance projects (such as our ewe and heifer health initiatives, or the zoonotic disease prevalence estimate in feral pigs) gather baseline disease data, it's also important we continue to investigate flock and herd level issues as they arise. District vets often work collaboratively with private vets to maximise surveillance capacity.

This responsive surveillance is vital for keeping track of local disease patterns, detecting or excluding notifiable diseases, and helping producers manage endemic diseases. Ultimately, the surveillance information we gather in the field contributes to 'proof of freedom' for a range of diseases, protecting our access to valuable markets.

Rapid detection of notifiable diseases (like footrot) also allows us to prevent the spread and minimise adverse impacts to other producers (and the industry as a whole). There's also an ongoing need to monitor pathogens or chemical residues that can cause human illness.

## Central West

### Managing carbon for long-term improvements

In June 2019, we organised the Managing Carbon for Profit conference to help local farmers grow their knowledge on the potential for innovative farming practices now and into the future. More than 160 farmers from across the Central West attended this practical forum to hear from practitioners, experts and leaders in carbon and climate.

Farmers are uniquely placed to use carbon sequestration to both improve their farm productivity and access emerging carbon markets. As our team works with landholders across the region, we have noticed many carbon farming techniques are consistent with sustainable agriculture best management practices.

The Managing Carbon for Profit conference explored new ways for landholders to improve farm efficiencies and profitability. These practices employed on farm not only increase natural carbon capture but they can lead to long-term improvements on farm. The conference was an interactive and practical forum which allowed land managers to see the latest on-ground research and share their experiences with delegates.

Speakers at the conference included innovative farmers who showed practical examples of how increasing soil carbon can improve soil health. An expert panel also led discussions on cover cropping, pasture and grazing management, economics of management, and farmer-driven demonstrations and research.

The Managing Carbon for Profit conference was funded through the Australian Government's National Landcare Program.



## Greater Sydney

### Demonstration farm for innovative agricultural initiatives

Our expanded demonstration farm, a site supporting best practice in land management, agriculture and biosecurity was officially launched in February 2019.

The site not only provides growers and the agricultural industry with a place to see and showcase innovative agricultural initiatives, but also gives the broader community a centre of excellence in all aspects of land management.

The farm will also include an Aboriginal cultural space and is designed to be a mutual space for everyone interested in getting the most out of their land, environmentally and productively.

Ideally placed on the Richmond Lowlands on the site of the Western Sydney University (WSU) River Farm, the land is rich in history significant to the local agricultural industry and education in the region.

Since the launch we have hosted almost 750 people at 25 events and secured 18 individual partnerships with industry for a variety of crop trials and other initiatives including a hugely successful trial to regenerate the seedbank of an heirloom corn crop in partnership with WSU.

The new site built on the success of the former demonstration farm which showcased best practice vegetable varietal trials. We worked over many years to engage and support growers and land owners by showcasing various vegetable varietal trials, hosting field days, farm walks and training days at our former farm with attendance increasing year on year.

Increasing support from industry and the community has meant we needed to find a larger site to meet grower demands and provide new opportunities across the market with an emphasis on Sydney's core industries including horticulture, turf and mixed farming.

## Hunter

### Growing the Hunter oyster industry

Supporting the local oyster industry as it adapts and deals with climate change is a primary focus for Hunter Local Land Services. This year we worked closely with oyster producers along the Mid Coast to provide opportunities for them to grow their businesses while also working to improve the waterways and habitats they lease.

We commenced a \$932,000 project funded through the Australian Government's National Landcare Program to work with local fishermen, researchers and the local community to improve habitats. Uniquely, the project is helping the oyster industry and fishing industries co-adapt by monitoring how changes to infrastructure improve fish habitat values and by creating new habitat. The innovative project is trialling new techniques using waste shell from oyster production and live oyster shell harvested from oyster leases. Early results are promising, with live oysters surviving and growing and the structure protecting mangroves and the riverbank. Project partners are scoping out additional sites where the methods used could be applied successfully.

The region's oyster industry is worth in excess of \$30 million annually, and has a strong reputation for producing clean, healthy oysters. The industry is proactively trying to improve habitat and this year more than 20 producers joined forces to undertake a clean-up around Wallis Lake, removing more than 600 kg of rubbish and waste clogging the waterway. More than half of the region's producers have now also completed an oyster farm profile. The profile maps the location of infrastructure and husbandry gear, details their type and condition and identifies opportunities for improvement in production and environmental sustainability. The farm profiles are another tool being used by local producers to adapt to changing habitats and ensure they are minimising their impacts on local waterways.

## Murray

### Seed services growing healthy environments

Over the past 12 months, Murray Seed Services has directly seeded 222 km of native vegetation seeds in the Murray region.

A division of Murray Local Land Services, Murray Seed Services undertakes revegetation work through direct seeding, but also supplies seed to nurseries to grow tube stock, and to universities for research.

Spanning 90 ha, these newly established vegetation areas will grow over the coming years to provide important habitat for native birds, reptiles and mammals. This work will also improve farm productivity by supplying shelter for stock, reducing wind erosion and providing habitat for beneficial insects, bats and birds. The seeding has been undertaken in partnership with landholders, Landcare groups, local government authorities and other Local Land Services regions.

Murray Seed Services has used 140 kg of native seed in its 2018-19 activities, and some 120 kg of this was collected from remnant vegetation and seed production areas. To meet the growing demand for high-quality, local provenance native seed, we rejuvenated four of these seed production areas by planting a further 1,600 new plants.

Also during the year, Murray Seed Services continued to raise awareness and educate the community by reproducing a plant identification booklet and undertaking seed collection and plant identification workshops.

We also began the development of a business plan for Murray Seed Services in 2018-19, which will help ensure the long-term sustainability of this important service to the environment and the local community.

## North Coast

### Improving marine water quality

In 2018-19, we commenced a two-year program to improve marine water quality across priority catchments within the North Coast, Hunter and South East Local Land Services regions. Priority catchments exhibit high export rates of sediment and nutrient. Water pollution is the number one threat to valuable marine areas. Rehabilitating the vegetation that grows along the riverbanks, repairing degraded riverbanks and sealing dirt roads and tracks can reduce the amount of sediment and nutrient pollution entering waterways from the land.

Since the program commenced in August 2018, we have rehabilitated 48 km of riverbank vegetation, stabilised one kilometre of riverbanks and upgraded 15 dirt roads and tracks. The program is an excellent example of what we do best: developing relationships with a range of stakeholders and coordinating the delivery of specialised services to achieve environmental and sustainable agriculture results.

The program has partnered with 70 different landholders, seven coastal councils, the macadamia, beef and dairy industries and several Local Aboriginal Land Councils. Participating landholders have agreed to monitor and maintain works for at least five years as part of their commitment to improving water quality.

Works have included the sealing of dirt roads, the improvement of road drainage, the installation of log groynes, coir logs and sandbags, fencing to manage stock access, the control of weeds and revegetation.

This project is a collaborative NSW Government initiative to promote a healthy coast and sea, managed for the wellbeing of the community, now and into the future. The first stage of the Marine Estate Management Strategy project has already produced results which have seen a reduction in the amount of land-based sediments and nutrients entering our marine environment.

## North West

### Growing healthy environments free from pests and weeds

A successful campaign to raise awareness of the highly invasive harrisia cactus and Hudson pear was conducted by North West Local Land Services in partnership with Northern Slopes Landcare Association, helping to educate the community and combat the spread of the species.

Due to continuing dry conditions and the increased importation of fodder into the region, biosecurity risks were greatly increased. In response, staff have been actively engaged in education, awareness and media programs encouraging landholders to demonstrate best practice when sourcing and feeding out fodder to their livestock and to remain vigilant about reporting any new or suspect weed incursions.

Biosecurity officers also engaged with landholders to raise awareness of vertebrate pest species such as wild dogs, foxes, feral pigs, rabbits, deer, locusts, feral goats. Ongoing media campaigns highlighted the threats posed to biosecurity and the delivery of training courses also helped educate the community around the importance of a coordinated approach to managing pest species.

Due to the dry conditions, there was an increased demand for short term grazing permits. Over the past 12 months, 2,423 permits were issued and maintenance works increased to improve stock watering facilities for our TSRs, allowing 32 water point upgrades. The TSR team also focused on reducing cacti infestation across 4,000 ha.

## Northern Tablelands

### Growing natural resources and habitats

Northern Tablelands Local Land Services delivered a series of soil health courses titled Digging Deeper, for farmers in the Guyra and Inverell areas who were eager to build strong soil management skills.

The courses explored biological, physical and chemical approaches to soil management using soils from each participant's farm. Course participants built their capacity in:

- identifying soil types and mapping them across each farm
- assessing soil health in the paddock
- identifying soil constraints
- managing soil nutrients effectively
- evaluating fertiliser and soil input options
- monitoring their soils.

The Digging Deeper Soils courses attracted 16 landholders who are now equipped with the skills and knowledge to improve their soil management practices across 8,554 ha of land.

Threatened species were a particular focus for our environment team in 2018-19. Koala monitoring in 2018, conducted in partnership with the University of the Sunshine Coast, found that koalas in Glen Innes, Emmaville and Tenterfield were likely to be declining, however a healthy population north of Tenterfield was found, previously not known to experts.

The Turning the Tide on the Regent Honeyeater project is conducting monitoring and habitat restoration to help protect the species. Available data suggests that the current regent honeyeater population sits between 200 and 500 in the wild and that population decline is ongoing. Monitoring in 2018-19 uncovered some previously unknown regent honeyeater breeding locations around Inverell and Emmaville.

The Turtles Forever project, which works to protect the endangered Bell's turtle, released 220 baby turtles into their natural environment. The project protected more than 30 nests in the wild and produced another 400 hatchlings for release.

The Turtles Forever program has fostered a unique collaboration between farmers, UNE, Local Land Services, ecologists and two detection dogs.

## Riverina

### Building Stock Management Areas to assist with drought conditions

Protecting groundcover in drought has been a priority for many Riverina producers over the past year, and with many trying to maintain their livestock numbers, tailored courses were run to assist them in building Stock Management Areas (SMA).

We rolled out training days across six locations, which saw 150 landholders learn how to design a SMA unique to their property. Information included what infrastructure was needed, how they can help conserve groundcover and pastures, common animal health issues when containment feeding, and other considerations, including shade and water accessibility. While building an SMA is particularly useful during drought years, the courses covered how they are an investment and can be utilised as a management tool in good seasons as well.

The main benefits of this infrastructure include maintaining benchmark groundcover levels (to assist in minimising topsoil and nutrient loss), preserving perennial pastures, and having the option to segregate core breeders or other stock and feed them a tailored ration in a controlled environment. The workshops were then followed up with farm visits which were one-on-one. An advisory officer visited each farmer to iron out their design and give them the tick of approval to construct the SMA.

Incentive funding was offered to those who participated, with some eligible producers receiving up to \$10,000 towards constructing their SMA.

Overall, 150 landholders were trained and 65 SMAs have already been built across the Riverina with assistance from Local Land Services. With fodder costs high and stock prices buoyant, feedback from landholders has been positive, with many already seeing the benefits of protecting groundcover using this infrastructure.

## South East

### Providing on-ground advice to grow farm productivity and healthy environments

In the South East we run and support programs and partnerships that grow farm productivity and healthy environments. Coordinating and supporting invasive species control at a landscape scale is one of our key roles in this area.

The past 18 months have been a particularly challenging time. Our local teams have been on the ground providing advice and support around livestock feeding, health and welfare, property management options and water requirements.

Our agriculture advisors have also been running PROGRAZE courses across the region to help producers develop skills in pasture and animal assessment. Producers have been putting these skills to use to improve productivity and sustainability of their land.

Our natural resource management advisors have been working with land managers and investors to help manage and regenerate healthy environments across the region.

In 2018 the team undertook a thorough evaluation of past projects. The evaluation afforded the opportunity to revisit project sites and observe the progress that had been made, interview the land managers and gain a better sense of what was working and what wasn't.

This process has been an invaluable learning opportunity for staff and will provide important guidance for future projects. Importantly, revisiting these projects also allowed the team to reflect on the importance of the historic and ongoing investment in projects which have contributed to connectivity and biodiversity across the landscape.



We are also working to protect the Fitzroy Falls Spiny Crayfish. The spiny cray is naturally very rare, only occurring within a 12 km stretch of creek in the Southern Highlands.

The team is working with the community to protect this stretch of creek, erecting fencing to keep stock out of the water and planting the bank to prevent erosion and provide habitat with the aim of preserving the spiny cray for generations to come.

## Western

### Rangeland rehabilitation

Landholders in the White Cliffs area who have participated in our rangeland rehabilitation programs saw some incredible images of water spreading across their parched paddocks following decent rain at the end of April 2019.

With many areas in the Western region not recording any rainfall of note for around two years, landholders who had carried out erosion control works on their property were yet to see how the landscape would benefit from the changes.

Any questions the landholders had were certainly answered, with one case study giving an insight into just how beneficial the works can be in both the short and long term.

On a particular property, 21 mm of rain was recorded, water that would have previously flowed down a gully was calmed and spread over the adjacent floodplain of 300 ha which would have previously required 200 mm of rain to activate.

This water was now seeping into the ground and effectively re-hydrating the landscape and in addition to this, the erosion gully that it previously would have flowed down can now start to rehabilitate.

The benefits to landholders and the environment of managing outback floodplains was promoted to around 30 landholders who attending a workshop in Tilpa at the end of June.

The workshop included a number of presentations and a field trip, where previous works were evaluated for successful outcomes and learning, which was highly beneficial to attending landholders who were interested in being a part of future programs.

The programs coordinated by Western Local Land Services undertook the Ecosystem Management of Understanding approach and were supported by funding through the Australian Government's National Landcare Program and Catchment Action NSW.



## Soil Conservation Service

### Hunter Aboriginal River Team project

The Hunter Aboriginal Riverkeeper Team (HART) is an inter-agency collaboration between the Office of Environment and Heritage, Local Land Services and Soil Conservation Service. The initiative aims to help educate and connect local Aboriginal people with landholders, delivering improved environmental outcomes. HART comprises four Aboriginal Conservation Field Officer trainees - led by an Aboriginal project manager and supported by an Aboriginal team supervisor. Participants undertake a Certificate III in Conservation and Land Management - practically implementing conservation works on privately owned lands where Local Land Services has established landholder agreements. The program aims to contribute towards national goals relating to Aboriginal communities and assist with Closing the Gap.

### Clarence River restoration project

We partnered with North Coast Local Land Services to remediate various sites along the Clarence River in Grafton. These sites have been subject to bank erosion, primarily from recreational boating wash but also through cattle grazing, weed infestations and lack of native riparian vegetation. The remediation works consist of armouring the riverbank with rock and large woody debris to protect the toe of the bank, cattle exclusion fencing, weed control and revegetation to reinstate native riparian forest. The work is funded by Roads and Maritime Services and includes planting close to 60,000 native trees, shrubs and grasses across 23 individual sites, along with intensive weed control.

### Kangiarra mine rehabilitation

Kangiarra is a former copper mine site; once one of the most contaminated sites in NSW. Rehabilitation of the area was needed, in particular to resolve contamination from heavy metal run-off (primarily zinc and copper) flowing into the river. With funding from Resources and Geosciences, we have managed the contamination by encapsulating the waste with a polyethylene liner, which was then covered with a thick layer of topsoil and revegetation. Three sediment dams have been cleaned and treated, with waste again encapsulated in a liner. The remainder of the site is being managed with a thick covering of topsoil and revegetation.

## Sustainable Land Management

### Land Management Framework and Private Native Forestry advice and approvals

In 2018-19, the Sustainable Land Management team provided advice to landholders to help them find the right solutions under the Land Management and Private Native Forestry frameworks to grow sustainable businesses while protecting the environment. Over the year, we handled more than 1,750 enquiries about the Land Management Framework and more than 1,600 enquires about Private Native Forestry.

Our boots on the ground of more than 50 expert regional native vegetation specialists, assisted by policy, science and assessment functions, enabled Local Land Services to authorise nearly 690 landholders to undertake works under the Land Management (Native Vegetation) Code. This included 416 certificates and 271 notifications. All approvals are published on a public register on the Local Land Services website.

Interest in Private Native Forestry also remained strong with 263 new Private Native Forestry Plan approvals for the 12 months. To assist with handling the high level of customer interest, towards the end of 2018-19 we started recruiting four additional Private Native Forestry officers, creating a team of 10 specialists based in key forestry areas around the state.

## Supporting farmers to make sustainable land management decisions

Our role is to support landholders to help them make sustainable land management decisions. We were able to help one landholder, Nick Lalli make valuable decisions to help increase his productivity and profitability.

Nick Lalli purchased a property at Wells Crossing on the mid north coast specifically to grow a new thornless blackberry variety and tap into an emerging market. We helped him explore his options for the property and he eventually decided on a certificate under the Equity section of the Code. This will allow him to significantly upscale blackberry production on five ha as well as manage over 10 ha of land set aside for conservation in perpetuity. The \$1.5 million investment in the project is helping grow the local economy and will also generate additional jobs as well as secure year-round employment for 16 to 20 existing staff.

# Protecting the environment and agricultural industry

## Central Tablelands

### Aerial thermal imaging first

In April 2019, we designed and undertook an innovative approach to protecting the natural environment and developing biosecure, profitable, and productive primary industries in the Central Tablelands.

In a first for the region, aerial thermal imaging surveys were used in an effort to detect and estimate the abundance of a range of pest animal species, in particular, deer, which have been identified as priority pests in the Central Tablelands Regional Strategic Pest Animal Management Plan.

Nine blocks were surveyed, with survey images collected at low altitude, less than 100 m from the ground. The flights took place in daylight hours during periods of low light, generally in the early morning and late afternoon or on overcast days.

The timing was important to detect the heat from animals rather than picking up on warmth from other objects that have been heated by the sun. The flights covered 250,000 ha across the region including locations near Orange, Molong, Cumnock, Eugowra, Cudal, Canowindra, Cowra, Woodstock, Blayney and Oberon.

Four species of interest were detected across the nine survey blocks, with deer recorded at five of these blocks. These results informed and helped to shape the development of targeted pest management plans with landholders within the survey areas.

The project helped us shift focus to be proactive in planning and prioritising future pest management projects, and increase awareness of impacts and management strategies to minimise the threats of pests on agriculture and environment.

## Central West

### Protecting an iconic Australian species

Battling for the Bittern, a comprehensive project conducted in Lake Cargelligo has seen improvements made to protect the Australasian bittern (*Botaurus poiciloptilus*); an iconic Australian bird species, from the negative impacts of pest animals. The project aimed to protect the species habitat through control of pest animals including feral pigs, feral cats and foxes that are known to prey on the chicks and eggs.

The nationally endangered Australasian bittern, also known as the bunyip bird, has a special place in Australian folklore. Unfortunately its numbers have dwindled as habitat has been degraded — there are thought to be less than 1,000 birds left in the wild.

Bitterns require large, relatively undisturbed freshwater wetlands where they breed in densely vegetated reedbeds with sedges, rushes, cumbungi or the common native reed phragmites. Protection from pest animals and weeds is vital in their survival.



The project engaged contractors to carry out weed and pest animal control on the island and also a trapping and ground shooting program on a number of private properties surrounding the lake. Our biosecurity team have connected neighbouring landholders with advice and networks to help them protect this iconic species. They have supplied them with pest animal traps, training in their use and trail cameras to target and control pests in the future.

Funding from Catchment Action NSW has meant we have been able to work with the Robinson Crusoe Island Reserve Trust Group volunteers and other local landholders to work together to protect this threatened species.

## Greater Sydney

### Protecting and preserving natural landscapes

Over the past 12 months, our team has worked with local landholders and the broader community to protect and preserve local bushland and rivers through the delivery of 45 on-ground projects.

These 45 projects resulted in:

- 143 ha of bushland restored
- 252 ha of land covered for pest animal control
- 199 ha of strategic weed control
- 27 ha of bushland and riverbank fenced from cattle
- 11 ha revegetated with more than 10,000 plants.

A major focus for our team has been the delivery of several major projects funded through the Australian Government's National Landcare Program. This includes a \$1.5 million project to protect and preserve the internationally recognised wetlands at Towra Point Nature Reserve in Botany Bay. The wetland is listed under the Ramsar Convention as a site of international importance, containing around 60 per cent of saltmarsh and 40 per cent of mangrove communities in the entire Sydney region. It provides critical roosting and feeding habitat for a high volume of migratory shorebird species including the endangered eastern curlew and little tern. The funding is being used to reduce the impact of various threats to the site including human disturbance, weed infestations, pest animals, habitat loss and more. The program also incorporates an Aboriginal employment program in partnership with the La Perouse Local Aboriginal Council.

We were also awarded \$1.8 million to protect the natural values of the Greater Blue Mountains World Heritage area through the strategic management of pest species.

The work will adopt a landscape approach to pest animal and weed management with a focus on cross-tenure pest animal campaigns and traditional Aboriginal fire management programs. Our officers are not only experts when it comes to weed management and pest animal control, they bring years of local knowledge and experience in the Blue Mountains, good relationships with major landholders as well as the local council.

## Hunter

### Supporting the Hunter region with biosecurity through drought

With the drought affecting our region, our biosecurity team worked hard to remove pests impacting on limited feed and water supplies. This additional drought support included two large aerial shooting campaigns that removed 6,730 animals, including 4,235 deer and 2,434 pigs across the Upper Hunter.

We also undertook two extensive aerial baiting programs, including the first Manning Great Lakes aerial program in more than 10 years, with more than 8,400 baits dropped. There has been renewed interest in wild dog control in the Upper Manning, with more than 150 people attending wild dog control information sessions and signing up to new local group baiting programs. This coincided with the completion of wild dog management plans across the Manning and wider region that will lead to increased coordination and targeting of strategic programs.

The Professional Wild Dog Controller Program removed 174 known problem wild dogs in the Upper Hunter. The program continues to assist sheep and cattle producers to strategically control wild dogs.

With producers trying to protect remaining feed supplies in a difficult period, our team rallied to help control and remove an outbreak of Australian plague locusts in the Upper Hunter. We visited more than 200 properties to inspect and map the spread of the locusts, which are an unusual occurrence in the Hunter.

Disease and animal health issues, many exacerbated by the drought, saw increased demand on the services of our district vets. There were multiple issues related to bought-in or stored feed, including many cases of nitrate poisoning in cattle, and loss of sheep and cattle due to poor quality low-energy feeds.

The Hunter recorded the most southern case ever of Hendra virus, a first for our region. Our team assisted the landholders on property and worked closely with NSW Department of Primary Industries and local vets and the equine sector to manage the case, and be better prepared for possible future cases.

## Murray

### Wild dog exclusion fencing protecting landholders in the Upper Murray

During 2018-19, our region installed an additional 75 km of wild dog electric exclusion fencing in the Upper Murray area, further protecting landholders and their animals from wild dog attacks.

More cost-effective than standard barrier fencing, this latest addition has filled the gaps between several previously erected sections, bringing the total length of fencing completed over the past three years to 300 km.

The most recent sections were funded by \$120,000 of Australian Government Drought Pest and Weed funding, matched dollar-for-dollar by local landholders. The fencing has had a dramatic effect on landholders, allowing them to run sheep where they hadn't previously been able to due to dog attacks.

Combined with autumn aerial baiting on public lands, it has significantly reduced the number of holdings affected by wild dogs. One landholder has gone from reporting an attack every two months to zero attacks since their fence was completed last year.

Understandably, this protection and subsequent decrease in attacks has also reduced landholder stress.

Not only does this fencing lower the number of dogs able to enter private land, it also helps landholders and public land managers in their trapping and ground baiting activities. Knowing where there are barriers to wild dog movements allows for a more strategic placement of traps and baits.

The wild dog exclusion fencing has been a well-supported program in the Upper Murray area that has not only protected livestock, but will reduce the amount of resources required by both Murray Local Land Services and landholders to deal with wild dogs.

## North Coast

### Protecting the Tweed Rail Trail from biosecurity risks

North Coast Local Land Services was engaged by Tweed Shire Council to perform an independent biosecurity risk assessment of the railway corridor between Crabbes Creek and Murwillumbah Railway Station for conversion into the Northern Rivers rail trail. The process involved close consultation with a range of stakeholders including local landholders, other NSW Government agencies and industry groups. The risk assessment considered the unique climate, geography, environment, land use and demography of the Tweed. Works identified and assessed 51 biosecurity risks and benefits to livestock, companion animals, wildlife, the environment and people within and adjoining the proposed corridor. During the evaluation, potential risk treatment options were identified and may be implemented as a basis for a rail trail biosecurity response or as mitigation strategies within a biosecurity plan.

### Protecting Lord Howe Island's natural landscapes

The Lord Howe Island Group is one of the North Coast regions' most iconic locations. The World Heritage-listed islands are renowned for their natural landscapes, coral reefs and diversity of endemic threatened species and vegetation communities. Introduced rodents and weeds threaten this biodiversity hotspot. In 2018-19 we partnered with the Australian Department of the Environment and Energy and the Lord Howe Island Board, delivering \$1.065 million to assist the Rodent Eradication Project as part of our Regional Landcare Partnerships program. Key components of the Lord Howe Island Weed Management Strategy 2016-25 target the eradication of ecosystem transformer weeds at island scale. Oceanic Cloud Forest and the Little Mountain Palm are just two of the hundreds of threatened species and communities that will benefit from these projects. Building the capacity of the community to understand the island's values and threats and to implement practices to reduce further invasions has also been a focus of the investment.

## North West

### Growing and protecting the North West

Our natural resource management team continues to support landholders and the broader community to protect and grow the natural assets of farms in the North West.

Focusing on improving soil health through farm planning has resulted in a number of learning opportunities for farmers who are looking to build their natural capital in a regenerative approach. On-ground works projects focused on water spreading and ponding activities for our western region.

Great results are being proven in over 20 landholder properties with water ponding which involves earthworks construction of drains to slow water flow across a paddock to improve infiltration. Land managers are already seeing an improvement in groundcover, species diversity and density resulting in increased production. Benefits include less wind and water erosion, increase in soil organic matter and moisture, which has led to better pasture germination and persistence.

The critically endangered regent honeyeater is the flagship bird for woodland bird decline across Australia. Several projects have been funded through the National Landcare Program to protect and enhance habitat and reduce aggressive competitor threats in the Barraba area.

Areas of Brigalow, a threatened ecological community have also been funded to assist biodiversity outcomes through grazing management and by control of weeds such as *Harrisia* cactus, tiger pear and mother of millions.

