

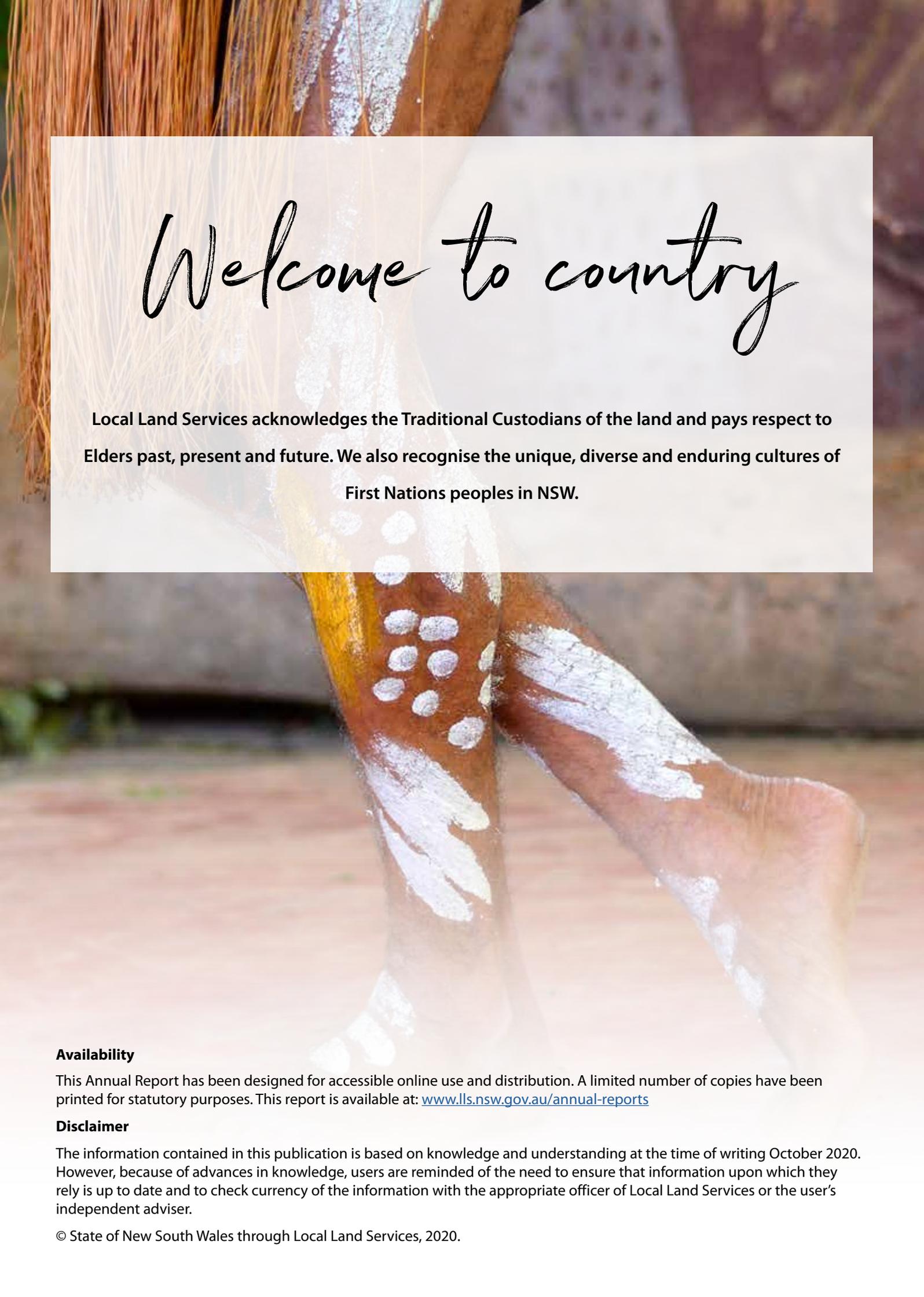


Local Land Services

**Annual Report
2019-20**



Local Land
Services



Welcome to country

Local Land Services acknowledges the Traditional Custodians of the land and pays respect to Elders past, present and future. We also recognise the unique, diverse and enduring cultures of First Nations peoples in NSW.

Availability

This Annual Report has been designed for accessible online use and distribution. A limited number of copies have been printed for statutory purposes. This report is available at: www.lls.nsw.gov.au/annual-reports

Disclaimer

The information contained in this publication is based on knowledge and understanding at the time of writing October 2020. 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 2019-20 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 2019-20 Annual Report of Local Land Services for presentation to the Parliament of NSW.

The annual report outlines the achievements for the 2019-20 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

David Witherdin

Chief Executive Officer
Local Land Services

Contents

Welcome to country	2
From our Chief Executive Officer and Chair of the Board	1
Who we are	4
Our services	5
Our core services	5
Our strategic plan	8
Boots on the ground	11
Goal 1 - Resilient, self-reliant and prepared local communities	12
Our response to the Black Summer bushfires	14
Goal 2 - Biosecure, profitable, productive and sustainable primary industries	24
Goal 3 - Healthy, diverse, connected natural environments	33
Goal 4 - Board members and staff who are collaborative, innovative and commercially focused	43
Major projects	48
Supporting our Neighbours	49
NSW Wild Dog Fence	50
NSW Landcare Program	51
Our people	52
Our structure	53
Our Board	56
Human resources	58
Our governance	66
Consumer response	67
Public interest disclosure	68
Government Information (Public Access)	69
Risk management and insurance activities	71
Our funding partners and review of operations	73
Economic or other factors affecting operations	74
Consultants	74
Additional matters	75
Digital information security policy attestation statement	76
Finance	77
Payment of accounts	78
Financial reporting structure	79
Revaluation of property, plant and equipment	79
Funds granted to non-government community organisations	80
Local Land Services Financial Statements	103
Appendix	138

From our Chief Executive Officer and Chair of the Board

2019-20 has signalled a year unlike any other. In fact, it is difficult to imagine a more challenging landscape having faced widespread drought, devastating bushfires and a global pandemic (COVID-19).

As the frontline agency for the Department of Regional NSW, we expect to be challenged by the unexpected and by changing priorities, some of which will be beyond our control. The bigger challenge for Local Land Services will always be how quickly we can adapt and reprioritise according to need.

Our staff have a proud history of being on the ground when it matters most, ready to connect landholders with the knowledge and tools they need to protect their enterprise against pests, diseases and environmental threats. We also recognise that many of our staff live in these very same communities and may have concurrently dealt with great personal adversity themselves.

So, on behalf of our board and senior executive team, we would like to pay particular tribute to our people, for the resilience shown in moving from one challenge to another, and for so clearly upholding the NSW public sector core values of integrity, trust, service and accountability.

Stepping up our emergency response

Approximately 30 per cent of our total workforce contributed to the emergency bushfire response representing 60 per cent the Animal and Agricultural Functional Area (AASFA) response.

In addition to the 'Black Summer' bushfires, we provided support during 16 other natural disaster and biosecurity emergency responses throughout the year, including six bushfires, four storm and flooding situations, four transport accidents involving animals, one invasive species response and one plant biosecurity response.

With the support of the NSW Department of Primary Industries, our staff continue to respond and manage an outbreak of Salmonella Enteritidis. The scale of this response has since reduced thanks to good tracing.

Of course, following any emergency response we must turn our attention to longer-term recovery. Our website and social media have become vital channels to keep our customers and the



David Witherdin
Chief Executive Officer



Richard Bull
Chair of the Board

community informed throughout, which is crucial. Coupled with the challenges posed by COVID-19, our digital transformation quickly became another key area of focus for 2019-20.

While these incidents stretched our capabilities and resources, they will ultimately strengthen our capacity to effectively respond to agricultural and biosecurity emergencies through the development of our people and the strengthening of our relationships with the community and key stakeholders.

Supporting Our Neighbours – Public Land Boundary Fencing Program

It was with immense pride that we stood up, on very short notice, a dedicated team around the state to administer this important stimulus program.

The project aims to deliver \$209 million over two years in one-off grants to rural landholders to replace fire-damaged boundary fencing.

Thanks to a streamlined desktop approach implemented by our fencing coordinators, we successfully processed 3,138 applications with an average funding value of \$13,100 per landholder in the first year.

Managing and recovering from drought

The extent, intensity and duration of the drought resulted in significant feed supply and water shortages. It exceeded all reasonable farm forward planning horizons and consequently, landholders were forced to make difficult and life-changing decisions.

Our staff have been present in the paddock to support landholders with up-to-date localised information about managing and recovering from drought. This support has taken many forms including but not limited to:

- livestock officers providing technical advice on feeding and nutrition
- our district veterinarians advising on livestock health and welfare
- travelling stock reserve (TSR) rangers managing permits for grazing on TSRs and roads.
- conducting drought workshops and educational events
- administering drought support packages.

As at 30 June 2020, Local Land Services has supported NSW Landholders effected by drought through:

- 5,612 farm visits
- 27,599 phone and advisory calls
- 28,619 NSW landholders have attended Local Land Services drought events

And as part of the NSW Emergency Drought Relief Package, Local Land Services Rates were waived for 2019 and 2020.

COVID-19

We moved quickly to adapt our operations to prioritise the health and safety of our people and customers. This was a major logistical exercise, with significant resources directed to ensure our staff had the human resources, information technology and communications support to work effectively from home.

To ensure we could still provide high quality service to our customers safely, we found creative solutions to everyday activities. Field days quickly became webinars whilst non-urgent veterinary visits can now be conducted by Facetime. We engineered "drive thru" bait collection stations and began the development of an online vertebrate pesticides induction training (VPIT) course which will be launched in late 2020.

Early in our response, we identified communications as a critical pillar. With the fast-moving nature of COVID-19 and the sheer volume of information available, providing a trusted and timely source of information for our people and customers was vital.

Internally, we significantly ramped up Chief Executive Officer (CEO) messaging and capitalised on staff engagement with "Workplace" as a channel to stay informed and connected.

On a positive note and as business that has already proven to be agile, the pandemic has further opened our eyes to what the future of work could look like for Local Land Services.

Delivering major projects

Despite 2019-20 bringing challenges none of us could have anticipated, we never lost sight of our key business priorities. Below are some great examples of how we did this:

- the Soil Conservation Service successfully completing 537 projects across the state, including work such as farm erosion remediation, coastal protection, environmental rehabilitation and fire trail management

- we established a \$22.3 million four-year partnership with Landcare NSW and administered \$11.5 million in Catchment Action NSW funding, resulting in hundreds of grassroots natural resource management (NRM) projects being delivered
- our 11 local regions remained strongly committed to the strategies outlined in their Regional Strategic Pest Animal Management Plans including support for a total of 12,286 properties to undertake ground baiting on more than 46.8 million hectares
- we delivered a statewide Plan of Management for Travelling Stock Reserves with an accompanying Best Environment Management Practice Toolkit
- the land management team processed 193 notifications and issued 257 certificates for a total of 450 authorisations under the Code. Incredibly, they did this while achieving a 10/10 net promoter score (NPS).

Of course, our local boards and senior executive team play a critical role in championing and promoting the achievements found in this year's report. Our thanks must also go to those board members who retired or did not return for another term. Your guidance has been invaluable as we continue to raise the bar for our customers and stakeholders.

The coming year will see many innovative and exciting projects delivered by Local Land Services. We remain committed to leading an organisation that puts people first, while fostering a culture of innovation.




David Witherdin

Richard Bull

Chief Executive Officer
Local Land Services

Chair
Local Land Services Board

November 2020

November 2020





Who

we are

Our services

Local Land Services is a regional-focused NSW Government agency delivering quality customer services to farmers, landholders and the wider community.

We have over 1,000 staff in more than 90 locations around NSW. Our experienced on-ground officers have a great depth of knowledge about the land, conditions and people of the communities they work in. Staff connect landholders and the community with knowledge, advice, information, training and networking opportunities. This support helps landholders grow their capacity to make better informed decisions to balance production, profit and sustainability.

We also contribute to growth of farm productivity by offering certification that livestock and livestock products are free of disease and residues. This is essential for continued and competitive access to domestic and international markets.

Another key function of ours is to increase community understanding of biodiversity, land stewardship and the importance of healthy and resilient ecosystems. We partner with landholders, communities and funding bodies to implement on-ground projects that have real outcomes for the environment, economy and community.

Our regional teams work closely with landholders and the community to ensure everyone is playing a part in protecting NSW against biosecurity threats. These teams work closely with people on the ground to protect against pest plant and emergency animal diseases, while connecting them with up-to-date technical advice and frontline services, including stock inspections and disease screening. The programs run by us help landholders manage pest animals and invasive weeds on their properties which not only protects their business but native habitats of threatened species as well.

We also provide support in times of emergency. Working alongside the NSW Department of Primary Industries and other partners, Local Land Services has a responsibility to support primary industries in times of emergency such as drought, bushfires and floods or in the event of a biosecurity outbreak involving plants, animals and pest insects.

Our core services

<p>Travelling Stock Reserves</p> 	<p>Conservation and restoration of natural and cultural resources</p> 	<p>Land Management, Native Vegetation and Private Native Forestry</p> 	<p>Productive, profitable and sustainable agriculture</p> 
<p>Animal biosecurity and welfare</p> 	<p>Plant biosecurity</p> 	<p>Invasive species</p> 	<p>Emergency management</p> 

This year we developed the Local Land Services Core Services Improvement Plan to address performance management related requirements at a whole of organisation scale.

This included:

- **defining core service activities and services**
- **establishing core service logic models of core service activities through to outcomes**
- **defining state level metrics for performance reporting; assess and prioritising core service risks (particularly risk of services not achieving outcomes)**
- **prioritising business process improvements**
- **identifying and prioritising key questions for evaluations and audits.**

Each core service relates back to one of the four strategic goal areas of the State Strategic Plan, and can be categorised into the below areas.

Landscape Management

- **Travelling stock reserves** – manage and provide access approvals to travelling stock reserves for productive, environmental and cultural outcomes.
- **Native vegetation and private native forestry** – provide advice and approvals for native vegetation and private forestry management.
- **Soils and water** – support the management of the natural resources of soils and water for healthy landscapes and sustainable productivity.
- **Partnerships and incentives** – work with the community to deliver projects, training and advice for conservation and restoration of our natural resources.

Biosecurity

- **Plant and animal biosecurity** – work to prevent the spread of plant and animal pests and diseases.

- **Maintain market access** – through striving to enhance the health of animals, plants and their products.
- **Animal welfare** – provide advice and information to enhance animal welfare.
- **Plant and animal pest incursions** – work to undertake surveillance and control of pests.

Emergency Management

- **Prevention through to recovery** – help land managers in preventing, preparing for, responding to and recovering from emergencies.
- **Natural disasters** – on the ground to help manage livestock and pets during times of natural disaster.
- **Biosecurity responses** – respond to invasive species incursions and animal and plant diseases/pests to assist in returning to business as usual.

Primary Production

- **Sustainable agriculture** – work with primary producers and industry to ensure landholders can respond to adaptation of climate and markets.
- **Healthy growth** – facilitate connecting people, organisations, funding and information to help the growth of productive businesses and healthy environments.
- **Productive and profitable** – support primary producers to thrive through access to latest science, practices, technology and innovations.

Strategic Core Services

We have established statewide advisory groups (SWAGs) to provide advice to the senior executive team.

These groups align with our core services and are made up of teams of subject matter experts from across Local Land Services business units.

SWAGs provide an important channel for all Local Land Services employees to forward unsolicited suggestions for core service improvement.

Our vision, mission and values

Vision

Resilient communities in
productive
healthy landscapes

Mission

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

Values

Accountability
Collaboration
Innovation
Integrity
Performance
Service
Trust



Our strategic plan

Our 2016-2020 State Strategic Plan sets a clear direction for us to deliver upon our vision to support resilient communities in productive, healthy landscapes.

The State Strategic Plan outlines our major goals, strategic actions and outcomes that will guide our decision-making and help to shape the 11 Local Strategic Plans that are implemented across the state.

In order to deliver outcomes that align with our strategic direction, we need to target our efforts in the right places. Strategic actions have been developed under four clear goals which represent the critical priorities and actions of the current plan.

To ensure we can effectively tailor our delivery, each of the 11 Local Land Services regions have developed their own Local Strategic Plan. The local plans nest under the state strategy with all 12 plans aligned to achieve the organisation's mission.

Each region has identified local priorities and determine how the goals and strategies of the State Strategic Plan are best achieved. The local plans define the specific actions and priorities to deliver these strategies. Services are tailored to meet the issues, risks and opportunities that characterise the communities, industries and landscapes of that region.

A revitalised plan is currently being developed with input from our customers, key stakeholders and staff for the 2020-2030 period.

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.
STRATEGY 1: Provide data, information and knowledge that supports and enables land managers, customers and government to improve decision making.	STRATEGY 10: Develop engaged and accountable people with a strong customer and stakeholder focus. STRATEGY 11: Foster a values-based culture which emphasises collaboration, innovation and continual improvement. STRATEGY 12: Ensure a safe, efficient, effective and sustainable organisation.		
STRATEGY 2: Provide products and advisory services that support and enable customers to implement improved practices.			
STRATEGY 3: 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.			
STRATEGY 4: Collaborate with investors, stakeholders and external organisations to deliver improved products and services to customers.			
STRATEGY 5: Ensure local people participate in decision making.			
STRATEGY 6: Connect research and development with advisory services to address priority data, information and knowledge gaps and barriers to improved practice.			
STRATEGY 7: Deliver services that support Aboriginal people to care for Country and share traditional land management knowledge.			
STRATEGY 8: Deliver consent and compliance services that educate and protect communities, landscapes and industries.			
STRATEGY 9: Manage Crown Land vested in Local Land Services for environmental, social, and economic outcomes.			

Delivering our strategy

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, oversighted 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 (KPI).

It is through these enabling strategies that we measure our strategic performance.



Measuring our success

Across Local Land Services, the adoption of statewide metrics has been implemented for all key performance reporting modules. The collection of data in this way supports consistent organisational reporting which informs our decision-making and resourcing.

Consistent metrics were established as part of the 2018-21 Service Delivery Strategy and its associated frameworks. It is the use of these metrics that then go on to support the performance measures within the NSW Treasury Outcome Budgeting Policy and the Department of Regional NSW Outcomes.

There are 44 statewide metrics:

- 32 of these relate to on-ground delivery e.g. hectares of pest control; hectares of revegetation; number of land management certificates issued; and number of animal surveillance investigations
- 12 of these are customer metrics e.g. number of awareness and training events; participants at events; number of groups supported; and number of partnerships.

We have also developed systems and data collection methods to provide consistent reporting of each metric with agreed protocols. This is supported by the approval of the Local Land Services Statewide Monitoring Evaluation and Reporting Framework (MERI) approved by our State Board.

Looking ahead

Monitoring Evaluation Reporting and Improvement Framework

A project has been established to develop consistent performance reporting at each scale of the business; Local Land Services Board, Local Land Services executive and business units. The project will be completed over a 12-month cycle and be integrated as part of the MyLLS program of works going forward.

This project is a direct mitigation strategy to organisational risks, using consistent real time reporting as well as reporting delivery metrics, practice change, management actions and governance.



A woman wearing a straw hat, sunglasses, and a blue long-sleeved shirt with a logo that reads "NSW Local Land Services Hunter" is smiling and talking to a man. They are standing in a field with a large flock of sheep in the background. The scene is outdoors, likely on a farm or rural property. The text "Boots on the ground" is overlaid in a blue, handwritten-style font within a white circular graphic.

Boots
on the
ground

Goal 1

Resilient, self-reliant and prepared local communities

We support landholders to prevent, prepare, respond and recover from biosecurity and natural disaster events.

We will achieve this by:



Providing data, information and knowledge that supports and enables land managers, customers and government to improve decision making.



Providing 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.



Ensuring local people participate in decision making.

Key achievements for 2019-20



Local Land Services provided extensive support for landholders during the Black Summer bushfires as part of the official AASFA response. A comprehensive suite of resources and on-ground staff have since been deployed to support recovery. You can read more about our response on pages 14-15.



We played a significant role in drought support and in this financial year attended 1,613 on-farm visits; hosted 17,620 landholders at drought related events and responded to 5,451 calls to aid in decision-making.



Delivery of the \$209 million stimulus Supporting our Neighbours - Public Land Boundary Fencing Program. By 30 June 2020, we processed 3,138 applications with an average of \$13,100 granted for an average of three kilometres of fencing constructed per applicant.



Local Land Services rates were waived for the second consecutive year to provide relief to farmers grappling with devastating bushfires and crippling drought.