Our biosecurity team ran three successful shared responsibility programs this year. The epidemiology course for vets, which included private, industry and government vets, provided advanced skills in disease dynamics. A seminar for private vets covered topics including animal welfare, zoonotic diseases and emergency animal diseases and a scenario workshop on a proposed livestock standstill, which involved a number of industry groups and emergency management services. The groups discussed a number of issues that would arise in this scenario and workshopped possible solutions.

## Northern Tablelands

### Minimising biosecurity risks

The Northern Tablelands Regional Strategic Pest Animal Management Plan identifies wild deer as a priority pest species because of their significant impact on productivity and the environment.

Six introduced deer species have established populations in NSW with expanding ranges. Four of these species - rusa, chital, red and fallow deer - are known to be present in the Northern Tablelands.

A 13,500 ha trial site involving 35 landholders was established for wild deer monitoring and control, including a project to construct a large paddock scale deer trap.

The monitoring component of the project engaged a contractor to GPS collar 12 wild deer to monitor home range, interactions with other livestock and pests, preferred habitat, and landholder engagement. A long-term camera trap was also set up to monitor the abundance of wild deer.

An aerial survey of wild deer was undertaken in the same 13,500 ha trial site which showed wild deer numbers in the survey area were considered very high, with an estimated 40.9 deer per square kilometre.

The Animal Biosecurity and Welfare team have maintained fundamental farm biosecurity throughout the considerable and ongoing drought response. As livestock are transported to local saleyards, feedlots and across the nation on agistment, our message about maintaining good farm biosecurity practices to ensure market access has been consistent. The saleyard surveillance program to ensure compliance with livestock traceability and animal welfare monitoring is carried out in partnership with livestock selling agents and saleyards managers.

Throughout 2018-19, processes and systems have been developed to help livestock producers and processors minimise the risk to market access as a result of adverse animal welfare. The biosecurity team has continued to deliver routine on-farm advice about vaccination, disease monitoring and matching nutritional requirements to specific livestock classes to maintain animal health and safeguard market access.

## Riverina

### Best practice pest animal control to combat feral pigs

Two aerial shoots were carried out in the Western Riverina Pig Project area in December 2018 and June 2019. Over 7,200 pests were eradicated, including more than 5,000 feral pigs.

The extensive knockdown in December resulted in up to 70 per cent of the feral pig population being culled, and was complemented by other control measures such as ground baiting and trapping by Local Land Services, along with local landholders and community groups.

Aerial surveillance has underpinned this project over a number of years. Having data on pest animal populations has allowed high priority areas to be pinpointed. Before this year, densities were as high as 170 pigs per square kilometre. This data was used to target dense areas during a drought period. The Western Riverina Pig Project area covered 750,000 ha across the Riverina, Murray and Western Local Land Services regions. This program was coordinated by Local Land Services and involved the NSW National Parks and Wildlife Service, local community groups and landholders.

A similar aerial program was conducted in the Rankins Springs and Lake Brewster regions in June 2019, which culled 699 pests (including 569 feral pigs). Pigs were the main focus due to their impact on agricultural production and the environment, and this shoot was fully subsidised for landholders to assist them with pest control during the drought conditions. Traps and baits were also supplied free of charge to assist with ongoing control. The program was an inter-agency approach, with National Parks and Wildlife Service, State Forest and private landholders involved.

Aerial programs are just one control method we have used to assist our customers with pest management, particularly in the dry conditions of the past two seasons.



## South East

### Working together to protect the South East against pests and weeds

Our services and partnerships play a vital role in helping to protect against pests, diseases and environmental threats in the South East. Our biosecurity teams and district vets regularly carry out emergency animal disease inspections on properties and attend local saleyards to carry out inspections of stock, carry out traceability audits and talk with producers and agents about the importance of maintaining the 'clean and green' reputation of primary industries in NSW.

The local teams have been undertaking a review of the 13 existing wild dog management plans in operation across the South East. This has involved close consultation and collaboration with affected communities and, for the first time, engagement with local Aboriginal communities to acknowledge the cultural significance of the dingo. The review process has provided a great opportunity to engage new members, introduce some new technologies and assess what is and isn't working. It is a part of our ongoing commitment to help communities manage the impact of wild dogs.

The Far South Coast team completed a year-long research and monitoring program investigating the prevalence and impact of deer on local communities. Deer are an issue across the South East. Local biosecurity teams are working with communities, industry and other local and state government bodies to facilitate and develop management plans tailored to local areas.

Our Invasive Species Coordinator has been working closely with the South East Pest Committee and local governments to implement the Regional Strategic Pest Animal Management Plan, and administer the Weeds Action Program funding provided by the NSW Government to help prevent weeds spreading into new areas. Our agriculture team has also been working on projects to assess flupropanate resistance in serrated tussock and in the detection and management of orange hawkweed on the Monaro. Both these weeds pose a serious threat to productive landscapes.

## Western

### Managing priority weeds with biological control

Western Local Land Services has boxing glove cactus (*Cylindropuntia fulgida* var. *mamillata*) in its sights following the positive findings from a site where a new biotype of cochineal insect (*Dactylopius tomentosus*, *cholla biotype*) was released to control it.

The findings, which are three years in the making with the cochineal biotype being released at a site near Tibbooburra in October 2016, are very pleasing for staff and landholders throughout the Western region.

The use of a biological control at this site has achieved a substantial reduction in the cactus population with all plants within the core infestation area exhibiting a very high level of infestation, most being completely dead or in a significantly weakened state.

The cochineal had also spread up to 400 m from the release site onto more sparsely distributed cactus plants, and had proven to be beneficial as a control agent as it infects the really small plants that are just getting established, meaning they don't get the chance to grow and mature. This control work has all been carried out with minimal investment by landholders.

Following the success of this site, it will now be used as a source population to further spread cochineal to other boxing glove cactus infestations around the region. The identification and release of the new cochineal biotype is the result of many years of research by the NSW Department of Primary Industries and the Qld Department of Agriculture and Fisheries.

The release is part of a broader national collaboration project led by Meat and Livestock Australia and supported by funding from the Australian Government Department of Agriculture and Water Resources, as part of its Rural Research and Development for Profit program to implement biological control of six high-priority weeds.

## Soil Conservation Service

### Clifford's Creek fire trails

The Rural Fire Service engaged Soil Conservation Service to upgrade the Clifford's Creek fire trail to improve safety and traffic accessibility. An extensive reworking of the existing one way trail included drainage, road capping, grading and additions of rollover drains to mitigate the drainage issue on 800 m of high gradient slopes. Graveling of sections of the trail where the remaining track surface is boggy and slippery will reduce erosion.

The upgrade has delivered a strategic trail that provides safe and improved access from Blowering area up to Warragong fire trail for fire suppression and management operations.

### Kamay Botany Bay National Park emergency seawall

Soil Conservation Service was engaged by National Parks and Wildlife Service to address severe erosion along a 180 m stretch of beach. The site was highly confined by several Aboriginal and European heritage locations, the bay and a walk/cycleway. There were also 10 large Norfolk Island Pines along the erosion scarp, most of which were over 65 years old and needed to be protected for cultural and local significance.

A temporary seawall needed to be installed using geotextile sandbags. The wall was to be laid using the bedrock as the foundation and built to the profile of the rock as well as an even curvature of the bay. Tidal constraints and the wake from container ships also added to construction challenges.

The works required a large labour force for constructing and shifting the bags. A compound 200 m from the site was needed for filling the bags as the Norfolk Island pines and Monument Track restricted machinery movements close to the wall. All site constraints were addressed and managed with no impact on the environment, trees, or heritage locations. The seawall was built within the set timeframe to the satisfaction of the client.

## Sustainable Land Management

### Expert native vegetation advice helping protect rare species

The Sustainable Land Management team is committed to remaining current in knowledge of rare and threatened species. Our officers undertook expert training on Matters of National Environmental Significance under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*, coupled with workshops on local endangered ecological communities and plant identification. This training helps us during the many hundreds of property visits we make each year. In some cases, officers identify high-value types of native vegetation.

Summerland House Farm is a disability service enterprise on the North Coast that includes a working farm. During planning for expanded avocado production, a sustainable land management officer alerted farm management to the presence of an endangered rosewood mistletoe species on several paddock trees that were planned to be removed for the development. We helped find a win-win solution under the Land Management Code that allowed the expanded orchard to go ahead in a slightly amended form, creating 14 new jobs for people with disabilities while protecting the rare species.

### Private Native Forestry boosting landholders' resilience through drought

Private Native Forestry is the sustainable management of native forests on private property for timber production. Pine Ridge is a grazing property in Central NSW, north-east of Dubbo where the ongoing drought has significantly affected productivity. Owner, Norm Arkell and his family worked with us to receive approval for a Private Native Forestry Plan. This provided an additional income stream which was used to buy feed for stock. In partnership with a Pilliga-based timber harvesting company, best practice forest management is being conducted on Pine Ridge, including avoiding overharvesting and retaining timber for future harvests as well as important habitat trees.



# Our funding partners and review of operations

Our activities are funded from a number of sources including:

- NSW Government
- Australian Government
- ratepayers
- industry partnerships.

NSW Government provides funding to Local Land Services through a cluster operating grant, which helps to fund core functions, including the Catchment Action NSW program and election commitments.

Catchment Action NSW funding was \$11.3 million in 2018-19 and enabled regionally-delivered projects to address state natural resource management priorities, including support for biodiversity, native vegetation, threatened species and Aboriginal cultural heritage outcomes.

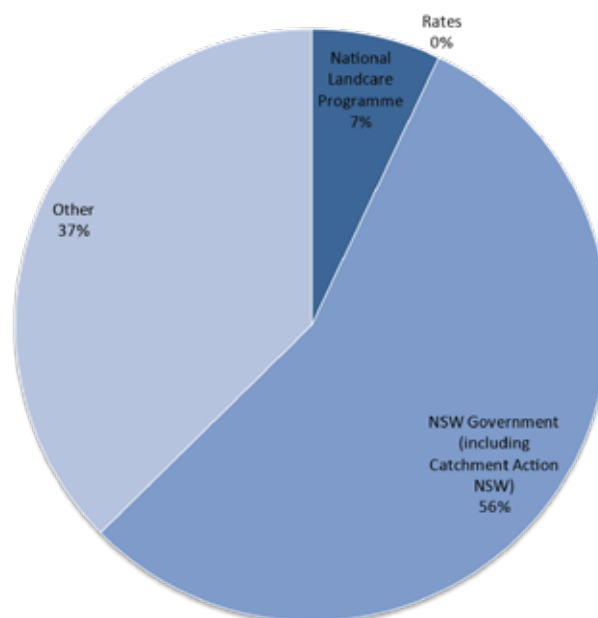
Catchment Action NSW links and complements other NSW Government investments including the Local Land Services Sustainable Land Management unit, Biodiversity Conservation Trust, Saving Our Species, Landcare Coordinator Initiative and the Weeds Action Program.

The Australian Government is another important funding partner, primarily through the National Landcare Program.

The program helps drive sustainable agriculture, as well as supporting the protection, conservation and rehabilitation of Australia's natural environment. In 2018-19 the National Landcare Program provided \$17.8 million in funding to Local Land Services.

In a normal year, ratepayers contribute significantly to funding our biosecurity, livestock health and welfare services. Market access and healthy and productive industries rely on these services. In 2018-19, as part of the NSW Government drought relief measures, Local Land Services rates were waived. To enable Local Land Services to continue to deliver biosecurity and emergency management services, the NSW Government provided \$47.7 million in additional funding to compensate for the loss of rates normally contributed by ratepayers.

Private industry partnerships and investments also supplement our work. The following chart outlines our revenue by source.



*Local Land Services funding structure 2018-19. 'Other' includes competitive grants from bodies outside the key programs (i.e. National Landcare Program and Catchment Action NSW), smaller commercial transactions and miscellaneous revenue from a range of minor activities.*

*As part of the NSW Government's drought relief measures, Local Land Services rates were waived for 2018-19. Funding to compensate for the loss of rates revenue was provided to Local Land Services via the operating grant, and is included in the NSW Government component.*

## Economic or other factors affecting the achievement of operational objectives

The nature of our funding base provides relative protection from the impact of general economic factors that affect the broader economy. Local Land Services' operational activities are, however, afforded a higher exposure to impacts from climate-related events including floods, bushfires and drought.

We actively manage these risks via clear governance arrangements with our investors, the NSW Government, our State Board and Senior Executive Team. This includes supporting our staff via mental health and resilience training, rotating staff around the state where resources are needed most and adaptively managing on-ground delivery to offset environmental risks.



# Achieving positive results

## Measuring our performance against the State Strategic Plan

### Meeting key challenges

Throughout the 2018-19 financial year, Local Land Services focused on its vision of “Resilient communities in productive healthy landscapes.” Key challenges throughout the year included:

- supporting land managers affected by the worsening drought conditions
- delivering a financially sustainable business model in the face of growing community expectations and changes to long-term grant programs.

In addressing these challenges, Local Land Services continued to make significant inroads against delivery of our four statewide goals and 12 overarching strategies.



# Goal 1 - Resilient, self reliant and prepared local communities

## Our focus strategies for 2018-19

1. Provide data, information and knowledge that supports and enables land managers, customers and government to improve decision making.
2. Provide products and services that support and enable customers, land managers and the community to prevent, prepare, respond and recover from biosecurity and natural disaster events.
3. Ensure local people participate in decision making.

## Short-term outcomes for 2018-19

### Supporting landholders through the sharing of data, information and knowledge

Local Land Services continues to act as an independent knowledge broker, supporting land managers through the provision of information designed to add value and support decision making across the core service areas of biosecurity, agricultural production, natural resource management, travelling stock reserves and emergency management. Examples of publications produced in 2018-19 include:

- Local Land Services managing and preparing for drought handbook
- Local Land Services drought plan template

These, and more resources, can be found at [www.lls.nsw.gov.au](http://www.lls.nsw.gov.au)

### Supporting landholders prevent, prepare, respond and recover from biosecurity and natural disaster events

To enable a full and appropriate response to emergencies, Local Land Services seeks to have 90 per cent of staff with foundational emergency management qualifications and a minimum of 25 per cent of staff in attendance at training exercises each calendar year.

In 2018-19, there were 20 regional, statewide and interstate training exercises undertaken, with learnings shared between agencies and Local Emergency Management Committees, including:

1. Operation Stockcrate (July 2018)
2. Exercise Starship (August 2018)
3. Cowra Saleyard Exercise (September 2018)
4. Exercise Orange Juice (October 2018)
5. Multi-agency Evacuation Centre Exercise – Singleton (October 2018)
6. Multi-agency Evacuation Centre Exercise – Maclean (October 2018)
7. Livestock Standstill Exercise – Hunter (November 2018)
8. North Coast IMT Functions Exercise (November 2019)
9. Moree Emergency Management Exercise – Moree (December 2018)
10. Exercise Crown and Anchor (March 2019)
11. Exercise Inferno - Condobolin (March 2019)
12. Multi-agency Evacuation Exercise - Doyalson (March 2019)
13. Multi-agency evacuation exercise - Lakemba (April 2019)
14. Multi-agency evacuation exercise - The Shire (May 2019)
15. Multi-agency evacuation exercise - Kyogle (May 2019)
16. Exercise Inferno 2.0 - Gilgandra (May 2019)
17. Operation Borderline (May 2019)
18. Exercise Ramsar Shield (May 2019)
19. Livestock Standstill Exercise – North West (June 2019)
20. Exercise Deerubbin (June 2019).

## **Ensure local people participate in decision making**

During 2018-19, there were 18 board appointments across nine regions. To support these appointments, a board member induction program was undertaken. This induction program was a two-day intensive training and information sharing workshop, allowing new members to understand the business and foster relationships between board members, local boards, staff and stakeholders.

Each local board continues to support community advisory groups and seeks input from these groups to inform decision making and ascertain levels of acceptable risk.

The Finance, Risk and Audit Committee developed an induction program to support new members to the board committee.



## Goal 2 - Biosecure, profitable, productive and sustainable primary industries

### Our focus strategies for 2018-19

1. Provide products and advisory services that support and enable customers to implement improved practices.
2. Collaborate with investors, stakeholders and external organisations to deliver improved products and services to customers.
3. Deliver consent and compliance services that educate and protect communities, landscapes and industries.

### Short-term outcomes for 2018-19

#### Products and advisory services

##### Landholder training and awareness raising

Local Land Services seeks to support landholders increase their capacity to improve primary production and natural resource management. Statewide, over 33,000 landholders were supported in 2018-19 through a diverse range of training and awareness raising events.

##### Supporting decision makers through drought

Local Land Services continued to work with landholders as they managed the affects of ongoing drought conditions across much of the state.

From July 2018 through to June 2019 approximately 3,704 visits and 20,783 phone calls were made to landholders across NSW to assist with drought management.

In addition, approximately 13,945 landholders attended Local Land Services workshops, information sessions and informal events to obtain advice on drought management options including animal nutrition and feeding, groundcover and pasture management and livestock health.

#### Regional Strategic Pest Animal Management Plans

Each of the 11 Local Land Services regions published a Regional Strategic Pest Animal Management Plan in July 2018.

These plans are a vital community tool that provide a strategic regional approach to improving the coordination and delivery of on ground, nil tenure pest animal management activities for terrestrial vertebrate and freshwater aquatic pest species in NSW.

The Regional Strategic Pest Animal Management Plans are an excellent example of how local communities can work together to protect the environment, community and economy from the negative impacts of pest animals and to support positive outcomes for our landscapes and ensuring we maintain a biosecure environment.

Each plan is overseen by Regional Pest Animal Committees. These committees represent major land uses with relevant economic, environment and community representatives for each region. These committees deliver a collaborative approach to setting regional priorities and are integral to the ongoing effective delivery of pest animal management outcomes in the region.

#### Collaboration with stakeholders and investors

Local Land Services seeks to align investor preferences to our business goals and the aspirations of our customers.

In 2018-19 more than \$11 million was invested in over 200 land managers and community groups to enhance and protect the environment. This funding supported management of over 238,000 ha for sustainable grazing and a further 60,000 ha for positive conservation outcomes, including fencing, revegetation and weed management.



## Excellence in consent and compliance services

### Maintaining market access

Biosecurity means protecting the economy, environment and community from the negative impacts of pests, diseases and weeds. Biosecurity is essential to ensuring the safety, wellbeing and prosperity of all people. Local Land Services works proactively with land managers to uphold biosecurity and to maintain market access through effective disease investigations and stock traceability.

In 2018-19, over 5,700 diagnostic events or disease investigations were undertaken across NSW. In addition to these nearly 11,000 other general biosecurity consultations occurred.

All livestock owners/managers and occupiers of land that carries cattle, sheep, goats, pigs, bison, buffalo, deer, camelids, equines (ie horses and donkeys) and poultry must have a PIC, regardless of whether the livestock are moved or not. PICs are fundamental to the operation of the National Livestock Identification System. PICs provide traceability to specific properties, which is important in the event of disease control or residue problems. In 2018-19 there were 2,520 new PICs issued by Local Land Services.

### Vertebrate pest management

Local Land Services continues to support landholders to protect against pests threatening agricultural production and biodiversity values. Support includes training, group coordination, bait supply and on-ground control activities.

Local Land Services coordinates vertebrate pest induction training to provide landholders with important information about the use of poisons (including Pindone and 1080) and alternative pest animal control methods including the RHDV-K5 virus for rabbits. Once accredited, landholders can then access restricted pesticides and undertake control activities on their own land, and in collaboration with neighbours, to meet their individual management needs.

In 2018, Local Land Services worked in partnership with private landholders to control vertebrate pests including wild dogs, foxes, pigs and rabbits, over 26,000 ha of NSW.

In Autumn 2019, more than 214,000 wild dog baits were distributed over 8,130 km via aerial baiting. This was complemented by a further 582 hours of specialist pest control undertaken via the Feral Animal Aerial Shooting Team.



## Goal 3 - Healthy, diverse and connected natural environments

### Our focus strategies for 2018-19

1. Collaborate with investors, stakeholders and external organisations to deliver improved products and services to customers.
2. Deliver services that support Aboriginal people to care for Country and share traditional land management knowledge.
3. Manage Crown land vested in Local Land Services for environmental, social and economic outcomes.

### Short-term outcomes for 2018-19

#### Collaboration with stakeholders and investors

In 2018-19, Local Land Services collaborated with stakeholders and investors to continue to deliver the Local Land Services State Strategic Plan. Across NSW the collaboration has ensured that we continue to support communities and industries to maintain and build profitable primary industries and continue to enhance the natural resources of the state.

Collaboration occurred across all core functions of Local Land Services.

#### Supporting Aboriginal people to care for Country

##### Caring for Country

Focus is currently on the development of ongoing staff education and awareness of the Reconciliation Action Plan. In addition, work is underway engaging with regional Aboriginal staff to identify programs and services delivered by regions to help build a statewide picture of Local Land Services activities within this space.

The Aboriginal Estate in NSW is set to increase over the coming years with ongoing land agreement discussions in 2018-19. Therefore as an organisation, Local Land Services needs to ensure that we are working with Aboriginal landowners and managers to create awareness and education about the

*NSW Biosecurity Act 2015*, with biosecurity being a shared responsibility between government, industry and the community. Local Land Services has continued to engage with all stakeholders within the Aboriginal community to ensure implementation of various projects across the state. This is particularly the case when dealing with the implementation of Regional Strategic Pest Animal Management Plans and the TSR Plan of Management, once finalised.

Negotiations were held for the Yaegl, Bandjalang, Barkandji and Ngemba, Ngiyampaa, Wangaapuan Wayilwan Indigenous Land Use Agreements (ILUA). Barkandji ILUA will not be finalised until 2020 but initial forecast indicates that there is a contingency of \$1.9 million to support agencies with programs and projects.

#### Managing Crown Lands

Local Land Services is responsible for the management of TSRs in NSW. Our objective is to manage these lands consistent with best practice through activities such as preparing plans of management, weed and pest control and biodiversity conservation.

TSRs are parcels of Crown land reserved for use by travelling stock. Local Land Services is responsible for approximately 533,911 ha of TSRs in NSW. Our mission is to connect with our community to maintain or improve TSRs for future generations.

In November 2018, the NSW Government published the findings of the review of TSRs, which outlined its commitment to ensuring the NSW TSR network is managed effectively for the benefit of the NSW community. The TSR review gathered valuable advice and local knowledge from a range of stakeholders and local communities about which TSRs are being used for the use of travelling stock and how they are valued at a local and regional level.

Local Land Services has prepared a draft Statewide Plan of Management for TSRs to deliver multiple uses and values and to ensure that TSRs are consistently classified and managed, regardless of where they are in the State.

Local Land Services has reviewed the submissions made during the public exhibition and the amended plan of management will be finalised by the end of 2019.

## Goal 4 - Board members and staff who are collaborative, innovative and commercially focused

### Our focus strategies for 2018-19

1. Develop engaged and accountable people with a strong customer and stakeholder focus.
  2. Foster a values-based culture which emphasises collaboration, innovation and continual improvement.
  3. Ensure a safe, efficient, effective and sustainable organisation.
- increased use of video conferencing
  - PMES workshops and action planning across all business units.

Local Land Services continues to encourage flexible working arrangements and employee satisfaction in regard to this via supporting flexible work practices, advertising all Local Land Services positions as statewide positions and modeling the use of technology to support agile working practices.

During the year, Local Land Services introduced two new pathways to support organisational decision making and collaboration and get the best results for Local Land Services and our staff. They were:

- Statewide Advisory Groups (SWAGs) and
- professional networks.

### Short-term outcomes for 2018-19

#### Engaged and accountable staff

##### Staff engagement

Local Land Services staff engagement increased in the 2018-19 period compared to the previous financial year. Many staff participated in the June 2019 survey with a four per cent increase in engagement to 72 per cent. This result shows that the 2021 target has already been met.

The Local Land Services Employee Engagement Action Plan 2018-19 focused on increasing capabilities and productivity. All key topic areas in the People Matters Employee Survey showed an improvement over the 2017-18 results.

Key results included within the 12-month period included:

- actions to develop the ability of Local Land Services staff to lead and manage increased by 6% to 65%
- communication satisfaction values increased by 5% to 76%
- flexible working satisfaction values increased by 4% to 87%
- public sector values increased by 5% to 76%.

In view of Local Land Services improvement in communication satisfaction outlined in the People Matter Employee Survey (PMES), examples of practical implementation of programs included:

- introduction of Workplace by Facebook
- regular all staff CEO updates

##### A safe organisation

Local Land Services Lost Time Injury Frequency Rate (LTIFR) decreased in 2018-19 compared to 2017-18. There were 25 reportable LTIFR incidents this financial year as compared to 51 incidents last year. Days lost are 10 per cent of the total number last year, reflecting stronger case management and support for injured staff.

There were 421 Work Health and Safety (WHS) risk incidents reported for the year, of which 80 per cent were reported in 24 hours and 98 per cent investigated within 72 hours.

On a rolling 12-month basis the top three incident categories were vehicular incidents, environmental factors and hazardous manual tasks.

WHS continues to be a priority for the Local Land Services Senior Executive Team with the objective of maintaining positive results for the duration of 2019.

# Our business

## Local Land Services was formed in 2014 to deliver integrated services to landholders of NSW

### Our charter

Across NSW, 11 regions, 80 board members and more than 1,000 staff work together to deliver the priorities of our investors - the NSW and Australian governments.

NSW rural ratepayers also contribute significantly to funding our biosecurity, livestock health and welfare services.

The organisation operates under the *Local Land Services Act 2013*.

### Our aims and objectives

Local Land Services works with land managers and the community to improve primary production within healthy landscapes.

We also help rural and regional communities to be profitable and sustainable into the future.

We connect individuals with networks, information, support and funding to improve agricultural productivity and better manage our natural resources.

Local Land Services is one statewide organisation offering integrated services, delivered regionally and tailored for each community, industry and landscape.

Our organisation is governed by the Local Land Services Board, with an independent chair and 11 chairs of regional boards.

The Local Land Services Board is accountable to the Minister for Agriculture and Western NSW and is responsible for the oversight of Local Land Services' strategy and governance.

This includes ensuring Local Land Services is aligned with NSW Government priorities. Local regions provide our front-line services.

We are uniquely placed to provide on-ground and face-to-face assistance to NSW land managers to help protect their land, business and way of life.