Following the 2019-20 Black Summer bushfires, the Soil Conservation Service worked with Crown Lands to investigate the potential erosion risk of 31 selected cattle dip sites across northern NSW which could lead to arsenic and organochloride-based pesticides dispersing into the wider landscape.

- ✓ Following extensive consultation with ratepayers and key stakeholders, we delivered a Statewide Plan of Management for TSRs. The plan provides a consistent approach to the management of TSRs that not only reflects community expectations but establishes a contemporary approach for the future management and viability of these networks across NSW.
- ✓ In January 2020, we unveiled a new customer-focused website by successfully integrating the 11 regional sites into one - www.lls.nsw.gov.au. The new site provides improved website navigation, enhanced content and the ability to engage with us online using feedback and request widgets, online forms and event booking capabilities.
- ✓ We launched a range of online resources to support small farmers better understand their responsibilities including a 10-part podcast series known as the Big Shift for Small Farms.
- ✓ Across our 11 regions, we issued over 520 media releases providing much needed seasonal advice to landholders; notice of events and learning opportunities, as well as the chance to join community initiatives or apply for funding projects.

Looking ahead

Educating small landholders on their responsibilities when it comes to biosecurity, emergency management and animal health, remains a significant focus for our organisation.

In 2020-21, we will launch the "Every Bit Counts Project" targeting acreage managers and small farm owners in the Greater Sydney, Hunter, North Coast and South East regions. This will be supplemented with an update to our Rural Living Handbook - a comprehensive, free guide for rural landholders.

From mid-2021 we will be transforming how we interact with our customers with the launch of a new online customer portal - MyLLS. The portal will be fully customisable to the information landholders want to see or the services they use regularly. In turn, we will be better equipped to segment our customers and deliver tailored content that improves their resilience and preparedness.

In 2020-21, we will continue to deliver the \$209 million "Supporting our Neighbours - Public Land Boundary Fencing Program" to support landholders renew fencing destroyed by the Black Summer bushfires. A dedicated program team will continue to guide applicants through the process to ensure funding is provided in a fast and efficient manner, allowing NSW landholders and communities to rebuild as quickly as possible.

As part of our biosecurity preparedness, we will continue to work with the NSW Department of Primary Industries and industry bodies to educate landholders on their general biosecurity duty. Focus will remain on the threat of African Swine Fever, an exotic, highly contagious viral disease affecting both domesticated and wild pigs.

We are also set to deliver a Cultural Fire Policy thanks to our work with local Aboriginal communities around the state to bring traditional burning practices back to country.



OUR RESPONSE TO THE

Black Summer

BUSHFIRES

400 staff

from Local Land Services involved in the Black Summer bushfire response from September 2019 to February 2020

80 Soil Conservation Service staff

worked directly with the Rural Fire Service to build critical fire breaks

10,000+

calls received by the AASFA hotline manned by Local Land Services staff

6,000+

of total calls received by the AASFA hotline required assistance

15,000+

landholders impacted by the bushfires across the state

18.6 million ha

of land in NSW was impacted by the Black Summer bushfires

80 evacuation

and animal safe places had Local Land Services staff present providing support to those required to evacuate, often with animals

Here when it matters in times of emergency

Local Land Services with the NSW Department of Primary Industries together make up the AASFA team in emergency responses.

The scale and geographic reach of the Black Summer bushfires saw thousands of landholders and animal owners in need of veterinary advice and practical support including fodder, water and goods to care for injured or displaced animals. Many also faced the harrowing task of stock destruction and burial which we were able to organise and carry out with them, or on their behalf.

An opportunity to provide timely, relevant and compassionate help was seized by Local Land Services, using existing customer service skills, and extensive database access and knowledge to deliver for NSW when it mattered most.

As more local command centres were stood up and resources stretched further, we created a dedicated triage call centre to better support customers and take pressure off local teams dealing with field and logistics issues.

Between August 2019 and February 2020, our employees made up 60 per cent of the AASFA bushfire response.

A snapshot of the support we provided during Black Summer bushfires is as follows:



Our support of landholders continued well into 2020 with specialist teams producing a diverse range of resources to aid in recovery. From veterinary advice for injured animals to pasture restoration, understanding the impact of bushfires on soil and water quality to managing the removal of dead vegetation in private native forestry (PNF).

We also teamed up with industry stakeholders to deliver dozens of workshops and webinars, and even found an innovative way to use the timber from bushfire-affected trees including control erosion and habitat improvements for the endangered trout cod. These resources can be found on www.lls.nsw.gov.au.

In February 2020, NSW also saw significant rainfall in various parts of the state. Although the rain was welcome, flooding occurred in parts of NSW already devastated by droughts and fire, forcing our staff to switch from a fire to flood response.

In addition, we provided support during 16 other natural disaster and biosecurity emergency responses. These comprised:

- six bushfires
- four storm and flooding situations
- four transport accidents involving animals
- one invasive species response
- one plant biosecurity response
- one plague locust response.

Our staff are continually training and exercising for emergencies. Over 400 staff are trained and ready to assist in emergencies which represents a 70 per cent increase year-on-year. During 2019-20, there were 26 regional, statewide and interstate training exercises undertaken to ensure our staff are well trained and prepared for future biosecurity and emergency management incidents.

Supporting our Neighbours

The Supporting our Neighbours - Public Land Boundary Fencing Program commenced in April 2020 with the intent to support private landholders to rebuild boundary fences shared with public land destroyed by recent bushfires.

As a direct outcome, the program will deliver \$209 million stimulus to support landholders rebuild bushfire-affected fencing. Indirectly, the program provides a strong economic stimulus to regional NSW with local suppliers and contractors engaged to complete the work.

Our organisation has developed a regional coordinator approach to deliver the funding in an efficient and easy to access manner for NSW citizens.

By June 2020, our team had processed 3,136 applications resulting in \$8.3 million assigned into bushfire-affected communities with an average funding amount of \$13,100 per landholder and an average of three kilometres of fencing constructed per landholder.

Service agility to support NSW Landholders

During the initial phases of the COVID-19 pandemic, we took a proactive approach and instigated a number of key communication innovations to provide ongoing up-to-date advice and services to NSW landholders and communities. This approach has seen an increase in the number of ratepayers and community members engaged in online forums, webinars and podcasts.

This increased engagement supports NSW land managers and communities to continue to make strong economic and environmental decisions.

We have directly contributed to 19,895,367 hectares of improved land practices during 2019-20 for agriculture and natural resource management.

Despite the introduction of contactless service, we successfully increased our NPS to an average of 82 per cent.

How our regions contributed to building resilient, self-reliant and prepared local communities in 2019-20.

Central Tablelands

With tough drought conditions persisting throughout the financial year, our teams continued to provide support to producers and land managers to make significant on-farm decisions.

Through our agricultural extension program, staff carried out personalised on-farm visits and facilitated local events to provide landholders with networking opportunities to learn and develop new skills.



57 events

facilitated by Central Tablelands staff



1,557 land managers

attended events to develop new skills

As seasonal conditions began to improve, landholders sought advice on moving into drought recovery and a return to normal operations. Through the delivery of information on pasture management, cropping recovery and animal health management, we have been able to help land managers build the resilience they need to meet the challenges involved in getting back on track.

COVID-19 restrictions changed the way we delivered our services; however, we continued to provide land managers with advice and support throughout autumn and winter with one-on-one interactions via the phone or video conference, and the provision of information using digital channels.

Through these combined efforts, land managers have built on their capacity enabling them to be better prepared for future drought conditions.



Central West

Our biosecurity officers continue to support landholders to manage the negative impacts of pest animals on their properties through coordination of group baiting programs, providing advice and services on setting up baiting stations and treating farmers grain for successful control.

The Feral Fighters program encourages neighbouring landholders to work in groups to implement successful biosecurity and pest animal control. Efforts from a successful Feral Fighters group program targeting feral pigs in the Warrumbungle area was replicated in the southern region where follow up monitoring and baiting on a property near Lake Cargelligo capitalised on previously undertaken aerial shoots.

This project demonstrated importance of integrated control methods and a commitment to monitoring and free feeding in the lead up to baiting of feral pigs.



3,688,739 ha

managed for pest animals in the Central West



8,210 ha

land across the Central West underwent aerial baiting



400 pigs

removed by 4 pest animal groups in the Warrumbungle area



20 pest animal groups

assisted to conduct on-ground activities



Greater Sydney

This year has seen multiple industry investments in the form of vegetable trial crops planted in the fields of our demonstration farm on the Richmond Lowlands.

As a result, hundreds of kilograms of farm grown, fresh produce has been harvested on a regular basis.

Our team contacted Foodbank who deliver food to disadvantaged families across Australia and struck up a deal to donate our produce, which has included broccoli, cabbage, cauliflower, lettuce, bok choy and more.

To date, the partnership has seen more than 15 tonnes of produce donated.

The vegetables are highly valued by the Foodbank NSW team who have seen a drop off in quality fresh fruit and vegetable donations as a result of drought and the recent fires.

Foodbank is Australia's largest food relief organisation, operating on a scale that makes it crucial to the work of the front line charities who are feeding vulnerable Australians.



70%

of food rescued by Foodbank is donated to food relief organisations nationwide



15,130 kg

of produce has been donated from the demonstration farm

Murray

Assessment of fire-affected livestock, supplying emergency fodder and water, and managing safe places for horses and companion animals – these were among the many roles filled by Murray staff during the devastating Black Summer bushfires.

Our staff were among many throughout the state who assisted with the AASFA response.



51 Murray staff

members assisted in the NSW bushfire response



550 holdings

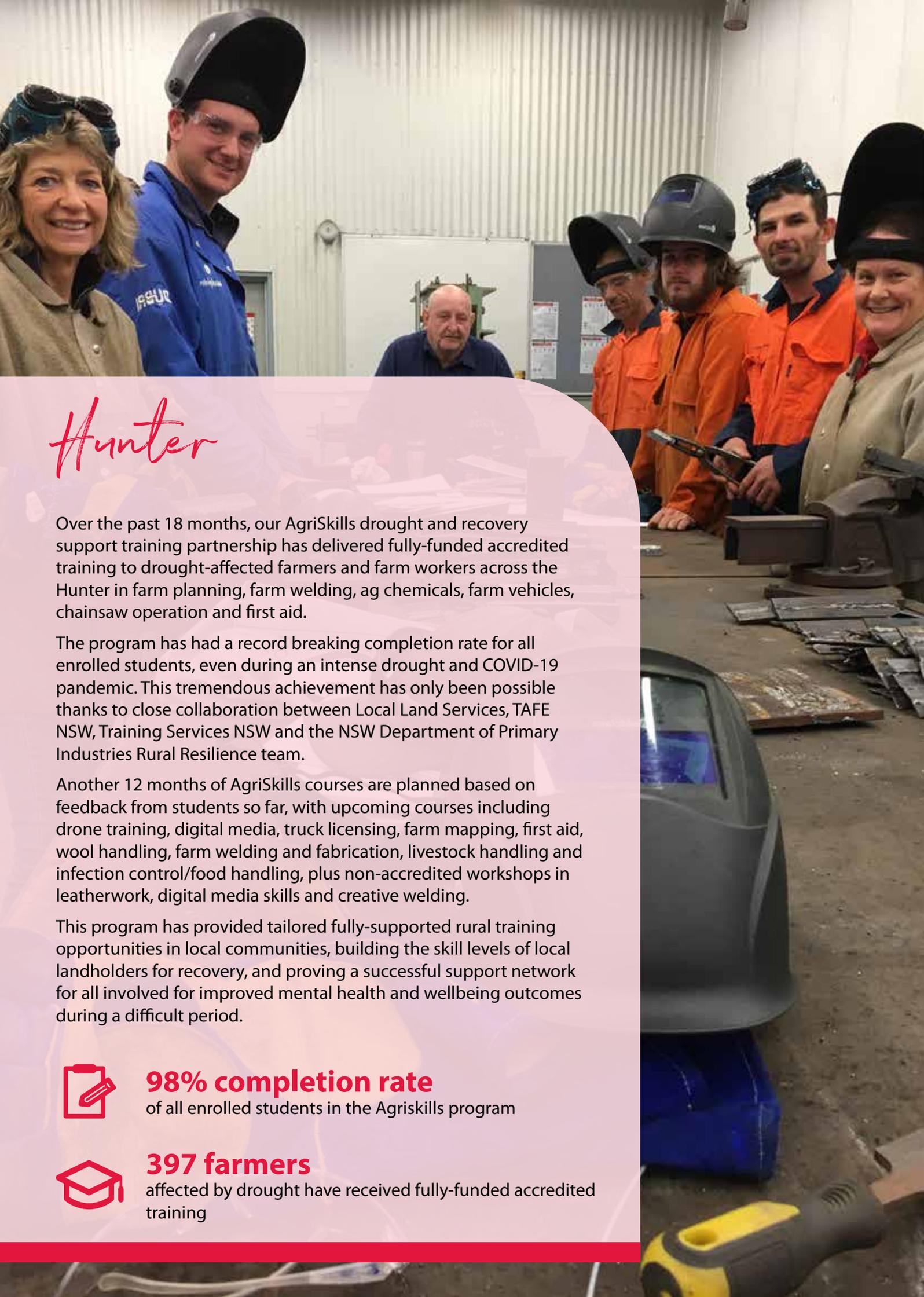
in the Murray region were affected by the Dunns Road bushfire

For five weeks over November and December 2019, our staff worked in various roles in local control centres and forward command posts in Tocal, Grafton, Coffs Harbour, Wingham, Wollangbar and the state control centre in Orange.

Shortly after, beginning on New Year's Eve, attention turned to the south of the state, and the large fires affecting the Murray and other southern regions.

Since the fires, we have been focused on helping our farmers and communities recover, setting up a joint working group with the Riverina region to deliver a recovery program. This has included standing up a team to assist with the Supporting our Neighbours - Public Land Boundary Fencing Program to help fire-affected landholders rebuild boundary fences that adjoin public land.





Hunter

Over the past 18 months, our AgriSkills drought and recovery support training partnership has delivered fully-funded accredited training to drought-affected farmers and farm workers across the Hunter in farm planning, farm welding, ag chemicals, farm vehicles, chainsaw operation and first aid.

The program has had a record breaking completion rate for all enrolled students, even during an intense drought and COVID-19 pandemic. This tremendous achievement has only been possible thanks to close collaboration between Local Land Services, TAFE NSW, Training Services NSW and the NSW Department of Primary Industries Rural Resilience team.

Another 12 months of AgriSkills courses are planned based on feedback from students so far, with upcoming courses including drone training, digital media, truck licensing, farm mapping, first aid, wool handling, farm welding and fabrication, livestock handling and infection control/food handling, plus non-accredited workshops in leatherwork, digital media skills and creative welding.

This program has provided tailored fully-supported rural training opportunities in local communities, building the skill levels of local landholders for recovery, and proving a successful support network for all involved for improved mental health and wellbeing outcomes during a difficult period.



98% completion rate

of all enrolled students in the Agriskills program



397 farmers

affected by drought have received fully-funded accredited training

North Coast

By December 2019, 95 per cent of the North Coast region was experiencing drought. Whilst the rains came for some from March, for others drought conditions persisted. The absence of usually reliable rainfall meant some farmers were unable to plant or grow crops or support livestock. Many farmers needed to supplementary feed and for those unable to maintain supplementary feeding, reduction in herd numbers was the only option. Our staff provided advice to help farmers make decisions about keeping or selling stock.

As the drought persisted, those with irrigation and water extraction licences were without the water needed to support their horticulture or run their dairy. We provided tailored property and livestock management advice appropriate to a broadening range of issues. Most involved feed and water quality testing, animal welfare management and diagnostics, plus an increase in nutritional related issues needing advice and follow-up support.

After rain in March 2020, rapid pasture growth created new challenges for producers, including pasture related toxicities such as nitrate toxicity and paspalum staggers. Once again, our teams were on hand and hosting webinars and field days, and responding to a high volume of enquiries.



1,000 ag enquiries
fielded by our staff during drought



116 property visits
by our veterinary staff



836 people
accessed our webinar series



22 social media posts
dedicated to drought response

North West

In response to the drought, our agriculture extension, livestock and biosecurity teams focused on addressing farmer enquiries and visits that included in-depth discussions on animal nutrition.

With 2019 recording the lowest rainfall since 1902, it was essential our team could offer support on keeping animals alive and keeping the spirits of landholders high.

As drought conditions worsened, landholders particularly found it hard to access all types of feed for their livestock, so our advice on the nutritional value of different feeds was essential.

This in-paddock practical advice was provided to landholders in conjunction with mental health professionals, crucially supporting the fragile social fabric of the community.

The result of these combined efforts meant our teams could provide early intervention advisory services to avoid animal welfare issues and boost the likelihood of having viable farming enterprises after the drought by tailoring farm-specific, technical advice on livestock management.

From cottonseed to palm kernel meal, and from early weaning to drought diseases, the advice we were able to administer during this trying time has successfully contributed to helping landholders come through the other side in a productive and biosecure way.



1,500 calls
made to producers for assistance



6,336 interactions
providing drought support advice



1,735 consults
carried out for animal health



430 free tests
conducted for feed and water quality

Northern Tablelands

Our region focused on farm planning and delivering courses to help farming communities prepare, manage and connect to build and support sustainable agricultural communities.

Farm planning workshops cover human, natural and financial resource management, as well as risk management, drought planning, legal requirements, production, marketing and future proofing. Effective planning ensures participants are able to be prepared when conditions and circumstances change.

As part of this program, we ran a schools property planning competition which provides education on-farm connecting students to real life situations.



230 ag students
attended from across 11 schools



recognition
of students for understanding core issues like sustainable agriculture, biosecurity and natural resource management



collaboration
between University of New England, Regional Development Australia - Northern Inland, local farmers and the Australian Government's National Landcare Program

Riverina

The Western Riverina Pest Project launched in early 2020 focused on capacity building of land managers to carry out regular on ground pest animal control in coordination with neighbouring properties.

This project is a continuation of the Western Riverina Pig Project, which saw a large number of feral pigs removed from the landscape from June 2016 to June 2019.



34,519 pigs
removed from the landscape



1.6 million ha
of land covered



113 landholders
took part in the project

A key focus of the overarching program was to knock populations to a level that would enable the community to manage feral pigs and be self-reliant. This was almost unachievable with the existing pig population found to be as high as 11.66 pigs per square kilometre. By mid-June 2019, this number had dropped as low as 0.66 pigs per square kilometre – a more manageable obstacle for landholders. With wild deer an emerging pest in the western Riverina, the program's expansion included free access for landholders to an expert pest control contractor to guide them with implementing a program that's sustainable for them.

Baseline data of pest populations is collected annually in this project area and land managers have been educated on their responsibilities under the general biosecurity duty. We continue to be vigilant in the monitoring of non-compliant land managers to ensure the population remains at manageable levels.





Western

Western NSW landholders worked with Local Land Services to carry out a colossal baiting program for the control of wild dogs.

Over 140,000 baits were distributed over a two-month period from March to May 2020, with landholders placing baits across the landscape.

A total of 17 pest management and Western Landcare NSW groups participated in the program.



7,594,672 ha

of land covered by ground baiting



4,821 km

of aerial bait lines

In addition to the coordinated baiting programs, landholders were encouraged to use other effective control techniques such as trapping and ground shooting.

While it is commonly known that wild dogs and other pest animals can cause significant losses to livestock enterprises with economic and social impacts, there can also be considerable impacts to the environment and cultural heritage values of the region.

Wild dogs predate many small to medium-sized native fauna species which may be endangered and also important totems for Aboriginal communities.

South East

Our teams provided support to land managers and communities recovering from the Black Summer bushfires. On-ground pest, weed and erosion works commenced almost immediately.

The team identified fire-affected areas at high risk of significant erosion including sites in the Clyde, Dueda, Murrumbidgee and Mongarlowe River catchments. They worked with ranger teams from the Mogo and Batemans Bay Local Aboriginal Land Councils on the Clyde to install erosion mitigation structures including coir logs and jute mesh, and placed burnt logs in key locations.

The fires devastated ground cover and riparian vegetation leaving large amounts of sediment and ash exposed. Heavy rain that followed the fires

would have had a significant impact on habitat for threatened species as well as producers and oyster growers, if not for the work of the team.

We developed a series of factsheets and provided materials to give land managers confidence to take action to reduce sediment loss on their properties. These events have also left the landscape susceptible to weeds. The team has been working to support land managers in the Upper Tross area with targeted post-fire weed identification and vegetation management.

The success of these activities were with the support from the Australian Government's Wildlife and Habitat Bushfire Recovery Program and Catchment Action NSW.