Each region has a local board that is responsible for communicating and engaging with their local communities.

They provide oversight of the following, in line with local and state priorities:

- corporate governance
- regionally appropriate programs
- local strategic plans
- budgets.

Regions vary in geographic and organisational size and approach their local priorities in different ways, which is why it is so important to be locally focused.

Local Community Advisory Groups provide input into the development of plans, projects and services, and are an integral link between Local Land Services and the community we serve.

### Our customers, stakeholders and investors

**Our customers:** any land manager within the state, irrespective of whether they are private or public land managers, ratepayers or non-ratepayers.

**Our stakeholders:** those organisations that collaborate and partner with Local Land Services directly to support customer service delivery.

**Investors:** those organisations and individuals who invest in Local Land Services and leverage outcomes from this investment.

#### Our vision

Resilient communities in productive, healthy landscapes.

#### Our mission

To be a customer-focused business that enables improved primary production and better management of natural resources.



# Our values and behaviours

Following are our seven values and how we demonstrate these.

## Accountability

- We accept that we are accountable for our actions and their consequences.
- In the workplace we are accountable for those we lead.
- We empower our people and then support them.

## Collaboration

- We listen to the different points of view and create productive linkages.
- We constructively challenge established routines and processes.
- We bring people along with us and avoid surprises.

## Innovation

- We actively seek out opportunities even outside the envelope.
- We always look for continuous improvement and to remove waste, duplication and repetition.
- We find better solutions and identify unsatisfied needs.

## Integrity

- We treat others in the manner we would wish to be treated.
- We communicate openly, honestly and timely.
- We do what we say we will do.

## Performance

- We listen closely and provide constructive feedback.
- We overtly recognise a job well done, and capture learnings from all outcomes.
- We anticipate the needs of our customers.

## Service

- We respond positively to new ideas and different views.
- We are helpful and try to delight the customer.
- We recognise that proper process is important and so is effective and timely outcome.

## Trust

- We initiate the sharing of knowledge, ideas and plans.
- We are honest and forthcoming at all times.
- We are consistent.
- We deliver on the promise.



# Our strategic direction

## Local Land Services Strategic Plan and the 11 Local Strategic Plans set the vision and goal for the organisation

Both the 10-year Local Land Services State Strategic Plan and five-year Local Strategic Plans share a set of common goals and high level strategies that outline the way in which our core services are delivered.

To support delivery of the long-term strategic plans, the Local Land Services Board continued to monitor the business against the approved Strategy and Performance Framework. This framework included four short-term business strategies, overseen by a Board Committee, that provide further detail on priority statewide initiatives for the period 2018-21. These business strategies focus on:

- customer service
- service delivery
- people and culture
- business improvement.

Each strategy is clearly aligned to the four overarching goals of the state and local strategic plans and includes:

- a description as to how Local Land Services will set about achieving its goals
- short-term measures of success
- one or more key performance indicators.

## Key Performance Indicators

The Local Land Services Board approved a set of 11 statewide key performance indicators, aligned to each of the four business strategies. These include:

- increase annual customer satisfaction score to 85% by 2021
- increase staff engagement to 70% by 2021
- state priorities delivered on time and on budget.

## Measuring our performance

Key performance Indicators are now monitored and reported monthly to the Local Land Services Board and reviewed quarterly by the Secretary, NSW Department of Industry.

At the end of 2018-19:



Staff engagement had increased by 6% to 68%, the highest in the Department of Industry cluster.



All four state priorities, including biosecurity reforms, biodiversity reforms and the Local Landcare Coordinators Initiative had been delivered on time and on budget.

## Our goals and strategies

The Local Land Services Strategy and Performance Framework, approved by the Local Land Services Board, April 2018.

GOAL 1: Resilient, self-reliant and prepared local communities.	GOAL 2: Biosecure, profitable, productive and sustainable primary industries.	GOAL 3: Healthy, diverse and connected natural environments.	GOAL 4: Board members and staff who are collaborative, innovative and commercially-focused.
<b>STRATEGY 1:</b> Provide data, information and knowledge that supports and enables land managers and customers to improve decision making.			<b>STRATEGY 10:</b> Develop engaged and accountable people with a strong customer and stakeholder focus.
<b>STRATEGY 2:</b> Provide products and advisory services that support and enable customers to implement improved practices.			
<b>STRATEGY 3:</b> Provide products and services that support and enable customers, land managers and the community to prevent, prepare, respond and recover from biosecurity and natural disaster events.			
<b>STRATEGY 4:</b> Collaborate with investors, stakeholders and external organisations to deliver improved products and services to customers.			
<b>STRATEGY 5:</b> Ensure local people participate in decision making.			
<b>STRATEGY 6:</b> Connect research and development with extension to address priority data, information and knowledge gaps and barriers to improved practice.			
<b>STRATEGY 7:</b> Deliver services that support Aboriginal people to care for Country and share traditional land management knowledge.			
<b>STRATEGY 8:</b> Deliver consent and compliance services that educate and protect communities and industries.			
<b>STRATEGY 9:</b> Manage Crown land vested in Local Land Services for environmental, social, and economic outcomes.			
<b>STRATEGY 11:</b> Foster a values-based culture which emphasises collaboration, innovation, and continual improvement.			
<b>STRATEGY 12:</b> Ensure a safe, efficient, effective and sustainable organisation.			

# Our services

**We provide integrated and coordinated services to achieve our three customer-focused goals**

## **1. Resilient, self-reliant and prepared local communities**

### **Agricultural production**

We assist our primary industries through advisory services and support to agriculture, including information on:

- farm management
- farm planning
- land capability
- cropping
- pastures
- mixed farming
- horticulture
- responding to changing seasonal conditions.

### **Emergency management**

In partnership with NSW Department of Primary Industries, we help manage livestock and disease emergencies.

These include drought, bushfires and floods, and biosecurity events involving plants, animals and pest insects.

We also work alongside other agencies to provide vital support in emergencies where agricultural industries are impacted, including natural disasters such as flood and bushfire.

We help to build landholders' capacity to plan, prepare, respond and recover from biosecurity emergencies and natural disasters.

### **Drought assistance and other natural disaster relief**

We help people prepare for dry times and the impacts of climate change, and play a key role in producing regional seasonal conditions reports.

## **Aboriginal communities**

We support Aboriginal people to care for Country, share traditional land management knowledge and help protect and strengthen Aboriginal cultural heritage.

## **2. Biosecure, profitable, productive and sustainable primary industries**

### **Biosecurity**

Biosecurity is the protection of the environment, economy and community from the impacts of pests and diseases.

We work with landholders, industry and the community to minimise biosecurity risks and their impacts on agricultural production, international market access or environmental health.

### **Livestock health**

We deliver frontline livestock health and disease surveillance services in NSW.

Our district vets and biosecurity officers deliver a range of national, state and local programs, all aimed at safeguarding market access and improving livestock productivity.

Our focus with livestock health is:

- emergency disease prevention
- preparedness and response
- advisory and diagnostic services
- disease surveillance and reporting
- residue investigation and management
- certification
- traceability systems such as the National Livestock Identification System (NLIS).

## **Stock movement and identification**

We administer permits for moving and grazing stock on public roads and TSRs.

We also administer a variety of stock identification systems including property identification codes, branding, earmarking and advice on NLIS.

## **Maintaining TSRs**

We manage approximately 500,000 ha within the TSR network throughout NSW.

These networks of Crown land provide invaluable fodder reserves and provide important landscape and ecological functions, as well as being popular recreational areas.

TSRs can be especially beneficial in times of drought, bushfire or flood.

## **Protecting our agricultural industry**

Our district vets and biosecurity officers are empowered as stock inspectors in NSW.

Their role includes visiting saleyards to ensure compliance with the NLIS and educating producers about the importance of tracing livestock.

Good surveillance detects problems early and ensures the quality and safety of NSW livestock and livestock products and access to domestic and international markets.

## **Pest animal and insect control**

Pest animals and insects cause serious economic losses to agricultural production, pose a risk of exotic disease, threaten the survival of many native species and cause environmental degradation.

We work with landholders to minimise the impact of pests on agricultural production and the environment.

We provide education, training and support and help coordinate group control programs, bringing landholders together to control wild dogs, rabbits, foxes, pigs, plague locusts and other pests.

## **3. Healthy, diverse and connected natural environments**

### **Natural resource management**

Healthy ecosystems underpin successful, productive primary producers and communities.

Through investment from the NSW and Australian governments, we support a healthy ecosystem across the landscapes of NSW.

We help landholders and communities improve the quality of our land, soil, vegetation and water, through:

- grants and funding for on-ground projects
- partnerships
- training and education.

### **Native vegetation**

Native vegetation benefits both on-farm production and environmental health.

Healthy native vegetation can increase land values and productivity while reducing operating costs.

We work with land managers to develop native vegetation clearing consents.

# Our people

## Human resources

We implement the personnel and industrial relations policies and practices of the NSW Department of Industry in this area, as part of cluster arrangements.

June 2019	
Number of full-time equivalent staff (FTE) employed in Local Land Services	952

Notes:

1. FTE calculated as at the last pay period in June 2019 using internal FTE reports.
2. All contingent and casual staff are excluded.
3. Rounding of staff numbers to the nearest whole number in this table may cause minor differences in totals.

## Historical figures

	June 2015	June 2016	June 2017	June 2018
Number of staff (FTE) employed in Local Land Services	682	718	714	893

Notes:

1. Shifts in the FTE for the period 2017-18 occurred due to functions related to Soil Conservation Service being absorbed into Local Land Services.



## Number and remuneration of senior executives

Band	2018		2019	
	FEMALE	MALE	FEMALE	MALE
<b>Band 4</b>	0	0	0	0
<b>Band 3</b>	0	1	0	1
<b>Band 2</b>	0	0	1	0
<b>Band 1</b>	10	14	7	12
<b>TOTAL</b>	<b>10</b>	<b>15</b>	<b>8</b>	<b>13</b>
	<b>25</b>		<b>21</b>	

Source: SAP ERP and MyHQ (headcounts).

Band	Range	Average Remuneration	
		2018	2019
<b>Band 4</b>	\$463,551 - \$535,550	N/A	N/A
<b>Band 3</b>	\$337,101 - \$475,150	\$367,522	\$379,250
<b>Band 2</b>	\$268,001 - \$337,100	N/A	\$269,243
<b>Band 1</b>	\$187,900 - \$268,000	\$219,530	\$222,023
<b>Statutory</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

Range Source: Report and determination under section 24O of the Statutory and Other Offices Remuneration Act 1975: Remuneration Package Ranges for the PSSEs. 29 August 2017.

# People, ethics and conduct policies

## People Ethics and Conduct Policy

During 2018-19 Local Land Services conducted a statewide leader lead ethics and conduct training package. The training was scenario based and covered all core areas relating to ethics and conduct.

## Agile Working Policy

This policy recognises the importance of flexible work arrangements and provides office-based employees with the opportunity to work away from their normal work location as a measure to assist in balancing the demands of work and personal life.

## Code of Conduct

This Code of Conduct outlines the principles for appropriate conduct and explains the standard of behaviour expected.

## Conflicts of Interests Policy

This policy outlines the process to identify and declare conflicts so that they can be managed openly and transparently.

## Departmental Liaison Officers Policy

This policy clarifies the role of Departmental Liaison Officers (DLOs) and the process for appointment of staff to DLO roles in the Ministerial Liaison Office.

## Employee Housing Policy

This policy outlines how employee housing can be managed efficiently, economically and in accordance with NSW Government policy.

## Risk Management Framework

The Local Land Services Board approved an update to Risk Management Framework in April 2018. This framework is intended to provide the expectations and structure in which the consistent application of Enterprise Risk Management principles are to be applied.

## Fraud and Corruption Prevention Policy

This policy provides the guidelines in ensuring staff do not engage in fraud and corruption.

## Gifts and Benefits Policy

This policy provides the guidelines in ensuring staff are not influenced by gifts, benefits and bribery.

## Hospitality and Entertainment Policy

This policy provides the guidelines for staff regarding the provision of official hospitality and entertainment and the expenditure of public funds.

## Mobile Communication Device Policy

This policy outlines the requests for the purchase, use and management of mobile communication devices.

## Private Interest Disclosures Policy

This policy outlines the requirements for annual declarations to the Secretary regarding private financial, business, personal or other interests or relationships that have the potential to influence or could be perceived to influence decisions made or advance given.

## Private or Secondary Employment Policy

This policy outlines whether NSW Department of Industry staff may work outside the department.

## Public Interest Disclosures – Internal Reporting Policy

The purpose of this policy is to create a climate of trust where staff are comfortable and confident about reporting wrongdoing.

## **Service Related Complaints Handling Policy**

This policy is an important contribution to maintaining the NSW Department of Industry's integrity of service and reputation and ensuring the appropriate engagement and sharing of information with members of the community and our stakeholders.

## **Study Assistance Program Policy**

To align learning and development activities with the needs of NSW Department of Industry and its employees, this policy outlines the entitlements available and conditions of use under the Study Assistance Program.

## **Work Health and Safety Policy**

NSW Department of Industry is committed to providing a safe workplace for all workers. This policy sets out how the department will fulfil this commitment.

## Workforce diversity

NSW Department of Industry is committed to actively developing and maintaining an inclusive workforce which will help build trust, advocacy, awareness and education. The facilitation of diversity and inclusion initiatives at the Department of Industry will enable a more inclusive workplace culture where staff feel safe, respected and valued, which is free of discrimination and reflects the NSW community.

Workforce inclusion and diversity initiatives are designed to:

- build positive workplaces and provide support for all employees
- strengthen workforce planning capability to integrate workforce diversity strategies
- build a workforce which reflects the diversity of the wider community as identified in NSW Public Sector benchmarks and targets.

The *Government Sector Employment Act 2013* (GSE Act) preserves the focus on existing diversity groups, being:

- Aboriginal people
- women
- people from culturally and linguistically diverse backgrounds
- people with disability.

The GSE Act also provides flexibility to encompass a broader spectrum of diversity, including mature workers, young people and carers. A focus for the Department in 2018-20 will also be on flexible work practice. In 2019, the Department continued to implement the overarching Diversity and Inclusion Strategy that focuses on inclusive design initiatives that helps build a more inclusive workforce culture, leadership and infrastructure.

### Women's employment and development

The Department remains committed to actively providing opportunities for the employment and development of women. A key focus is supporting women to identify and achieve career goals and to encourage potential women leaders and managers to participate in leadership and management programs both within the department and in programs provided externally.

The Premier has set a target of 50 per cent representation level of women in senior executive roles across the NSW Government sector.

The Gender Equality Working Group worked on strategies and activities in the following areas:

- structured development and career progression
- addressing conscious and unconscious bias
- promoting flexible working arrangements.



## Trends in the representation of workforce diversity groups

Workforce Diversity Group	Benchmark	2017	2018	2019
Women	50%	52.9%	47.7%	50.5%
Aboriginal and/or Torres Strait Islander people	3.3%	1.2%	1.5%	2.7%
People whose first language spoken as a child was not English	23.2%	2.8%	2.2%	0.9%
People with disability	5.6%	0.4%	0.4%	0.4%
People with disability requiring work-related adjustment	N/A	0.3%	0.2%	0.0%

## Trends in the distribution of workforce diversity groups

Workforce Diversity Group	Benchmark	2017	2018	2019
Women	100	92	98	97
Aboriginal and/or Torres Strait Islander people	100	N/A	N/A	93
People whose first language spoken as a child was not English	100	111	113	N/A
People with a disability	100	N/A	N/A	N/A
People with a disability requiring work-related adjustment	100	N/A	N/A	N/A

Note 1: A distribution index score of 100 indicates that the distribution of members of the workforce diversity group across salary bands is equivalent to that of the rest of the workforce. A score less than 100 means that members of the workforce diversity group tend to be more concentrated at lower salary bands than is the case for other staff. The more pronounced this tendency is, the lower the score will be. In some cases, the index may be more than 100, indicating that members of the workforce diversity group tend to be more concentrated at higher salary bands than is the case for other staff.

Note 2: The distribution index is not calculated when the number of employees in the workforce diversity group is less than 20 or when the number of other employees is less than 20.

## Multicultural policies and services program

We are governed by cluster arrangements that are committed to the community relations and principles of *Multiculturalism Act 2000* and the NSW Government's aims and objectives for multiculturalism, as set out in the Community Relations Commission's multicultural policies and services program. We implement the policies and practices of the NSW Department of Industry in this area, as part of cluster arrangements.

These policies and practices include:

- industrial relations
- equal employment opportunity
- disability plans
- ethnic affairs priorities statements
- work health and safety.

## Agreements with Multicultural NSW

We are governed by cluster arrangements and abide by the policies and practices of the NSW Department of Industry in relation to any arrangements or agreements with Multicultural NSW.

### Aboriginal employment

The Department continued to progress work that supports employment and retention of Aboriginal staff during 2018-19.

In 2018-19, the Department ran Aboriginal Cultural Awareness programs of the Department of Industry to improve overall Aboriginal cultural awareness and provide an opportunity to connect and build positive relationships with Aboriginal communities.

A key factor has been the Aboriginal Support Network which has continued to grow during this period. Network members have also participated in a number of sector-wide development and networking activities.

In 2018-19, a focus for the Department will be development of an Aboriginal Employment Plan including inclusive and culturally appropriate recruitment options. The Department will also be expanding an Aboriginal Cultural Capability Program.

### People from culturally and linguistically diverse (CALD) backgrounds.

The NSW Public Sector target that relates to people from CALD backgrounds is those whose first language was not English. The sector benchmark is 19 per cent representation. The Department's Multicultural Plan 2018-2019 identifies a range of strategies to improve CALD representation.

## Disability inclusion

Employment of people with a disability remains a priority strategy area for the department. The NSW Public Sector aimed to increase the employment of people with a disability requiring workplace adjustment to 1.5 per cent.

### National Disability Strategy

The Department continued its participation in the development of a whole-of-government National Disability Strategy to improve the lives of people with disability, promote participation and create a more inclusive society. It focuses on six policy areas, with strategies under each area which affect government departments and which have designated lead agencies.

The Department developed and implemented a Disability Inclusion Action Plan (DIAP) from the NSW Disability Inclusion Plan. The DIAP aligns to a four-year cycle to comply with the revised guidelines. The Department's DIAP will be refreshed for 2018-19 then reviewed in partnership with Family and Community Services and its review of disability inclusion across the sector. The DIAP is integrated into departmental business planning and strategic directions.

The Department has also had growth of social procurement contracts resulting in the inclusion of large numbers of people with disability in contract cleaning and maintenance roles across a range of Department of Industry sites.

The Department has an active Disability Employee Network that provides advice and contributes to the ongoing development and implementation of the Department's DIAP. In addition, the Department will be developing guidelines and resources for hiring managers, to ensure equitable access through recruitment.

## Work health and safety

Below is our WHS performance during the reporting year. This includes details of work-related injuries, illnesses and prosecutions under the *Work Health and Safety Act 2011*.

	2017-18	2018-19
Total incidents reported	350	421
Lost time injuries	7	7
Medical treatment only	44	18
Lost-time injury frequency rate	4.66	4.18
Open workers compensations claims	29	16

## Requirements arising from employment arrangements

The *Local Land Services Act 2013* does not allow Local Land Services to employ staff. Under the *Government Sector Employment Act 2013*, Local Land Services arranges personnel services through the Local Land Services Staff Agency.

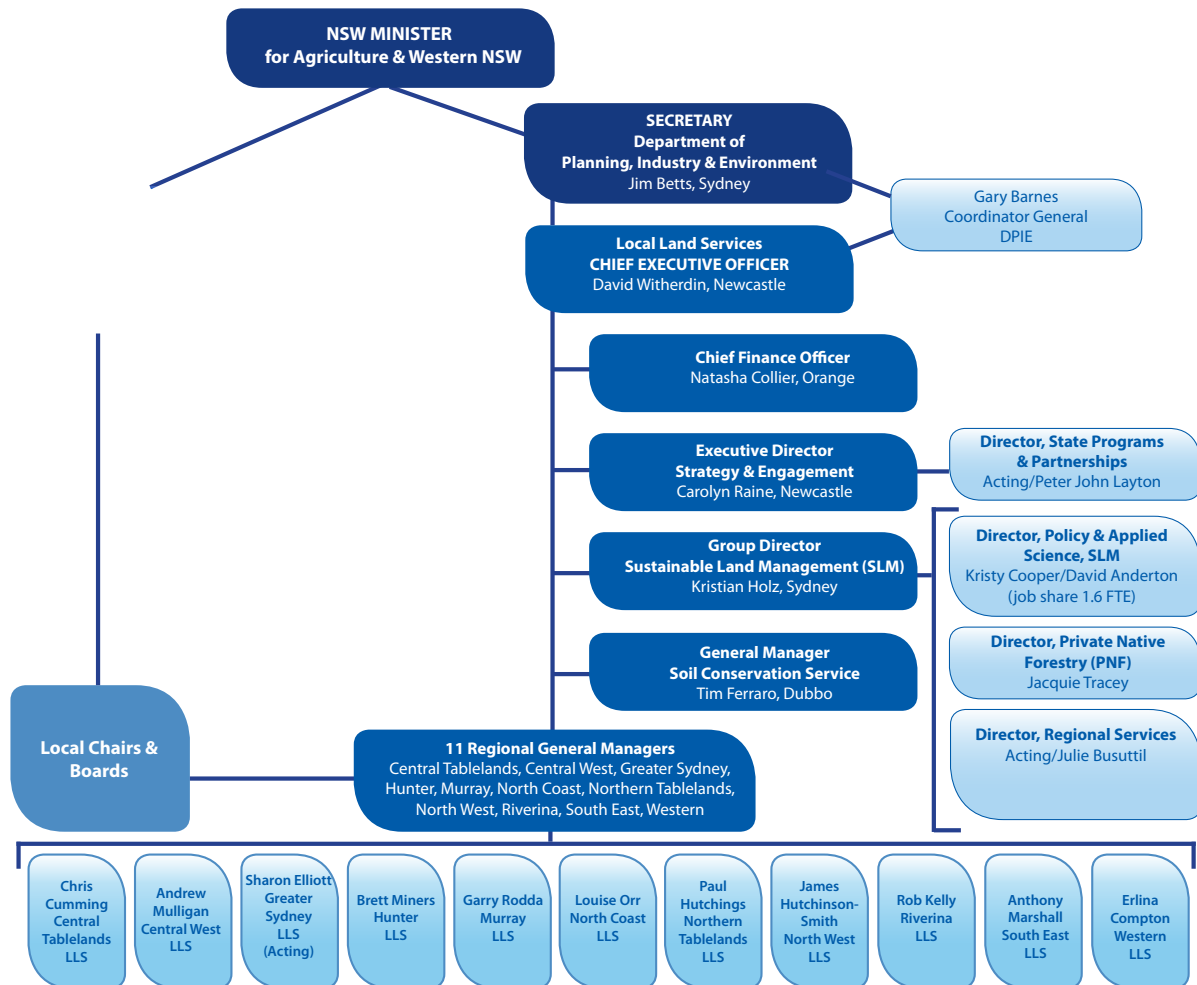
The Local Land Services Staff Agency is a controlled entity of Local Land Services and together the two entities form the economic entity reflected in these consolidated financial statements.

# Our governance

## Management and structure

The Local Land Services Board is accountable to the Minister for Agriculture and Western NSW. The board is led by the Chair of the Local Land Services Board, who is appointed by the Secretary of the Department of Planning, Industry and Environment and accountable to the Minister for Agriculture and Western NSW.

The Chief Executive Officer is the division head of Local Land Services and is responsible for oversight of the day-to-day management of the affairs of Local Land Services.



## Board members

We have a mix of board members: some appointed by the NSW Minister for Agriculture and Western NSW and others elected by landholders from the region they serve.

Board members are appointed or elected for up to three years and paid remuneration and allowances set by the Department of Premier and Cabinet.

### Appointed members

The Minister for Primary Industries, the Hon. Niall Blair appointed 17 local board members and two acting chairs across the 11 Local Land Services regions in the reporting period.

The next Local Land Services board member election will take place in early 2020 where ratepayers will have the opportunity to elect members for their regions.



## Our Board

The statewide Local Land Services Board comprises of 11 local board chairs and an independent chair.

The Local Land Services Board is responsible for the delivery of organisation-wide governance, strategy, priorities and policy and has an oversight role across the organisation.

Local Land Services board meetings were held:

- August 2018
- September 2018 (special purpose meeting)
- October 2018
- December 2018
- February 2019
- April 2019
- June 2019.

No meetings were held in November 2018, January, March or May 2019.

Name of board member	Number of meetings attended	Comment
Richard Bull	7	Appointed Chair March 2017
Ian Rogan	7	Appointed Central Tablelands Chair from March 2017
Susan Madden	6	Appointed Central West Chair from March 2017
Jenny Bradley	1	Attended for Susan Madden 20 and 21 February 2019
Lindy Hyam	7	Appointed Hunter Chair from March 2017
Barney Hyams	7	Appointed Riverina Chair from March 2017
David Wolfenden	5	Appointed Murray Chair from October 2017
Terry Corman	1	Attended for David Wolfenden 30 and 31 October 2018
Hans Hietbrink	7	Appointed Northern Tablelands Chair from March 2017
Conrad Bolton	7	Appointed North West Chair from March 2017
Robert Smith	7	Appointed North Coast Chair from March 2017
Ben Barlow	6	Appointed Western Chair from March 2017
Magnus Aitken	1	Attended for Ben Barlow 12 and 13 December 2018
Robert Webster	2	Appointed as Acting Chair Greater Sydney from February 2019
Terry Charlton	4	Resigned as Chair Greater Sydney on Feb 2019
Allison Harker	4	Appointed as Acting Chair South East from December 2018
David Mitchell	2	Resigned as Chair South East on December 2018

## Local Land Services board members

### State Chair, Richard Bull

Richard has an extensive background in farming and government and is a sheep producer from the Holbrook region, while also operating his own agricultural consultancy business.

He spent more than 16 years on the NSW Legislative Council and was acting Chair of the Murray Local Land Services Board.

Richard has an affinity with rural NSW, having lived on the land his entire life. He moved from Narrandera nearly 30 years ago to the Murray region near Holbrook where he is part of a successful farming partnership which operates a prime lamb seed stock business.

### Central Tablelands Chair, Ian Rogan

Ian is an advocate for rural NSW and the agricultural industry and is a highly-respected consultant with a strong understanding of agriculture.

He has a vision for the future to build confidence in ratepayers, investors and the community to deliver the best services possible.

### Central West Chair, Susan Madden

Susan is committed to rural and regional communities and is recognised as a leader in agriculture, regional development and natural resource management from her extensive experience providing professional services in support of these sectors.

She has developed a wide network across rural and regional Australia, working with community, industry and government representatives.

### Greater Sydney Chair, Robert Webster

Robert joined Korn/Ferry in 2001 as a Senior Client Partner following several years as Executive Director of the International Banks and Securities Association of Australia.

Prior to this, Robert spent over a decade in the NSW Parliament holding various Ministerial portfolios and was a member to the NSW Legislative Council. Robert joined the Greater Sydney Local Land Services Board in 2014 and was reappointed in 2017 and became Chair in 2019.

### Hunter Chair, Lindy Hyam

Lindy has more than 20 years of leadership experience at board and chief executive officer levels in the private and public sectors across regional and urban Australia and internationally.

Lindy was previously the CEO of Plant Health Australia and the Horticultural Research and Development Corporation and a Non-Executive Director of RIRDC. She is a current Non-Executive Director of Sugar Research Australia.

### Murray Chair, David Wolfenden

David is a farmer from Rand and a former committee member of Riverine Plains cropping group. He is the former Chair of the Wool Council of Australia and former southern panel member of the Grains Research Development Corporation.

### North Coast Chair, Robert Smith

Bob is an experienced manager and adviser in the sustainable management, protection and profitable use of natural resources to support livelihoods and wellbeing in communities.

He has held a number of senior roles in government agencies, working at national, state and local levels, and has applied his skills to improving the livelihood of communities in Indonesia, Papua New Guinea, Solomon Islands and Indigenous communities in Northern Australia.

### North West Chair, Conrad Bolton

Conrad has a high level of community involvement in the North West region and has an appreciation of the difficulties facing rural communities.

He brings a practical, social and environmental perspective from his experience on Narrabri Shire Council, which included the role of Mayor. He was Chair of the inaugural board of North West Local Land Services.

### **Northern Tablelands Chair, Hans Hietbrink**

Hans is a high-level strategic manager with the ability to facilitate, motivate and achieve results by harnessing the abilities of different stakeholders through collaborative input.

He has a solid background in corporate management as well as local government and a keen interest in natural resource management. He was a former chair of a regional Catchment Management Authority and was the inaugural Chair of the Northern Tablelands Local Land Services Board.

### **Riverina Chair, Barney Hyams**

Barney has more than 30 years of involvement with both agriculture and horticulture, from a jackaroo on the Liverpool Plains through to a managing director of a horticultural enterprise in the Riverina Highlands.

He was also an inaugural Ministerially-appointed member of the Riverina Local Land Services Board.

Barney has served as a Director of Summerfruit Australia and as a state representative for the Australian apple and pear industry.

### **South East Chair, Allison Harker**

South East Acting Chair, Allison Harker was appointed to the board with a vision of enhancing customer engagement and developing strong regional relationships that will assure the value of Local Land Services to their customers, clients and stakeholders.

She was ministerially appointed in 2017 for her diverse experience as an Asia Pacific Director in Finance, local government economic development and agriculture production. Allison is a passionate primary industries advocate committed to the sustainability of rural communities, biosecurity and natural resource management.

### **Western Chair, Ben Barlow**

Ben is an experienced farmer and grazier from Corowa, with a background in finance and agribusiness.

He is also an experienced board member of government and statutory entities serving as a specialist director for private and high-net-worth organisations. Ben was an inaugural member of the Western Local Land Services Board.

# Our structure and senior officers at 30 June 2019

## Local Land Services Staff Agency

### Strategy and Engagement

Chief Executive Officer

Our Chief Executive Officer provides direction to all Local Land Services executives on statewide initiatives and programs, ensuring that we have consistency in our approach, as appropriate, across the state.

#### Chief Executive Officer - David Witherdin

*B. Eng (Civil). Location - Newcastle.*

### Major Programs Unit

This team leads strategic projects and operations which contribute to the Local Land Services State Strategic Plan and broader Department of Industry and NSW Government objectives.

Areas of high priority include biosecurity management reform, emergency management, Aboriginal programs, public land management, agricultural advisory services and the NSW Landcare Coordinators Initiative.

#### A/Director - Peter John-Layton

*B. Sci., M. Arts (Comm). Location - Sydney.*

### Sustainable Land Management Unit

The Sustainable Land Management unit is responsible for implementing the biodiversity reforms, which came into effect in August 2017.

The *Biodiversity Conservation Act 2016* and amended *Local Land Services Act 2013* take advantage of the best available science and data and deliver a modern approach to land management and biodiversity conservation in NSW.

The changes will enable continued protection of the natural environment and ongoing support for a sustainable and productive agricultural sector.

#### Director - Kristian Holz

*B. App. Sci. (Biology) LLB, Grad. Dip (LegalPrac) Group Director, Sustainable Land Management. Location - Sydney.*

#### Director - Nick Savage

*LLB, LLM, accredited Mediator. Location - Parramatta.*

#### Director - Kirsty Cooper

#### Director - David Anderton

*B. Rur. Sci. (Hons), M.Nat.Res, Grad. Dip Public Administration. Director, Policy and Science, Sustainable Land Management. Location - Sydney.*

#### Director - Jaquie Tracey

### Finance and Information Communications Technology unit

The finance team provides strategic and operational financial management advice, analysis and services to ensure Local Land Services achieves its organisational goals while complying with relevant standards, NSW Government financial management and accounting policies, and statutory and NSW Treasury Department reporting requirements.

The ICT Program team enables business transformation through the replacement of legacy systems with fit for purpose solutions and new technology capabilities. This is supported through standardisation of processes and collaboration across Local Land Services to ensure customer and stakeholder expectations are met.

#### Chief Financial Officer - Natasha Collier

*B. Com., CA. Location - Orange.*

#### Director - Catherine Blyth

### Strategy and Engagement Unit

The Strategy and Engagement team is responsible for our internal and external communication, including government, stakeholder, investor and industry relations, corporate communications, media, branding and issues management.

People and Performance are also part of this team, supporting best practice people management across Local Land Services.

Strategy and Engagement supports high quality front line customer service and provides expert advice and support to senior executive, chairs and the Minister's office to manage key stakeholder relationships.

This business unit provides high level governance, strategy, performance and policy advice to ensure we meet the highest standards in governance, risk management and probity.

It embeds auditable and transparent performance, strategy development and governance frameworks, tools and metrics and works closely with and guides boards and chairs, and senior executive at state and local level.

#### **Executive Director - Carolyn Raine**

*M. EnvM, B. Sci (Hons). Location - Newcastle.*

### **Local Land Services Regions**

General managers lead their staff to deliver locally relevant, on-ground results. They drive cross-regional collaboration, and customer and investor focused services.

They plan, guide and oversee regional operational functions which are consistent with Local Land Services state and regional strategic objectives.

They promote Local Land Services and engage with local communities and stakeholders, building productive partnerships to deliver our objectives, programs and projects.

All regional general managers have a functional reporting arrangement to our Executive Director of Strategy and Engagement.

They work with local board members, stakeholders, investors and community groups to deliver locally tailored and relevant programs.

General managers, as well as all executive management, are responsible for the safety and wellbeing of their staff with the strategic objective of 'every person home safe and well every day'.

#### **Central Tablelands General Manager - Chris Cumming**

*B.Sci (Hons). Location - Bathurst.*

#### **Central West General Manager - Andrew Mulligan**

*Adv. Dip. Emergency Management (Public Safety), Dip. Conservation Land Management.  
Location - Wellington.*

#### **A/Greater Sydney General Manager - Sharon Elliot**

*B. Fin. Admin. and MAICD. Location - Goulburn.*

#### **Hunter General Manager - Brett Miners**

*B. Sci. NRM. Location - Paterson.*

#### **Murray General Manager - Gary Rodda**

*B. For. Sci. (Hons). Location - Deniliquin.*

#### **North Coast General Manager - Louise Orr**

*B. Env. Man. (Hons Class 1); Dip. App. Sci.  
Location - Coffs Harbour.*

#### **North West General Manager - James Hutchinson-Smith**

*B. App. Sci. Ag. Location - Tamworth.*

#### **Northern Tablelands General Manager - Paul Hutchings**

*B. Sci., Grad. Dip. Nat. Res. Location - Inverell.*

#### **Riverina General Manager - Rob Kelly**

*B. Sci. (Hons), GAICD. Location - Wagga Wagga.*

#### **South East General Manager - Anthony Marshall**

*B. Com & Elec. Eng. Location - Goulburn.*

#### **Western General Manager - Erlina Compton**

*PhD (Rural Sociology), B. App. Sci. (Protected Area Management). Location - Dubbo.*



## Consumer response

### Complaint process

Complaints provide us with an opportunity to reflect on the services we provide the experience of our customers and identify where we can make improvements. Effective complaint handling is an essential part of our approach to providing services that are responsive to needs and meet the expectations of customers.

If a customer wishes to lodge a complaint or give feedback about Local Land Services, they may:

- visit or phone their regional office
- speak to our staff
- using the feedback assist tool on our websites
- submit feedback data via any of the RateIt systems available - fixed or portable devices, dedicated webpage link survey.

Local Land Services, in accordance with the NSW Government's Whole of Government Commitment to Effective Complaint Handling (the Commitments), is committed to the Complaint Handling Improvement Program (CHIP).

CHIP is a two-part program. As per the first part of this program, Local Land Services has instigated a commitment to effective complaint handling, improving all complaint management systems. The second part involved Local Land Services implementing the online website tool Feedback Assist. This tool was successfully implemented and is currently utilised to provide our customers with an efficient and consistent method of providing feedback, both positive and negative, on our services.

Local Land Services now has a dedicated policy and procedure for complaints management, which has basis from the Complaints Handling Policy and procedures developed under the CHIP program. With the utilisation of the Feedback Assist website tool, Local Land Services is able to record and report upon all feedback, including complaints data, as tabled below.

### Formal customer complaints since inception

Year	Complaints
2013-14	78
2014-15	68
2015-16	68
2016-17	61
2017-18	91
2018-19	71

### Key areas of complaint concerns

- Rates - The cost of service, the benefit for payment (What services are received from payment) and the ease of payment.
- Annual Return of Land and Stock - The difficulty of lodgement and portal problems, with the majority of these being in relation to password/access issues.

### Services improved or changed in response to complaints and suggestions

Local Land Services responds to service-related complaints by assessing their service delivery and business processes to identify areas of improvement and make necessary changes.

Local Land Services have focused on the following service improvements within the 2018-19 Financial year:

- The continuation of a designated Complaints Management Officer.
- Implementation (November 2018) of a secondary survey system known as 'Rate It' enabling further analysis of feedback data for our organisation.
- Maintenance of complaints data and records in a case-based report style. Complaints cases are registered, communicated through to a senior manager, managed and responded to in an official capacity.

## Government Information (Public Access)

During the 2018-19 reporting period, Local Land Services received 10 *Government Information (Public Access) Act 2009* (GIPA) applications.

Of these:

- two applications were received via transfer from another agency
- one application that was received in the 2017-18 reporting period and finalised in 2018-19

A generalised summary of the information requested within these ten accepted and finalised applications includes:

- requests for personal or property related information made by the members of the public or a third party acting on behalf of a member of the public
- impacts of the Government's efficiency dividend on EFT staff within Local Land Services
- information in relation to clearing consents, wild dog attack reports, stock watering permit tender processes and procedures.

### Number of applications by type of applicant and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	1	0	0	0	0	0	0	0
Private sector business	1	0	0	0	0	0	0	0
Not for profit organisations or community groups	1	0	0	0	0	0	0	0
Members of the public (application by legal representative)	1	0	0	0	0	0	0	0
Members of the public (other)	6	0	0	0	0	0	0	0
Other agency and third-party requests	0	0	0	0	0	0	0	0

## Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application withdrawn
Personal information applications	3	0	0	0	0	0	0	0
Access applications (other than personal information applications)	6	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	1	0	0	0	0	0	0	0

### Invalid applications

Nil

### Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act

Nil

### Other public interest considerations against disclosure: matters listed in table to section 14 of Act

Nil

### Timeliness

Number of applications	
Decided within the statutory timeframe (20 days plus any extensions)	8
Decided after 35 days (by agreement with applicant)	2
Not decided within time (deemed refusal)	0
Total	10

### Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

Nil

### Applications for review under Part 5 of the Act (by type of applicant)

Nil

### Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

Number of applications	
Agency-initiated transfers	2
Applicant-initiated transfers	0

## Promotion and overseas travel

### Nepal foot and mouth disease training exercise

In 2018-19 Local Land Services sent district vets to Nepal to participate in foot-and-mouth disease (FMD) training to strengthen Australia's capacity to prevent FMD and manage any outbreaks.

The training was funded by the Australian Government's Department of Agriculture and Water Resources and coordinated in conjunction with the Food and Agriculture Organisation of the United Nations and the Nepalese Government.

As part of the exercise, staff received intensive training to recognise and sample animals for FMD and visited Nepalese farms to investigate potential cases of infection.

The exercise was delivered by the European Commission for the Control of FMD.

Australia has not had an FMD outbreak since 1872, but the disease is considered one of the country's biggest biosecurity risks.

District vets that travelled to Nepal include:

Who	When	Where
Kylie Challen	December 2018	Kathmandu, Nepal
Megan Davies	March 2019	Kathmandu, Nepal

## Risk management and insurance activities

During 2018-19 Local Land Services reviewed its risk management framework and associated documents that further drive a risk aware culture and embed risk management throughout the organisation.

Our risk management framework was developed in compliance with the NSW Treasury Internal Audit and Risk Management Policy for NSW Public Sector (TPP 15-03) and is also based on the international risk management standard (AS/NZS 31000). Local Land Services has aligned to the Department of Industry.

During 2018-19, Local Land Services undertook a comprehensive review of strategic risks, developing four Strategic Risk Statements, that directly align to the four business strategies delivering on the Local Land Services State Strategic Plan 2016-26.

Our Local Land Services Board is responsible for setting the risk management appetite and is committed to implementing, operating, maintaining and continually improving the Local Land Services risk management framework.

At the strategic level, our Local Land Services Board is responsible for managing those high-level risks that may critically impact on our ability to achieve our corporate objectives.

At the operational level, our Senior Executive Team is responsible for managing operational risks across the organisation and for advising our Local Land Services Board on risk and risk exposures generally.

Both our Local Land Services Board and Senior Executive Team are committed to developing a risk management culture—one that is underpinned by the framework that facilitates the use of a consistent process to manage risk whenever decisions are made.

As risk management is part of, and not separate to, all practices and processes, our approach to managing risks is being continuously embedded in:

- planning processes
- decision-making structures
- operational procedures.

In addition, risk management is already embedded in a number of our specific operational processes such as:

- WHS programs
- biosecurity and emergency management delivery
- agricultural and natural resource management services.

Our risk management approach is supported by insurance through the Treasury Managed Fund, a self insurance scheme of the NSW Government, administered by major insurers GIO and Allianz.



# Internal Audit and Risk Management Attestation Statement for the 2018-19 financial year for Local Land Services

I, David Witherdin am of the opinion that Local Land Services has internal audit and risk management processes in operation that are compliant with the eight core requirements set out in the Internal Audit and Risk Management Policy for the NSW Public Sector, specifically:

## Core requirements

### Risk Management Framework

- |     |  |                  |
|-----|--|------------------|
| 1.1 | The agency head is ultimately responsible and accountable for risk management in the agency  | <b>Compliant</b> |
| 1.2 | A risk management framework appropriate to the agency has been established and maintained and the framework is consistent with AS/NZS ISO 31000:2009 | <b>Compliant</b> |

### Internal Audit Function

- |     |  |                  |
|-----|--|------------------|
| 2.1 | An internal audit function has been established and maintained   | <b>Compliant</b> |
| 2.2 | The operation of the internal audit function is consistent with the International Standards for the Professional Practice of Internal Auditing | <b>Compliant</b> |
| 2.3 | The agency has an Internal Audit Charter that is consistent with the content of the 'model charter'  | <b>Compliant</b> |

### Audit and Risk Committee

- |     |   |                  |
|-----|---|------------------|
| 3.1 | An independent Audit and Risk Committee with appropriate expertise has been established   | <b>Compliant</b> |
| 3.2 | The Audit and Risk Committee is an advisory committee providing assistance to the agency head on the agency's governance processes, risk management and control frameworks, and its external accountability obligations | <b>Compliant</b> |
| 3.3 | The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter'   | <b>Compliant</b> |

## Membership

The Chair and Members of the Audit and Risk Committee at 30 June 2019 were:

- |                          |                             |
|--------------------------|-----------------------------|
| • Chair, Warren Stretton | • Member, Stephen Patterson |
| • Member, Barney Hyams   | • Member, Elke Cleverdon    |
| • Member, Hans Hietbrink |                             |



**David Witherdin**

Chief Executive Officer

Local Land Services

September 2019

**Local Land Services contact officer**

Ian Shepherd (T: 02 6341 9302 E: [ian.shepherd@lls.nsw.gov.au](mailto:ian.shepherd@lls.nsw.gov.au))

## Public interest disclosures

Following is a summary of public interest disclosures (PIDs) received by Local Land Services during 2018-19.

	Made by public officials performing their day to day functions	Under a statutory or other legal obligation	All other PIDs
Number of public officials who have made a disclosure to the Agency	0	0	0
Number of PIDs received by the Agency	0	0	0
Of PIDs received, how many were primarily about:	0	0	0
> corrupt conduct	0	0	0
> maladministration	0	0	0
> serious and substantial waste	0	0	0
> government information contravention	0	0	0
Number of PIDs (received since 1 January 2012) that have been finalised in this reporting period.	0	0	0

We apply the NSW Department of Industry Public Interest Disclosure Reporting Policy which was developed in accordance with the requirements of the *Public Interest Disclosures Act 1994* and became effective 18 August 2016.

The policy is publicly available on NSW Industry's website as Open Access Information under the *Government Information (Public Access) Act 2009*.

We are compliant with s6E(1)(b) of the *Public Interest Disclosures Act 1994*.

## Digital information security policy ration

We are governed by a service level agreement in relation to the provision of digital and information system security.

This service level agreement is with the NSW Department of Industry.

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### Digital Information Security Annual Attestation Statement for the 2018-19 Financial Year for Local Land Services

I, David Witherdin, am of the opinion that Local Land Services had an Information Security Management System in place during the 2018-19 financial year that is consistent with the core requirements set out in the NSW Government Digital Information Security Policy.

The controls in place to mitigate identified risks to the digital information and digital information systems of Local Land Services are adequate.

There is no agency under the control of Local Land Services which is required to develop an independent ISMS in accordance with the NSW Government Digital Information Security Policy.



**David Witherdin**

Chief Executive Officer

October 2019

## Additional matters

### Privacy and personal information

We are governed by cluster arrangements that cover the requirements of the *Privacy and Personal Information Protection Act 1998*.

We adhere to relevant policies in this regard.

No reviews were conducted in 2018-19 by or on behalf of Local Land Services under Part 5 of the *Privacy and Personal Information Protection Act 1998*.

### Production cost

Premier's Memorandum 2013-09 requires that departments minimise production costs for this report by:

- limiting content to recording performance and meeting statutory obligations
- printing hard copies in black and white and compiling reports using existing desktop equipment in house
- eliminating unnecessary use of photographs or illustrations
- eliminating all external production costs such as copy writing, design and printing.

This report has been prepared in line with this memorandum.

### Access online

The 2018-19 Local Land Services Annual Report is available online at:

- <https://www.lls.nsw.gov.au/resource-hub/publications>

### Areas not reported

The following annual report requirements listed on the [NSW Treasury annual report compliance checklist](#) (September 2019) were not applicable for Local Land Services for the reporting period:

- investment reporting
- legal change
- liability management
- price determination
- unaudited financial statements.

## Financial reporting structure

The audited financial statements contained in the annual report are the consolidated accounts of the Local Land Services group, comprising Local Land Services (the parent) and its controlled entity, the Local Land Services Staff Agency.

The *Local Land Services Act 2013* is unclear in relation to the status of local Boards and whether they are separate reporting entities. Management considers the intent of the *Local Land Services Act 2013*, as indicated by Section 3, was to create one entity; however, Section 28 of the *Local Land Services Act 2013* refers to local boards as NSW Government agencies.

The consequence of this ambiguity is that each local board may require separate financial statements prepared and audited as required by the *Public Finance and Audit Act 1983*.

The financial reporting structure has been referred to as a significant matter by the Audit Office of NSW in their Statutory Audit Report for the year ended 30 June 2019.

Local Land Services will continue to pursue a resolution to the matter with a view to having the ambiguity clarified within relevant legislation.

Readers of the financial statements should be aware that any activities associated with the operation of the local boards are included in the consolidated financial statements, and no omission of financial activity or misstatement arises from the ambiguity surrounding the reporting status of the local boards.

## Revaluation of property, plant and equipment

Local Land Services is required by NSW Treasury Policy TPP 14-01 Valuation of Physical Non-Current Assets at Fair Value to perform a revaluation at a minimum of once every three years, where a market valuation approach is deemed most appropriate. Local Land Services was unable to complete an independent valuation of freehold land and buildings prior to the signing of the financial statements.

Local Land Services believes the fair value of freehold land and buildings represented in the audited financial statements, whilst not fully compliant with TPP 14-01, complies with the applicable accounting standards. Local Land Services has assessed the impact of not performing a valuation during the year, and doesn't consider there is any material misstatement as a result of changes in fair value. Revaluation of freehold land and buildings will be completed during the year ending 30 June 2020.

Local Land Services has not performed a revaluation of improvements carried out on TSRs for the year ended 30 June 2019. TSR improvements were last revalued in early 2006, which is outside of the maximum five years required by TPP 14-01. Local Land Services expects to develop an appropriate methodology to support the future revaluation of these improvements.

The Audit Office of NSW has referred to the revaluation of property, plant and equipment as a significant matter in their Statutory Audit Report for the year ended 30 June 2019.



## Payment of accounts

### All suppliers

Quarter	Current within date	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	Greater than 90 days overdue
September 2018	\$48,687,784	\$556,999	\$100,933	\$29,130	\$6,182,763
December 2018	\$22,069,302	\$1,290,836	\$889,229	\$210	-\$68
March 2019	\$30,143,307	\$7,626,177	\$1,153,003	\$634,168	\$738,860
June 2019	\$40,634,309	\$4,077,313	\$275,291	\$36,191	\$36,632
<b>Total all suppliers</b>	<b>\$141,534,702</b>	<b>\$13,551,325</b>	<b>\$2,418,456</b>	<b>\$699,700</b>	<b>\$6,958,187</b>

### All small business

Quarter	Current within date	Less than 30 days overdue	Between 30 and 60 days overdue	Between 60 and 90 days overdue	Greater than 90 days overdue
September 2018	\$257,349	\$49	\$0	\$0	\$0
December 2018	\$965,296	\$22,752	\$264	\$0	\$0
March 2019	\$960,329	\$91,701	\$0	\$0	\$553
June 2019	\$1,931,956	\$219,078	\$0	\$0	-\$26,797
<b>Total all suppliers</b>	<b>\$4,114,930</b>	<b>\$333,580</b>	<b>\$264</b>	<b>\$0</b>	<b>-\$26,244</b>

## All suppliers

Measure	September 2018	December 2018	March 2019	June 2019	Full Year
Invoices due for payment (number)	4,176	2,924	3,177	4,747	15,024
Invoices paid on time (number)	4,078	2,724	2,871	3,901	13,574
Percentage paid on time	97.7%	93.2%	90.4%	82.2%	90.3%
Amount due for payment	\$55,557,609	\$24,249,509	\$40,295,516	\$45,059,737	165,162,371
Amount paid on time	\$48,687,784	\$22,069,302	\$30,143,307	\$40,634,309	141,534,702
Percentage paid on time	87.6%	91.0%	74.8%	90.2%	85.7%
Number of payments of interest on overdue accounts	0	0	0	0	0
Interest paid on late accounts	\$0	\$0	\$0	\$0	0

Overdue: Nil | Interest on overdue: Nil

## All small business

Measure	September 2018	December 2018	March 2019	June 2019	Full Year
Invoices due for payment (number)	63	210	233	351	<b>857</b>
Invoices paid on time (number)	62	197	218	314	<b>791</b>
Percentage paid on time	98.4%	93.8%	93.6%	89.5%	<b>92.3%</b>
Amount due for payment	\$257,398	\$988,312	\$1,052,583	\$2,124,237	<b>4,422,530</b>
Amount paid on time	\$257,349	\$965,296	\$960,329	\$1,931,956	<b>4,114,930</b>
Percentage paid on time	NA	97.7%	91.2%	90.9%	<b>93.0%</b>
Number of payments of interest on overdue accounts	0	0	0	0	<b>0</b>
Interest paid on late accounts	\$0	\$0	\$0	\$0	<b>0</b>

Overdue: Nil | Interest on overdue: Nil

Note: Small business must be registered to be able to be reported on for the payment of account statistics.

# Appendix

## Disclosure of controlled entities and subsidiaries

Local Land Services Staff Agency is a controlled entity of Local Land Services.

Local Land Services Staff Agency is an agency of the NSW Public Service, established pursuant to Part 2 of Schedule 1 of the *Government Sector Employment Act 2013* to provide personnel services to Local Land Services.

The operations of Local Land Services Staff Agency are consolidated as part of the Local Land Services financial statements included in this report.

Local Land Services does not have any subsidiaries.

## Land disposal

Local Land Services did not dispose of any land during 2018-19.

## Consultants

Local Land Services incurred no expenditure relating to consultancies during the year ended 30 June 2019.



## Funds granted to non-government community organisations

This appendix lists details of funds we granted to non-government community organisations during 2018-19.

There were 229 grants in total, administered to 159 non-government community organisations across all 11 Local Land Services regions. The total value of these grants was \$4,233,206 with an average value of \$18,486.