250 ha of pest control
on Aboriginal owned land



8 km of stream length
where coir logs were installed



20,000 ha pest control
targeting deer, fox, goats and pigs



5 community groups
partnered with us to deliver on-ground interventions



340 ha of catchment
treated for erosion control



Goal 2

Biosecure, profitable, productive and sustainable primary industries

Our programs and partnerships support landholders and communities to protect primary industries.

We will achieve this by:

- Providing products and advisory services that support and enable customers to implement improved practices.
- Collaborating with investors, stakeholders and external organisations to deliver improved products and services to customers.
- Delivering consent and compliance services that educate and protect communities, landscapes and industries.

Key achievements for 2019-20

- ✓ We responded promptly to emergency animal diseases in 2019-20 including anthrax and Hendra virus, and we assisted with the Salmonella enteritidis program.
Our staff worked closely with the RSPCA, providing advice and assessing livestock affected by drought. As the rain and pasture came, our vets undertook disease surveillance to investigate significant and unusual livestock deaths and test for notifiable diseases. The results of this work were presented to over 130 private and government vets via a series of webinars.
- ✓ We successfully undertook surveillance activities to assist with the early detection of fall armyworm moths. This surveillance was critical to assist industry and landholders look for, and capture larvae to assist with the management of this pest.
- ✓ Giving livestock producers certainty of TSR access whilst improving ongoing land management and maintenance of the routes, we have successfully standardised measures across the state for assessing and granting five-year management agreement permits for TSRs.
- ✓ With our support, a total of 32 tonnes of baited carrots were laid to control rabbits; 20 tonnes of baited grain to control feral pigs; 566,678 fox baits and 858,643 wild dog baits in 2019-20.
- ✓ We have embraced new technology solutions in the management of feral animals using thermal imaging, infrared, drones and GPS tracking collars to track movements and improve control activities.

- ✔ A total of 12,286 properties across the state undertook ground baiting on more than 46.8 million hectares. Of this, 5,750 landholders participated in our wild dog control programs and 5,269 landholders participated in fox control activities.
- ✔ Recognising that feral deer are also a priority pest animal in NSW, our staff and contractors culled 5,936 deer in 2019.
- ✔ Our land management team processed 193 notifications and issued 257 certificates for a total of 450 authorisations under the Code. The team also achieved an outstanding 10/10 NPS from one-on-one interactions with customers.
- ✔ Our policy team continued the review of the PNF framework to balance the sustainable development of the private native timber and agricultural industries with the environmental values of the private native forest estate. Draft PNF Codes of Practice were released on public exhibition on 24 March 2020.
- ✔ Our North Coast team together with the NSW Department of Primary Industries, were awarded a highly prestigious Australian Biosecurity Award for their efforts in eradicating an infestation of yellow crazy ants in Lismore.

Looking ahead

In response to the challenges posed with COVID-19 and in a bid to grow landholder accreditation in the use of 1080, Pindone, PAPP and RHDV chemical products, we will take the fight against pest animals online in 2020-21 with the launch of a new free online VPIT course. The course will mirror traditional face-to-face training but will be available to landholders anytime, anywhere.

We have also secured an additional \$17 million for pest management activities in 2020-21 in the nine bushfire-affected regions.

One of the most significant projects we will deliver in the immediate future is the extension of the NSW Border Wild Dog Fence. At a cost of \$37.5 million, the “dog fence” will be extended by 742 kilometres with construction of two pilot sites due to commence in September 2020. You can read more about the project on page 50.

How our regions contributed to biosecure, profitable, productive and sustainable primary industries in 2019-20.

Central Tablelands

In the wake of the Gospers Mountain, Palmers Oaky and Goulburn River bushfires that severely impacted communities in the eastern reaches of our region, our staff conducted valuable post-fire ground and aerial pest management programs. The aim of the program was to reduce the impacts of pest animals on regenerating threatened communities adjacent to the Greater Blue Mountains World Heritage Area, as well as drought-affected agricultural communities.

Pest species were found to be dispersing significantly from fire-affected areas into unburnt forest, woodland and farms, which highlighted the need to undertake increased control efforts as pest species heavily impacted communities already feeling the impacts of continued drought.

Our biosecurity team were successful in securing additional bushfire recovery funds from the State and Federal Governments which has allowed us to continue to plan and implement further control and education programs.

 **40 private landholders** together with public land managers involved in pest management projects

 **480 feral pigs** removed in the program

 **15 feral deer** removed in the program

 **25 foxes** removed in the program



Greater Sydney

Earlier in the financial year, our biosecurity team continued to work to reduce the impact of pest animals. In partnership with local landholders and public land managers across the region, there were more than 150 property owners who took part in control programs in the priority areas of the Central Coast, Hawkesbury, Blue Mountains and Macarthur. These campaigns were carried out as part of our annual programs to reduce the impact of pest animals such as foxes and wild dogs. We also delivered emergency control programs out of season as a result of the Black Summer bushfires.

One landholder in the Kulnura area took part in the campaign after nearly 120 livestock were killed by wild dogs in the area and 20 of their own sheep. Our officers were able to stop the attacks on the livestock in the area, providing advice and equipment to the impacted landholders.

The success of this program shows the importance of coordinated and collaborative approach between community and biosecurity experts.



 **150 landholders** engaged in control programs

 **15,000 ha** approximately covered for pest control in the region

 **80% baits** issued were taken (approx.)

 **500+ pest animal** complaints responded to

Hunter

Through the Professional Wild Dog Controller Program, Hunter Local Land Services in partnership with the Hunter Valley Combined Wild Dog Association, engaged three professional controllers to target problem wild dogs in known hotspots across the Upper Hunter.

This unique cross tenure program was the first of its kind in NSW and backed by Australian Wool Innovation and large public and private landholders. Over its first three years, the controllers removed more than 350 wild dogs, through a combination of strategic and reactive programs. The program is reinvigorating and restoring confidence in the local sheep industry after increasing wild dog attacks had threatened its future. This district was also heavily impacted by drought and now with wild dog attacks reducing, diversifying into sheep production is once again being considered a viable and sustainable option.

Producers must be a member of their local wild dog association and actively participate in control efforts to be eligible for the program. For the last 18 months, all program fees have been waived, as part of our drought support program for local producers. This program has unified wild dog control between private and public land managers and government across the Upper Hunter.

 **73 landholders** participated in the program

 **113 wild dogs** removed during 2019-20

 **114,000 ha** of land covered by strategic programs

 **13 wild dog** associations involved, helping to form 3 wild dog management plans



Murray

Landholder concerns about feral pig numbers along the Billabong Creek led to a cooperative control program covering 180,000 hectares and 180 kilometres of river frontage.

Lower crop damage, reduced potential for African Swine Fever and Foot and Mouth Disease and less environmental impact, are all a result of greatly reduced pig numbers across the area.

For this program, we helped establish a local pest group comprising biosecurity officers and landholders of an area bounded by Conargo, Booroorban, Moulamein and Morago.

With landholder cooperation over such a wide area, the program used strategically placed bait stations and two weeks of free feeding to attract the pigs, after which 1080 poison was added to the grain and molasses to achieve knockdown.

This successful outcome was achieved with minimal time and effort required from landholders, but with enormous benefit of group pest control. All landholders involved are interested in continuing the program.



 **12 landholders** involved in the program

 **19 fixed bait stations** 4 permanent and 15 temporary

 **102 feral pigs** 40 of these were removed and another 62 observed

 **180,000 ha** covered in the project



Central West

The Central West region of NSW was 'drought declared' by the NSW Department of Primary Industries Combined Drought Indicator measure between mid-2017 to early 2020. The duration and severity of the drought significantly impacted landholder water resources and their capacity to make informed decisions whilst managing the extreme conditions.

To assist landholders with their decision-making, our sustainable agriculture team initiated a free stock water testing service to over 330 landholders over summer which extended into autumn due to unprecedented demand. The objective of the project was to help participants across the region be more prepared for summer, given the prolonged drought conditions. The campaign raised awareness of the impact of poor water quality on animal health as well as implications for domestic uses such as corrosion of pumps and pipes.

The project enabled us to provide landholders with accurate data on their water quality, of which for many participants it was their last reliable water supply. Nearly 80 per cent of participants said the subsequent advisory services provided by the organisation improved their capacity to make decisions about water infrastructure and animal health to maximise efficiency against such challenging drought conditions.



220 calls

made to producers providing one-on-one support and tailored advice



80% of participants

said advisory services improved their capacity to make decisions



330 water tests

conducted across 300,000 ha of land



138 events

for extension and training conducted by the Ag team in 2019-20

North Coast

With funding from NSW Clean Coastal Catchments Program and Catchment Action NSW, our teams have worked to increase on-farm soil health and the adoption of soil conservation practices. A series of projects have focused on key agricultural industries on the North Coast including, the macadamia and blueberry industries.

We have been working with macadamia orchards to keep sediment and nutrients on-farm and out of coastal waterways while supporting profitable and sustainable agriculture. The erosion control incentives program has made a big difference to macadamia farms and waterways in the Clarence and Macleay Valleys with on-ground works improving soil erosion and water quality.

We were also involved in partnership projects aimed at reducing negative environmental impacts from blueberry farms, mainly in the Coffs Harbour and Clarence Valley Local Government Areas. Blueberry growers implemented on-ground works including erosion mitigation, weed control, modification of irrigation and revegetation.

Erosion control method, including jute mesh and coir logs, not previously used on blueberry farms, were trialled. The positive results can now be showcased to other blueberry growers in the region to increase their adoption.



41 plans
created for erosion management



81 macadamia
orchards involved in the project



409 ha
of land improved in the Clarence and Macleay valleys



\$570,000 in grants
funded through NSW Government



19 blueberry
growers involved in the project

North West

We delivered a combined strategy to provide vertebrate pest training whilst administering wild dog and fox management groups to address predation on livestock, spread of disease and spread of weed seed.

Our biosecurity officers facilitated training for these groups and individual landholders to build their capacity in the utilisation of baits to manage wild dog, fox, rabbit and feral pig populations.

As a result, the number of sheep and lambs killed by wild dogs in the group's control areas has halved in the last two years.

Throughout COVID-19, our biosecurity officers have continued to work with landholders as they manage their pest animal burden. Whilst physical groups could no longer take place, safe bait collection points were facilitated so landholders did not miss out and pest control programs could continue.

The vertebrate pest training continued with responsible socially distanced workshops which resulted in 99 landholders successfully obtaining their accreditation to access 1080, pindone, PAPP and RHDV products.

These measures help to educate landholders whilst protecting the viability of their businesses' and the natural environment.



230 holdings
participated in wild dog groups



179 holdings
participated in fox baiting groups



55,000+ baits
distributed across the region



Northern Tablelands

Animal biosecurity involves the delivery of national, state and local programs. These programs are designed to manage the risk of animal diseases. The intent of these programs is to maintain market access i.e. allow our livestock industries to continue selling their product by assuring markets that we are free of particular diseases.

Through producers working with us, we are able to collect information that is used by industry at many levels. For example, a producer may have a number of weaners die suddenly. It is useful for the producer to know that it is say, pulpy kidney that has caused the deaths.

At the national and international level, our trading partners are interested to know that the deaths were not due to a disease that could impact on the sale of our meat products, such as anthrax.

The basis for our surveillance programs is that we are excluding the existence of some of the nasty diseases that would concern our trading partners. By proving we don't have these diseases we keep our markets open. It is often what we don't find in our monitoring and surveillance programs that is more important than what we do find.



cattle were tested

for arboviruses under the National Arbovirus Monitoring Program



livestock brains

were tested under the National Transmissible Spongiform Encephalopathy Program to provide evidence Australia is free of BSE and Scrapie, the sheep equivalent of BSE



South East

The biosecurity team in the Queanbeyan-Palerang area conducted a pig collaring and remote camera monitoring project south of Bungendore to get a better understanding of the movement of feral pigs throughout the landscape.

Feral pigs are an emerging issue across much of the South East region and have devastating impacts on farm infrastructure, pastures and threatened species flora. The project is a landscape scale, ecological and biophysical research initiative, with the information gathered helping the team to implement successful control techniques to help the community protect the environment and productive lands and limit the spread of disease.

The information about the behaviours and movements of feral pigs will also be important in the event of a breakout of African Swine Fever. While the disease has not yet reached Australia, it poses a significant risk to industry and communities if it does. Knowing where and when pigs like to move through the landscape will help to plan rapid responses in the event of a breakout.

Feral pigs rely heavily on secure sources of food, shelter and water, the best place to manage them will vary from property to property which is why it is important to have a landscape scale approach to management.



52 feral pigs

observed in the landscape



14 feral pigs

collared throughout the project



17 land managers

involved in the project



13,917 ha

of land covered



Riverina

Livestock on TSRs in the Riverina are now tracked in real time, thanks to the use of radio collars. All cattle are scanned in and out of the TSR network and fitted with tracking collars to allow live traceability and an accurate record of where they have travelled. The use of the collars has improved compliance, efficiency and safety. The data from the collars link directly to a website and the battery life lasts up to two years. Stock owners will be able to login and monitor where their mob is at any time remotely, and the data will also be available to the Rural Crime Prevention Team.

In the event of an emergency such as a bushfire, flood, or biosecurity outbreak, mobs will be able to be located within minutes. Not only will their current location be valuable in this instance, but their journey will also be mapped, which will be imperative data in the instance of a biosecurity incident.

A year on, our staff have noted significant time savings, with rangers able to remotely check stock locations prior to visiting them in person, and to ensure they're on track to their agreed destination.



Radio collar data

available to stock owners



Traceability

of cattle mobs within minutes



85,000 ha

of TSRs managed by the Riverina region



2 year battery life

of radio collars

Western

We worked with landholders in the White Cliffs and Packsaddle area to help improve the habitat of one of the most critically endangered species in NSW – the Grey Range Thick-billed Grasswren (*Amytornis modestus obscurior*).

The project was coordinated by Western Local Land Services and supported by BirdLife Australia. It saw landholders completing on-ground works to improve the known habitat of the critically endangered Grey Range Thick-billed Grasswren. This species has been identified as one of 20 species at the greatest risk of extinction in the next 20 years.

During 2019-20, fencing was implemented to reduce total grazing pressure and improve the

condition of the Grasswren habitat over 2,000 hectares, specifically, chenopod shrubs such as blackbush (*Maireana pyramidata*) and thorny saltbush (*Rhagodia spinescens*).

In 2020-21, soil erosion work will be completed to improve the condition of scalded areas, aid in rehydrating the landscape and assisting the regeneration of chenopod shrubs.

Our staff, alongside landholders will monitor the works over the coming 10 years to determine the success of the project.

This project is supported through funding from the NSW Environmental Trust.



3 landholders
involved in the project



2,000 ha
of Grasswren habitat improved,
specifically chenopod shrubs such as
blackbush and thorny saltbush



10 year
monitoring program



Goal 3

Healthy, diverse, connected natural environments

Our programs and partnerships help grow healthy, diverse and connected natural environments.

We will achieve this by:



Collaborating with investors, stakeholders and external organisations to deliver improved products and services to customers.



Delivering services that support Aboriginal people to care for Country and share traditional land management knowledge.



Managing Crown land vested in Local Land Services for environmental, social, and economic outcomes.

Key achievements for 2019-20



As part of our delivery of a statewide Plan of Management for TSRs, we launched a Best Environment Management Practice Toolkit to assist landholders deliver land management outcomes consistent with the Plan and to conserve the conservation value of TSRs.



To further support bushfire protection efforts, Soil Conservation Service staff delivered 29 asset protection zone projects in 2019-20 to a total value of \$1.3 million. Similarly, they also delivered 31 projects to maintain the fire trail network across Crown land with a total value of \$2.7 million.



To support our Aboriginal Cultural Heritage Policy, we released our Aboriginal Cultural Heritage Handbook to ensure all our work activities protect, conserve and maintain objects, places and landscapes of Aboriginal cultural significance.



Distributed over \$4.5 million to support more than 70 Local Landcare Coordinators in their delivery of local programs and initiatives, together with 12 Regional Landcare Coordinators who facilitate a more regional approach to statewide Landcare initiatives.



We have grown seedbank activities across a number of regions including Murray, Greater Sydney, Hunter and the Northern Tablelands. This includes increasing the volume of seed collected, hosting landholder workshops and improving seed storage facilities.



As part of the NSW Marine Estate Management Strategy, we delivered \$5.2 million in funding to improve local waterways including the Crooked River Estuary Project near Gerringong. Working with Local Land Services, five landholders have now erected 9.2 kilometres of fencing, protecting 14.25 hectares of estuary wetland and floodplain forest, together with the establishment of over 10,000 trees.



Established a \$22.4 million four-year partnership program (2019-2023) between Local Land Services, Landcare NSW and host organisations including local Landcare groups and Local Government.



Successfully administered \$11.5 million in Catchment Action NSW funding across the 11 Local Land Services regions. See below a snapshot of these results.

Catchment Action NSW *snapshot of achievements*



85

Number of awareness raising events



1,348

Number of participants who attended events



106

Number of training sessions, workshops, seminars or skills training events



1,389

Number of participants who attended workshops



68

Number of community group projects assisted



463

Length (m) of stream bank stabilised with engineering works



236

Area (ha) of coastal native vegetation enhanced/rehabilitated



5

Area (ha) of wetland vegetation enhanced/rehabilitated



4,779

Area (ha) of riparian native vegetation enhanced/rehabilitated



46,238

Area (ha) of terrestrial native vegetation enhanced/rehabilitated



1,504

Area (ha) managed for significant species and/or ecological communities



25,853

Area (ha) of sustainable grazing practices



442

Area (ha) planted to native species



44,770

Area (ha) of pest plant control



15,656

Area (ha) of pest animal control



6,052

Area (ha) of soil treated

Looking ahead

Reporting measures for our Reconciliation Action Plan are currently being finalised for submission to Reconciliation Australia. This plan will be replaced with a comprehensive Aboriginal Engagement Strategy built from widescale community engagement and input from our Aboriginal culture and communities SWAG.

Western Local Land Services will be the lead region for the execution of the Fencing Northern Basin Riverbank Program. This is a three-year program intended to implement a series of projects which will reduce the impact of livestock on environmentally sensitive parts of the northern Murray-Darling Basin and provide landholders with a practical means to contribute to the restoration and protection of native fish habitat.

Work has commenced to develop a Memorandum of Understanding (MoU) on the delivery of threatened species conservation programs with the Environment, Energy and Science Group of the NSW Department of Planning, Industry and Environment.



How our regions contributed to building healthy, diverse, and connected natural environments in 2019-20.

Central Tablelands

Through Australian Government National Landcare Program funding, our team led a project to assist the recovery of threatened species and threatened ecological communities in areas impacted by the Black Summer bushfires through the implementation of erosion control at priority and targeted swamps on the Newnes Plateau.

These erosion control measures - including coir matting installation, silt traps, innovative track upgrades and the removal of water flow barriers - have enhanced recovery of these areas following fire by improving swamp hydrology and lessening the impact of other threatening processes that erode the resilience of these swamps to withstand natural disasters.

We have been working in these swamps since 2016 taking the lead role in delivering the NSW Environmental Trust's Saving Our Species project 'Swamped by Threats'. Here we have partnered with species experts, a wide range of stakeholders and volunteers to protect and enhance the upland swamps of the Newnes Plateau and Blue Mountains.

These swamps are habitat to the endangered Blue Mountains Water Skink and Deane's Boronia, which play an important part in our landscape.

Our on-going involvement in the Swamped by Threats project meant staff were able to quickly intervene at these sites post fire and flood.

 **Erosion control** measures were undertaken to enhance recovery at priority areas of Newnes Plateau

 **10 year project** 'Swamped by Threats' made possible by staff knowledge and networks

Central West

This year, our NRM team carried out several projects that aimed to enhance, rehabilitate and protect 9,453 hectares of the Central West region with an additional 311 hectares of habitat protected for significant species.

Contributing to this result was the 'Progressing the Small Purple-pea in Central West NSW' project under the funded National Landcare Program. This project focused on assisting in the recovery of *Swainsona recta*, or the 'Small Purple-pea' as it is commonly known in our region. This included working with known populations and identifying any new populations to further improve the species survivability.

The project has contributed significantly to an increase in community awareness of the Small Purple-pea. In 2019, the project team identified a previously unknown patch on private property near Wellington following substantial rainfall in the area.



550 ha

of weed control conducted for the Small Purple-pea program



166 km of stream length

enhanced, rehabilitated and protected by the NRM team in 2019-20



Greater Sydney

One of Australia's rarest birds, the Regent Honeyeater, successfully bred on a private property in Mulgoa earlier this year with one of our officers first recording the sighting.

The discovery was made while undertaking pest animal control on the property. Within a couple of weeks, the birds were building a nest.

While total population numbers are unknown, it is estimated less than 1,000 of the species remain in the world.

The officers installed a protective collar on the tree, installed a monitoring camera and carried out regular inspections of the nest.

Their efforts paid off, and a chick fledged from the nest a few weeks later, making it the first successful breeding attempt in the area for years.

Experienced staff have worked to preserve the native flora and fauna in Western Sydney for the past decade and we will continue to support Regent Honeyeater breeding.



Estimated 60%
of Regent Honeyeater's nests fail



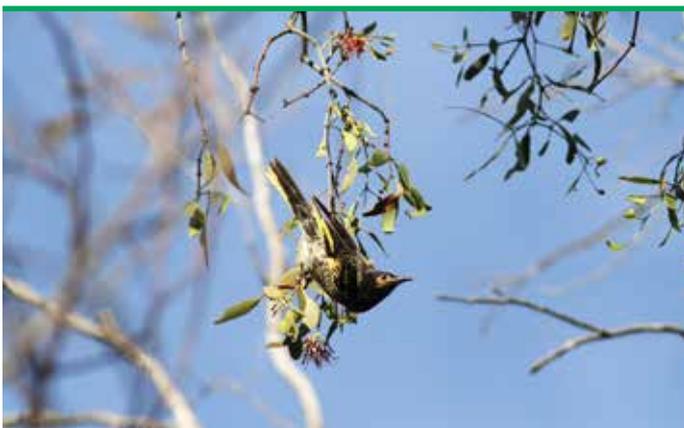
Sightings coincide
with active pest control programs



Partnerships between
NSW Department of Planning, Industry and Environment, Birdlife Australia and Australian National University



Last sighting in 2017
in Chiltern-Mount Pilot National Park where nesting attempts failed



Hunter

In August 2019, our team in collaboration with the Wonnarua Nations Aboriginal Corporation (WNAC), we conducted a cultural burn training workshop on WNAC property at Paynes Crossing in the Upper Hunter.

The workshop was held to support Aboriginal Elders share their traditional fire knowledge and techniques to younger members of their community. The training providers involved were an Indigenous fire practitioner from Cape York, Firesticks Alliance and Tocal College. Aboriginal students were trained in applying cultural burn techniques to Country and conservation land management course units.

The main objectives of the burn were to protect cultural sites; reduce fuel loads and weed species; increase native vegetation and native fauna, and provide a fire break for the WNAC assets.

In summer of 2019 when catastrophic fire conditions impacted the Paynes Crossing area, grave fears were held for the area. However, when conditions allowed and the area was inspected, it was found that the cultural burnt land had native flora regenerating and fauna returning to the area, it was a stark contrast to neighbouring lands that were severely scorched.

Thanks to the Wonnarua/Wanaruah Elders and community for their participation in the project and allowing it to be undertaken on their traditional lands.



1.5 ha of Country
was managed through cultural burning



2 cultural burns
were implemented in 2019-20 with a further five to be completed



19 Aboriginal
land managers participated





Murray

Aboriginal teams gaining new skills while working on Country, pest and weed control and revegetation of denuded sandhills, were among the highlights of the Ramsar project this year.

Funded by the Australian Government's National Landcare Program, the project operated across 84,000 hectares of the internationally significant Central Murray State Forests Ramsar site. The aim was to reduce key threats and enhance biodiversity in these unique wetlands. Collaboration with public and private land managers and the local Aboriginal community has been the project's cornerstone from its inception.

Pest control activities focused on rabbit and fox control, and we removed African boxthorn from several adjacent properties. We also surveyed the Millewa Forest riparian zone to identify emerging weed issues and prioritise future works.

We direct-seeded three large, denuded sandhills in the Koondrook-Perricoota Forest with native species, while the Moama Local Aboriginal Land Council performed initial rabbit control and erected stock exclusion fencing. A trial was also conducted with a drone-mounted thermal imaging camera to monitor numbers of the endangered Australasian Bittern in the Millewa wetlands.

Aboriginal involvement in the Ramsar project has enabled community members to gain new skills and experience through training and employment and will allowing them to work on country and help with ongoing management.



1,000 ha of land

had fox baiting programs carried out



4 contracts

with Aboriginal organisations



**130 km of
direct seeding**

over 60 ha of sandhills



**550 ha of
riparian zone**

surveyed for weeds

North Coast

Our team has been working on a two-year pilot program to improve water quality in the Emigrant Creek catchment, part of the Richmond River.

Recognising diffuse pollution as the most significant threat to its marine areas, we used innovative erosion control techniques to improve water quality. The project rehabilitated 33 kilometres of riverbank vegetation, stabilised 1.5 kilometres of riverbank, upgraded 15 dirt roads and prevented over 1,300 tonnes of sediment from being mobilised into the Richmond River.

Partnering with 35 landholders from the macadamia, tea tree and beef industries, Ballina Shire Council, and Jali Local Aboriginal Land Council, we will continue to work with stakeholders to monitor and maintain the works over the next five years. Developing and maintaining stakeholder relationships is something our organisation prides itself on to ensure we deliver services for the environment while promoting sustainable agricultural practices.

These works are part of a collaborative NSW Government initiative to manage the marine estate for the wellbeing of the community, now and in the future. The success of this program has resulted in further funding to expand works in the area over the next 12 months.



33 km of riverbank
vegetation rehabilitated



1,300 tonnes
of sediment movement prevented



15 unsealed roads
upgraded as part of the project



North West

In August 2019, North West Local Land Services launched a new landholder program focused on growing capacity and increasing adoption of practices that improve land and soil condition whilst retaining function.

Titled "Check, Ready, Grow" the program involved 85 landholders and was delivered in a three-stage process over 12 months.

1. Check-in: self-assessments in best management practice to identify current status, gaps and opportunities for natural asset management.
2. Create capacity: skill development through training, webinars and mentoring sessions aligned to identified goals.
3. Consolidate change: financial incentives for on-ground works to improve land management practices to protect soil for improved health, groundcover, erosion mitigation, and support provision of ecosystem services.

The workshops were developed to focus on setting a direction for the farm business and looking for opportunities to improve its financial management and natural assets. The self-assessment check-in scores have been used as a baseline measurement for landholders, which will be revisited at the completion of the program to measure development.



4 workshops
with over 85 landholders participating



3,990 ha
of land management practice change



\$600,000 invested
with landholders



Riverina

Home to the largest population of Australasian Bitterns in the world, Riverina Local Land Services developed a suite of incentives for rice growers to provide additional and improved habitat on-farm for this threatened species. Known as “Boosting the Bunyip Bird”, the project was funded by the Australian Government’s National Landcare Program and saw six landholders grow 277 hectares of Bittern-friendly rice to maximise successful breeding.

Four times as many Australasian Bitterns were found in the Bittern-friendly rice grown for the project, compared to the benchmark set by the control sites. In total, 23 birds were sighted (compared to six in the control sites) and successful breeding was recorded in one crop.

The rice fields of the Riverina provide a unique opportunity for the threatened Bittern with about 40 per cent of the population utilising rice crops over the summer months. The main aim of Bittern-friendly rice is to maximise successful breeding – to do this, early permanent water is required with a minimum period of 130 to 150 inundation. Landholders also maintain grassy banks and provide adjacent habitat in channels and dams for Bitterns to frequent.

Fox baiting is being undertaken across all farms taking part in the project as it’s thought chicks and young birds are easy prey for these pests.



1,500 mature

Australasian Bitterns are estimated to be present in the Riverina



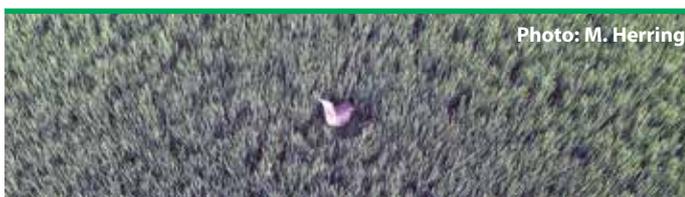
277 ha

of Bittern-friendly rice grown in 2019-20



23 Australasian Bitterns

were sighted in rice fields this year



South East

The southern fires and subsequent investigations have brought traditional land management to the fore of many discussions this year. Traditional land management, and the traditional fire regime that is part of it, has been practiced on Country for thousands of years.

For the past few years our Aboriginal community support team has been working with leaders in the Aboriginal community, Local Aboriginal Land Councils, Firesticks groups, government agencies, academics and the broader community to support the return of traditional land management practices to heal Country and community.

In 2019-20, the team has supported cultural burns at Tura Head, Bingie, Ulladulla and Guerrilla Bay taking the opportunity to educate younger members of the community and give them the chance to “walk with fire” through the landscape to observe it and learn from it.

The traditional fire regime has been excluded from Country for much of the last two hundred years. The opportunity to bring it back is one that can contribute greatly to healthy, diverse and connected natural environments while connecting community to Country and culture.



This is the traditional fire regime of Australia

When used in this way, fire is not to be feared, it is something that is respected, it’s a living spirit in Aboriginal culture.



Northern Tablelands

Our team put the spotlight on threatened species with projects that improve habitat and biodiversity on-farm and in the community. We restored and protected riparian zones and upland wetlands so that native flora and fauna species have a better chance of survival.

Our Birds of Prey project surveyed the region for sightings of threatened Little Eagles, White-bellied Sea Eagles and Square-tailed Kites but also looked out for other raptors. Landholders have worked hard to keep valuable patches of woodland healthy for these endangered raptors. Landholders who have grassy woodlands on their properties enhanced and preserved this habitat to support the critically endangered Regent Honeyeater.

'Baxter the sniffer dog', who is trained to find koala scats (poo), had his nose to the ground finding out where koalas are – and aren't - in the Northern Tablelands so that we understand what is required for koalas to thrive in our region.

Our Turtles Forever project worked with landholders to protect the endangered Bell's Turtle. The key threat to this species are foxes as they dig up turtle nests on stream banks during summer.

We have identified key flora and fauna species that were impacted by bushfires and continue to work with National Parks and Wildlife to monitor these species during the recovery of their habitat.



Pair of breeding

Regent Honeyeaters spotted on a TSR north west of Glen Innes



6 Little Eagle chicks

from 21 territories (families) were successfully reproduced in 2019



174 Bell's Turtle

hatchlings emerged from 26 protected nests into rivers and streams this year



450 seedlings

planted at Little Llangothlin Nature Reserve to enhance Threatened Ecological Communities

Western

The “Pathways to Country” project recognises the connection between people and Country as a pathway to transport ancient knowledge of landscape, to the people of today.

Through this project, our team unearths and renews old pathways to reconnect people with Country and facilitate a greater connection between Aboriginal people and land managers in Western NSW.

Aboriginal and non-Aboriginal people have shared ambitions; this project used strategies to help realise these and move forward together. These strategies included protection of sensitive and significant sites on private land; recording traditional ecological knowledge and land management techniques; and creating opportunities to share cultural stories and knowledge.

This project saw five local First Nations knowledge holders and custodians get back on Country, to care for and conserve cultural assets, make connections with land managers and share traditional knowledge with land managers on nine private properties in the Western region.

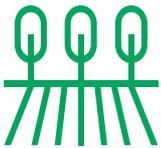
Indirectly, this project facilitated the same activities on a further 13 properties in the Western region.



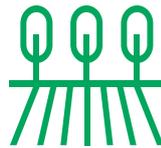
1,362 ha
of cultural values



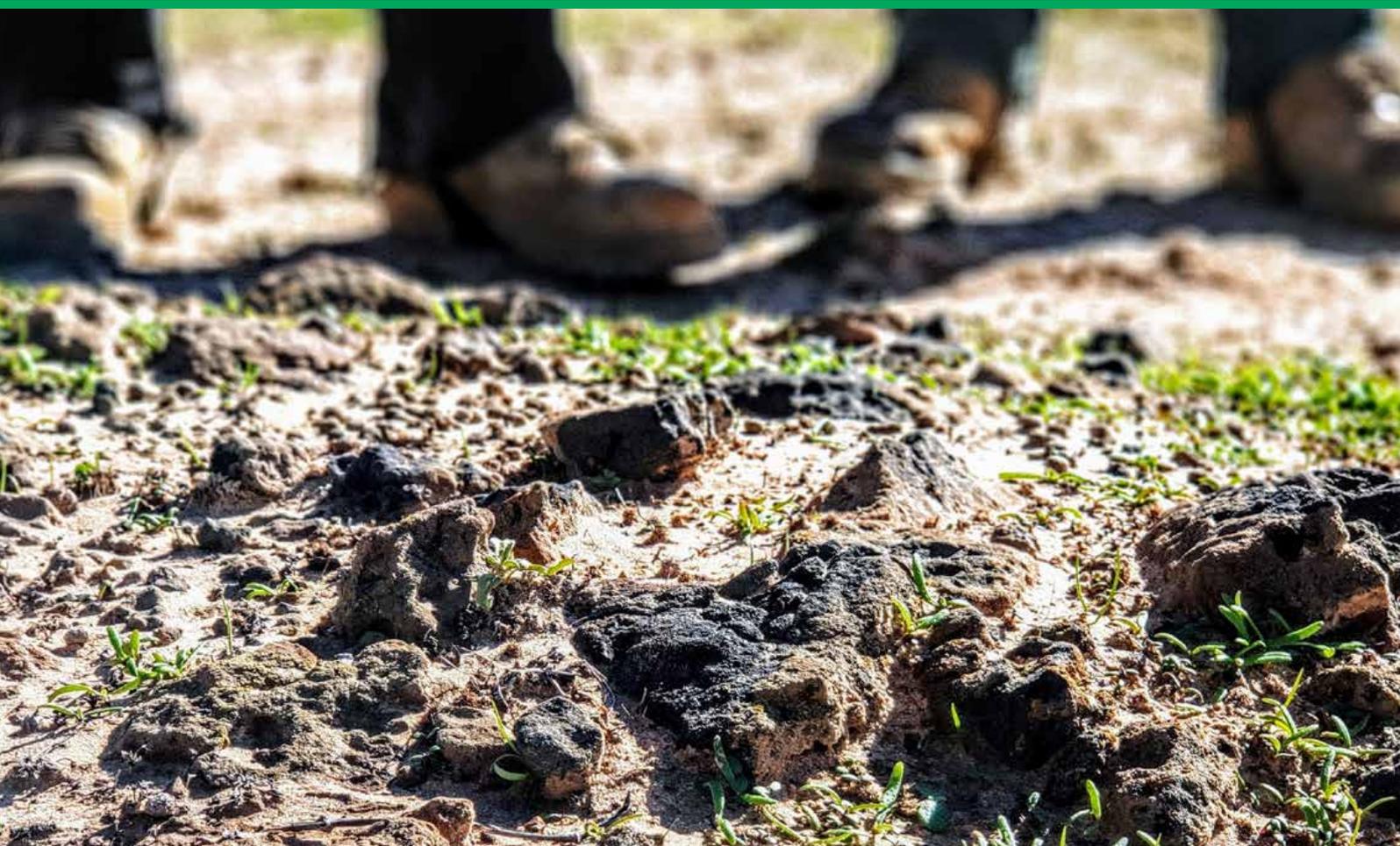
5 First Nations people
working on Country



9 properties
involved in the project



13 properties
further engaged outside the project



Goal 4

Board members and staff who are collaborative, innovative and commercially focused

We ensure our staff and board members are supported to be collaborative, innovative and commercially focused in the workplace.

We will achieve this by:



Developing engaged and accountable people with a strong customer and stakeholder focus.



Fostering a values-based culture which emphasises collaboration, innovation and continual improvement.



Ensuring a safe, efficient, effective and sustainable organisation.



Connecting research and development with advisory services to address priority data, information and knowledge gaps and barriers to improved practice.

Key achievements for 2019-20



We officially launched the Local Land Services Work Health and Safety Step Change Program in which behavioural safety is considered as well as our approach to incident investigation techniques and the quality of corrective actions. An internal safe work method statements (SWMS) review is ongoing to cross reference each document to ensure a quality outcome.



Our overall work health and safety (WHS) injury numbers fell from the previous period with actual lost time injuries down by almost 45 per cent.



Our 2019 People Matter Employee Survey results showed favourable improvement across all areas of the survey including communication from senior managers and how the business performs against public sector values.



Our COVID-19 Staff Check-In Survey told us that 93 per cent of staff were confident in the organisation's response to the pandemic, with 96 per cent also responding that they were highly satisfied with the level of communication from the agency during the extended lockdown period.

- ✔ External quality audits for the Soil Conservation Service Integrated Management System were completed resulting in formal accreditation against ISO 45001:2018 Work Health and Safety Management System, ISO 14001:2015 Environmental Management System and ISO 9001:2015 Quality Management System with no major non-conformances. This accreditation provides internal and external assurance on Soil Conservation Service strategy and operations.
- ✔ Social media engagement with our customers improved significantly. This was highlighted by a 43 per cent growth in our Facebook audience to a collective following of over 40,000 across the state. The introduction of a Facebook Messenger protocol to increase the ways customers can engage with us, has seen a 50 per cent growth in these exchanges.
- ✔ Minister for Agriculture and Western New South Wales, Adam Marshall, announced 11 new Local Land Services regional boards consisting of 29 members who were directly appointed by the Minister, 34 who were successful in board elections and 16 who are continuing in existing ministerial appointments.
- ✔ A MERI framework was adopted by the Local Land Services Board as a tool to better organise and link across the organisation; evaluation, performance audits, outcomes, learnings, data sources and collection methods.
- ✔ To ensure continuous improvement, we developed a Core Services Improvement Plan. The services and activities within the plan have all been peer reviewed and undergone a risk management process to ensure all services and activities are delivered with consistent treatment of any risks associated.
- ✔ In response to staff feedback, we have undertaken a widescale process mapping exercise to deliver more consistent and efficient processes for staff to engage with. Stage one of the project was completed this financial year addressing customer service, finance, assurance and technology.
- ✔ We implemented two new internal professional networks to grow cross regional collaboration in the areas of community engagement and community reporting. The best practise outcomes from these groups will assist local boards to deliver Local Strategic Plans supported by robust community engagement and defined KPI's.

Looking ahead

Local Land Services will revise all 11 Local Strategic Plans. The revision of these plans during 2020-21 will ensure our focus aligns with current landholder and community priorities whilst fostering a culture of innovation and best practice.

We are developing a strategic workforce plan with a focus on improving customer service and improving how we deliver our services and programs.

We also intend to deliver an Innovation and Business Sustainability Strategy to drive delivery of services that are innovative, recognise the need for change and are adaptative to the industries and communities we serve. This will be supported by a staff innovation forum.

How we were collaborative, innovative and commercially-focused in 2019-20.

Placing customers at the heart of our decision-making

Whether on-ground or using technology like webinars and Facebook Live, we pride ourselves on the work we do to educate and inform landholders on the latest practices and protocols.

Understanding that our customers and key stakeholders have differing communication needs and expectations, we have successfully implemented new ways to connect and engage with them in a timely manner. This has proven critical in the face of the Black Summer bushfires and the need for contactless customer service resulting from COVID-19.

Field days quickly became webinars whilst non-urgent veterinary visits can now be conducted by Facetime. Recent website improvements have resulted in more customers engaging with us online and a “was this helpful” widget ensures we tailor our content in the most meaningful way. Social media engagement has grown significantly, and we opened a number of these channels for two-way engagement.

Our 2019-20 customer metrics demonstrate that our efforts have been rewarded with high engagement and participant numbers. We also increased our NPS to an average of 82 per cent.