### Guide to references

National Landcare Program (NLP)

Saving Our Species (SOS)

National Landcare Program 2 (NLP2)

NSW Department of Primary Industries (DPI)

Catchment Action NSW (CA NSW)

Public Reserve Management Fund (PRMF)

Hunter Catchment Contribution (HCC)

Environment Research Trust (ERT)

Department of Planning, Industry and Environment (DPIE)

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Central Tablelands	Hovells Creek Landcare Group	10,000	CA NSW	Soil and Land - Streambank and Gully Erosion Mitigation Project	Landcare groups
Central Tablelands	Little River Landcare Group	10,000	CA NSW	Soil and Land - Degredation Undone - A peer learning approach to protecting our soils	Landcare groups
Central Tablelands	Lithgow Oberon Landcare Association Inc	10,000	CA NSW	Soil and Land - Acid Soil Perrennial Pasture Variety Demonstration	Landcare groups
Central Tablelands	Watershed Landcare Group Inc	10,000	CA NSW	Soil and Land - Balancing Soil Nutrition for Increase Ground Cover	Landcare groups
Central Tablelands	Central Tablelands Landcare Inc	10,000	CA NSW	Soil and Land - Small Scale Gully Erosion Project	Landcare groups
Central Tablelands	Little River Landcare Group	10,000	NLP	Biodiversity - protecting scattered paddock trees	Landcare groups
Central Tablelands	Central Tablelands Landcare Inc	10,000	NLP	Biodiversity - protecting scattered paddock trees	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Central Tablelands	Watershed Landcare Group Inc	10,000	NLP	Biodiversity - protecting scattered paddock trees	Landcare groups
Central Tablelands	Lithgow Oberon Landcare Association Inc	10,000	NLP	Biodiversity - protecting scattered paddock trees	Landcare groups
Central Tablelands	Mid Lachlan Landcare Group	10,000	NLP	Biodiversity - protecting scattered paddock trees	Landcare groups
Central Tablelands	Bathurst Merino Association Inc	500	CA NSW	Landscape Connectivity - Pasture and Farm Recover Planning	Landcare groups
Central Tablelands	Napoleon Reef Landcare Inc	500	CA NSW	Landscape Connectivity - Small Grants for Groups	Landcare groups
Central Tablelands	Bathurst Beekeepers Inc	495	CA NSW	Landscape Connectivity - Linking our Landscape	Landcare groups
Central Tablelands	Daroo Central Tablelands Landcare Group	430	CA NSW	Landscape Connectivity - Linking our Landscape	Landcare groups
Central Tablelands	Lithgow Environment Group Inc	500	CA NSW	Landscape Connectivity - Linking our Landscape	Landcare groups
Central Tablelands	Capertee Valley Landcare Inc	25,666	NLP	Woodland Birds - Woodland Birds on Farm Capertee River	Landcare groups
Central Tablelands	Birdlife Australia	14,985	NLP	Woodland Birds - Bird Survey Data Analysis	Environment groups
Central Tablelands	Skillset Ltd	11,107	SOS	Swamped by Threats - Skillset Landworks	Environment groups
Central Tablelands	Lithgow Oberon Landcare Association Inc	5,000	CA NSW	Asterolasia buxifolia weed management program	Landcare groups



Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Central Tablelands	Birdlife Australia	31,818	NLP	Woodland Birds - Actions delivered under Regent Honeyeater National Recovery Plan	Environment groups
Central Tablelands	Sofala Branch of the Central Acclimatisation Society	500	CA NSW	Funding for Sofala Carp Blitz	Environment groups
Central Tablelands	Watershed Landcare Group Inc	5,000	DPIE	Green Day 2019 Sponsorship	Landcare groups
Central Tablelands	Wyangala Fishing Club	682	Rates	Sponsorship of Junior Carp Comp Wyangala	Environment groups
Central Tablelands	Bathurst RSL Fishing Club	1,500	Rates	Support 2018 Bathurst Carp Blitz	Environment groups
Central Tablelands	Wallerawang Branch of the Central Acclimatisation Society	750	Rates	Wallerawang Gone Fishing Day	Environment groups
Central West	Cargelligo Wetland and Lakes	4,800	CA NSW	Resilient Communities Small Grants	Landcare and communities
Central West	Central West Farming Systems	4,545	CA NSW	Resilient Communities Small Grants	Landcare and communities
Central West	Central West Lachlan Landcare	4,980	CA NSW	Resilient Communities Small Grants	Landcare and communities
Central West	Condobolin and Districts Landcare	11,600	NLP	Preserving Grey Box Grassy Woodlands	Landcare and communities
Central West	Dunedoo Area Community Group	4,545	CA NSW	Resilient Communities Small Grants	Landcare and communities
Central West	Moorambilla Voices Ltd	4,545	CA NSW	Resilient Communities Small Grants	Aboriginal communities

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Central West	Nyngan Local Aboriginal Land Council	10,000	NLP	Cultural Heritage on-ground project	Aboriginal communities
Central West	Stuart Town Common Trust	2,217	CA NSW	Resilient Communities Small Grants	Landcare and communities
Central West	Mid Macquarie Landcare	7,000	NLP	Preserving Grey Box Grassy Woodlands	Landcare and communities
Central West	Little River Landcare Group	3,000	NLP	Preserving Grey Box Grassy Woodlands	Landcare and communities
Central West	House With No Steps	5,035	NLP	Preserving Grey Box Grassy Woodlands	Landcare and communities
Central West	First People's Solutions	76,838	NLP	Preserving Grey Box Grassy Woodlands	Aboriginal communities
Central West	Dubbo Rivercare Group	5,800	NLP	Preserving Grey Box Grassy Woodlands	Landcare and communities
Central West	Nyngan Show Society	1,000	NLP	Preserving Grey Box Grassy Woodlands	Landcare and communities
Central West	Ozfish Unlimited	6,560	NLP	Preserving Grey Box Grassy Woodlands	Landcare and communities
Central West	Central West Lachlan Landcare	5,000	NLP	Progressing the Small Purple-Pea	Landcare and communities
Central West	Condobolin and Districts Landcare	11,600	NLP	Progressing the Small Purple-Pea	Landcare and communities
Central West	Dunedoo Area Community Group	8,700	NLP	Progressing the Small Purple-Pea	Landcare and communities
Central West	LachLandcare Inc	8,700	NLP	Progressing the Small Purple-Pea	Landcare and communities

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Central West	Wellington Aboriginal Land Council	5,440	NLP	Progressing the Small Purple-Pea	Aboriginal communities
Central West	Mid Macquarie Landcare	2,900	NLP	Progressing the Small Purple-Pea	Landcare and communities
Central West	Weddin Landcare Steering Committee	2,500	NLP	Sustainable Farming Systems for Climate Change and Market Merit	Landcare and communities
Central West	Central West Lachlan Landcare	5,000	NLP	Sustainable Farming Systems for Climate Change and Market Merit	Landcare and communities
Central West	Condobolin and Districts Landcare	3,500	NLP	Sustainable Farming Systems for Climate Change and Market Merit	Landcare and communities
Central West	First People's Solutions	14,770	CA NSW	Habitat Enhancement	Aboriginal communities
Central West	Bogan Aboriginal Corporation	3,000	CA NSW	Soil and Land Rehabilitation	Aboriginal communities
Central West	Weddin Landcare Steering Committee	2,982	CA NSW	Riparian Restoration	Landcare and communities
Central West	Weddin Landcare Steering Committee	650	CA NSW	Connected Landscapes	Landcare and communities
Greater Sydney	Tentacle Inc	20,000	CA NSW	Woolcock - Magenta - Weed removal	Consultants and contractors
Greater Sydney	Science fro Wildlife	9,500	CA NSW	Cumberland - Lower Blue Mountains Koala Program Support	Producers and industry groups
Greater Sydney	Ellel Ministries Australia Ltd	1,528	CA NSW	Enhancing Cumberland Plain Woodland at Gilbulla, Menangle	Environment groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Greater Sydney	OceanWatch Australia	11,835	CA NSW	Monitoring Oyster shell bags (Living Shorelines Program) for invertebrates including the Pacific Oyster	Producers and industry groups
Greater Sydney	Staredge Pty Ltd	5,455	CA NSW	Bush regeneration at 'The View', Razorback	Environment groups
Greater Sydney	Camden Golf Club Ltd	36,000	CA NSW	Restoration of Pimelea spicata and Cumberland Plain Woodland at Camden Golf Club, Narellan	Environment groups
Greater Sydney	YMCA of Sydney	6,000	CA NSW	Strategic lantana control along the Grose River at Yarramundi	Environment groups
Greater Sydney	NSW Wader Study Group	7,760	NLP	NLP2 NSW Wader Study Group	Environment groups
Greater Sydney	Trustees of the Marist Fathers for the Province of Australia	10,000	CA NSW	Bush regeneration at Nazareth along the Colo River	Environment groups
Greater Sydney	Hawkesbury River County Council	94,620	CA NSW	Connecting Koala Habitat in the Little Wheeny Creek Catchment, Kurrajong	Environment groups
Greater Sydney	Pittwater Natural Heritage Association	15,000	NLP	NLP2 - Bush Regeneration at the Baha'i property, Ingleside targeting Duffys Forest Endangered Ecological Community and the threatened Grevillea caleyi	Environment groups
Greater Sydney	La Perouse Local Aboriginal Land Council	55,798	NLP	NLP2 Ramsar La Perouse LALC	Aboriginal communities
Greater Sydney	M.J Doherty and S Polomka (Trading as Pittwater YHA)	12,180	CA NSW	Morning Bay bush regeneration events 2019 and 2020	Environment groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Greater Sydney	Barragal Landcare Group Incorporated	9,091	Environmental Trust	Project management for Barragal Landcare Group Inc Environmental Trust Grant -"Skilling up the community to reduce fox impacts in south-west Sydney"	Environment groups
Greater Sydney	Blue Tongue Ecosystems Pty Ltd	10,000	NLP	Restoration of 1.8 km section of riparian vegetation on the Colo River at Upper Colo	Environment groups
Greater Sydney	Ensuites On Site Pty Ltd	5,455	CA NSW	Riparian restoration and 'toe of bank' remediation at Lower Portland	Environment groups
Greater Sydney	Gundungurra Aboriginal Heritage Association Incorporated	20,500	NLP	Blue Mountains Firesticks - Aboriginal Cultural Burning in the Greater Blue Mountains World Heritage Area	Aboriginal communities
Greater Sydney	Kamay Botany Bay National Park	114,000	CA NSW	NLP2 Year 2 Ramsar: Kamay Botany Bay National Park	Environment groups
Greater Sydney	Asian Women at Work Inc	10,400	Australian Gov	Healthy Pigs Project Stage 3	Community groups
Greater Sydney	Redefining Agriculture Pty Ltd	21,857	Australian Gov	Network mapping for Healthy Pigs project (Non-English Speaking Background)	Consultants and contractors
Hunter	Australia's Oyster Coast Pty Ltd	5,000	NLP	Climate Ready Aquaculture Program	Environment groups
Hunter	Awabakal Local Aboriginal Land Council	2,000	CA NSW	Scholarship CLM and Mentoring firesticks Program	Aboriginal communities



Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Hunter	Bahtabah Local Aboriginal Land Council	4,800	CA NSW	Scholarship CLM and Mentoring Firesticks Program	Aboriginal communities
Hunter	Bahtabah Local Aboriginal Land Council	12,500	CA NSW	Blacksmiths Beach - Pest and Weed Control	Aboriginal communities
Hunter	Birdlife Australia Ltd	26,500	NLP	Drought Support - NSW DPI Rural Resilience Program	Landholders and rural networks
Hunter	Broke/bulga Landcare Group Inc	9,000	HCC	Green Cestrum Control in targeted Catchment	Landcare groups
Hunter	Conservation Volunteers Aust Trust for Conservation Volunteers	6,000	HCC	Kooragang Community Garden	Environment groups
Hunter	Dairy NSW Ltd	20,000	HCC	Workshops targeting pasture agronomy & grazing management	Landholders and rural networks
Hunter	Darkinjung Local Aboriginal Land Council	4,000	CA NSW	Scholarship CLM and Mentoring Firesticks Program	Aboriginal communities
Hunter	Dunromin Farmers Market Pty Ltd	26,996	External	Improving water quality in Quorrobolong Catchment	Landholders and rural networks
Hunter	Environment and Behaviour Consultants Feltar Pty Ltd	13,600	External	Social Study Undertaken on the Merriwa Plateau	Environment consultants
Hunter	Firesticks Alliance Indigenous Corporation	8,182	CA NSW	Sponsorship for 15 Participants - Firesticks Victorian Conference	Aboriginal communities
Hunter	Hastings Bird Watchers	2,000	CA NSW	Installation of shorebird and seabird educational signage in the Manning Estuary and the Port Stephens Area	Community groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Hunter	Hunter Dairy Development Group Inc	10,000	NLP	Knowledge and Skills workshop with local dairy farmers	Community groups
Hunter	Hunter Region Landcare Network Inc	85,869	NLP	The Hunter Region Landcare Partnership Project	Landcare groups
Hunter	Islands in the Stream JM Caddy and L Fieldhouse	18,000	CA NSW	Beyond the Shed Program - Improved Nutrient Management & Intensive Agriculture Enterprises	Landholders and rural networks
Hunter	Karuah & Great Lakes Landcare Inc	2,000	CA NSW	Field day on fungi importance, uses, application & experiences	Landcare groups
Hunter	Lakeside Oysters Pty Ltd	2,035	NLP	Climate Ready Aquaculture Program	Environment groups
Hunter	Lions Club of Jesmond Inc	2,000	CA NSW	Blue Gum Hills Biodiversity Day Community BBQ	Landcare groups
Hunter	Manning Landcare Inc	55,000	NLP	Mid Coast to Tops Landcare Partnership Project	Landcare groups
Hunter	Manning Landcare Inc	15,000	CA NSW	Improving WHS and Animal Welfare Outcomes in Disasters for Manning Great Lakes Region	Landcare groups
Hunter	McLean Oysters Glen McLean	5,000	NLP	Climate Ready Aquaculture Program	Environment groups
Hunter	Merriwa Landcare Group Inc	20,000	NLP	Merriwa Landcare Inspire Biodiversity Revegetation Project	Landcare groups
Hunter	Merriwa P A H and I Association Inc	15,000	External	Targeting commercial beef farmers to improve their productivity & profitability	Community groups
Hunter	Mid Coast Dairy Advancement Group Dairy Advancement Group	7,000	CA NSW	Series of Women in Dairy Workshops	Community groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Hunter	Mindaribba Local Aboriginal Land Council	4,000	CA NSW	Scholarship CLM and Mentoring Firesticks Program	Aboriginal communities
Hunter	Mudgee Local Aboriginal Land Council	2,000	CA NSW	Scholarship CLM and Mentoring Firesticks Program	Aboriginal communities
Hunter	NSW Farmers Association	12,500	HCC	Partner with NSW Farmers to build a strong network of Young Livestock Producers in the Upper Hunter	Community groups
Hunter	Rural and Environmental Management Pty Ltd	15,780	HCC	Peri-urban best practice vertebrate pest control information sessions	Community groups
Hunter	Singleton Beef and Land Management Association Inc	12,813	HCC	Soil Moisture Probes in Singleton region	Community groups
Hunter	Taree Indigenous Development and Employment Ltd	28,000	CA NSW NLP	Scholarship CLM and Mentoring Firesticks Program	Aboriginal communities
Hunter	The Great Lakes Food Trail Inc	2,000	CA NSW	Field day on fungi importance, uses, application and experiences	Community groups
Hunter	Upper Hunter Sustainable Farming Group Inc	35,578	HCC	Soil Moisture Probes in Upper Hunter	Community groups
Hunter	Wanaruah Local Aboriginal Land Council	4,800	CA NSW	Scholarship CLM and Mentoring Firesticks Program	Aboriginal communities
Hunter	Wanaruah Local Aboriginal Land Council	13,750	CA NSW NLP	Scholarship CLM and Mentoring Firesticks Program	Aboriginal communities

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Hunter	Wonnarua Nation Aboriginal Corporation	7,000	CA NSW	Scholarship CLM and Mentoring Firesticks Program	Aboriginal communities
Hunter	Worimi Local Aboriginal Land Council	47,200	CA NSW HCC	Pest Management restoration works Old Christmas Bush Nursery	Aboriginal communities
Murray	Edwards Wakool Angling	20,000	CA NSW	Threatened native fish have been introduced into the Deniliquin Lagoons	Community groups
Murray	Holbrook Landcare Group	37,000	CA NSW	A significant section of the Billabong Creek has been fenced and rehabilitated.  A farm dam demonstration sites has been established and communication material produced	Landcare and communities
Murray	Earth Canvas Inc	1,500	Corporate	Expose producers to concepts of 'rehydrating' the landscape, decision making during difficult seasonal conditions and looking at the landscape from an 'artistic' perspective	Landcare, producer and community groups
Murray	Petaurus Education Group	84,000	CA NSW	A range of activities have been undertaken to protect squirrel gliders in the Burrumbuttock area	Community groups
Murray	Holbrook Landcare Group	1,500	Corporate	Interpreting climate information, use of soil moisture information, and use of pasture modelling to improve planning decisions around future pasture availability, and potential drought management strategies considering potential pasture production scenarios	Landcare, producer and community groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Murray	Western Murray Land Improvement Group	1,500	Corporate	Bring together a range of speakers to provide attendees with better insights to improving their farm business performance covered topics including off-farm investments, precision agriculture, livestock breeding, managing livestock in dry times, drought funding and assistance services, farm benchmarking and mental health and resilience	Landcare, producer and community groups
Murray	Edwards Wakool Angling	20,000	CA NSW	Banks of the Edward River have been stabilised through revegetation activities to improve ecological value	Community groups
Murray	Western Murray Land Improvement Group	1,500	Corporate	Understanding how to use genetic traits in conjunction with preparing and implementing a genetic plan to improve livestock performance under a changing and variable climate	Landcare, producer and community groups
Murray	Holbrook Landcare Group	1,500	Corporate	Expose producers to the concepts of holistic grazing management and pasture production techniques to promote sustainable farm management	Landcare, producer and community groups
Murray	Corowa District Landcare	1,500	Corporate	Management of sheep during difficult seasonal conditions, and promote best practices to re-establish pastures post-drought	Landcare, producer and community groups
Murray	Murray Dairy	12,000	CA NSW	Optimising summer cropping, irrigation and soil management using improved data collection in the Murray Dairy industry	Landcare, producer and community groups



Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Murray	Western Murray Land Improvement Group	93,680	CA NSW	<p>Pest animal and weed control activities have been undertaken to improve the ecological value of the Pollack Swamp.</p> <p>A number of planning, monitoring and community engagement activities have also been undertaken</p>	Landcare groups
Murray	Ricegrowers Association	2,000	CA NSW	Increase the capacity of ricegrowers to undertake sustainable agriculture practices and improve the quality of the natural resource base	Producer groups
Murray	Holbrook Landcare Group	25,875	CA NSW	Undertake sampling and analysis of soil samples within the Holbrook area to monitor changes in soil condition (particularly acidity), including undertaking an analysis of landuse data	Landcare, producer and community groups
Murray	Ricegrowers Association	1,500	Corporate	Farm business improvement conference focused on agricultural production, precision agriculture, mental health and resilience and more	Landcare, producer and community groups
Murray	Southern Growers	60,000	Corporate	Demonstrate productive and sustainable water use efficiency practices in the Murray Valley broadacre irrigation region	Landcare, producer and community groups
Murray	Wakool Community Progress Association	1,000	CA NSW	Raise awareness of river health and aquatic ecosystems	Community groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
North Coast	Clarence Landcare Inc	10,000	NSW EPA	Development of the market for organic compost application in agriculture	Landcare and communities
North Coast	Coffs Harbour Regional Landcare	60,000	CA NSW	Water quality management in Coffs Harbour coastal catchments	Landcare and communities
North Coast	Jaliigirr Biodiversity Alliance Inc	121,000	CA NSW	Terrestrial Jaliigirr biodiversity corridor project	Community groups and Aboriginal communities
North Coast	North Coast Regional Landcare	50,000	North Coast Local Land Services	Strategic planning support	Landcare groups
North Coast	Clarence Landcare Inc	60,000	CA NSW	Mid Clarence catchment priority weed management project	Landcare and communities
North Coast	Macleay Landcare Network Inc	50,000	CA NSW	Toorumbbee riparian improvement	Landcare and communities
North Coast	Yuraygir Landcare Group Inc	11,600	CA NSW	Terrestrial Upper Coldstream catchment biodiversity project	Landcare and communities and Aboriginal communities
North West	Northern Slopes Landcare Associaton	120,000	Recurrent	North West priority cacti control program	Landcare groups
North West	Northern Slopes Landcare Association	60,000	Rates	North West priority cacti control program	Landcare groups
North West	Tamworth Regional Landcare Association	86,819	NLP2	Regional Landcare Facilitator Project	Landcare groups
North West	Northern Slopes Landcare Association	76,819	NLP2	Regional Landcare Facilitator Project	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
North West	Merimborough Landcare Group Inc	66,800	CA NSW	Water Spreading and Water Ponding Project	Landcare groups
North West	Yarrie Lake Landcare Group	40,325	CA NSW	Water Spreading and Water Ponding Project	Landcare groups
North West	Mungindi Local Aboriginal Land Council	12,000	NLP2	Old Mungindi Mission Protection Project	Local Aboriginal Land Councils
North West	Tamworth Regional Landcare Association	11,234	CA NSW	Resilient Soils Creating Capacity Building Program	Landcare groups
North West	Northern Slopes Landcare Association	15,062	CA NSW	Resilient Soils Creating Capacity Building program	Landcare groups
North West	Birdlife Australia Ltd	14,830	NLP2	Monitoring and Control of Noisy Miners	Conservation groups
North West	CSIRO	74995	NLP2	Beneficial Insects in Brigalow Woodland Threatened Ecological Community	Conservation groups
North West	CSIRO	50,000	Recurrent	Beneficial Insects in Brigalow Woodland Threatened Ecological Community	Conservation groups
North West	Tamworth Regional Landcare Association	5,000	NLP2	Regional Land Partnerships Program - 100 Mile Event to showcase local provenance	Landcare groups
North West	Tamworth Regional Landcare Association	10,000	NLP2	Regional Land Partnerships Program - Wallabadah Creek Catchment Benchmarking	Landcare groups
North West	North West Plains Sustainability Group	10,000	NLP2	Regional Land Partnerships Program - Farm planning, benchmarking and drought recovery	Environment groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
North West	Northern Slopes Landcare Association	10,000	NLP2	Regional Land Partnerships Program - benchmarking project in the Bingara area	Landcare groups
North West	Northern Slopes Landcare Association	10,000	NLP2	Regional Land Partnerships Program - farm planning and benchmarking project	Landcare groups
North West	Northern Slopes Landcare Association	50,000	DPI	Releasing the Hounds: Community Biocontrol Management Program for Hudson pear	Landcare groups
North West	Tamworth Local Aboriginal Land Council	20,000	PRMF	Aboriginal culture and heritage site identification on TSR including Rocky Water Hole, Bective Reserve and Ryan's Reserve	Local Aboriginal Land Councils
Northern Tablelands	Southern New England Landcare	26,000	NLP	Supporting the community, including Landcare, indigenous communities and industry to participate in the delivery of Regional Land Partnerships Program	Landcare groups
Northern Tablelands	Gwydir & Macintyre Resources Management Committee Incorporated	26,000	NLP	Supporting the community, including landcare, indigenous communities and industry to participate in the delivery of Regional Land Partnerships Program	Landcare groups
Northern Tablelands	Glen Innes Natural Resources Advisory Committee Incorporated	26,000	NLP	Supporting the community, including landcare, indigenous communities and industry to participate in the delivery of Regional Land Partnerships Program	Landcare groups
Northern Tablelands	Granite Borders Landcare	26,000	NLP	Supporting the community, including landcare, indigenous communities and industry to participate in the delivery of Regional Land Partnerships Program	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Northern Tablelands	Cooney Creek Wild Dog Control Association	4,000	Pest Levy	Developing and Implementing a Wild Dog Management Plan to reduce the impacts of wild dogs on primary production and natural environment	Wild dog groups
Northern Tablelands	Armidale East Wild Dog Control (Wongwibinda)	16,500	Pest Levy	Developing and Implementing a Wild Dog Management Plan to reduce the impacts of wild dogs on primary production and natural environment	Wild dog groups
Northern Tablelands	Red Range Pinkett Wild Dog Control Association	8,500	Pest Levy	Developing and Implementing a Wild Dog Management Plan to reduce the impacts of wild dogs on primary production and natural environment	Wild dog groups
Northern Tablelands	Glen Innes Natural Resources Advisory Committee Inc	89,350	NLP	Protecting Little Llangothlin Lagoon for future generations	Landcare groups



Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Northern Tablelands	Glen Innes Natural Resources Advisory Committee Inc	14,593	NLP	Turning the tide for threatened species the Regent Honeyeater project, delivers priority actions in the National Recovery Plan addressing key threats in areas on the Northern Tablelands recognised as significant for conservation for the species	Landcare groups
Northern Tablelands	Granite Borders Landcare	14,593	NLP	Turning the tide for threatened species the Regent Honeyeater project, delivers priority actions in the National Recovery Plan addressing key threats in areas on the Northern Tablelands recognised as significant for conservation for the species	Landcare groups
Northern Tablelands	New England Weeds Authority	633,531	DPI	Enabling local weed control authorities and other key stakeholders to meet the NSW Invasive Species Plan objectives for weed management	Landcare groups
Northern Tablelands	Gwydir and Macintyre Resources Management Committee Inc	14,593	NLP	Turning the tide for threatened species the Regent Honeyeater project, delivers priority actions in the National Recovery Plan addressing key threats in areas on the Northern Tablelands recognised as significant for conservation for the species	Landcare groups
Northern Tablelands	Southern New England Landcare	14,593	NLP	Turning the tide for threatened species the Regent Honeyeater project, delivers priority actions in the National Recovery Plan addressing key threats in areas on the Northern Tablelands recognised as significant for conservation for the species	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Northern Tablelands	Amaroo Local Aboriginal Land Council	8,000	NLP	The project aims to impart and preserve traditional Aboriginal knowledge, as well as introduce the children to natural resource management	Aboriginal communities
Northern Tablelands	Glen Innes Natural Resources Advisory Committee Inc	10,000	NLP	This project will help reduce the impacts of pest animals by raising community awareness of pest species	Landcare groups
Northern Tablelands	Granite Borders Landcare	10,000	NLP	This project will help reduce the impacts of pest animals by raising community awareness of pest species	Landcare groups
Northern Tablelands	Southern New England Landcare	10,000	NLP	This project will help reduce the impacts of pest animals by raising community awareness of pest species	Landcare groups
Northern Tablelands	Gwydir and Macintyre Resources Management Committee Inc	10,000	NLP	This project will help reduce the impacts of pest animals by raising community awareness of pest species	Landcare groups
Northern Tablelands	New England Weeds Authority	90,000	NLP	To contain and reduce Tropical Soda Apple infestations on landholder properties and implement and assist in the eradication of Tropical Soda Apple in the Macleay River riparian Zone of Upper Macleay Valley	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Northern Tablelands	New England Weeds Authority	25,000	CA NSW	Reducing the impact of priority weed species serrated tussock	Landcare groups
Northern Tablelands	Red Range Pinkett Wild Dog Control Association	6,000	Pest Levy	Developing and Implementing a Wild Dog Management Plan to reduce the impacts of wild dogs on primary production and natural environment including threatened species such as koalas	Wild dog groups
Northern Tablelands	Gwymac Wild Dog Control Association	4,400	Pest Levy	Developing and Implementing a Wild Dog Management Plan to reduce the impacts of wild dogs on primary production and natural environment including threatened species such as koalas	Wild dog groups
Northern Tablelands	Cooney Creek Wild Dog Control Association	3,200	Pest Levy	Developing and Implementing a Wild Dog Management Plan to reduce the impacts of wild dogs on primary production and natural environment including threatened species such as koalas	Wild dog groups
Northern Tablelands	Yarrowtich-Tia Wild Dog Association	4,400	Pest Levy	Developing and Implementing a Wild Dog Management Plan to reduce the impacts of wild dogs on primary production and natural environment including threatened species such as koalas	Wild dog groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Northern Tablelands	Wongwibinda Wild Dog Association	4,000	Pest Levy	Developing and Implementing a Wild Dog Management Plan, this project is aimed at reducing the impacts of wild dogs on primary production and natural environment including threatened species such as koalas	Wild dog groups
Northern Tablelands	Niangala Wild Dog Association	4,400	Pest Levy	Developing and Implementing a Wild Dog Management Plan, this project is aimed at reducing the impacts of wild dogs on primary production and natural environment including threatened species such as koalas	Wild dog groups
Riverina	Mirrool Creek Landcare	20,000	Biosecurity	The project will address pest animal population control within the Yarranjerry area. Community engagement will increase awareness and reduce impacts of pest animals on the environment and ag production. This project will protect high conservation value native vegetation, ground cover species and assist in reducing soil erosion	Landcare and communities
Riverina	Bush Heritage Australia	5,000	Contestable	This project will address the threats to the survival of the Swift Parrot. It will include implementing and monitoring on-ground habitat protection and restoration, monitoring population distribution and diseases prevalence, climate research and community engagement	Aboriginal communities, community groups, environment groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Riverina	Ricegrowers Association of Australia Inc (RGA)	2,000	Biosecurity	To increase the capacity of rice growers to undertake sustainable agriculture practices and improve the quality of the natural resource base	Irrigators
Riverina	Murrumbidgee Landcare Inc	65,000	NLP	To target events that build capacity to increase knowledge that will lead to better land management outcomes	Landcare and communities
South East	Bega Local Aboriginal Land Council	12,864	NSW State Gov	Improve water quality and enhance salt marsh communities of Merimbula Lake by installing road drainage	Aboriginal communities
South East	Bega Local Aboriginal Land Council	10,000	NSW State Gov	Provide employment and training for Aboriginal community members in vertebrate pest animal control and increased awareness and understanding of pest animal threats on Bega LALC properties	Aboriginal communities
South East	Bega Local Aboriginal Land Council	10,000	NLP	Provide employment and training for Aboriginal community members in fauna monitoring	Aboriginal communities
South East	Boorowa Community Landcare Group Inc	1,485	NLP	To extend coordination services to raise awareness events such as workshops, demonstrations, field days or study tours conducted	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
South East	Boorowa Community Landcare Group Inc	7,000	NSW State Gov	Deliver a farm business success workshop and further development of the Climate Change Revegetation project for local land managers to build diversity, resilience and health into their business and landscape	Landcare groups
South East	Boorowa Community Landcare Group Inc	15,000	NSW State Gov	Promote and coordinate group approaches to vertebrate pest management specifically fox management in the Boorowa District	Landcare groups
South East	Boorowa Community Landcare Group Inc	10,000	NLP	Increase land manager and community members' knowledge of evidence-based soil, biodiversity or vegetation management practices	Landcare groups
South East	Bush Heritage Australia	9,720	NSW State Gov	Provide invasive weed control, grazing pressure management and revegetation of a threatened ecological community on terrestrial lands	Community groups
South East	Bush Heritage Australia	5,007	NLP	Provide invasive weed control, grazing pressure management and revegetation of a threatened ecological community on terrestrial lands	Community groups
South East	Carwoola Community Association Inc	10,165	NSW State Gov	Enhance long-term viability of scarlet robin population via community awareness and education, private land management and conservation covenants	Community groups



Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
South East	Far South Coast Landcare Association	800	NLP	To extend coordination services for the Far South Coast Farmers Network including coordinate major training event, workshops and momentum of the network	Landcare groups
South East	Far South Coast Landcare Association	6,900	NSW State Gov	Collect and provide local native seed to local seed propagation nurseries of species suitable for estuarine riparian areas	Landcare groups
South East	Far South Coast Landcare Association	9,900	NLP	Contribute to community awareness raising events associated with enhancing condition of remnant native vegetation identified as lowland grassy woodland in the south east corner	Landcare groups
South East	Friends Of The Brush Tail Rock Wallaby	14,000	NSW State Gov	Raise awareness among landholders and reduce the extent of vertebrate pest impact on the brush-tailed rock wallaby via a strategic control program	Community groups
South East	Gunning District Landcare Inc	1,485	NLP	To extend coordination services to implement Strategic Plan and the South Pygmy Perch Action Plan, community engagement and training events, events and communication materials	Landcare groups
South East	Gunning District Landcare Inc	15,000	NSW State Gov	Promote and coordinate group approaches to vertebrate pest management specifically fox management in the Gunning District	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
South East	Gunning District Landcare Inc	10,000	NLP	Increase landholder awareness and capacity in applying best practice land management including soil health (pH and soil carbon), groundcover management and opportunities to combine biodiversity and production outcomes	Landcare groups
South East	Hovells Creek Landcare Group Inc	750	NLP	To extend coordination services for activities such as members meetings, promoting upcoming events, riparian/erosion project, website content and monitoring	Landcare groups
South East	Hovells Creek Landcare Group Inc	10,000	NLP	Collection for soil data to assist Hovells Creek land managers with their decision making with regards to grazing and pasture management including a focus of soil carbon, pH and management of soil moisture	Landcare groups
South East	Landcare Illawarra	10,000	NLP	Increase Illawarra landholder's capacity, skills and knowledge around the collection of seed, management of native vegetation and the design and implementation of revegetation projects on farm which improves connectivity and biodiversity outcomes in the Illawarra region	Landcare groups
South East	Landcare Illawarra Inc	2,888	NLP	To extend coordination services for activities such as launch school engagement services, events, communication platforms, tours and natural resource management activities	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
South East	Mogo Aboriginal Land Council	2,090	NLP	To extend coordination services to provide capacity for Local Environmental Rangers to continue to work on country and implement the Land and Sea Country Management Plan	Aboriginal communities
South East	Mogo Aboriginal Land Council	16,802	NSW State Gov	Improve water quality of Tomago River via revegetation to stabilise bank from erosion	Aboriginal communities
South East	Mogo Aboriginal Land Council	6,800	NSW State Gov	Conduct targeted rabbit control to reduce populations on Mogo LALC land at Tomago River and protect mangrove wetland and vulnerable mangrove species and prevent further erosion of a protected Aboriginal midden site	Aboriginal communities
South East	Pambula Wetlands and Heritage Project Inc	16,610	NSW State Gov	Improve water quality of the Pambula River with riparian revegetation, bank stabilisation and installation of new riparian fencing	Landcare groups
South East	Royalla Landcare Inc	20,000	NSW State Gov	Reduce the extent of vertebrate pest impact on local biodiversity values via a strategic control program and increase landholder capacity to contribute to on going management programs	Landcare groups
South East	Shoalhaven Landcare Association	10,000	NSW State Gov	Coordinated service to engage and support rural landholders in the control of vertebrate pest within the project area through training and awareness raising activities	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
South East	Small Farms Network Capital Region Inc	23,000	NSW State Gov	Workshops on sustainable land management, livestock health/ biosecurity or natural resource management	Community groups
South East	Towamba Valley Landcare Group Inc	9,900	NSW State Gov	Increase understanding and awareness of land managers of best practice pest animal management specifically destruction of rabbit warrens at priority locations	Landcare groups
South East	Upper Lachlan Landcare Inc	917	NLP	To extend Grazing for Growth project, including hosting future grazing meetings, producing brochures and maintain regular communication and updates	Landcare groups
South East	Upper Lachlan Landcare Inc	15,000	NSW State Gov	Promote and coordinate group approaches to vertebrate pest management specifically fox management in the Boorowa District	Landcare groups
South East	Upper Lachlan Landcare Inc	10,000	NLP	Increase land manager and community members' knowledge of evidence-based soil, biodiversity or vegetation management practices	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
South East	Upper Murrumbidgee Landcare Committee Inc	2,200	NLP	To extend coordination services for activities to be completed during this time to focus on the support and enhancement of the Landcare network	Landcare groups
South East	Upper Shoalhaven Landcare Council Inc	2,200	NLP	To extend coordination services to provide opportunities to members to access education and participation opportunities with a focus on local natural resource management and sustainable agriculture	Landcare groups
South East	Upper Shoalhaven Landcare Council Inc	4,995	NSW State Gov	Contribute to assisting community to promote biosecurity and the adoption of sustainable practices specifically decrease the impact of feral pig damage in the Bogungra Creek Catchment	Landcare groups
South East	Upper Shoalhaven Landcare Council Inc	10,005	NLP	Project will increase landholder awareness of soil limitations of the Windellama area via awareness raising events	Landcare groups
South East	Upper Snowy Landcare Network Inc	941	NLP	To extend coordination services to provide whole farm planning, advertising, Landcare meetings, local shows and meetings	Landcare groups
South East	Upper Snowy Landcare Network Inc	10,000	NLP	Contribute to community awareness raising and on-ground actions addressing Monaro are tree dieback	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
South East	Wagonga Local Aboriginal Land Council	8,320	NSW State Gov	Provide both tree planting and site preparation services at Tilba Tilba and Tuross Catchment	Aboriginal communities
South East	Yass Area Network Of Landcare Groups Inc	15,000	NSW State Gov	Promote and coordinate group approaches to vertebrate pest management specifically fox management in the Yass District	Landcare groups
South East	Yass Area Network Of Landcare Groups Inc	10,000	NLP	Improve the condition of white box-yellow box-Blakely's red gum grassy woodland and derived native grassland at Sutton Common	Landcare groups
Western	Western Landcare	16,000	NLP2	Interim RALF support for Landcare and Local Land Services State Conference	Landholders
Western	Western Landcare	10,000	NLP2	Healthy Soils Healthy Farms two school events to raise awareness of healthy soils on farms	Students
Western	Mungo Festival Inc	5,000	NLP2	Speakers and educational material for the Mungo Youth Support Project	Students, Aboriginal communities, environment agencies, community groups
Western	Western Landcare	30,000	NLP2	Willandra Lakes Rabbit Control Program	Landcare groups
Western	Western Landcare	115,000	NLP2	Coordinate prioritised rabbit warren destruction works via the Willandra Landholders Alliance Landcare Group	Landcare groups



## Research and development

Completed and continuing research and developmental activities including resources allocated in 2018-19 are as follows.

Region	Partner organisation	Project name	Purpose	Resources allocated	Ongoing or complete
North Coast	University of New England	Wild dog impacts on koalas	The interactions of wild dogs and koala populations on the North Coast and management implications	51,250	Ongoing
North Coast	University of NSW	Clybucca wetlands	Water modelling of the Clybucca floodplain drainage basin	50,000	Ongoing
North West	Grains Research and Development Corporation	Advancing Integrated Weed Management in the Northern Region	To increase grain grower and adviser understanding of integrated weed management control strategies and how they can be implemented to reduce targeted weed numbers in the GRDC Northern Region	253,727	Ongoing
Northern Tablelands	Australian National University	Regent Honeyeater Survey	To support natural resource management, sustainable agriculture and protect Australia's biodiversity. Surveying and monitoring will be undertaken of threatened woodland birds, focussing on the regent honeyeater	23,040	Ongoing
Northern Tablelands	Birdlife Australia	Regent Honeyeater Information Booklet	Develop and implement a broad strategy to raise awareness and educate the general public about regent honeyeater conservation	21,789	Completed

Region	Partner organisation	Project name	Purpose	Resources allocated	Ongoing or complete
Northern Tablelands	University of New England	Noisy Miner Monitoring	To identify key areas important to regent honeyeaters for noisy miner control and implement control programs and to assess the impacts and benefits of the control programs	104,840	Ongoing
Northern Tablelands	Stephen Debus	Birds of Prey Monitoring	To help secure threatened species populations of little eagle, square-tailed kite and the sea eagle	56,000	Ongoing
Northern Tablelands	University of the Sunshine Coast	Cool Country Koala Project	Extending field based surveys in priority areas and delivering events to initiate community monitoring of koalas and to inform future investment in koala habitat restoration and revegetation	56,026	Ongoing
Northern Tablelands	NSW DPI	Doggone Efficacy Trial	To test the efficacy of aerial baiting on target species, namely wild dogs and to determine the impact of aerial baiting programs on a monitored population of spotted-tailed quolls	167,993	Ongoing

Region	Partner organisation	Project name	Purpose	Resources allocated	Ongoing or complete
Northern Tablelands	Southern Queensland Natural Resource Management	Grahams Valley Wild Deer Monitoring	A community-led research project with GPS collar and camera trap component as well as a human dimensions component to continue our understanding of wild deer in the target area	56,440	Ongoing
Sustainable Land Management	Eco Logical Pty Ltd	Walgett Pilot: Biodiversity Assessment Method	Apply the biodiversity assessment method within the Walgett Strategic Landuse Pilot by undertaking on-ground assessments of potential treatment and credit sites	214,358	Completed
Sustainable Land Management	University of NSW	Land Management Reform - Social Benefits Research	Research to explore the social benefits of the Land Management Code by developing and undertaking an independent survey of landholders, to assess whether the code has improved landholders' engagement with Local Land Services and identify positive changes for individuals like client satisfaction, increased sense of empowerment/ resilience, increased optimism of retaining land ownership and broader community and social impacts	120,409	Ongoing

## Acronyms

**ACA** - Aboriginal Cultural Awareness

**ASN** - Aboriginal Support Network

**CA NSW** - Catchment Action NSW

**CALD** - Culturally and Linguistically Diverse

**CEO** - Chief Executive Officer

**CHIP** - Complaint Handling Improvement Program

**DIAP** - Disability Inclusion Action Plan

**DPI** - NSW Department of Primary Industries

**DPIE** - Department of Planning, Industry and Environment

**EFT** - Equivalent Full Time

**EPA** - Environment Protection Authority

**ERT** - Environment Research Trust

**FACS** - Family and Community Services

**FMD** - Foot-and-Mouth Disease

**GIPA** - Government Information (Public Access)

**GOV** - Government

**GRDC** - Grains Research and Development Corporation

**HART** - Hunter Aboriginal Riverkeeper Team

**HCC** - Hunter Catchment Contribution

**LALC** - Local Aboriginal Land Council

**LTIFR** - Lost Time Injury Frequency Rate

**NLIS** - National Livestock Identification System

**NLP** - National Landcare Program

**NLP2** - National Landcare Program 2

**PIC** - Property Identification Code

**PID** - Public Interest Disclosure

**PMES** - People Matter Employee Survey

**PRMF** - Public Reserve Management Fund

**RSPAMP** - Regional Strategic Pest Animal Management Plan

**SMA** - Stock Management Area

**SOS** - Saving Our Species

**SRP** - Sustainable Rice Platform

**SWAG** - Statewide Advisory Group

**TAFE** - Technical and Further Education

**TSR** - Travelling stock reserve

**UNE** - University of New England

**WHS** - Work health and safety

**WLRWHA** - Willandra Lakes Region World Heritage Area

**WSU** - Western Sydney University

## Local Land Services Financial Statements

For year ending 30 June 2019.

Local Land Services

Financial Statements

For the year ended 30 June 2019



# Local Land Services


## STATEMENT BY BOARD MEMBERS

Certificate under Section 41C (1B) and (1C) of the *Public Finance and Audit Act 1983*

Pursuant to the *Public Finance and Audit Act 1983* (the Act), we declare that in our opinion:

- (a) The accompanying consolidated financial statements exhibit a true and fair view of the financial position of Local Land Services and its controlled entity Local Land Services Staff Agency as at 30 June 2019, and their financial performance for the twelve month period then ended.
- (b) The financial statements have been prepared in accordance with:
  - The applicable Australian Accounting Standards, which include Australian Accounting Interpretations and other mandatory professional reporting requirements;
  - The requirements of the Act, the *Public Finance and Audit Regulation 2015* and the Treasurer's Directions issued under the Act.
- (c) There are no circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

For and on behalf of the Local Land Services Board



Richard Bull  
Chair  
Local Land Services Board

Dated: 24 September 2019



Johan Hietbrink  
Board Member  
Local Land Services Board

Dated: 24 September 2019

This page is unaudited.



## INDEPENDENT AUDITOR'S REPORT

### Local Land Services

To Members of the New South Wales Parliament

#### Opinion

I have audited the accompanying financial statements of Local Land Services (LLS), which comprise the Statement of Comprehensive Income for the year ended 30 June 2019, the Statement of Financial Position as at 30 June 2019, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Summary of Significant Accounting Policies and other explanatory information. The consolidated entity comprises Local Land Services and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- give a true and fair view of the financial position of LLS and the consolidated entity as at 30 June 2019, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

My opinion should be read in conjunction with the rest of this report.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of LLS in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Other Information

LLS's annual report for the year ended 30 June 2019 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The members of the Board of LLS are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Statement by the Board members under the *Public Finance and Audit Act 1983*.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## The Board's Responsibilities for the Financial Statements

The members of the Local Land Services Board are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the members of the Board determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Board are responsible for assessing the LLS's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting, unless it is not appropriate to do so.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that LLS and the consolidated entity carried out their activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Chris J Giumelli  
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

25 September 2019  
SYDNEY

# LOCAL LAND SERVICES

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Notes	Consolidated			Parent	
		Actual 2019 \$'000	Budget 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
<b>Expenses excluding losses</b>						
Operating expenses						
Employee related	2(a)	114,652	105,078	100,462	-	-
Personnel services	2(b)	-	-	-	114,652	102,408
Other operating expenses	2(c)	87,681	80,213	77,161	87,681	77,161
Depreciation and amortisation	2(d)	2,519	3,854	2,410	2,519	2,410
Grants and subsidies	2(e)	28,070	19,139	40,222	28,070	40,222
<b>Total expenses excluding losses</b>		<b>232,922</b>	<b>208,284</b>	<b>220,255</b>	<b>232,922</b>	<b>222,201</b>
<b>Revenue</b>						
Sale of goods and services	3(a)	69,423	7,175	41,407	69,423	41,407
Investment revenue	3(b)	918	500	1,429	918	1,429
Grants and contributions	3(c)	155,359	81,225	127,519	162,507	132,112
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	7,148	3,772	4,593	-	-
Other revenue	3(e)	5,656	68,124	10,062	5,656	10,062
Rates	3(f)	7	51,858	39,440	7	39,440
<b>Total revenue</b>		<b>238,511</b>	<b>212,654</b>	<b>224,450</b>	<b>238,511</b>	<b>224,450</b>
<b>Operating result</b>		<b>5,589</b>	<b>4,370</b>	<b>4,195</b>	<b>5,589</b>	<b>2,249</b>
<b>Gain on disposal</b>	4(a)	311	-	235	311	235
<b>Net result</b>		<b>5,900</b>	<b>4,370</b>	<b>4,430</b>	<b>5,900</b>	<b>2,484</b>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to net result</b>						
Net increase in property, plant and equipment asset revaluation reserve		28,265	-	3,616	28,265	3,616
<b>Total other comprehensive income</b>		<b>28,265</b>	<b>-</b>	<b>3,616</b>	<b>28,265</b>	<b>3,616</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>34,165</b>	<b>4,370</b>	<b>8,046</b>	<b>34,165</b>	<b>6,100</b>

The accompanying notes form part of these financial statements.

**LOCAL LAND SERVICES**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019**

		Consolidated			Parent	
	Notes	Actual 2019 \$'000	Budget 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	5	53,015	40,261	62,418	53,015	62,418
Receivables	6	29,188	9,850	21,094	28,970	20,934
Inventories	7	1,953	1,300	1,850	1,953	1,850
Assets held for sale	8	102	102	102	102	102
<b>Total current assets</b>		<b>84,258</b>	<b>51,513</b>	<b>85,464</b>	<b>84,040</b>	<b>85,304</b>
<b>Non-current assets</b>						
Property, plant and equipment	9					
- Land and buildings		603,598	574,117	576,101	603,598	576,101
- Plant and equipment		4,640	2,980	4,838	4,640	4,838
- Infrastructure systems		22,650	20,904	23,343	22,650	23,343
- Work in progress		2,446	-	181	2,446	181
Total property, plant and equipment		<b>633,334</b>	<b>598,001</b>	<b>604,463</b>	<b>633,334</b>	<b>604,463</b>
Intangible assets	10					
- Intangible assets		846	10,298	832	846	832
- Work in progress		2,070	-	-	2,070	-
Total intangible assets		<b>2,916</b>	<b>10,298</b>	<b>832</b>	<b>2,916</b>	<b>832</b>
<b>Total non-current assets</b>		<b>636,250</b>	<b>608,299</b>	<b>605,295</b>	<b>636,250</b>	<b>605,295</b>
<b>Total assets</b>		<b>720,509</b>	<b>659,812</b>	<b>690,759</b>	<b>720,291</b>	<b>690,599</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Payables	12	37,188	10,520	37,865	52,902	51,023
Provisions	13(a)(b)	16,282	8,700	13,738	964	964
Other	14	1,273	1,500	7,786	1,273	7,786
<b>Total current liabilities</b>		<b>54,743</b>	<b>20,720</b>	<b>59,389</b>	<b>55,139</b>	<b>59,773</b>
<b>Non-current liabilities</b>						
Provisions	13(c)	614	1,200	544	-	-
Other	14	485	700	714	485	714
<b>Total non-current liabilities</b>		<b>1,099</b>	<b>1,900</b>	<b>1,258</b>	<b>485</b>	<b>714</b>
<b>Total liabilities</b>		<b>55,842</b>	<b>22,620</b>	<b>60,647</b>	<b>55,624</b>	<b>60,487</b>
<b>Net assets</b>		<b>664,667</b>	<b>637,192</b>	<b>630,112</b>	<b>664,667</b>	<b>630,112</b>
<b>EQUITY</b>						
Reserves		143,875	115,551	115,610	143,875	115,610
Accumulated funds		520,792	521,641	514,502	520,792	514,502
<b>Total equity</b>		<b>664,667</b>	<b>637,192</b>	<b>630,112</b>	<b>664,667</b>	<b>630,112</b>

The accompanying notes form part of these financial statements.



**LOCAL LAND SERVICES**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019**

<b>Consolidated Entity</b>	<b>Accumulated Funds \$'000</b>	<b>Asset Revaluation Reserve \$'000</b>	<b>Total Equity \$'000</b>
<b>Balance at 1 July 2018</b>	<b>514,502</b>	<b>115,610</b>	<b>630,112</b>
<b>Net result for the period</b>	<b>5,900</b>	<b>-</b>	<b>5,900</b>
<b>Other comprehensive income:</b>			
Net increase in property, plant and equipment	-	28,265	28,265
<b>Total other comprehensive income</b>	<b>-</b>	<b>28,265</b>	<b>28,265</b>
<b>Total comprehensive income for the period</b>	<b>5,900</b>	<b>28,265</b>	<b>34,165</b>
<b>Transactions with owners in their capacity as owners</b>			
Increase in net assets due to transfer of equity from Soil Conservation Service (Note 20)	390	-	390
<b>Total transactions with owners in their capacity as owners</b>	<b>390</b>	<b>-</b>	<b>390</b>
<b>Balance at 30 June 2019</b>	<b>520,792</b>	<b>143,875</b>	<b>664,667</b>
<b>Balance at 1 July 2017</b>	<b>487,014</b>	<b>111,994</b>	<b>599,008</b>
<b>Net result for the period</b>	<b>4,430</b>	<b>-</b>	<b>4,430</b>
<b>Other comprehensive income:</b>			
Net increase in property, plant and equipment	-	3,616	3,616
<b>Total other comprehensive income</b>	<b>-</b>	<b>3,616</b>	<b>3,616</b>
<b>Total comprehensive income for the period</b>	<b>4,430</b>	<b>3,616</b>	<b>8,046</b>
<b>Transactions with owners in their capacity as owners</b>			
Increase in net assets due to transfer of equity from Soil Conservation Service (Note 20)	23,058	-	23,058
<b>Total transactions with owners in their capacity as owners</b>	<b>23,058</b>	<b>-</b>	<b>23,058</b>
<b>Balance at 30 June 2018</b>	<b>514,502</b>	<b>115,610</b>	<b>630,112</b>

The accompanying notes form part of these financial statements.

# **LOCAL LAND SERVICES**

## **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019**

Parent Entity	Accumulated Funds \$'000	Asset Revaluation Reserve \$'000	Total Equity \$'000
<b>Balance at 1 July 2018</b>	<b>514,502</b>	<b>115,610</b>	<b>630,112</b>
<b>Net result for the period</b>	<b>5,900</b>	<b>-</b>	<b>5,900</b>
<b>Other comprehensive income:</b>			
Net increase in property, plant and equipment	-	28,265	28,265
<b>Total other comprehensive income</b>	<b>-</b>	<b>28,265</b>	<b>28,265</b>
<b>Total comprehensive income for the period</b>	<b>5,900</b>	<b>28,265</b>	<b>34,165</b>
<b>Transactions with owners in their capacity as owners</b>			
Increase in net assets due to transfer of equity from Soil Conservation Service (Note 20)	390	-	390
<b>Total transactions with owners in their capacity as owners</b>	<b>390</b>	<b>-</b>	<b>390</b>
<b>Balance at 30 June 2019</b>	<b>520,792</b>	<b>143,875</b>	<b>664,667</b>
<b>Balance at 1 July 2017</b>	<b>487,014</b>	<b>111,994</b>	<b>599,008</b>
<b>Net result for the period</b>	<b>2,484</b>	<b>-</b>	<b>2,484</b>
<b>Other comprehensive income:</b>			
Net increase in property, plant and equipment	-	3,616	3,616
<b>Total other comprehensive income</b>	<b>-</b>	<b>3,616</b>	<b>3,616</b>
<b>Total comprehensive income for the year</b>	<b>2,484</b>	<b>3,616</b>	<b>6,100</b>
<b>Transactions with owners in their capacity as owners</b>			
Increase in net assets due to transfer of equity from Soil Conservation Service (Note 20)	25,004	-	25,004
<b>Total transactions with owners in their capacity as owners</b>	<b>25,004</b>	<b>-</b>	<b>25,004</b>
<b>Balance at 30 June 2018</b>	<b>514,502</b>	<b>115,610</b>	<b>630,112</b>

The accompanying notes form part of these financial statements.