322 opportunities
for people to support decision making



4,076 participants
took part in decision making



1,161 community
groups supported in 2019-20



439 stakeholder
partnerships



511 projects
conducted with our stakeholders



1,030 events
held for awareness raising
and capacity building



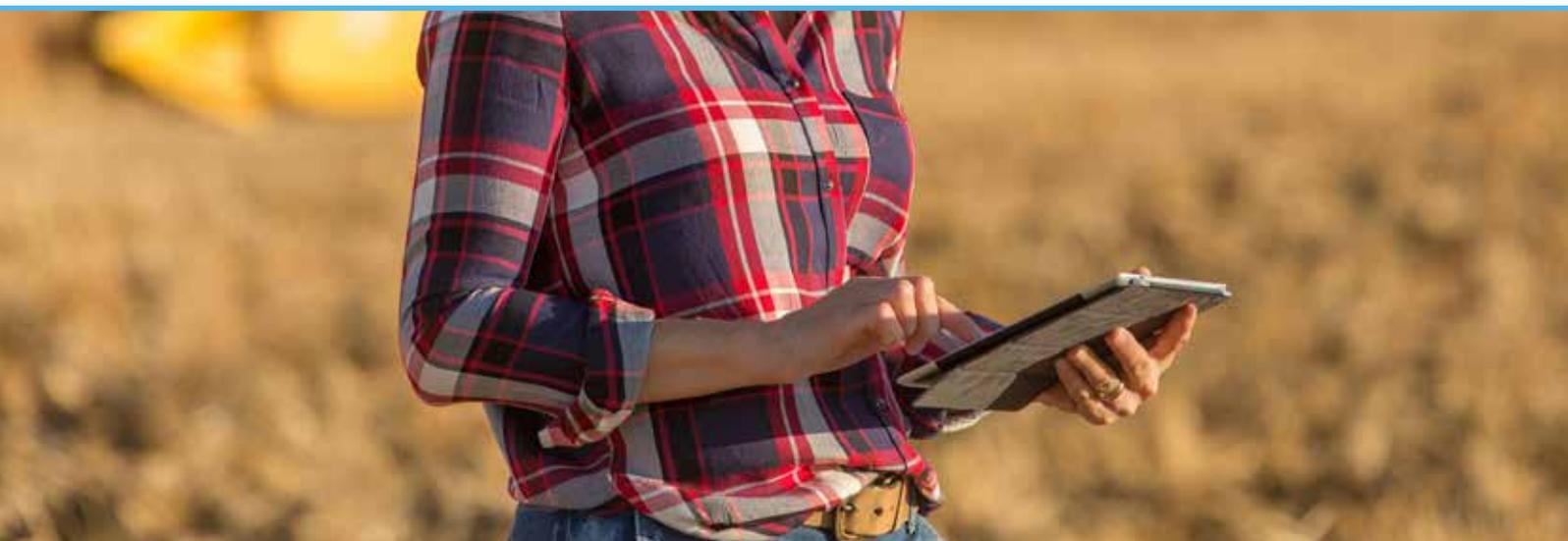
40,357 participants
at these events



809 training
events held in 2019-20



9,491 participants
attended these training events



A workplace culture to be proud of

Our people are our most important resource in delivering our work, so it is important they feel empowered to be accountable, collaborative and future oriented. It is also important for us to acknowledge that many of them were personally impacted this past year by drought, the Black Summer bushfires and more recently, COVID-19.

As part of our transition into the Department of Regional NSW, steps have been taken to strengthen the resources that support our employees. A new provider has been appointed for the Department of Regional NSW Employee Assistance Program whilst a new WHS management system was released, aided by a fresh new staff intranet.

Providing consistent, accessible internal communications is critical to supporting a highly agile workforce. With many of our staff field based, the continued use of Workplace proved successful with 65 per cent staff active users each month.

We place significant importance on the results of the PMES, building and reporting upon the action plan developed to address areas identified for improvement.

The results for 2019 were favourable in several key areas:



As the threat of the pandemic increased and we transitioned our workforce to work from home, we conducted a dedicated COVID-19 Staff Check-In Survey. This was an important step given the level of disruption caused, and the logistics required to ensure staff remained informed, connected and engaged, and importantly stayed safe and healthy.

The results were outstanding with 93 per cent of staff reporting they were confident in the organisation's response to the pandemic, and 96 per cent responding that they were highly satisfied with the level of communication from senior management during the extended lockdown period.



Development of a customer service portal

This is one of the most notable projects that we have been busily working on in the background during 2019-20. Known as MyLLS, the project will revolutionise how we operate as a business and how we serve our customers, all for the better.

The project aims to deliver an enhanced level of service by connecting with our customers and our regions through consistent, digitally enabled business processes. As data is collected across the organisation using standard tools, reporting capabilities will be significantly enhanced

From the customer's perspective, MyLLS will be customisable to the information they want to see or the services they use regularly. Notable functionality includes:

- event registration
- apply and pay for permits
- pay Local Land Services rates
- update customer details
- lodge Annual Land and Stock Return
- view full rates and permit history
- manage Property Identification Codes
- apply for grants.

MyLLS will have a staggered roll out over 10 releases in 2020-21. A comprehensive stakeholder engagement plan is currently being developed in preparation for roll-out.



New-look Local Land Services boards unveiled

Earlier this year, we welcomed the members of our new-look boards following the 2020 Local Land Services election.

Minister for Agriculture and Western New South Wales, Adam Marshall, announced 11 new look Local Land Services regional boards consisting of 29 members who were directly appointed by the Minister, 34 who were successful in board elections and 16 who are continuing in existing ministerial appointments.

Our boards play a key role in identifying and delivering services that are relevant to the communities they serve. The staggered approach to recruitment allows for local boards to remain fresh and relevant with a rolling membership, while ensuring valuable skills and knowledge is retained within the organisation.

Our statewide chair, Richard Bull continues in his role, bringing the total number of Local Land Services board members around the state to 80.



29 members

directly appointed by the Minister



34 members

successful in the board election



16 members

continuing in existing ministerial appointments

Major projects



Supporting our Neighbours

In the summer of 2019-20, NSW rural and regional communities were affected by the harrowing bushfires that swept much of the state. The Black Summer bushfires were unprecedented and left long lasting impacts on the agricultural industry.

To support NSW landholders, the NSW Government committed \$209 million to help bushfire-affected landholders rebuild boundary fences adjoining public lands.

The Supporting Our Neighbours - Public Land Boundary Fencing Program, launched on the 12 April 2020 and provides much needed support to landholders in re-establishing fire-damaged boundary fences between private and public land. The project is helping to rebuild 41,486 kilometres of burnt fence line across the state.

Private landholders who share a boundary with public land, including travelling stock reserves, national parks, Forestry Corporation, Crown land and roads managed by Roads and Maritime Services or Local Government are eligible to receive a grant of up to \$5,000 per kilometre to contribute to the replacement of damaged boundary fences.

In addition to this support, grants of up to \$10,000 per kilometre are available for the replacement of damaged boundary fences to public land that were already established wild dog exclusion fences.

At 30 June 2019 there were:



3,138 applications
received



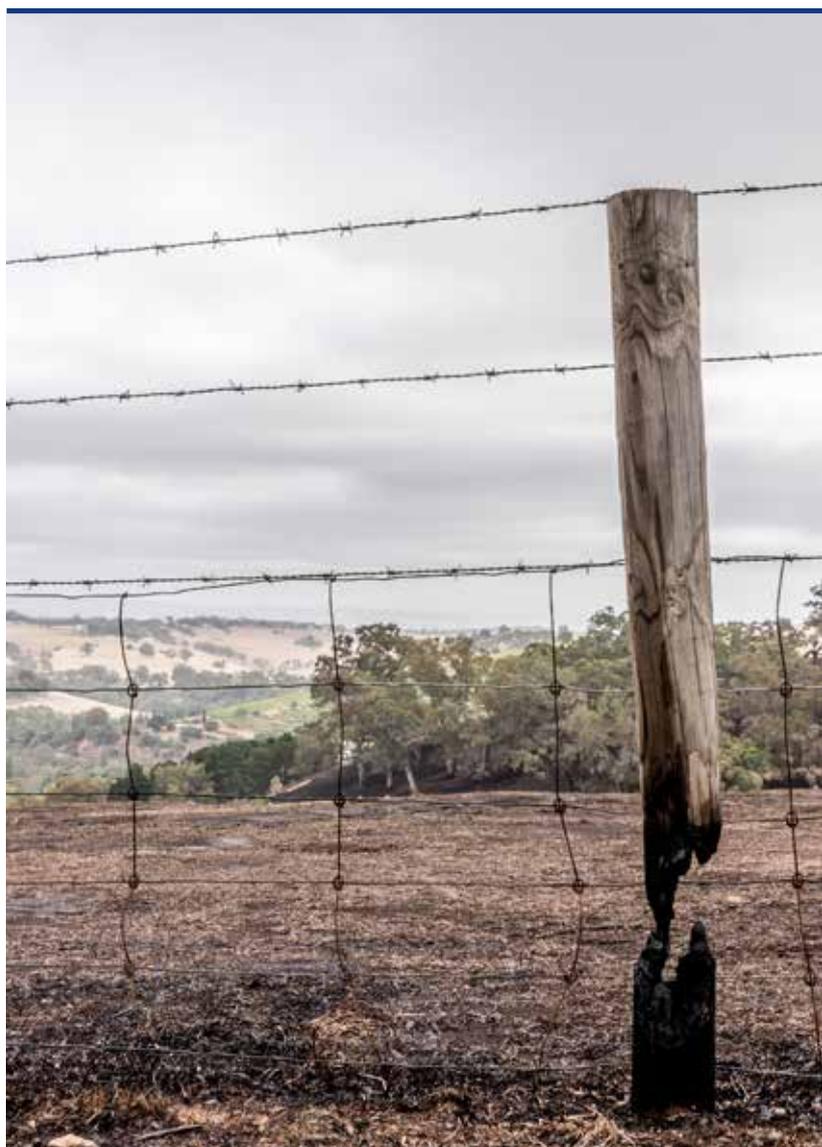
3,015 kms
of fenceline rebuilt



\$13,100
average grant value



\$209 million
total over the life of the project to
help bushfire-affected landholders



NSW Wild Dog Fence

The Wild Dog Fence Extension Project saw significant progress during 2019-20.

The NSW Government-funded \$37.5 million project will see the dog fence extended by 742 kilometres along the NSW and Queensland/South Australian borders, and will be the largest of its type anywhere in the world.

Following the project's announcement in early 2019, a considerable amount of work has been delivered in preparation for construction's start in 2020-21.

Much of the mapping work has been carried out, the approvals process is well underway, contractors were engaged to undertake assessments for biodiversity and Aboriginal cultural heritage values, and an \$11.2 million tender opportunity for the manufacture and supply of fence materials was completed.

Project staff called for tenders from businesses who can source and supply fencing and associated materials. Procurement for the materials was also structured so that manufacturers can partner with regional businesses to support economies in the project footprint.

To ensure we complied with government guidelines and reduced the possible spread of COVID-19, we postponed a number of planned on-ground activities, but were still able to progress many other activities within the project.

Consultation with external stakeholders started in earnest in late 2019, including landholders, Aboriginal and other community groups. Eleven stakeholder and landholder meetings were held by project staff across Western NSW prior to the COVID-19 pandemic. Project staff also supported community engagement through a series of radio interview and press articles.



\$37.5 million

project funded by NSW Government



742 km dog fence

along the NSW and QLD/SA border



\$11.2 million

tender opportunity for local businesses



11 locations

for stakeholder and landholder meetings across the state



35 km priority site

identified for works to be completed



NSW Landcare Program

Local Land Services in partnership with Landcare NSW deliver the NSW Landcare Program as a collaborative initiative, enhancing the capacity of the Landcare community to deliver outcomes that address local and regional issues. This program is funded by the NSW Government and expands on the recently concluded Landcare Coordinator Initiative.

Our partnership with Landcare NSW as government and community recognises we are stronger together in achieving outcomes for communities and landscapes that support local action through the NSW Landcare Program, a program that intends to deliver increased opportunity to unlock the full potential of the grass-roots volunteer movement of Landcare.

As we celebrate 12 months of the NSW Landcare Program, we reflect on the success of the program and how it has effectively supported and maintained jobs in regional NSW.

In the first 12 months the NSW Landcare Program has:



established a \$22.4 million partnership program for four years (2019-2023) between Landcare NSW, Local Land Services and host organisations including Local Landcare groups and Local Government.



established strong governance, leadership and direction through the Joint Management Committee comprising Local Land Services and Landcare NSW leaders.



distributed over \$4.5 million to host organisations increasing their capacity to engage and support over 70 local coordinators to maintain and promote established local networks for local projects and initiatives and 12 regional Landcare coordinators who facilitate a regional approach to Landcare initiatives including establishing regional community of practices, a network for sharing skills, knowledge to increase capacity of Landcare.



celebrated government and Landcare partnerships and achievements at the 2019 NSW Landcare and Local Land Services conference.



distributed over \$840,000 to Landcare NSW enabling the engagement of professionals to support the delivery and build capacity of the Landcare Program across NSW. This includes the delivery of professional development to local and regional coordinators, technical support to improve networking across the program and establishing the Aboriginal Landcare Engagement Project.



grassroots Landcare achievements in the last 12 months include field days, workshops, bush regeneration planting, post-fire feeding of wildlife, weed and pest animal control and a series of online capacity building webinars and workshops.





Our
people

 Local Land
Services
NSW
Rural | Central | Western

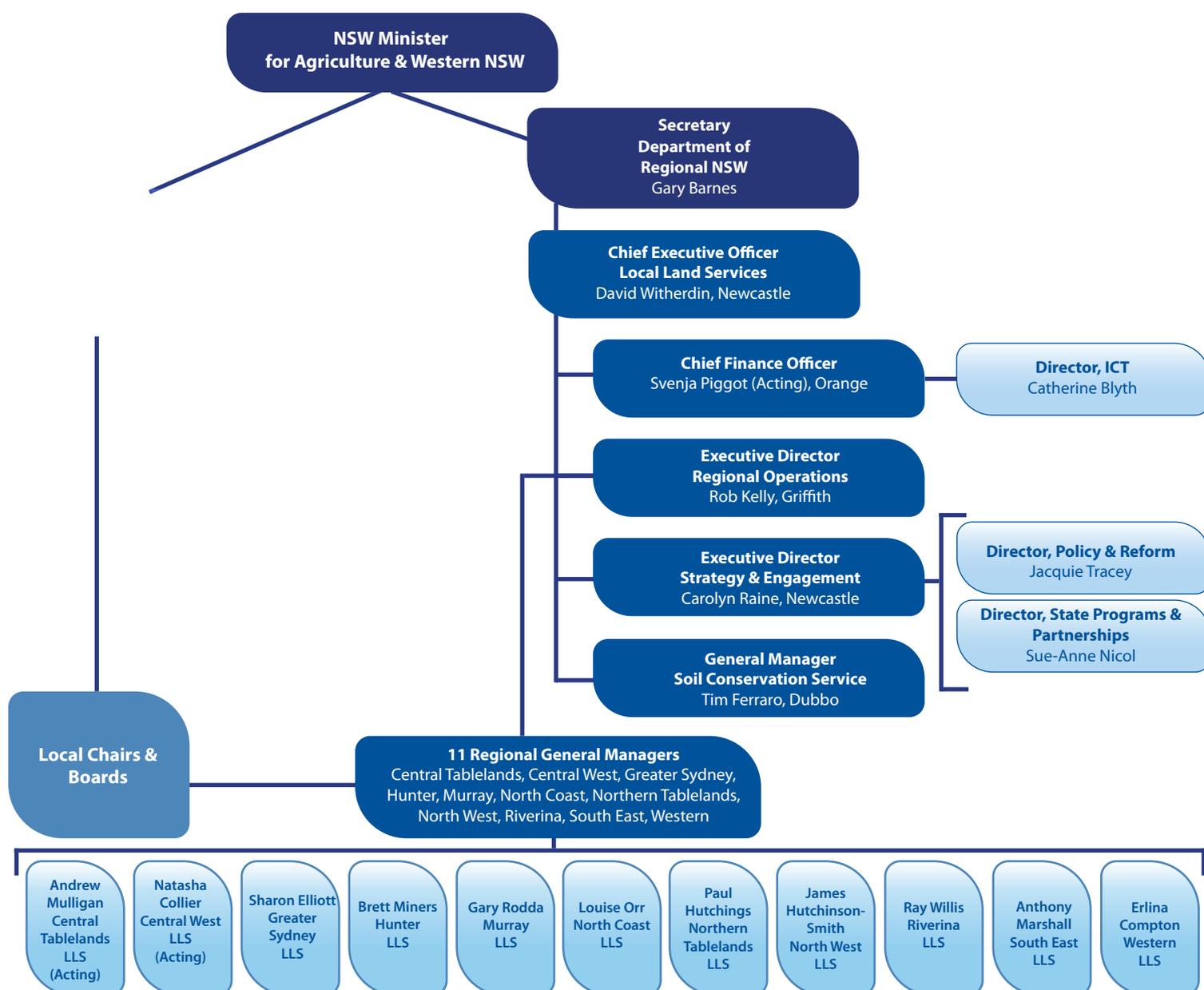
Our structure

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.

The CEO 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.

The organisation has a regional operations unit, made up of the 11 local regions. Each region is led by a general manager who reports to the executive director of regional operations. Finance and information communications technology and strategy and engagement units make up the statewide Local Land Services team who drive strategic and operational performance to ensure the organisation achieves the goals outlined in the State Strategic Plan.



Our executive team and departments

Chief Executive Officer

The CEO is the head of the Local Land Services Agency and is responsible for operations and delivery of core services to regional and rural communities, landholders and primary producers. This role is also responsible for the planning, governance, resource allocation and regulatory functions of the organisation and leads a team of senior executives and support staff to ensure the objectives of the Local Land Services Board are achieved. The CEO is fully accountable for the operational management of Local Land Services in accordance with the policies, protocols and delegations of the department. This role is responsible for the setting and development of strategy, policy, guidelines and process for delivery of programs and initiatives agreed or directed by the Board.

David Witherdin

B. Eng (Civil). Location - Newcastle.

Finance and Information Communications Technology unit

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

The Information Communications Technology (ICT) 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 the organisation to ensure customer and stakeholder expectations are met.

**Acting Chief Financial Officer,
Svenja Piggott**

B. Business Admin (BBA) and Post Graduate Diploma in Management (PGDM). Location - Orange.

Director ICT, Catherine Blyth

*Australian Rural Leadership Foundation (ARLF) Fellow.
Location - Braidwood.*

Strategy and Engagement unit

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.

This team also leads strategic projects and operations which contribute to the Local Land Services State Strategic Plan and broader Department of Regional NSW and NSW Government objectives. People and performance are included in this team and support best practice people management across the organisation.

This unit is also responsible for internal and external communication. Areas of high priority include biosecurity management reform, emergency management, Aboriginal programs, public land management, agricultural advisory services and the NSW Landcare Program.

Executive Director, Carolyn Raine

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

**Director, State Programs & Partnerships,
Sue-Anne Nicol**

Cert. Exec. Man. & Dev., Cert. Bus. Admin., MAppSc (Hons), B. Landscape Architecture (BLarch) (Hons Class 1). Location - Brogo.

Regional Operations

The regional operations business unit leads regional delivery of operations across the 11 Local Land Services regions.

Operational delivery is guided by the State Strategic Plan, annual business plan and regional strategic plans and programs. Core functions of the business unit include oversight of regional programs and program planning, governance and structure, resource allocation and regulatory functions. Working closely with all other business units, the regional operations team provides direction on statewide initiatives and programs for the ongoing delivery of services to Local Land Services customers and stakeholders.

Executive Director, Rob Kelly

B. Sci. (Hons), GAICD. Location - Griffith.

Local Land Services regions

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

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

All regional general managers have a direct reporting line to the Executive Director of Regional Operations.

Name	Position	Location	Qualifications
Andrew Mulligan	A/General Manager, Central Tablelands	Wellington	Adv. Dip. Emergency Management (Public Safety), Dip. Conservation Land Management.
Natasha Collier	A/General Manager, Central West	Orange	Com., CA.
Sharon Elliot	General Manager, Greater Sydney	Goulburn	B. Fin. Admin., MAICD.
Brett Miners	General Manager, Hunter	Paterson	B. Sci. NRM.
Gary Rodda	General Manager, Murray	Deniliquin	B. For. Sci. (Hons).
Louise Orr	General Manager, North Coast	Lismore	B. Env. Man. (Hons Class 1), Dip. App. Sci.
James Hutchinson-Smith	General Manager, North West	Tamworth	B. App. Sci. Ag.
Paul Hutchings	General Manager, Northern Tablelands	Inverell	B. Sci., Grad. Dip. Nat. Res.
Ray Willis	General Manager, Riverina	Wagga Wagga	B. App. Sci (Env Analysis).
Anthony Marshall	General Manager, South East	Goulburn	Com & Elec. Eng.
Erlina Compton	General Manager, Western	Dubbo	PhD (Rural Sociology), B. App. Sci. (Protected Area Management).

Soil Conservation Service

The Soil Conservation Service is a commercial entity within Local Land Services, and has been at the leading edge of environmental rehabilitation since 1938. This 82-year legacy has established the organisation as a trusted provider of environmental consulting, conservation earthworks, program management and project delivery.