**LOCAL LAND SERVICES**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019**

		Consolidated		Parent		
	Notes	Actual 2019 \$'000	Budget 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Payments</b>						
Employee related		(105,601)	(101,282)	(88,642)	-	-
Personnel services expense		-	-	-	(105,601)	(88,642)
Grants and subsidies		(28,070)	(19,138)	(40,222)	(28,070)	(40,222)
Other supplier payments		(85,745)	(84,039)	(74,991)	(85,745)	(74,991)
GST paid on purchases		(10,939)	-	(8,835)	(10,939)	(8,835)
<b>Total payments</b>		<b>(230,355)</b>	<b>(204,459)</b>	<b>(212,690)</b>	<b>(230,355)</b>	<b>(212,690)</b>
<b>Receipts</b>						
Sale of goods and services		58,635	7,175	41,407	58,635	41,407
Interest received		525	500	1,120	525	1,120
Rates		1,696	51,858	47,310	1,696	47,310
Grants and contributions		155,359	81,225	127,519	155,359	127,519
Other customer receipts		2,124	70,123	4,196	2,124	4,196
GST received on amounts received		7,302	-	3,220	7,302	3,220
<b>Total receipts</b>		<b>225,641</b>	<b>210,881</b>	<b>224,772</b>	<b>225,641</b>	<b>224,772</b>
<b>NET CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>		<b>(4,714)</b>	<b>6,422</b>	<b>12,082</b>	<b>(4,714)</b>	<b>12,082</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Proceeds from sale of land and buildings, plant and equipment and infrastructure systems		424	-	441	424	441
Purchases of land and buildings, plant and equipment and infrastructure systems		(3,029)	(10,767)	(1,402)	(3,029)	(1,402)
Purchases of intangibles		(2,084)	-	-	(2,084)	-
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>		<b>(4,689)</b>	<b>(10,767)</b>	<b>(961)</b>	<b>(4,689)</b>	<b>(961)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		-	-	-	-	-
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>(9,403)</b>	<b>(4,345)</b>	<b>11,121</b>	<b>(9,403)</b>	<b>11,121</b>
Opening cash and cash equivalents		62,418	44,606	51,297	62,418	51,297
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	5	<b>53,015</b>	<b>40,261</b>	<b>62,418</b>	<b>53,015</b>	<b>62,418</b>

The accompanying notes form part of these financial statements.

## Notes to and forming part of the financial statements

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Reporting entity

Local Land Services (LLS) is a statutory body, established pursuant to the *Local Land Services Act 2013* (the LLS Act) which commenced on 1 January 2014.

LLS is a NSW Government agency and is charged with the responsibility for delivering local land services in the social, economic and environmental interests of the State. LLS has responsibilities in the areas of biosecurity, natural resource management, agricultural advisory and emergency management. Functions are exercised in each of these key areas with a focus on regional delivery and alignment with State objectives.

The LLS Act does not allow LLS to employ staff. Under the *Government Sector Employment Act 2013*, LLS arranges personnel services through the Local Land Services Staff Agency (LLSSA). LLSSA is a controlled entity of LLS and together the two entities form the economic entity reflected in these consolidated financial statements.

In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

LLS is a not-for-profit entity (as profit is not its principle objective) and does not have a cash generating unit.

These financial statements represent the period 1 July 2018 to 30 June 2019. The comparative figures are for the year between 1 July 2017 to 30 June 2018.

These financial statements have been authorised for issue by the Local Land Services Board on 24 September 2019.

#### (b) Basis of preparation

LLS's financial statements are general purpose financial statements which, subject to note 1(a), have been prepared on an accrual basis in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the Public Finance and Audit Act 1983 (the Act) and Public Finance and Audit Regulation 2015; and
- the Treasurer's Directions issued under the Act.

Property, plant and equipment, assets (or disposal groups) held for sale and financial assets at 'fair value through profit and loss' and available for sale are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

Any judgements, key assumptions or estimates management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

#### (c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

#### (d) Significant accounting judgements, estimates and assumptions

##### (i) Significant accounting judgements

In the preparation of the financial statements, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may vary from these estimates.

##### (ii) Significant accounting estimates and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements made by management in the application of the Australian Accounting Standards that have significant effects on the financial statements and estimates, with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

#### (e) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's mandate to not-for-profit general government sector agencies.

#### (f) Insurance

LLS insurance activities are conducted through the NSW Treasury Managed Fund scheme of self-insurance for government agencies. The expense (premium) is determined by the fund manager based on past experience and the insurance coverage is reviewed periodically to ensure that it is adequate.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (g) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that:

- the amount of GST incurred by LLS as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Tax Office are classified as operating cash flows.

### (h) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

#### (i) Grants or contributions

Grants or contributions from government and other bodies are generally recognised as income when LLS obtains control or the right to receive the contributions. Control over a grant or contribution is normally obtained upon the receipt of cash. In other cases recognition may be based on the achievement of milestones which would allow the control of the funds to pass to LLS.

#### (ii) Sale of goods and services

Revenue from the sale of goods is recognised as revenue when LLS transfers the significant risks and rewards of ownership of the assets and the amount of revenue is reliably measured.

Revenue for the rendering of services is recognised when the service provided or by reference to the stage of completion.

#### (iii) Rates and charges

Rates are levied annually for the calendar year. Interest is charged on overdue rates, the rates are set at the Commonwealth Bank overdraft index rate as at 1 January of the rating year plus 2%. For 2019 the interest rates on overdue rates are 11.31% (2018 - 11.31%).

#### (iv) Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 9 *Financial Instruments*.

### (i) Assets

#### (i) Acquisition of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by LLS. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

#### (ii) Capitalisation thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised. All amounts below \$5,000 are expensed to profit and loss as incurred.

#### (iii) Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and take into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into consideration, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is a feasible higher restricted alternative use.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (iii) Revaluation of property, plant and equipment (continued)

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Also refer to Note 11 for further information regarding fair value.

LLS re-values each class of property, plant and equipment with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. A revaluation of the Travelling Stock Reserves (TSR's), as part of the Crown Land Estate (CLE), was completed by Opteon Property Group in March 2017 and was based on an independent assessment. An indexation amounting to \$28.265m has been recognised in the financial statements against the TSR land and Reserve Trusts value as part of the CLE for the year ended 30 June 2019.

Revaluation increments are credited directly to revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the revaluation surplus in respect of the same class of assets, they are debited directly to the revaluation surplus.

Non-specialised assets with short useful lives are measured at depreciated historical cost as an approximation of fair value. LLS has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

LLS undertook a revaluation of freehold land and building assets during May and June 2016. Herron Todd White and Opteon Property Group were engaged to conduct the valuations, with revaluation adjustments made in accordance with the valuations obtained.

The methods of revaluing the Crown land assets utilises a mass valuation technique as follows:

#### Travelling Stock Reserves and Stock Watering Places

The determination of global rates per hectare for a variety of land classifications for each local government area is considered the most appropriate approach to determine a value for Crown Land, and is also applied to the Travelling Stock Reserves (TSR's) and Stock Watering Places (SWP's). For the mass valuations, a valuation rate per hectare was provided for each land category type, within a local government area by Opteon Property Group on behalf of Department of Industry - Lands (formerly NSW Crown Lands). The TSR land vested to and under the effective control of LLS was valued at \$576,766,026 as at 30 June 2019.

### (iv) Impairment of property, plant and equipment

LLS is a not-for-profit entity with no cash generating units, LLS is unlikely to be affected by AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

LLS transfers the carrying value of land for Aboriginal land claims which have been granted to Department of Industry - Lands. The amount, representing the fair value of land granted based on estimated size of the land, is expensed when granted. Until the land is surveyed, the precise area to be transferred is unknown.

### (v) Contaminated land

When the Environmental Protection Authority identifies land as contaminated and provides an order, an impairment provision is raised for the land when the cost to remediate the land is quantifiable. In the event that cost of restoring the contaminated land exceeds the value of the land a liability is recognised.

### (vi) Depreciation of property, plant and equipment

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity. All material separately identifiable components of assets are depreciated over their shorter useful lives.

Land is not a depreciable asset.

The depreciation of buildings and infrastructure is calculated on a straight line basis. Due to the nature and location of its activities, a useful life guide of 40 years is used for buildings and 20 years for infrastructure.

Equipment and vehicles are depreciated on a straight line basis over the remaining life to scrap value (where applicable) so as to write off the depreciable amount of each asset as it is consumed over its useful life to the entity.

Each class of asset has a default life which may be varied as a result of management review either at acquisition or at any time during the asset life.

Default asset class lives are:

Buildings	20 - 60 years
Plant and equipment	2 - 20 years
Infrastructure	3 - 67 years
Intangibles	2 - 4 years

### (vii) Major inspection costs

When each major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.



## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (viii) Restoration costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

### (ix) Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

### (x) Leased assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value or, if lower, the present value of the minimum lease payments at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

### (xi) Investment properties

LLS owns some properties which generate rental income. Investment properties are stated at fair value in the statement of financial position, using the valuation technique that maximises the use of relevant observable inputs. Gains or losses arising from changes in fair value are included in the net result for the year in the period in which they arise. No depreciation is charged on investment properties.

### (xii) Intangible assets

LLS recognises intangible assets only if it is probable that future economic benefits will flow to LLS and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives.

Internally developed software costs that are directly associated with the production of identifiable and unique software products controlled by LLS and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development employee costs and an appropriate portion of relevant overheads. Costs associated with maintaining computer software are recognised as an expense as incurred.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for LLS's intangible assets, the assets are carried at cost less any accumulated amortisation.

LLS intangible assets are amortised using the straight line method over a period of 1 - 3 years.

Water licences have been valued at cost where there is no active market.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

### (xiii) Other inventories

Inventories held for distribution are stated at cost, adjusted when applicable, for any loss of service potential. A loss of service potential is identified and measured based on the existence of a current replacement cost that is lower than the carrying amount. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value.

Other inventories are comprised of baits, ammunition, signs and chemicals that are used by LLS in the management of pests and weeds on the travelling stock routes. In some locations these inventories are available for sale to the public.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (xiv) Inventories (Seed bank)

Inventories are comprised of processed and unprocessed local native seed which are used on revegetation projects carried out by LLS and other organisations.

Inventories are measured at actual cost reflecting the cost of collection and preparation. The cost is then attributed annually to the various seed lots collected and is then adjusted after viability testing.

Factors such as climate, weather events, available funding and landholder confidence all impact on the quantity and types of seed available for collection and planting.

### (xv) Biological assets

Biological assets are measured on initial recognition and at each reporting date at fair value less estimated point-of-sale costs, or reasonable estimates of the fair value less estimated point-of-sale costs.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated point-of-sale costs and from a change in fair value less estimated point-of-sale costs of a biological asset is included in net result for the period in which it arises.

### (xvi) Investments

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs. LLS determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

### (xvii) Impairment of financial assets

The adoption of AASB 9 *Financial Instruments* has changed the LLS's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires LLS to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss. There is no material impact to the entity on adopting the new impairment model.

### (xiii) De-recognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if LLS transfers the financial asset:

- where substantially all the risks and rewards have been transferred; or
- where LLS has not transferred substantially all the risks and rewards, if the entity has not retained control

Where LLS has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the entity's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

### (xix) Non-current assets (or disposal groups) held for sale

LLS has certain non-current assets (or disposal groups) classified as held for sale, where their carrying amount will be recovered principally through a sales transaction, not through continuing use. Non-current assets (or disposal groups) held for sale is recognised at the lower of carrying amount and fair value less costs to sell. These assets are not depreciated while they are classified as held for sale. Refer Note 8.

### (xx) Other assets

Other assets are recognised on a historic cost basis.

## (j) Liabilities

### (i) Payables

These amounts represent liabilities for goods and services provided to LLS and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (ii) Borrowings

Loans are not held for trading or designated at fair value through profit or loss and are recognised at amortised cost using the effective interest method. Gains or losses are recognised in the net result for the year on derecognition.

Finance lease liabilities are determined in accordance with AASB 117 *Leases*.

### (iii) Personnel services

LLS does not employ staff but utilises the personnel services of the LLSSA. The cost of personnel services in respect of wages and salaries, superannuation, annual leave, long service leave, and for personal leave are recognised when it is probable that settlement will be required.

### (iv) Employee benefits and other provisions

#### (a) Salaries and wages, annual leave, sick leave and on-costs

Salaries and wages (including non-monetary benefits) and paid sick leave that are expected to be settled wholly within 12 months after the end of period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of a nominal approach plus the annual leave on annual leave liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. LLS has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

#### (b) Long service leave

LLS's long service leave liability is assumed by the Crown Finance Entity (CFE). The entity accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as 'Acceptance by the CFE of employee benefits and other liabilities'.

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*, based on the application of procedures (specified in NSW Treasury Circular TC18/13) to employees with five or more years of service, using current rates of pay. Additional factors were applied based on an actuarial review to approximate present value.

#### (c) Superannuation

The CFE assumes the defined benefit superannuation liabilities for certain General Government Sector entities. This means on initial incurrence entities recognise a liability and expense and on assumption of the liability, a revenue equivalent to the liability assumed.

#### (d) Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, worker's compensation insurance premiums and fringe benefits tax.

#### (e) Other provisions

Other provisions exist when LLS has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the obligation.

Any provision for restructuring is recognised only when an agency has a detailed formal plan and the agency has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

If the effect of the time value of money is material, provisions are discounted at an appropriate percentage, which is a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (k) Fair value hierarchy

A number of the LLS's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the entity categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 - quoted prices in active markets for identical assets / liabilities that the LLS can access at the measurement date.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 - inputs that are not based on observable market data (unobservable inputs).

LLS recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Refer Note 11 and Note 19 for further disclosures regarding fair value measurements of financial and non-financial assets.

### (l) Equity and reserves

#### (i) Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. This accords with LLS's policy on the revaluation of property, plant and equipment as discussed in Note 1(i) (iii).

#### (ii) Accumulated funds

The category accumulated funds includes all current and prior period retained funds.

(iii) Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or Australian Accounting Standards (e.g. revaluation surplus).

#### (iv) Equity transfers

Transfers arising from an administrative restructure involving not-for-profit government entities are recognised at the amount at which the assets and liabilities were recognised by the transferor immediately prior to the restructure to approximate fair value.

### (m) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget are not reflected in the budgeted amounts. Major variances between the original budgeted and the actual amounts are disclosed in the primary financial statements in Note 17.

### (n) New Australian Accounting Standards issued but not effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted for the financial year ended 30 June 2019. These are listed as follows, along with the corresponding effective date:

- AASB 15, AASB 2014-5, AASB 2015-8 and 2016-3 regarding Revenue from Contracts with Customers (Jan 2019)
- AASB 16 Leases (Jan 2019)
- AASB 17 Insurance Contracts (Jan 2021)
- AASB 1058 Income of Not-for-profit Entities (Jan 2019)
- AASB 1059 Service Concession Arrangements: Grantors (Jan 2019)
- AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities (Jan 2019)
- AASB 2017-1 Amendments to Australian Accounting Standards – Transfer of investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments (Jan 2018)
- AASB 2017-4 Amendments to Australian Accounting Standards – Uncertainty of Income Tax Treatments (Jan 2019)
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation (Jan 2019)
- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures (Jan 2019)
- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015-2017 (Jan 2019)
- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement (Jan 2019)
- AASB 2018-3 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements (Jan 2019)
- AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors (Jan 2019)
- AASB 2018-5 Amendments to Australian Accounting Standards – Deferral of AASB 1059 (Jan 2019)
- AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business (Jan 2020)
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material (Jan 2020)
- AASB 2018-8 Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities (Jan 2019)
- Interpretation 22 Foreign Currency Transactions and Advance Consideration (Jan 2018)
- Interpretation 23 Uncertainty over Income Tax Treatment (Jan 2019)

LLS believes a number of these standards may have an impact on the content and presentation of the financial statements once the standards become effective. With the exception of AASB 16 *Leases* outlined later in this note, LLS have assessed there to be minimal impact to the financial performance or position in future periods, beyond changes to associated disclosures.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **(n) New Australian Accounting Standards issued but not effective (continued)**

LLS has considered the standards and interpretations which will apply from 1 July 2019, and assess those likely to impact below:

· AASB 16 Leases - AASB 16 replaces AASB 117 Leases and will apply to LLS for financial periods beginning 1 July 2019. The Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with terms longer than twelve months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset and a lease liability. For lessors, the Standard provides accounting requirements that a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The application of AASB 16 may have a material effect on the financial statements of LLS in the future. LLS has a number of leases which will be captured by AASB 16. By modelling existing leases and using assumptions leases will be renewed along similar terms and values, expects to recognise right of use assets estimated to be \$29 million. A corresponding lease liability of the same amount will also be recognised. The Statement of Comprehensive Income will recognise the associated depreciation and interest expenses during the reporting period. In line with NSW Treasury mandates, LLS will adopt the partial retrospective option where the cumulative effect of initially applying AASB 16 is recognised on the initial application date, 1 July 2019.

· AASB 15 Revenue from Contracts with Customers and AASB 1058 Income for Not-for-Profit Entities have been assessed by LLS and are not expected to materially impact the recognition of revenues and expenditure transactions in future financial periods.

### **(o) New Australian Accounting Standards adopted**

LLS has adopted the following standard and interpretations from 1 July 2018:

LLS has adopted AASB 9 Financial Instruments (AASB 9), which resulted in changes to accounting policies in respect of recognition, classification and measurement of financial assets and financial liabilities; derecognition of financial instruments; impairment of financial assets and hedge accounting. AASB 9 also significantly amends other standards dealing with financial instruments such as the revised AASB 7 Financial Instruments: Disclosures (AASB 7).

LLS applied AASB 9 retrospectively but has not restated the comparative information which is reported under AASB 139 Financial Instruments: Recognition and Measurement (AASB 139). Any differences arising from the adoption of AASB 9 have been recognised directly in accumulated funds and other components of equity. The impact of AASB 9, had it been adopted prior to 1 July 2018 was a decrease in net assets and accumulated funds of \$170,237.

## 2. EXPENSES EXCLUDING LOSSES

	Consolidated		Parent	
	Actual	Actual	Actual	Actual
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
<b>(a) Employee related expenses</b>				
Salaries and wages (including recreation leave)	91,213	80,264	-	-
Superannuation – defined benefit plans	626	725	-	-
Superannuation – defined contribution plans	8,005	6,912	-	-
Long service leave	7,229	4,472	-	-
Workers compensation insurance	743	564	-	-
Payroll tax and fringe benefits tax	5,989	5,122	-	-
Redundancy payments	847	2,403	-	-
	<b>114,652</b>	<b>100,462</b>	-	-
<b>(b) Personnel services</b>	-	-	114,652	102,408
	-	-	<b>114,652</b>	<b>102,408</b>
<b>(c) Other operating expenses include the following:</b>				
Advertising and promotion	1,139	1,096	1,139	1,096
Auditor's remuneration – audit of financial reports	238	216	238	216
Bad and doubtful debts	1,819	1,352	1,819	1,352
Board remuneration	2,052	2,095	2,052	2,095
Cleaning	662	555	662	555
Computer software fees	810	762	810	762
Consultancy	-	268	-	268
Contractors and other fees	23,772	24,639	23,772	24,639
Cost of inventories held for distribution	3,523	3,579	3,523	3,579
Cost of sales	6,484	4,275	6,484	4,275
Courier and freight	66	79	66	79
Data/Internet	69	49	69	49
Electricity	683	532	683	532
Insurance	519	398	519	398
Corporate Services	3,235	3,379	3,235	3,379
Legal - Crown Solicitor's Office	1	-	1	-
Legal other	47	116	47	116
Levies	7,399	7,876	7,399	7,876
Maintenance	3,186	3,239	3,186	3,239
Motor vehicle	5,455	6,244	5,455	6,244
Operating lease rental – minimum lease payments	8,794	6,306	8,794	6,306
Other operating	10,447	2,940	10,447	2,940
Printing	1,040	1,177	1,040	1,177
Rates	101	62	101	62
Telecommunication	1,167	1,130	1,167	1,130
Training and staff development	1,025	1,320	1,025	1,320
Travel	3,948	3,477	3,948	3,477
	<b>87,681</b>	<b>77,161</b>	<b>87,681</b>	<b>77,161</b>
<b>(d) Depreciation and amortisation expense</b>				
Buildings	959	642	959	642
Infrastructure	827	831	827	831
Plant and equipment	733	936	733	936
Amortisation of intangible assets	-	1	-	1
	<b>2,519</b>	<b>2,410</b>	<b>2,519</b>	<b>2,410</b>
<b>(e) Grants and subsidies</b>				
National Landcare Programme	4,591	11,700	4,591	11,700
Catchment Management NSW	4,865	9,062	4,865	9,062
Hunter Catchment Contribution	2,102	2,041	2,102	2,041
Landcare Co-ordinators Initiative	3,255	8,652	3,255	8,652
Weed Action Plan	4,833	2,316	4,833	2,316
Other	8,424	6,451	8,424	6,451
	<b>28,070</b>	<b>40,222</b>	<b>28,070</b>	<b>40,222</b>

### 3. REVENUES

	Consolidated		Parent	
	Actual	Actual	Actual	Actual
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
<b>(a) Sale of goods and services</b>				
<b>Sale of goods:</b>				
Minor sales of goods and services	329	429	329	429
<b>Rendering of services:</b>				
Education	45	237	45	237
Fees for services rendered	59,052	33,281	59,052	33,281
Permit fees	3,884	5,861	3,884	5,861
Recovery of administrative costs	-	(11)	-	(11)
Other services	6,113	1,610	6,113	1,610
	<b>69,423</b>	<b>41,407</b>	<b>69,423</b>	<b>41,407</b>
<b>(b) Investment revenue</b>				
Interest	525	1,120	525	1,120
Rents	393	309	393	309
	<b>918</b>	<b>1,429</b>	<b>918</b>	<b>1,429</b>
<b>(c) Grants and contributions</b>				
Industry/private bodies	951	456	951	456
Commonwealth Government	175	27,274	175	27,274
NSW budget sector agencies	149,070	93,942	149,070	93,942
Personnel services received free of charge	-	-	7,148	4,593
Local and other state governments	5,163	5,847	5,163	5,847
	<b>155,359</b>	<b>127,519</b>	<b>162,507</b>	<b>132,112</b>
<b>(d) Acceptance by the Crown Entity of employee benefits and other liabilities</b>				
Superannuation	626	725	-	-
Long service leave	6,488	3,829	-	-
Payroll tax	34	39	-	-
	<b>7,148</b>	<b>4,593</b>	<b>-</b>	<b>-</b>
<b>(e) Other revenue</b>				
Levies	1	6,163	1	6,163
Other revenue	5,655	3,899	5,655	3,899
	<b>5,656</b>	<b>10,062</b>	<b>5,656</b>	<b>10,062</b>
<b>(f) Rates</b>				
Rates	7	39,440	7	39,440
	<b>7</b>	<b>39,440</b>	<b>7</b>	<b>39,440</b>



#### 4. GAIN / (LOSS) ON DISPOSAL

	Consolidated		Parent	
	Actual	Actual	Actual	Actual
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
<b>(a) Gain / (loss) on disposal</b>				
<b>Gain on disposal of property, plant and equipment</b>				
Proceeds from disposal	424	441	424	441
Written down value of assets disposed	(113)	(206)	(113)	(206)
<b>Net gain on disposal of property, plant and equipment</b>	<b>311</b>	<b>235</b>	<b>311</b>	<b>235</b>

#### 5. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

Cash at bank and on hand	53,015	62,418	53,015	62,418
	<b>53,015</b>	<b>62,418</b>	<b>53,015</b>	<b>62,418</b>

For the purpose of the statement of cash flows, cash and cash equivalents include cash at bank, cash on hand, and short term deposits.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

Cash and cash equivalents (per statement of financial position)	53,015	62,418	53,015	62,418
Closing cash and cash equivalents (per statement of cash flows)	<b>53,015</b>	<b>62,418</b>	<b>53,015</b>	<b>62,418</b>

LLS carries an external restriction against funds held at year end. The restriction applies to the use of funds and arises from contractual and legislative obligations to other bodies. The aggregate of these restricted funds included in the cash and cash equivalent balance reported above is \$41.7 million (2018 \$42.5 million).

Refer Note 19 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

#### 6. CURRENT / NON-CURRENT ASSETS - RECEIVABLES

##### CURRENT

Trade debtors	32,698	18,011	32,698	18,011
Miscellaneous	(40)	4,013	(40)	4,013
Less: Allowance for expected credit losses	(4,179)	(2,368)	(4,179)	(2,368)
Net GST	-	832	-	832
<b>Trade receivables</b>	<b>28,479</b>	<b>20,488</b>	<b>28,479</b>	<b>20,488</b>

##### Prepayments

Other	709	606	491	446
	<b>709</b>	<b>606</b>	<b>491</b>	<b>446</b>

##### Receivables

	<b>29,188</b>	<b>21,094</b>	<b>28,970</b>	<b>20,934</b>
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6. CURRENT / NON-CURRENT ASSETS - RECEIVABLES - (continued)

	Consolidated		Parent	
	Actual	Actual	Actual	Actual
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
<b>Movement in the allowance for expected credit losses</b>				
Balance at beginning of period	2,368	1,021	2,368	1,021
Amounts written off during the period	(8)	(5)	(8)	(5)
Increase in allowance recognised in profit or loss	1,819	1,352	1,819	1,352
<b>Balance at end of period</b>	<b>4,179</b>	<b>2,368</b>	<b>4,179</b>	<b>2,368</b>
<b>GST</b>				
GST receivable	1,652	2,678	1,652	2,678
GST payable	(1,818)	(1,846)	(1,818)	(1,846)
<b>NET GST Receivable/(Payable)</b>	<b>(166)</b>	<b>832</b>	<b>(166)</b>	<b>832</b>

Net GST payable is disclosed at Note 12.