Soil Conservation Service specialist staff and their contractor network work together to deliver natural resource projects across NSW that provide long-term, triple-bottom line results. These projects range from conservation earthworks to large-scale contaminated sites, derelict mines, river restoration, coastal rehabilitation and emergency response work.

General Manager, Tim Ferraro

B. App. Sci. (Hons). MBA (Strategic Management). Australian Rural Leadership Foundation (ARLF) Fellow. Member Australian Institute of Company Directors.



Our Board

The Local Land Services Board is responsible for overseeing statewide priorities in line with our State Strategic Plan including:

- determining and approving strategy and policy
- approving the organisational structure of Local Land Services
- implementing a clear accountability framework to deliver the strategy
- overseeing financial management
- enabling and monitoring regional performance
- monitoring the risk management of Local Land Services
- being accountable to customers, stakeholders and investors
- meeting and monitoring regulatory compliance
- promoting the reputations and benefits of Local Land Services at the state level.

Each Local Land Services region has its own board of local community representatives with a chair who leads the local board. Local boards are made up of seven members, three elected members and four appointed by the Minister for Agriculture and Western NSW. One exception exists for the Western Local Land Services Board, which consists of nine members – four members elected, and five members appointed by the Minister for Agriculture and Western NSW.

Elected board members are voted in by ratepayers of that region in accordance with the Local Land Services Regulation 2014.

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

Appointed members

The Minister for Agriculture and Western NSW, The Hon. Adam Marshall appointed 29 board members during the reporting period. This consisted of 12 new local board members (including one chair) and reappointment of 17 local board members (including three into the chair position) across the 11 Local Land Services regions.

Elected members

There were 34 board members elected on this reporting period. These consisted of 13 re-elected board members and 21 newly elected board members.

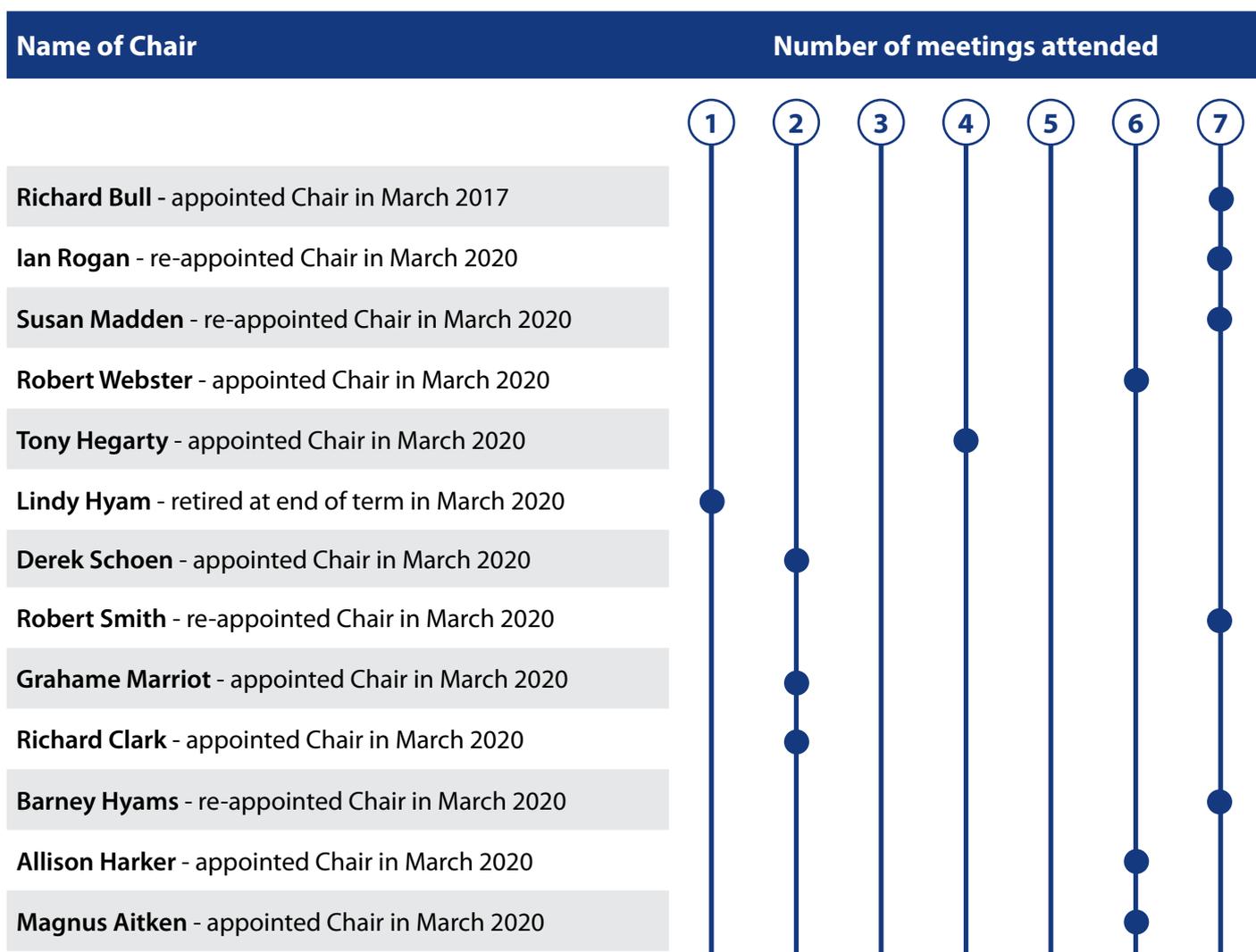


Local Board Chairs and meeting attendance

Local Land Services Board meetings were held:

- August 2019
- September 2019 (special purpose meeting)
- October 2019
- December 2019
- February 2020
- April 2020
- June 2020.

No meetings were held in November 2019, January, March or May 2020.



Human resources

The role of our human resources team is to work with management and people leaders to ensure our staff are engaged, supported and protected in the workplace. We are committed to developing leaders within the organisation and equipping them with the best tools available.

The following tables relate to the organisations staff and senior executive numbers.

	June 2017	June 2018	June 2019	June 2020
Number of full-time equivalent staff (FTE) employed in Local Land Services	714	893	952	936

Notes:

1. FTE calculated as at the last pay period in June 2020 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.
4. 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	2019		2020	
	Female	Male	Female	Male
Band 4	0	0	0	0
Band 3	0	1	0	1
Band 2	0	0	1	1
Band 1	7	12	7	10
Total	8	13	8	12
	21		20	

Source: SAP ERP and MyHQ (headcounts).

Band	Range	Average remuneration	
		2019	2020
Band 4	\$487,051 - \$562,650	N/A	N/A
Band 3	\$345,551 - \$487,050	\$379,250	\$388,731
Band 2	\$274,701 - \$345,550	\$269,243	\$281,632
Band 1	\$192,600 - \$274,700	\$222,023	\$226,355
Statutory			

Range source: Report and determination under section 240 of the *Statutory and Other Offices Remuneration Act 1975*: Remuneration Package Ranges for the PSSes 2019-2020 Remuneration Framework.

People, ethics and conduct policies

We adopt the personnel and industrial relations policies and practices of the Department of Regional NSW except where policies and practices specific to Local Land Services are required.

Code of Ethics and Conduct (the Code)

During 2019-20 a new Code of Ethics and Conduct for the new Department of Regional NSW was released. The Code sets out the standards of conduct and behaviour expected of the people who work in the Department of Regional NSW, including the staff of Local Land Services.

The Code provides guidance on:

Standards of conduct

- our values
- professional standards
- WHS
- respect and inclusion
- managing conflicts of interest
- conflict of duty
- senior executive private interests
- employment outside the department
- gifts, benefits and hospitality
- flexible workforce and
- leaving the department

Use of departmental resources

- appropriate use of resources
- budget
- buying goods and services
- intellectual property and copyright
- managing grant and funding agreements
- contracts

Managing information

- records management
- confidentiality and privacy
- standing order 52
- information access
- cyber security

Making good decisions

- delegations
- risk management

Engaging with the community

- lobbyists and business contacts
- complaints handling

Speaking up and reporting matters

- ethical
- public interest disclosure.

Agile Working Policy

The department 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.

To address the new ways of working required under the COVID-19 restrictions, additional flexibility was introduced in March 2020 through measures such as suspension of core time and bandwidth limits, allowing interstate working and combining of work with caring responsibilities.

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.

Risk Management Framework

The Department of Regional NSW has a new Risk Management Framework aligned with ISO 31000:2018 which provides a single approach to managing risk across the Department.

Study Assistance Program Policy

The Study Assistance Policy for the Department of Regional NSW was adopted for use in Local Land Services. An additional procedure has been developed for study fee assistance in Local Land Services to support employees with work related study expenses.

Health and Safety Operational Plan

Local Land Services is committed to providing a safe workplace for all workers. This plan specifies the health and safety priorities and measures for the year and enables us to meet the strategic objectives and priorities outlined in the Department of Regional NSW Work Health and Safety Policy.



Workforce diversity

We are 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 in the cluster 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 (but is not limited to) the focus on existing diversity groups, being:

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

The GSE Act provides flexibility to encompass a broader spectrum of diversity, including mature workers, young people, LGBTQIA+ and carers. The focus of our organisation is to attract and retain the right people for the right jobs, no matter what their gender, race, age, religious beliefs, or personal commitments.

Diversity

We aim to build an inclusive culture that encourages, supports and celebrates the diverse voices of our employees and the communities we serve. To achieve this we have a focus on gender equity, and inclusion for First Nations people, people with a disability, and the LGBTQIA + community.

LGBTIQA + inclusion

LGBTIQA+ is the acronym for lesbian, gay, bisexual, transgender, intersex, queer and asexual. The 'plus' sign represents anyone who isn't included in this 'definition'. Support is provided to LGBTQIA+ employees and their allies through the Rainbow Connection Workplace group.

Women's employment and development

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

We remain 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.

Workforce diversity group	Benchmark	2018	2019	2020
Women in leadership roles	50%	47.7%	50.5%	50.1%
Aboriginal and/or Torres Strait Islander people	3.3%	1.5%	2.7%	3.0%
People whose first language spoken as a child was not English	23.2%	2.2%	0.9%	1.3%
People with disability	5.6%	0.4%	0.4%	0.5%
People with disability requiring work-related adjustment	N/A	0.2%	0.0%	0.0%

Notes:

1. The benchmark of 50 per cent for representation of women across the sector is intended to reflect the gender composition of the NSW community.
2. The NSW Aboriginal Employment Strategy 2014-17 introduced an aspirational target of 1.8 per cent by 2021 for each of the sector's salary bands. If the aspirational target of 1.8 per cent is achieved in salary bands not currently at or above 1.8 per cent, the cumulative representation of Aboriginal employees in the sector is expected to reach 3.3 per cent.
3. A benchmark from the Australian Bureau of Statistics (ABS) Census of Population and Housing has been included for People whose First Language Spoken as a Child was not English. The ABS Census does not provide information about first language but does provide information about country of birth. The benchmark of 23.2 per cent is the percentage of the NSW general population born in a country where English is not the predominant language.
4. In December 2017 the NSW Government announced the target of doubling the representation of people with a disability in the NSW public sector from an estimated 2.7 per cent to 5.6 per cent by 2027. More information can be found at: Jobs for People with Disability: A Plan for the NSW public sector.

The benchmark for 'People with Disability Requiring Work-Related adjustment' was not updated.



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 Regional NSW 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 Regional NSW in relation to any arrangements or agreements with Multicultural NSW.

Aboriginal culture and communities

Local Land Services acknowledges the Traditional Custodians of the land and recognises the unique, diverse and enduring cultures of First Nations peoples in NSW. First Nations peoples have a strong ongoing social, spiritual and cultural connection with their traditional lands and waters.

Through the work of its Aboriginal communities officers, we will continue to build strong relationships with First Nations communities, seek to understand their aspirations and ensure that Aboriginal and Torres Strait Islander peoples have a voice to provide input into land management issues and in particular the management of cultural values.

An Aboriginal Cultural Heritage Policy and Procedural Handbook have been developed to provide alignment between our business practice and the Office of Environment and Heritage Aboriginal Cultural Heritage Due Diligence Codes of Practice. A SWAG has also been established as an expert reference group on Aboriginal culture and communities.



Disability inclusion

We are committed to ensuring our colleagues with a lived experience of disability feel welcome and supported.

For the 2019 International Day of Disability on 3 December our staff shared on-line their experiences and valuable tips for what all people can do to improve disability inclusion.



8 day campaign

run in December 2019



580 reactions

on Workplace posts



154 replies

and comments total on campaign posts



84 mentions

on Workplace posts

Workplace 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*.

The last financial year has seen overall injury numbers fall from the previous period. Actual lost time injuries have fallen by almost 45 per cent and this shows in the frequency rate which has dropped accordingly.

	2018-19	2019-20
Total incidents reported	421	375
Lost time injuries	7	4
Medical treatment only	18	20
Lost time injury frequency rate	4.18	2.32
Open workers compensation claims	16	22

Injuries that were not classified as lost time remain high when compared with last year's figures, 5 per cent of reported injuries were classified as medically treated compared with only 4 per cent in the previous period.

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.

Promotion and overseas travel

District Veterinarian, Sarah Maher from our Central West region went to Kathmandu, Nepal for five days from 25-29 November 2019 for foot-and-mouth disease real-time training.

This training is jointly organised by the Department of Agriculture and Water Resources, United Nations Food and Agricultural Organisation and the European Commission for the Control of Foot-and-Mouth Disease.

The aim is to provide training in tracing and diagnosis of foot-and-mouth disease so that in the event of an outbreak we are better equipped to respond and detect it early. The course covered everything from diagnosis and development of clinical signs to lab testing and tracing to conversations about impacts and experiences with local farmers.





Our
governance

Consumer response

Complaint process

Complaints provide us with an opportunity to reflect on the services we provide and the experience of our customers to 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 our organisation, they may:

- use the feedback assist tool located on our webpages
- submit feedback data via any one of the Ratelt systems available - fixed or portable devices, dedicated webpage link surveys
- submit an online customer enquiry form via our website to contact their regional office
- speak to our staff on the phone or at an office
- contact us via Messenger on our 12 Facebook pages.

During the financial year, our performance, risk and assurance team received through the Feedback Assist online tool, known colloquially as 'the widget':

 **50** compliments

 **128** complaints

 **44** suggestions

 **13** enquiries

The widget is currently utilised to provide our customers with an efficient and consistent method of providing feedback, both positive and negative, on our services. With the utilisation of this website tool, we can 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
2019-20	128

Key areas of complaint concerns in 2019-20

- Service-related complaints: the cost of service, the benefit for payment (What services are received from payment) and the ease of access to our services.
- Annual Return of Land and Stock: the difficulty of lodgement and online portal problems, with the majority of these being in relation to the process of lodging this documentation online/login issues to the Annual Land and Stock Return online portal system.

Services improved or changed in response to complaints and suggestions

As an organisation we have a dedicated policy and procedure for complaints management, which has been reviewed within the 2019-20 financial year. Within this period we also focused on the following service improvements:

- the performance, assurance and risk team continued to provide training and development in the areas of conduct, ethics and performance
- maintaining of a secondary survey system known as 'Ratelt' enabling further analysis of feedback data across our organisation
- maintaining 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.

Public interest disclosure

There has been one reported public interest disclosure within the 2019-20 reporting period.

Following is a summary of the public interest disclosures (PIDs) received by the organisation during 2019-20.

We apply the NSW Department of Regional Services Public Interest Disclosure Reporting Policy which has been developed in accordance with the requirements of the *Public Interest Disclosures Act 1994*.

	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	1	0	0
Of PIDs received, how many were primarily about:			
> corrupt conduct	1	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

This policy is publicly available from Local Land Services 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*.

Government Information (Public Access)

During the 2019-20 reporting period, we received eight *Government Information (Public Access) Act 2009* applications. Of these, one application was received (and accepted) via transfer from another agency

A generalised summary of the information requested within the six 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
- information in relation to clearing consents, wild dog attack data/reports and stock watering permit tender processes and procedures.

	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	2	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	1	0	1	0	0	1	0	0
Member of the public (application by legal representation)	0	0	0	0	0	0	0	0
Members of the public (other)	3	0	0	0	0	0	0	0
Other agency and third-party requests	0	0	0	0	0	0	0	0
Personal information applications	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	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

During the reporting period, we refused two formal access applications on the basis that it was conclusively presumed that there was an overriding public interest against disclosure of information.

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)	5
Decided after 35 days (by agreement with applicant)	1
Not decided within time (deemed refusal)	1
Total	7

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

During the reporting period, we had one application reviewed under Part 5 of the Act.

After an internal review was conducted, this application was processed with access granted in full.

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

This application was received via a not-for-profit organisations or community groups.

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

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

Risk management and insurance activities

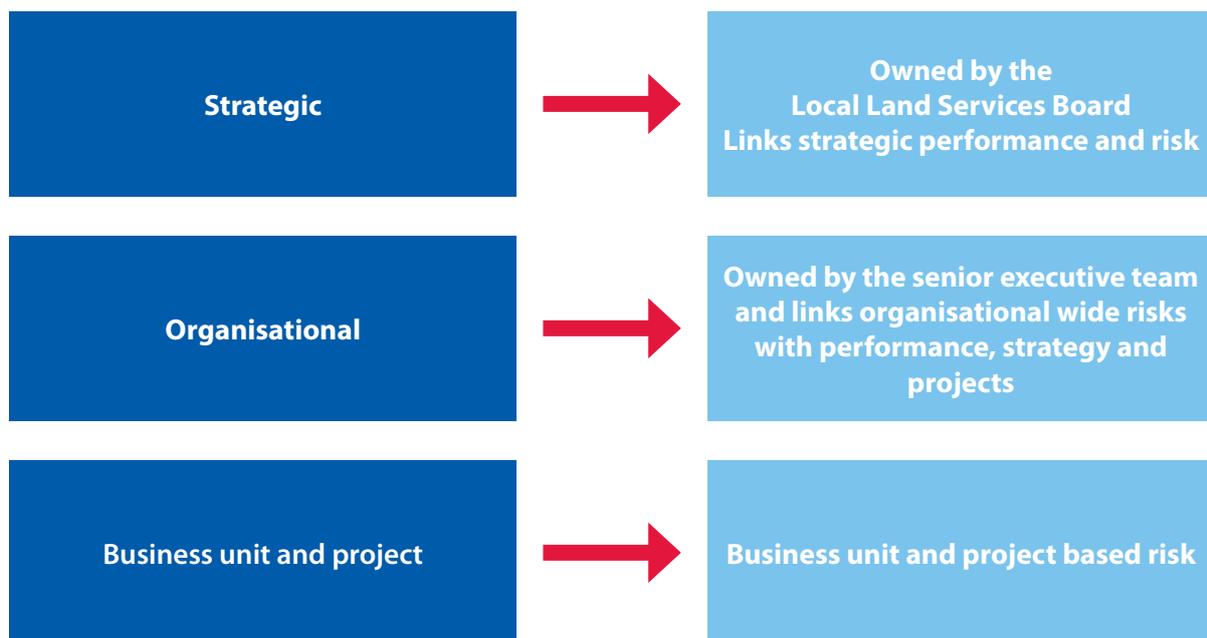
During 2019-20, we undertook an annual review of our risk management framework, and associated documents. This review has been overlaid with undertaking a risk maturity survey that further drives a risk aware culture and embeds risk management throughout the organisation.

Our Risk Management Framework is 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).

During the fiscal year, we developed an automated risk identification and reporting program. This level of automation has allowed all staff to engage in risk awareness and allowed risk owners to develop mitigation strategies that are reliable and practical to the business. All risks across the business are mapped directly to the enabling strategies that the state Board have endorsed and support the delivery of the State Strategic Plan.

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

Whilst risk is owned by everyone within the organisation, risk has been defined into three key areas and reported similarly.



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.

In 2019-20, we developed the Core Services Improvement Plan. The services and activities within the plan have all been peer reviewed, and undergone a risk management process to ensure all services and activities are delivered with consistent treatment of any risks associated.