Refer Note 19 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

7. CURRENT / NON-CURRENT ASSETS - INVENTORIES

<b>Seed inventory</b>				
Opening balance of seed stock	418	373	418	373
Seed withdrawn from seed bank	(2)	(3)	(2)	(3)
Sale of seed stock	(40)	(18)	(40)	(18)
Value of seed collected	18	71	18	71
Net loss on value of seed stock	(2)	(5)	(2)	(5)
<b>Closing balance</b>	<b>392</b>	<b>418</b>	<b>392</b>	<b>418</b>
<b>Other Inventory on hand</b>				
Opening balance on hand at beginning of period	1,432	1,403	1,432	1,403
Increase in stock levels during period	129	29	129	29
<b>Closing Balance</b>	<b>1,561</b>	<b>1,432</b>	<b>1,561</b>	<b>1,432</b>
<b>Total Inventory on hand at end of period</b>	<b>1,953</b>	<b>1,850</b>	<b>1,953</b>	<b>1,850</b>

8. ASSETS HELD FOR SALE

<b>NON-CURRENT assets held for sale</b>				
Land and buildings	102	102	102	102
	<b>102</b>	<b>102</b>	<b>102</b>	<b>102</b>

9. PARENT & CONSOLIDATED - NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT

	Land and Buildings \$'000	Plant & Equipment \$'000	Infrastructure Systems \$'000	WIP PPE \$'000	Total \$'000
<b>At 1 July 2018</b>					
At fair value	580,516	8,242	27,253	181	616,192
Accumulated depreciation and impairment	(4,415)	(3,404)	(3,910)	-	(11,729)
<b>Net carrying amount</b>	<b>576,101</b>	<b>4,838</b>	<b>23,343</b>	<b>181</b>	<b>604,463</b>
<b>At 30 June 2019</b>					
At fair value	609,024	8,388	27,387	2,446	647,245
Accumulated depreciation and impairment	(5,426)	(3,748)	(4,737)	-	(13,911)
<b>Net carrying amount</b>	<b>603,598</b>	<b>4,640</b>	<b>22,650</b>	<b>2,446</b>	<b>633,334</b>

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

	Land and Buildings \$'000	Plant & Equipment \$'000	Infrastructure Systems \$'000	WIP PPE \$'000	Total \$'000
<b>Period ended 30 June 2019</b>					
Net carrying amount at start of year	576,101	4,838	23,343	181	604,463
Additions	-	449	134	2,446	3,029
Disposals	(13)	(806)	-	(181)	(1,000)
Fair Value of assets transferred in - Soil Conservation Service	203	187	-	-	390
Net revaluation increment less revaluation decrements recognised in reserves	28,265	-	-	-	28,265
Depreciation expense	(959)	(733)	(827)	-	(2,519)
Write back on disposal	1	705	-	-	706
<b>Net carrying amount at end of year</b>	<b>603,598</b>	<b>4,640</b>	<b>22,650</b>	<b>2,446</b>	<b>633,334</b>

**Reconciliation**

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the prior reporting period is set out below.

	Land and Buildings \$'000	Plant & Equipment \$'000	Infrastructure Systems \$'000	WIP PPE \$'000	Total \$'000
<b>Period ended 30 June 2018</b>					
Net carrying amount at start of year	551,011	3,167	23,391	44	577,613
Additions	173	470	621	137	1,401
Disposals	-	(810)	(7)	-	(817)
Transfers	-	(3)	3	-	-
Fair value of assets transferred in - Soil Conservation Service	21,943	2,338	166	-	24,447
Net revaluation increment less revaluation decrements recognised in reserves	3,616	-	-	-	3,616
Depreciation expense	(642)	(936)	(831)	-	(2,409)
Write back	-	612	-	-	612
<b>Net carrying amount at end of year</b>	<b>576,101</b>	<b>4,838</b>	<b>23,343</b>	<b>181</b>	<b>604,463</b>

## 10. INTANGIBLE ASSETS - PARENT & CONSOLIDATED

	Total \$'000
<b>At 30 June 2019</b>	
Fair value	1,265
Accumulated amortisation	(419)
<b>Net carrying amount</b>	<b>846</b>
<b>Period ended 30 June 2019</b>	
Net carrying amount at start of year	832
Additions / transfers	14
Amortisation (recognised in 'depreciation and amortisation')	-
<b>Net carrying amount at end of year</b>	<b>846</b>
	<b>Total \$'000</b>
<b>At 30 June 2018</b>	
Fair value	1,251
Accumulated amortisation and impairment	(419)
<b>Net carrying amount</b>	<b>832</b>
<b>Year ended 30 June 2018</b>	
Net carrying amount at start of year	833
Amortisation (recognised in 'depreciation and amortisation')	(1)
<b>Net carrying amount at end of the year</b>	<b>832</b>

The value of intangible assets include easements against land, irrigation water licences and capitalised software costs.

	Total \$'000
<b>Intangibles - Works in Progress</b>	
<b>Period ended 30 June 2019</b>	
Net carrying amount at start of year	-
Additions / transfers	2,070
<b>Net carrying amount at end of year</b>	<b>2,070</b>

The value of intangible assets works in progress is comprised of costs associated with the development of software systems.

## 11. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS - PARENT & CONSOLIDATED

The fair value of non-financial assets have been measured in accordance with AASB 13 *Fair Value Measurement*. Under AASB13, fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".

To increase consistency and comparability in fair value measurements and related disclosures, AASB 13 establishes a fair value hierarchy that categorises into three levels aligned to the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs).

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for asset or liability at the measurement date. Where level 3 is adopted a sensitivity analysis shall be included in the assessment of value.

11. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS - PARENT & CONSOLIDATED (continued)

(a) Fair value hierarchy

At 30 June 2019

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total Fair Value \$'000
Non-current assets held for sale (Note 8)	-	102	-	102
Land and buildings (Note 9)	-	17,672	585,926	603,598
Infrastructure systems (Note 9)	-	-	22,650	22,650
<b>Total</b>	-	<b>17,774</b>	<b>608,576</b>	<b>626,350</b>

At 30 June 2018

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total Fair Value \$'000
Non-current assets held for sale (Note 8)	-	102	-	102
Land and buildings (Note 9)	-	17,878	558,223	576,101
Infrastructure systems (Note 9)	-	-	23,343	23,343
<b>Total</b>	-	<b>17,980</b>	<b>581,566</b>	<b>599,546</b>

There were no transfers between level 1 or 2 during the period.

The freehold land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the freehold land and buildings was determined using the depreciated replacement costs approach by reference to the market value of the land in its existing use and market replacement cost of comparable properties on a price per square foot basis, adjusted for age, condition and functional obsolescence.

Opteon Property Group was engaged to value the TSR's and stock watering points as part of the Crown Land Estate, and used the same mass valuation methodology as it does with all other categories within the Crown portfolio which is a determination of a global rate per hectare for each category, within a local government area. The land is valued on the basis of the highest and best use taking into account zoning and other restrictions, access to services infrastructure and property market demand. These value elements are considered in a global way when formulating a value level to apply to a particular category type. The value attributed to TSR land is shown in level 3 due to the use of land categories discounting across categories in the valuation methodology.

The plant and equipment is valued at depreciated replacement cost, which approximates the depreciated cost of the assets. The fair value of infrastructure systems was determined by an independent valuer based on the depreciated replacement cost that reflects the estimated current cost of replacing of the asset with a similar asset.

(b) Reconciliation of recurring level 3 fair value measurements

At 30 June 2019

Recurring level 3 fair value measurements	Land and Buildings \$'000	Infrastructure Systems \$'000	Total Fair Value \$'000
Fair value as at 1 July 2018	558,223	23,343	581,566
Additions	-	134	134
Fair value of assets transferred in Soil Conservation Service	149	-	149
Net revaluation increments	28,265	-	28,265
Disposals	-	-	-
Depreciation	(711)	(827)	(1,538)
<b>Fair value as at 30 June 2019</b>	<b>585,926</b>	<b>22,650</b>	<b>608,576</b>

At 30 June 2018

Recurring level 3 fair value measurements	Land and Buildings \$'000	Infrastructure Systems \$'000	Total Fair Value \$'000
Fair value as at 1 July 2017	544,911	23,391	568,302
Additions	-	621	621
Fair value of assets transferred in Soil Conservation Service	10,093	166	10,259
Net revaluation increments	3,616	-	3,616
Transfers	-	3	3
Disposals	-	(7)	(7)
Depreciation	(397)	(831)	(1,228)
<b>Fair value as at 30 June 2018</b>	<b>558,223</b>	<b>23,343</b>	<b>581,566</b>

There were no transfers between level 2 and level 3 of the fair value hierarchy during the year ended 30 June 2019.

Information about level 3 fair value measurements

Asset classification	Significant unobservable inputs	Valuation techniques	Sensitivity of significant unobservable inputs
Land and Buildings	Discounting applied across various categories used in the mass valuation approach for TSR land.	TSR land is valued as part of the Crown Land Estate using market comparables. Buildings are values on the basis of depreciated replacement cost.	An increase / decrease in the fair value will result in increase / decrease in the depreciation recognised.
	Building values include inputs of a price per square metre for construction.		A decrease in the fair value will decrease in the depreciation recognised.
Infrastructure	Estimated replacement costs of infrastructure taking into account of functional obsolescence condition and age of assets.	Depreciated replacement cost approach	An increase / decrease in the estimated replacement cost will result in increase / decrease in the fair value.
			A decrease in the estimated remaining useful life will decrease the fair value.

## 12. CURRENT LIABILITIES - PAYABLES

	Consolidated		Parent	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
<b>CURRENT</b>				
Accrued salaries, wages and on-costs	361	1,072	-	-
Other taxes payable	1,412	1,292	-	-
Personnel services payable	-	-	17,487	15,522
Creditors	35,249	35,501	35,249	35,501
Net GST	166	-	166	-
	<b>37,188</b>	<b>37,865</b>	<b>52,902</b>	<b>51,023</b>

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 19.

## 13. CURRENT- NON-CURRENT LIABILITIES - PROVISIONS

### (a). CURRENT

#### Employee benefits and related on-costs

Recreation leave	11,023	9,315	-	-
Long service leave	2,884	2,224	-	-
Payroll tax	1,411	1,235	-	-
	<b>15,318</b>	<b>12,774</b>	-	-

### (b). CURRENT

#### Restoration costs

	964	964	964	964
<b>Total current provisions</b>	<b>16,282</b>	<b>13,738</b>	<b>964</b>	<b>964</b>

### (c). NON-CURRENT

#### Employee benefits and related on-costs

Long service leave	245	215	-	-
Payroll tax	123	107	-	-
Other employee related provisions	246	222	-	-
<b>Total non-current provisions</b>	<b>614</b>	<b>544</b>	-	-

### 13. CURRENT- NON-CURRENT LIABILITIES - PROVISIONS (continued)

#### Recreation leave

The liability at 30 June was \$11.023 m (2018 - \$9.315m). This is based on leave entitlements at 30 June 2019. The value of recreational leave expected to be taken within 12 months is \$9.1m (2018 - \$8.1m) and \$1.9m (2018 - \$1.2m) after 12 months.

	Consolidated		Parent	
	Actual 2019 \$'000	Actual 2018 \$'000	Actual 2019 \$'000	Actual 2018 \$'000
<b>Aggregate employee benefits and related on-costs</b>				
Provisions – current	15,318	12,774	-	-
Provisions – non-current	614	544	-	-
Accrued salaries, wages and on-costs (Note 12)	361	1,072	-	-
	<b>16,293</b>	<b>14,390</b>	<b>-</b>	<b>-</b>
<b>Movements in provisions (other than employee benefits)</b>				
<b>Restoration costs</b>				
Carrying amount at beginning of financial year	964	752	964	752
Additional provisions recognised	-	(69)	-	(69)
Amounts used	-	(36)	-	(36)
Provisions transferred in - Soil Conservation Service	-	317	-	317
Carrying amount at end of financial year	<b>964</b>	<b>964</b>	<b>964</b>	<b>964</b>

### 14. CURRENT / NON-CURRENT LIABILITIES - OTHER

#### CURRENT

Unearned income	887	7,345	1,085	7,345
Unspent grants	386	441	188	441
<b>Total current liabilities - other</b>	<b>1,273</b>	<b>7,786</b>	<b>1,273</b>	<b>7,786</b>

#### NON-CURRENT

Unspent grants	485	714	485	714
<b>Total non-current liabilities - other</b>	<b>485</b>	<b>714</b>	<b>485</b>	<b>714</b>

### 15. COMMITMENTS FOR EXPENDITURE

#### (a) Operating lease commitments

Not later than one year	6,714	5,817	6,714	5,817
Later than one year and not later than five years	7,846	5,150	7,846	5,150
<b>Total (including GST)</b>	<b>14,560</b>	<b>10,967</b>	<b>14,560</b>	<b>10,967</b>

The commitments above include GST expected to be recoverable from the Australian Taxation Office. Operating lease commitments include contracted amounts for various office equipment, photocopiers and computers and motor vehicles under operating lease contracts. Office leases vary from 1 to 5 years with, in some cases, options to extend. These leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

#### (b) Capital commitments

LLS has capital commitments at year-end of \$2.5 million (2018 - Nil). The amount relates to contracted commitments in connection with development of systems to support LLS in delivery of its functions.



## 16. CONTINGENT LIABILITIES

As at 30 June 2019 LLS had no contingent assets or liabilities.

## 17. BUDGET REVIEW

The budget process is finalised prior to the beginning of each financial year. Events may arise after that date that necessitates variations to the planned activities of LLS for that year. This in turn may cause variations to the financial activities. Major variations between the budget and actual amounts are outlined below.

### Net Result

The net result of \$5.900 million was favourable compared to budget.

Revenue of \$238.511 million was favourable compared to budget by \$25.857 million. This was due to additional funding received during the year not known at the time of budget preparation, including increased amounts assumed by the Crown Finance Entity and revenues from the Commonwealth Government.

Expenditure of \$232.922 million was unfavourable compared to budget by \$24.638 million. Increased expenditure arose from activity associated with additional revenue received and items of related operating expenditure.

### Assets and liabilities

Total assets was greater than budget by \$60.697 million due to an increase in land value, mostly attributable to the valuation increment in travelling stock reserves, and receivables and cash position greater than budgeted amounts.

Total liabilities was greater than budget by \$33.222 million, including an increase in payables of \$26.668 million and an increase of \$6.996 million in provisions, due to timing of year-end payments. Total equity was \$664.667 million. This was \$27.475 million greater than budget and in the main due to revaluation of land.

### Cash flows

A net decrease in cash and cash equivalents of \$9.403 million resulted in a closing cash equivalent balance for the year of \$53.015 million. This result was \$12.754 million favourable to budget due to timing of payments at year-end and a greater than budgeted payables balance, partially offset by a greater than budgeted receivables balance.

## 18. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Net cash from operating activities	(4,714)	12,082	(4,714)	12,082
Depreciation and amortisation	(2,519)	(2,410)	(2,519)	(2,410)
Doubtful debts expense	(1,819)	(1,352)	(1,819)	(1,352)
Asset under construction costs written-back	(181)	-	(181)	-
Gain on sale of fixed assets	311	235	311	235
Increase/(decrease) in receivables	9,810	5,573	9,810	5,599
Increase/(decrease) in inventories	103	28	103	28
Increase/(decrease) in prepayments	103	386	45	320
(Increase)/decrease in payables	678	(7,957)	(1,878)	(11,690)
(Increase)/decrease in provisions	(2,614)	(1,722)	-	105
(Increase)/decrease in other liabilities	6,742	(433)	6,742	(433)
Net result	<u>5,900</u>	<u>4,430</u>	<u>5,900</u>	<u>2,484</u>

## 19. FINANCIAL INSTRUMENTS

The principal financial instruments utilised by LLS are outlined below. These financial instruments arise directly from the entity's operations or are required to finance the entity's operations. The entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The entity's main risks arising from financial instruments are outlined below, together with the entity's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The LLS Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the entity, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Board on a continuous basis.

### (a) Financial instrument categories

Financial Assets Class:	Note	Category	Consolidated		Parent	
			Carrying Amount	Carrying Amount	Carrying Amount	Carrying Amount
			2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Cash and cash equivalents	5	N/A	53,015	62,418	53,015	62,418
Receivables <sup>1</sup>	6	Receivables (at amortised cost)	28,479	19,656	28,479	19,656
			<b>81,494</b>	<b>82,074</b>	<b>81,494</b>	<b>82,074</b>
Payables <sup>2</sup>	13	Financial liabilities (at amortised cost)	35,610	36,573	52,902	51,023
			<b>35,610</b>	<b>36,573</b>	<b>52,902</b>	<b>51,023</b>

#### Notes

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 9).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 9).

### (b) Credit risk

Credit risk arises when there is the possibility of LLS's debtors defaulting on their contractual obligations, resulting in a financial loss to LLS. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for expected credit losses).

Credit risk arises from the financial assets of LLS, including cash, receivables, authority deposits and advances receivable. No collateral is held by LLS. LLS has not granted any financial guarantees.

Credit risk associated with LLS's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

#### Cash

Cash comprises cash on hand.

#### Receivables - trade debtors

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. LLS applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on historical observed loss rates.

Trade debtors are written off when there is no reasonable expectation of recovery.

The only financial assets that are past due or impaired are 'sales of goods and services' in the 'receivables' category of the balance sheet.

	Expected credit loss rate	Estimated total gross carrying amount at default	Allowance for expected credit losses
	%	\$'000	\$'000
<b>2019</b>			
<3 months overdue	6.81	5,062	345
3 months - 6 months overdue	17.3	850	147
6 months - 18 months overdue	22.96	4,514	1,036
>18 months overdue	100	2,651	2,651
		<b>13,077</b>	<b>4,179</b>
<b>2018</b>			
<3 months overdue	6.81	132	9
3 months - 6 months overdue	17.3	1,185	205
6 months - 18 months overdue	22.96	1,199	275
> 18 months overdue	100	1,879	1,879
		<b>4,395</b>	<b>2,368</b>

#### Notes

1. Each column in the table reports 'gross receivables'.
2. The ageing analysis excludes statutory receivables and prepayments, as these are not within the scope of AASB 7 and excludes receivables that are not past due. Therefore, the 'total' does not reconcile to the receivables total recognised in the statement of financial position.

## 19. FINANCIAL INSTRUMENTS (continued)

### (c) Liquidity risk

Liquidity risk is the risk that LLS will be unable to meet its payment obligations when they fall due. LLS continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of loans and other advances.

During the current year and prior year, there were no defaults or breaches on any loans payable. No assets have been pledged as collateral. The exposure of LLS to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW Treasury Circular 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified period, simple interest must be paid automatically unless an existing contract specifies otherwise. For payments to other suppliers the Head of an authority (or a person appointed by the Head of an authority) may automatically pay the supplier simple interest. The rate of interest applied during the period was Nil% (30 June 2017 - Nil%).

The table below summarises the maturity profile of LLS's financial liabilities, together with the interest rate exposure.

FINANCIAL INSTRUMENTS Consolidated								
		Interest rate exposure				Maturity dates		
	Weighted Average Effective Int. Rate	Nominal Amount <sup>1</sup>	Fixed Int. Rate	Variable Int. Rate	Non-interest Bearing	< 1 yr	1 - 5 yrs	> 5 yrs
		\$'000	\$'000	\$'000	\$'000			
2019								
Payables	0.0%	35,610	-	-	35,610	-	-	
		35,610	-	-	35,610	-	-	
2018								
Payables	0.0%	36,573	-	-	36,573	-	-	
		36,573	-	-	36,573	-	-	

FINANCIAL INSTRUMENTS Parent								
		Interest rate exposure				Maturity dates		
	Weighted Average Effective Int. Rate	Nominal Amount <sup>1</sup>	Fixed Int. Rate	Variable Int. Rate	Non-interest Bearing	< 1 yr	1 - 5 yrs	> 5 yrs
		\$'000	\$'000	\$'000	\$'000			
2019								
Payables	0.0%	52,902	-	-	52,902	-	-	
		52,902	-	-	52,902	-	-	
2018								
Payables	0.0%	51,023	-	-	51,023	-	-	
		51,023	-	-	51,023	-	-	

#### Notes:

- The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which LLS can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the statement of financial position.

### (d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. LLS's exposures to market risk are primarily through interest rate risk on borrowings. LLS has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which LLS operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposure in existence at the reporting date. The analysis assumes that all other variables remain constant.

## 19. FINANCIAL INSTRUMENTS (continued)

### Interest rate risk

As LLS has no interest bearing liabilities its exposure to interest rate risk is minimal. LLS does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore, for these financial instruments a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. LLS's exposure to interest rate risk is set out below.

### Consolidated

	Carrying Amount \$'000	Result \$'000 -1%	Equity \$'000	Result \$'000 +1%	Equity \$'000
<b>2019</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	53,015	(530)	(530)	530	530
Receivables	28,479	(285)	(285)	285	285
<b>Financial Liabilities</b>					
Payables	35,610	(356)	(356)	356	356

### 2018

<b>Financial Assets</b>					
Cash and cash equivalents	62,418	(624)	(624)	624	624
Receivables	19,656	(197)	(197)	197	197
<b>Financial Liabilities</b>					
Payables	36,573	(366)	(366)	366	366

### Parent

	Carrying Amount \$'000	Result \$'000 -1%	Equity \$'000	Result \$'000 +1%	Equity \$'000
<b>2019</b>					
<b>Financial Assets</b>					
Cash and cash equivalents	53,015	(530)	(530)	530	530
Receivables	28,479	(285)	(285)	285	285
<b>Financial Liabilities</b>					
Payables	52,902	(529)	(529)	529	529

### 2018

<b>Financial Assets</b>					
Cash and cash equivalents	62,418	(624)	(624)	624	624
Receivables	19,656	(197)	(197)	197	197
<b>Financial Liabilities</b>					
Payables	51,023	(510)	(510)	510	510

### (e) Fair value recognised in the statement of financial position

Financial instruments are generally recognised at cost. The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value because of the short-term nature of many of the financial instruments.

## 20. EQUITY TRANSFER

Assets associated with the operations of Soil Conservation Service were transferred from the Department of Industry to Local Land Services during the year. Net assets amounting to \$0.39 million were in addition to those transferred in the prior year and is shown in the Statement of Changes in Equity.

Key balances included in the transfer are shown below:

	Consolidated		Parent	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Prepayments	-	126	-	126
Sundry debtors	-	26	-	-
Accrued income	-	2,652	-	2,652
Trade debtors	-	3,931	-	3,931
Assets held for sale (Note 9)	-	102	-	102
Property, plant and Equipment (Note 10)	390	24,447	390	24,447
Unearned income	-	(5,937)	-	(5,937)
Restoration provision (Note 14)	-	(317)	-	(317)
Employee provisions and oncosts	-	(1,972)	-	-
Net assets transferred	390	23,058	390	25,004

## 21. RELATED PARTIES

### (a) Key Management Personnel

Compensation was paid to key management personnel, in aggregate, during the year according to the following table

Type of compensation	2019 \$'000	2018 \$'000
Short-term employee benefits	5,913	5,213
Non-monetary benefits	7	5
Post-employment benefits	383	441
Termination benefits	369	-
Total	6,672	5,659

During the year, the Local Land Services did not enter into transactions with key management personnel, their close family members and controlled or jointly controlled entities thereof.

### (b) Related Parties

During the year, Local Land Services entered into transactions with other entities that are controlled/jointly controlled/significantly influenced by NSW Government. These transactions (incurred in the normal course of business) in aggregate are a significant portion of the entity's revenue and expenses, and the nature of these significant transactions are detailed below;

Entity/Fund	Nature of Transaction
Audit Office of New South Wales	Audit services
NSW Department of Industry	Grants received and corporate services
NSW Office of Environment and Heritage	Grants received
Property NSW	Rent and accommodation
NSW Self Insurance Corporation	Insurance premiums and claims receipts
Water NSW	Grants received
NSW Department of Education	Grants received
NSW Department of Planning and Environment	Grants received
NSW Food Authority	Meat Industry Levy
Technical and Further Education NSW (TAFE)	Rent and accommodation
Local Land Services Staff Agency	Personnel services
Service NSW	Training
NSW Department of Finance Services and Innovation	Payroll tax

## 22. SUBSEQUENT EVENTS

Local Land Services rates will be waived for the year ending 30 June 2020 as part of the NSW Government's drought response. NSW Government will provide funding to LLS in compensation for the waiver commitment to ensure service delivery and operations are maintained. The aggregate value of the waiver funding is expected to be approximately \$50 million.

Machinery of Government changes following the election of the NSW Government, which came into effect from 1 July 2019, have seen LLS move to the newly structured Department of Planning, Industry and Environment cluster department. Whilst these changes have not impacted the operations or functions performed by LLS under the Local Land Services Act 2013, it has resulted in changes to entities with which LLS engages.

End of audited financial statements

## Index

Additional matters for inclusion in annual reports	66	Payment of accounts	68
Agreements with Multicultural NSW	50	Promotion and overseas travel	61
Aims and objectives	38	Public interest disclosures	64
Budgets	104-136	Requirements arising from employment arrangements	51
Charter	38	Research and development	100-102
Consultants	70	Risk management and insurance activities	62
Consumer response	58	Letter of submission of annual report to Minister	1
Digital information security policy ration	65	Summary review of operations	30
Disability inclusion	51	Work health and safety	51
Disclosure of controlled entities and subsidiaries	70	Workforce diversity	48
Economic or other factors	30		
Financial statements	104-136		
Funds granted to non-government community organisations	71-99		
Government Information (Public Access) Act 2009	59		
Human resources	44		
Identification of audited financial statements	104		
Inclusion of unaudited financial statements	66		
Internal audit and risk management policy attestation	63		
Investment reporting	66		
Land disposal	70		
Legal change	66		
Letter of submission	1		
Liability management	66		
Management and activities	52-57		
Management and structure	52		
Multicultural policies and services program	50		
Numbers and remuneration of senior executives	45		



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