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 2019-20 financial year

I, David Witherdin am of the opinion that the Local Land Services has internal audit and risk management processes in operation that are, excluding the exceptions or transitional arrangements described below, 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 | Compliant |
| 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 | Compliant |

Internal Audit Function

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

Audit and Risk Committee

- | | | |
|-----|---|------------------|
| 3.1 | An independent Audit and Risk Committee with appropriate expertise has been established | Compliant |
| 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 | Compliant |
| 3.3 | The Audit and Risk Committee has a Charter that is consistent with the content of the 'model charter' | Compliant |

Membership

The chair and members of the Audit and Risk Committee are:

Member	Commenced membership	Concluded membership
Elke Cleverdon, Independent	26 March 2018	15 April 2020
Hans Hietbrink (Chair), Independent	5 June 2017	12 March 2020
Barney Hyams, Independent	5 June 2017	12 March 2020
Gary Humphreys, Independent	1 July 2019	Ongoing
Donna Rygate, Independent	1 July 2019	Ongoing
Alison Harker (Chair), Independent	15 April 2020	Ongoing
Bob Smith, Independent	15 April 2020	Ongoing
Magnus Aitken, Independent	15 July 2020	Ongoing



David Witherdin

Chief Executive Officer

11 September 2020

Legal change

In 2019-20 there were two legal changes to Local Land Services legislation.

These are as follows:

1. Local Land Services Amendment (Critically Endangered Ecological Communities) Regulation 2019
2. Local Land Services Amendment (Allowable Activities) Regulation 2019
3. Local Land Services Amendment (Elections) Regulation 2019.

Our funding partners and review of operations

We work with a diverse range of partners to achieve our vision of resilient communities in productive and healthy landscapes.

The services we provide are funded in a variety of ways, including:

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

The NSW Government provides funding through a Treasury grant to fund our core functions and through the Catchment Action NSW program.

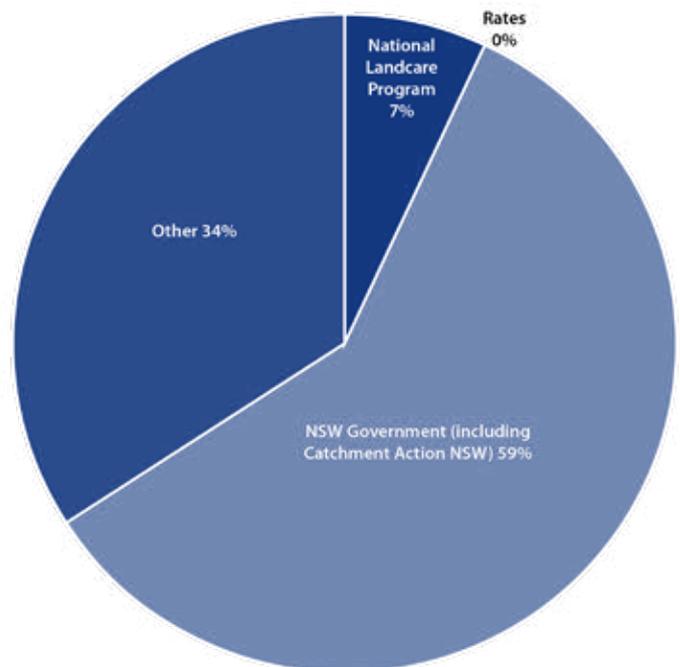
Catchment Action NSW funding was \$11.6 million in 2019-20 and supports regionally-delivered projects to address state natural resource management priorities, including support for biodiversity, native vegetation, threatened species and Aboriginal cultural heritage outcomes.

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, NSW Landcare Program and the Weeds Action Program.

The Australian Government is an 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 2019-20 Local Land Services and Landcare NSW partnered to deliver the National Landcare Program. Supporting Landcare priorities, \$19.2 million has been provided. Ratepayers also contribute significantly to funding our biosecurity, livestock health and welfare services. Market access and healthy and productive industries rely on these 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 2019-20, as part of the NSW Government drought relief measures, our rates were waived again.



To enable Local Land Services to continue to deliver biosecurity and emergency management services, the NSW Government provided \$50 million in additional funding to compensate for the loss of rates normally contributed by ratepayers.

We are also delivering \$209 million to assist bushfire-affected landholders to rebuild fences with the Supporting our Neighbours - Public Land Boundary Fencing Program.

Economic or other factors affecting operations

The nature of our funding base provides relative protection from the impact of general economic factors that affect the broader economy. Our operational activities are, however, afforded a higher exposure to impacts from climate-related events including floods, bushfires and drought and the COVID-19 pandemic.

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.

Consultants

Local Land Services incurred no expenditure relating to consultancies during the year ended 30 June 2020.

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 2019-20 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 2019-20 Local Land Services Annual Report is available online at:

www.lls.nsw.gov.au/annual-reports

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 performance
- liability management performance
- budgets
- price determination
- unaudited financial statements.

Cyber security policy attestation statement

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

Digital and information systems security is provided by the NSW Department of Planning, Industry and Environment under a service level agreement with the NSW Department of Regional NSW.

Cyber Security Annual Attestation Statement for the 2019-20 Financial Year for Local Land Services

I, David Witherdin, am of the opinion that Local Land Services have managed cyber security risks in a manner consistent with the mandatory requirements set out in the NSW Government Cyber Security Policy.

Governance is in place to manage the cyber security maturity and initiatives of Local Land Services.

Risks to the information and systems of Local Land Services have been assessed and are managed.

There exists a current cyber incident response plan for Local Land Services which has been tested during the reporting period.

Local Land Services has an Information Security Management System (ISMS) or Cyber Security Framework in place.

The NSW Department of Planning, Industry and Environment maintains an ISMS on behalf of Local Land Services. The NSW Department of Planning, Industry and Environment will describe the activities undertaken for the continuous improvement of the management of cyber security governance and resilience in its Cyber Security Annual Attestation statement.

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



David Witherdin
Chief Executive Officer

November 2020

Finance



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 2019	\$43,254,785	\$3,693,397	\$471,867	(\$16,587)	(\$9,538)
December 2019	\$25,847,716	\$516,136	\$33,118	(\$777)	\$753
March 2020	\$37,788,110	\$6,371,809	\$75,758	\$14,944	\$5,775
June 2020	\$55,001,401	\$1,754,325	\$106,339	\$55,394	\$6,106
Total all suppliers	\$161,892,012	\$12,335,666	\$687,082	\$52,973	\$3,096

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 2019	\$2,465,779	\$1,013,494	\$1,760	\$0	(\$3,883)
December 2019	\$1,553,325	\$257,993	\$2,513	\$0	\$0
March 2020	\$1,020,422	\$1,338,043	\$23,426	\$0	\$0
June 2020	\$3,579,726	\$1,481,972	\$26,463	\$0	\$0
Total all suppliers	\$8,619,252	\$4,091,501	\$53,982	\$0	(\$3,883)

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* (LLS Act) is unclear in relation to the status of local boards and whether they are separate reporting entities. Management considers the intent of the LLS Act, as indicated by Section 3, was to create one entity; however, Section 28 of the LLS Act 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* (PF&A Act).

Provisions were added to the Public Finance and Audit Regulation 2015 (PF&A Regulation) concerning financial reporting for the year ended 30 June 2020, arising out of the COVID-19 pandemic. The provisions provide reporting exemptions for departments or statutory bodies meeting the requirements set out in the regulation. We believe local boards meet the requirements set out in the PF&A Regulation exempting them from the reporting requirements which might otherwise be required under the PF&A Act and the ambiguity of their reporting status as statutory bodies.

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 2020.

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 separate financial statements not being prepared for the local boards.

Revaluation of property, plant and equipment

We have not performed a revaluation of improvements carried out on TSRs for the year ended 30 June 2020. TSR improvements were last revalued in early 2006, which is outside of the maximum five years required by TPP 14-01. We expect 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 2020.

Funds granted to non-government community organisations

We are committed to supporting the growth of rural and regional communities in NSW by working with non-government organisations to continue growing and protecting primary industries and the environment.

In 2019-20, there were 217 grants total, administered to 168 non-government community organisations across the 11 regions. The total value of these grants was \$4,368,285 with an average value of \$20,130.

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Central Tablelands	Orange Local Aboriginal Land Council	4,000	Catchment Action NSW	To support community to obtain chemical certification for vertebrate pest control	Aboriginal communities
Central Tablelands	Orange Local Aboriginal Land Council	5,816	Catchment Action NSW	To support community to protect known important cultural site at Neville	Aboriginal communities
Central Tablelands	Wyangala Fishing Club	1,000	Catchment Action NSW	To support community engagement on pest fish species and conduct Wyangala Jr Carp Competition	Community groups
Central Tablelands	Lithgow Oberon Landcare Association	5,000	Catchment Action NSW	To support community to undertake coordinated strategic weed control along the River Lett to protect <i>Asterolasia buxifolia</i> populations growing along the river	Landcare groups
Central Tablelands	Birrang Enterprises Development Co	455	Catchment Action NSW	To facilitate NAIDOC celebrations	Aboriginal communities
Central Tablelands	Mid Lachlan Landcare Inc	3,500	National Landcare Program	To support to Landcare group interested in breeding Dung Beetles and creating awareness about Dung Beetles through grazing groups and landholders in the area	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	2,000	National Landcare Program	To support Landcare to run an awareness event and provide information session on threatened species	Landcare groups
Central Tablelands	Little River Landcare Group	7,000	National Landcare Program	Supporting Landcare to implement paddock tree protection measures as part of the Grassy Box Woodland Project	Landcare groups
Central Tablelands	Watershed Landcare Group Inc	12,000	National Landcare Program	Supporting Landcare to implement paddock tree protection measures as part of the Grassy Box Woodland Project	Landcare groups
Central Tablelands	Lithgow Oberon Landcare Association	12,000	National Landcare Program	Supporting Landcare to implement paddock tree protection measures as part of the Grassy Box Woodland Project	Landcare groups
Central Tablelands	Central Tablelands Landcare Inc	10,000	National Landcare Program	Supporting Landcare to implement paddock tree protection measures as part of the Grassy Box Woodland Project	Landcare groups
Central Tablelands	Central Tablelands Landcare Inc	3,000	National Landcare Program	Supporting Landcare to implement paddock tree protection measures as part of the Grassy Box Woodland Project	Landcare groups
Central Tablelands	Mid Lachlan Landcare Inc	17,000	National Landcare Program	Supporting Landcare to implement paddock tree protection measures as part of the Grassy Box Woodland Project	Landcare groups
Central Tablelands	University of NSW	21,504	National Landcare Program	To engage ecologists to perform vegetation surveys in fire-affected swamps of the Newnes Plateau	Consultants

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Central Tablelands	Australian National University	4,650	National Landcare Program	To engage ecologists to install and monitor Squirrel Glider Nest boxes	Consultants
Central Tablelands	The Bush Doctor (NSW) Pty Ltd	27,562	National Landcare Program	To deliver Happy Valley Swamp Access Management and Post fire Restoration	Consultants
Central Tablelands	OS Trees	10,000	National Landcare Program	To construct augmented hollows for threatened woodland bird species	Consultants
Central West	GE Deans & BS Russ-Deans	16,000	Catchment Action NSW	Biodiversity on farm - Threatened Species habitat enhancement	Environment groups
Central West	HM Simshauser & PG Simshauser	27,300	Catchment Action NSW	Biodiversity on farm - Threatened Species habitat enhancement	Environment groups
Central West	Fort Hood Cattle Co	36,000	Catchment Action NSW	Biodiversity on farm - Threatened Species habitat enhancement	Environment groups
Central West	J Larkin & MJ Larkin	23,700	Catchment Action NSW	Biodiversity on farm - Threatened Species habitat enhancement	Environment groups
Central West	RJ & CJ Clarke	15,600	Catchment Action NSW	Biodiversity on farm - Threatened Species habitat enhancement	Environment groups
Central West	T Woodbine Family Trust	13,500	Catchment Action NSW	Biodiversity on farm - Threatened Species habitat enhancement	Environment groups
Central West	Forbes Shire Council	5,000	National Landcare Program	Preserving Grey Box Grassy Woodlands in Central West	Environment groups
Central West	K Heinzl & MR Heinzl	8,388	National Landcare Program	Enhancement and restoration of Swift Parrot habitat	Environment groups
Central West	GD & LJ Piper	3,927	National Landcare Program	Enhancement and restoration of Swift Parrot habitat	Environment groups
Central West	DL Troth & HW Troth	9,911	National Landcare Program	Preserving Grey Box Grassy Woodlands in Central West	Environment groups
Central West	Point Pastoral Company P/L	15,726	National Landcare Program	Reaching out to the Regent Honeyeater	Environment groups

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Central West	P Bone & AG Holland & S Holland	20,346	National Landcare Program	Reaching out to the Regent Honeyeater	Environment groups
Central West	Corella Pastoral	10,416	National Landcare Program	Reaching out to the Regent Honeyeater	Environment groups
Central West	KD & TA Welsh	6,204	National Landcare Program	Enhancement and restoration of Swift Parrot habitat	Environment groups
Central West	Gundamain Pastoral Co	12,000	National Landcare Program	Enhancement and restoration of Swift Parrot habitat	Environment groups
Central West	JH Rice & Co	10,698	National Landcare Program	Enhancement and restoration of Swift Parrot habitat	Environment groups
Central West	TTF Haslehurst Family Trust	6,096	National Landcare Program	Enhancement and restoration of Swift Parrot habitat	Environment groups
Central West	D J Welsh	3,762	National Landcare Program	Enhancement and restoration of Swift Parrot habitat	Environment groups
Central West	Merimborough Landcare Group Inc	6,759	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Coonmable Neighbourhood Centre	66,713	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Warumbungle Landcare Group Inc	1,214	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Trangie Action Group	12,862	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Dapper Wild Dog Group	5,400	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Goonoo Pest Animal Group	15,359	Pest Animal Levy	Pest animal program	Pest management groups
Central West	BT Skelly & KT Skelly	2,520	Pest Animal Levy	Stuart Town biosecurity exclusion fencing	Pest management groups
Central West	Wykes Partnership	2,520	Pest Animal Levy	Stuart Town biosecurity exclusion fencing	Pest management groups

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Central West	Wuuluman Pest Animal Group	9,000	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Trundle Men's Shed	31,338	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Merrygoen Neilrex Pest Animal Group	12,210	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Leadville Pest Management Group	5,010	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Coolah Pest Management Group	13,150	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Three Brothers Pest Animal Group	11,950	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Stuart Town Biosecurity Group	1,200	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Hermidale Pest Management Group	23,276	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Clairview Pest Animal Group	21,351	Pest Animal Levy	Pest animal program	Pest management groups
Central West	Kangaroooby Pest Animal Group	2,204	Pest Animal Levy	Pest animal program	Pest management groups
Greater Sydney	NSW Wader Study Group	8,200	National Landcare Program	Monitoring shorebird activity across Botany Bay	Environment groups
Greater Sydney	Pittwater Natural Heritage Association	26,050	National Landcare Program	Bush regeneration targeting Duffys Forest Endangered Ecological Community and the threatened <i>Grevillea Caleyi</i>	Environment groups
Greater Sydney	Razorback Environment Protection Society	7,323	Other	Restoring Cumberland Plain Woodland at Douglas Park	Landcare groups
Greater Sydney	Oceanwatch	20,000	Catchment Action NSW	Ecosystem enhancement along Glebe foreshore	Environment groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Greater Sydney	Tuggerah Lake Reserve Land Manager	18,750	National Landcare Program	Bush regeneration & tree planting at Tuggerah	Environment groups
Greater Sydney	Darug Tribal Aboriginal Corporation	7,273	National Landcare Program	Cultural burning of designated Country	Consultant/ Aboriginal Communities
Greater Sydney	Lovett Bay Coastcare	19,965	Catchment Action NSW	Rehabilitating native vegetation on a coastal section of South West Lovett Bay	Community groups
Greater Sydney	Camden Golf Club	19,000	Catchment Action NSW	Restoration of Pimelea Spicata and Cumberland Plain Woodland at Camden Golf Club, Narellan	Environment groups
Greater Sydney	The Good Bush People	10,000	National Landcare Program	Weed control to protect the values of the Greater Blue Mountains WHA at Mt Irvine	Environment groups
Greater Sydney	The Good Bush People	5,000	National Landcare Program	Weed control to protect the values of the Greater Blue Mountains WHA between Mt Wilson and Mt Irvine	Environment groups
Greater Sydney	Greater Sydney Landcare Network Inc	3,500	Other	Cumberland Plain Woodland restoration knowledge sharing event	Landcare groups
Greater Sydney	Sisters of the Good Samaritan Wivenhoe Environment and Conservation Ltd	11,000	Catchment Action NSW	Restoration on Wivenhoe Riparian Zone, Camden	Environment groups
Hunter	Australia's Wildlife Ark Inc	64,000	Other/ External	Conservation of Hunter River Short Neck Turtles through construction of facilities to house turtles and hatchlings	Environment groups
Hunter	Awabakal Local Aboriginal Land Council	36,000	National Landcare Program	Cultural burn mentoring program	Aboriginal communities
Hunter	Bahtabah Local Aboriginal Land Council	2,000	Catchment Action NSW	Cultural burn mentoring scholarship	Aboriginal communities

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Hunter	Biraban Local Aboriginal Land Council	2,000	Catchment Action NSW	Cultural burn mentoring scholarship	Aboriginal communities
Hunter	Birdlife Australia Ltd	15,000	National Landcare Program	Birdlife formal surveys	Environment groups
Hunter	Birdlife Australia Ltd	25,000	National Landcare Program	Hunter region Landcare shorebird awareness	Environment groups
Hunter	Birdlife Australia Ltd	25,000	National Landcare Program	Manning Coast shorebird awareness community engagement program	Environment groups
Hunter	Birdlife Australia Ltd	54,000	National Landcare Program	Shorebird site action plans - BirdLife Australia	Environment groups
Hunter	Broke/Bulga Landcare Group Inc	1,000	Other/ External	Broke Bulga Landcare Cestrum Projects - Priority Catchments	Landcare groups
Hunter	Broke/Bulga Landcare Group Inc	9,500	Other/ External	Green Cestrum Control - Parsons Creek	Landcare groups
Hunter	Dalkeith Common Trust	9,925	Catchment Action NSW	Soil erosion remediation, revegetation, fencing and improved water supply to improve grazing management outcomes in Box Gum Grassy Woodland	Community groups
Hunter	Dalkeith Common Trust	15,880	Other/ External	Box Gum Grassy Woodland - Cultural Burn Mentoring	Community groups
Hunter	Dalkeith Common Trust	13,895	Other/ External	Soil erosion remediation, revegetation, fencing and improved water supply to improve grazing management outcomes in Box-Gum Grassy Woodland	Community groups
Hunter	Dungog - Gresford Land & Beef Inc	31,392	Other/ External and Catchment Action NSW	Development and implementation of soil moisture network	Producer groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Hunter	Gresford Community Group Inc Gresford & District Community Group	2,000	Other/ External	Gresford Community Arboretum - support and expand with local and unique rainforest and shrub species	Producer groups
Hunter	Hunter Dairy Development Group Inc	10,000	Other/ External	Support and promotion of projects and priorities	Producer groups
Hunter	Hunter Region Landcare Network Inc	10,000	National Landcare Program	Hunter region Landcare-shorebirds awareness	Landcare groups
Hunter	Hunter Region Landcare Network Inc	53,000	Other/ External and National Landcare Program	Landcare partnerships-Hunter region Landcare 2020-22	Landcare groups
Hunter	Hunter Region Landcare Network Inc	79,288	Other/ External and Catchment Action NSW and National Landcare Program	Local Leaders Program - Lower Hunter	Landcare groups
Hunter	Hunter Wetlands Centre Australia Shortland Wetlands Centre Ltd	3,500	National Landcare Program	Community engagement - educational online game	Environment groups
Hunter	Hunter Wetlands Centre Australia Shortland Wetlands Centre Ltd	10,000	Other/ External	Community education and engagement at Hunter wetlands centre	Environment groups
Hunter	Killabakh Landcare Inc	1,895	Catchment Action NSW	MGL - Killabakh & Lower Cedar Landcare - Sharing our Stories	Landcare groups
Hunter	King St P&C Association	1,980	Other/ External	King Street Primary School P&C - yarning circle & bush tucker garden	Community groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Hunter	Lake Macquarie Landcare Volunteer Network Inc	710	Catchment Action NSW	LH - Sunshine and Silverwater Landcare - community awareness event	Landcare groups
Hunter	Manning Coastcare Group	10,000	National Landcare Program	Manning CoastCare Inc shorebird awareness	Environment groups
Hunter	Manning Landcare Inc	8,000	National Landcare Program	Mid Coast to Tops Landcare Partnership Project	Landcare groups
Hunter	Martindale Creek Catchment Landcare	9,500	Other/ External	Green Cestrum - control primary infestations to reduce seed burden and prevent reinfestation further along creek line	Landcare groups
Hunter	Merriwa Landcare Group Inc	10,000	National Landcare Program	Box-Gum Grassy Woodland - Merriwa Landcare - direct seeding trial site	Landcare groups
Hunter	Mid Coast 2 Tops Landcare Connection	38,000	Catchment Action NSW and National Landcare Program	Partnering with Landcare networks in Hunter and Mid Coast regions to enable them to support groups and members	Landcare groups
Hunter	Mid Coast 2 Tops Landcare Connection	13,000	National Landcare Program	Partnering with Landcare networks in Hunter and Mid Coast regions to enable them to support groups and members	Landcare groups
Hunter	Mid Coast Dairy Advancement Group	40,761	Other/ External	Development and implementation of soil moisture network	Producer groups
Hunter	Mid Coast Dairy Advancement Group	20,000	Recurrent	Extension services 2020-21	Producer groups
Hunter	Mid Coast Dairy Advancement Group Dairy Advancement Group	10,000	Recurrent	MidCoast Dairy Advancement Group - 19/20 student scholarships	Producer groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Hunter	Singleton Beef & Land Management Association Inc	1,281	Other/ External	Development and implementation of soil moisture network	Producer groups
Hunter	Taree Indigenous Development & Employment Ltd	4,000	National Landcare Program	Cultural burn scholarship	Aboriginal communities
Hunter	Tilligerry Community Association	2,000	Other/ External	Tilligerry Festival - focus on local environmental issues such as weeding/ bushcare, litter, anti-dumping, koala replanting	Environment groups
Hunter	Upper Hunter Sustainable Farming Group Inc	3,558	Other/ External	Development and implementation of soil moisture network	Producer groups
Hunter	Upper Hunter Sustainable Farming Group Inc	2,000	Other/ External	UH - Upper Hunter Sustainable Farming Group Inc - pasture nutrition day	Producer groups
Hunter	Wanaruah Local Aboriginal Land Council	2,000	Other/ External	Cultural burn scholarship	Aboriginal communities
Murray	Holbrook Landcare Group	3,000	Catchment Action NSW	Protection and rehabilitation of Billabong Creek riparian zone & development of farm dam demonstration sites and extension products	Landcare groups
Murray	Moama Local Aboriginal Land Council	74,631	National Landcare Program	Fox baiting 2019-20 around perimeter of Koondrook-Perricoota and identified internal turtle nesting sites	Aboriginal communities
Murray	Murray Darling Wetlands Working Group	35,000	National Landcare Program	Wetland remediation to increase Australasian Bittern habitat within the Central Murray Ramsar site	Community groups
Murray	Holbrook Landcare Group	8,625	Catchment Action NSW	Support the on-going soil testing of 30 locations in the Holbrook Landcare Network	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Murray	Cummeragunja Local Aboriginal Land Council	9,000	National Landcare Program	Targeted boxthorn works on property adjacent to the Central Murray Ramsar site	Aboriginal communities
Murray	Holbrook Landcare Group	3,900	Catchment Action NSW	Video produced by Holbrook Landcare Network on Platypus status, conservation and monitoring	Landcare groups
Murray	Holbrook Landcare Group	71,200	Catchment Action NSW	Improve the condition, extent and connectivity of Grassy Woodlands within the South West Slopes Biogeographical region	Landcare groups
Murray	Corowa District Landcare	72,000	Catchment Action NSW	Improve the condition, extent and connectivity of Grassy Woodlands within the South West Slopes Biogeographical region	Landcare groups
Murray	Petaurus Education Group	71,300	Catchment Action NSW	Improve the condition, extent and connectivity of Grassy Woodlands within the South West Slopes Biogeographical region	Community groups
Murray	Petaurus Education Group	8,000	National Landcare Program	Implementation of natural resource management activity based education program aimed at Indigenous youth	Community groups
Murray	Corowa District Landcare	3,500	Catchment Action NSW	Video production on Turtle status, conservation and monitoring	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
Murray	Yarkuwa Indigenous Knowledge Centre	9,000	National Landcare Program	Construction of stock proof fence to reduce grazing pressure on Yadabal Lagoon in the Weraï forest	Aboriginal communities
Murray	Petaurus Education Group	20,056	Regional Strategic Weed Management Plan	Integrate educational resources about the roles and responsibilities the general public have regarding weed management and biosecurity obligations.	Community groups
Murray	Moama Local Aboriginal Land Council	14,000	National Landcare Program	Rabbit control works on identified sandhills in the Koondrook Perricoota Forest	Aboriginal communities
Murray	Moama Local Aboriginal Land Council	3,000	National Landcare Program	Rabbit control works on identified sandhills in the Koondrook Perricoota Forest	Aboriginal communities
Murray	Edward Wakool Angling Association	13,000	Catchment Action NSW	Revegetation of 1.5 km of the Edward river stream bank between the Deniliquin national bridge and Willoughby's beach	Community groups
Murray	The Yanco Creek & Tributaries Advisory Council	5,600	Catchment Action NSW	Establish the status and distribution of Platypus populations, collect data and knowledge to inform a platypus management plan for the Yanco Creek System	Community groups
Murray	Edward Wakool Angling Association	9,000	National Landcare Program	Development and implementation of a three year turtle and small bodied native fish monitoring program at the Pollack lagoon north of Barham NSW	Community groups
Murray	Western Murray Land Improvement Group	53,630	Catchment Action NSW	Undertake activities to enhance and maintain the ecological condition of the Pollack wetland	Landcare groups

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North Coast	Bandjalang Aboriginal Corporation	3,000	Recurrent	NAIDOC week	Aboriginal communities
North Coast	Clarence Landcare Inc	30,000	Other/Contestable	Organics market development project	Landcare groups
North Coast	Clarence Landcare Inc	65,493	Catchment Action NSW	Strategic Weed Management in Mid-Nymboida	Landcare groups
North Coast	Coffs Harbour & District LALC	2,727	Recurrent	NAIDOC week	Aboriginal communities
North Coast	Coffs Harbour & District Landcare	20,000	Other/Contestable	Addressing transformer weeds threat	Landcare groups
North Coast	Coffs Harbour Regional Landcare	76,361	Catchment Action NSW	Blueberry and horticulture soil and water management plans and soil erosion management	Landcare groups
North Coast	GAGU Aboriginal Land Services	2,520	Other/Contestable	Warrell Creek bush regeneration	Aboriginal communities
North Coast	Jaliigirr Biodiversity Alliance Inc	104,000	Catchment Action NSW	Protecting priority terrestrial ecosystems	Environment groups
North Coast	Jaliigirr Biodiversity Alliance Inc	32,500	Rates	Cane Toad incursion community response- Coffs Harbour / Bellingen	Environment groups
North Coast	Kempsey Aboriginal Land Council	10,000	Recurrent	NAIDOC week and relationship development	Aboriginal communities
North Coast	Macleay Landcare network	24,080	Rates	Cane Toad incursion control	Landcare groups
North Coast	Macleay Valley Bush & Blossom	3,000	Recurrent	NAIDOC week	Aboriginal communities
North Coast	Madhima Gulgan Community Association	11,000	Other/Contestable	Addressing transformer weeds threats to secure Coastal Floodplain Threatened Ecological Communities	Aboriginal communities

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North Coast	North Coast Regional Landcare	22,500	Rates	Stakeholder partnerships for the delivery of the North Coast Regional Strategic Weed Management Plan 2017-2022	Landcare groups
North Coast	North Coast Regional Landcare	20,000	Recurrent	Every Bit Counts - Coffs Harbour small landholder engagement	Landcare groups
North Coast	The Clarence Environment Centre	68,000	Catchment Action NSW	Upper Coldstream - protecting priority terrestrial ecosystems	Environment groups
North Coast	Yaegl Traditional Owners	34,500	Catchment Action NSW	Environmental, cultural and economic management plans for TSRs	Aboriginal communities
North Coast	Yaegl Traditional Owners	18,000	Other/Contestable	Yaegl cultural burning project	Aboriginal communities
North Coast	Yuraygir Landcare Group Inc	8,000	Catchment Action NSW	Upper Coldstream - protecting priority terrestrial ecosystems	Landcare groups
North West	Tamworth Regional Landcare Association	68,134	National Landcare Program	Regional Landcare Facilitator project	Landcare groups
North West	Northern Slopes Landcare Association	68,134	National Landcare Program	Regional Landcare Facilitator project	Landcare groups
North West	Northern Slopes Landcare Association	50,000	Dept. of Primary Industries	Releasing the Hounds: Community Biocontrol Management Program for Hudson Pear	Landcare groups
North West	Yawiria Wiri Murri Ganuur Descendents Aboriginal Corporation	2,050	Recurrent	Kids on Country knowledge sharing event	Aboriginal communities
North West	Yarrie Lake & Merimbourough Landcare Group	25,313	National Landcare Program	Adoption of sustainable land management practices	Landcare groups
North West	Upper Mooki Landcare Inc	312,106	Catchment Action NSW	Upper Mooki rehydration	Landcare groups

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North West	Yawiria Wiri Murri Ganuur Descendants Aboriginal Corporation	1,200	Recurrent	Provide cultural awareness training	Aboriginal communities
North West	Tamworth Regional Landcare Association	27,312	National Landcare Program	Adoption of sustainable land management practices	Landcare groups
North West	Dhabiyaanbaa Maarumali	1,500	Recurrent	Healing Country - Healing Women	Aboriginal communities
North West	Bubbogullion 100 Landcare Group Incorporated	7,500	National Landcare Program	Multi-species pasture trials in the Lower Peel Valley	Landcare groups
North West	Bubbogullion 100 Landcare Group Incorporated	25,000	Catchment Action NSW	Multi-species pasture trials in the Lower Peel Valley	Landcare groups
North West	Walhallow Men's Group	1,200	Recurrent	Walhallow knowledge sharing event	Aboriginal communities
North West	Tamworth Local Aboriginal Land Council	1,500	Recurrent	Didgeridoo making workshop knowledge sharing event	Aboriginal communities
North West	Moree Local Aboriginal Land Council	1,200	Recurrent	Moree knowledge sharing event	Aboriginal communities
North West	Northern Slopes Landcare Association	20,438	National Landcare Program	Adoption of sustainable land management practices	Landcare groups
North West	Tamworth Regional Landcare Association	130,000	Rates	Chilcott's Creek Wild Dog Association Professional Trapping Program	Landcare groups
North West	Tamworth Regional Landcare Association	20,500	National Landcare Program	North West Rural Leadership Program	Landcare groups
North West	Birdlife Australia Ltd	20,000	National Landcare Program	Monitoring and control of Noisy Miner to reduce the impact on Regent Honeyeater sites	Environment groups

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Northern Tablelands	River Basin Management Society (RBMS)	2,500	Catchment Action NSW	Supporting RBMS NSW Forum 2020 to support workshops, presentations and panel discussions in waterway and catchment management	Environment groups
Northern Tablelands	Glen Innes Natural Resources Advisory Committee Incorporated	20,000	National Landcare Program	Supporting the community including landcare, indigenous communities and industry to participate in the delivery of Regional Land Partnership Program	Landcare groups
Northern Tablelands	Granite Borders Landcare Committee Inc	20,000	National Landcare Program	Supporting the community including landcare, indigenous communities and industry to participate in the delivery of Regional Land Partnership Program	Landcare groups
Northern Tablelands	Gwydir & Macintyre Resources Management Committee Incorporated	20,000	National Landcare Program	Supporting the community including landcare, indigenous communities and industry to participate in the delivery of Regional Land Partnership Program	Landcare groups
Northern Tablelands	Southern New England Landcare Ltd	20,000	National Landcare Program	Supporting the community including landcare, indigenous communities and industry to participate in the delivery of Regional Land Partnership Program	Landcare groups
Northern Tablelands	Glen Innes Natural Resources Advisory Committee Incorporated	69,842	National Landcare Program	Protecting Little Llangothlin Lagoon for future generations	Landcare groups

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Northern Tablelands	Glen Innes Natural Resources Advisory Committee Incorporated	7,980	NSW DPI	Drought response extension & support services	Landcare groups
Northern Tablelands	Glen Innes Natural Resources Advisory Committee Incorporated	12,774	National Landcare Program	Gondwana Shield landholder engagement	Landcare groups
Northern Tablelands	New England and North West NSW Birds and Birding 2020	790	Catchment Action NSW	Publication of bird watching in and around Inverell brochure	Environment groups
Northern Tablelands	Gwydir & Macintyre Resources Management Committee Incorporated	4,945	National Landcare Program	Native grass identification short films produced as educational tools to raise awareness of native grasses in the New England region	Landcare groups
Northern Tablelands	Southern New England Landcare Ltd	5,000	National Landcare Program	Produce a short informative video on maximising plant survival post revegetation planting	Landcare groups
Northern Tablelands	Southern New England Landcare Ltd	11,899	National Landcare Program	To purchase seedlings for landholders adjacent to Urandangie creed to revegetate the creek	Landcare groups
Northern Tablelands	Granite Borders Landcare Committee Inc	5,000	National Landcare Program	To produce a short film and fact sheet on native seed collection and propagation by seed, grafting and cuttings	Landcare groups
Northern Tablelands	Gwydir & Macintyre Resources Management Committee Incorporated	12,000	National Landcare Program	Delivering on-ground works in partnership with Soil Conservation Service to improve the hydrological regime of an upland wetland site	Landcare groups

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Northern Tablelands	Ashford Local Aboriginal Land Council	2,500	National Landcare Program	To hold a workshop to increase landholders and community awareness of Regent Honeyeater ecology and protected known habitat	Aboriginal Communities
Northern Tablelands	Amaroo Local Aboriginal Land Council	16,751	National Landcare Program	An on-ground works project to enable landholders to protect and manage existing Regent Honeyeater habitat and re-establish native vegetation	Aboriginal Communities
Northern Tablelands	Moonbahlene Local Aboriginal Land Council	7,840	Catchment Action NSW	To collect and store traditional ecological knowledge in the form of a fire and seasons calendar	Aboriginal Communities
Northern Tablelands	Moonbahlene Local Aboriginal Land Council	3,000	Catchment Action NSW	To assist Moombahlene Lands Council to partner with local Aboriginal communities and stakeholders to hold one traditional fire burn	Aboriginal Communities
Northern Tablelands	Glen Innes Local Aboriginal Land Council	9,100	National Landcare Program	An on-ground works project to enable landholders to protect and manage existing Regent Honeyeater habitat and re-establish native vegetation	Aboriginal Communities
Northern Tablelands	University of New England	55,500	Catchment Action NSW	The project will deliver a number of products and services for the Gwydir River upstream of Copeton Dam	Consultant

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Northern Tablelands	Hunter Family Discretionary Trust	71,000	National Landcare Program	Production of communication materials, community/ stakeholder engagement, conducting of surveys and identifying potential upland wetland sites and establishing monitoring regimes	Consultant
Northern Tablelands	Southern Downs Feral Pest Management	15,000	National Landcare Program	Pest animal control trapping in bushfire recovery areas	Pest management groups
Northern Tablelands	Chessman Ecology	7,896	NSW Enviro Trust	To engage ecologists to undertake a mark/ recapture program to document turtle presence, abundance, and population age structure and trends	Consultants
Northern Tablelands	North West Ecological Services	7,896	NSW Enviro Trust	To engage ecologists to undertake a mark/ recapture program to document turtle presence, abundance, and population age structure and trends	Consultants
Northern Tablelands	Redleaf Environmental	7,896	NSW Enviro Trust	To engage ecologists to undertake a mark/ recapture program to document turtle presence, abundance, and population age structure and trends	Consultants
Northern Tablelands	Stepheh Debus Zoological Consultant	10,000	National Landcare Program	To build on population and productivity information for three threatened raptors, deliver extension events and launch a community engagement strategy	Consultants
Northern Tablelands	TJ Booth	15,000	National Landcare Program	Pest animal control trapping in bushfire recovery areas	Pest management groups

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Northern Tablelands	DC Noakes	15,000	National Landcare Program	Pest animal control trapping in bushfire recovery areas	Pest management groups
Northern Tablelands	Birdlife Australia	20,000	National Landcare Program	To produce a Swift Parrot information booklet	Environment groups
Riverina	Murrumbidgee Landcare Inc	100,000	Other/ Contestable	Community grants for targeted local Landcare groups, focusing on improving landscape function	Landcare groups
Riverina	Vic No Till	5,000	Catchment Action NSW	Supported hosting of two high profile guest speakers to discuss multi species cover crops	Producer groups
Riverina	Riverina Highlands Landcare, Young Landcare and Cootamundra Landcare	2,000	Catchment Action NSW	Hosted screening of film 2040 to raise awareness on sustainable living	Community groups
Riverina	Hay Merino Sheep Show Committee	500	Catchment Action NSW	Supporting activity for rangeland stakeholders	Community groups
Riverina	Farmlink Inc	3,000	Catchment Action NSW	Supporting landholders with information relating to soil condition	Community groups
South East	Gunning District Landcare Inc.	20,000	NSW State Government	Promote and coordinate community involvement in the Feral Fighters program & increase awareness and participation to reduce predation	Landcare groups
South East	Small Farms Network Capital Region Inc.	18,600	NSW State Government	Develop three webinars for the community on feral predator monitoring, protecting poultry against feral predator and feral predator control	Community groups

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South East	Numeralla & District Landcare Group Inc.	19,750	NSW State Government	Provide community access to monitoring and trapping tools in the recovery of their local wildlife	Landcare groups
South East	Shoalhaven Landcare Association	20,000	NSW State Government	Provide awareness to landholders and volunteers with fox control. Promote the use of FeralScan and purchase equipment	Landcare groups
South East	Towamba Valley Landcare Group Inc.	10,000	NSW State Government	Educate and motivate landholders to keep pest vertebrate species in check with best practice controls	Landcare groups
South East	Upper Murrumbidgee Landcare Committee Inc.	44,000	NSW Enviro Trust	Enhance long-term viability of Scarlet Robin populations via community awareness and education, private land management agreements and conservation covenants	Landcare groups
South East	Upper Shoalhaven Landcare Council Inc.	38,570	NSW Enviro Trust	Enhance long-term viability of Scarlet Robin populations via community awareness and education, private land management agreements and conservation covenants	Landcare groups
South East	Batemans Bay Local Aboriginal Land Council	9,460	National Landcare Program	Pest animal control will be conducted on private and public lands by experienced contractors for the protection of native wildlife	Aboriginal communities
South East	Yass Urban Landcare Inc	10,000	Catchment Action NSW	Support small landholders in the Yass Valley LGA to revegetate their property with paddock trees	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
South East	Bush Heritage Australia	10,000	National Landcare Program	Reduce impacts to water quality from post fire erosion and protect the habitat of the Macquarie Perch	Environment groups
South East	Upper Shoalhaven Landcare Council Inc.	25,000	ACT Gov	Support landholders within the Araluen Valley through community engagement and access to funds for on-ground activities	Landcare groups
South East	Small Farms Network Capital Region Inc.	4,060	National Landcare Program	Assist community to contribute agricultural outcomes with focus on soil acidity and webinar online training	Community groups
South East	Far South Coast Landcare Association	50,000	NSW State Gov	Protect one upland wetland from degradation through the construction of a rock chute and diversion banks	Landcare groups
South East	Friends Of The Brush-Tailed Rock-Wallaby	5,000	National Landcare Program	To reduce pest animal numbers for the protection of the three endangered Brush-Tailed Rock-wallaby colonies	Community groups
South East	Bowling-Bookham Districts Landcare Inc.	10,000	Catchment Action NSW	Assist community in making grazing management decisions and increase ground-cover percentage, pasture height and diversity of plant species	Landcare groups
South East	Boorowa Community Landcare Group Inc.	9,000	NSW Enviro Trust	Undertake rapid biodiversity assessment monitoring of 16 sites under the 'Thinking Inside the Box Gum Grassy Woodlands' project	Landcare groups

Region	Name of recipient organisation	Amount of grant (\$)	Source of funds	Nature and purpose of project	Target client
South East	Numeralla & District Landcare Group Inc	2,500	NSW State Gov	Site preparation, revegetation, weed control and on-going maintenance to enhance an area impacted from over spray with the Numeralla TSR	Landcare groups
South East	Far South Coast Landcare Association	20,000	Catchment Action NSW	Collaborate with stakeholders to enhance state and regionally significant corridors that develop opportunities and support Aboriginal people	Landcare groups
South East	Yass Urban Landcare Inc	2,000	NSW State Gov	Support small landholders in the Yass Valley LGA to revegetate their property with paddock trees	Landcare groups
Western	National Malleefowl Recovery Group	6,000	Catchment Action NSW	Training course in Malleefowl monitoring	Community groups
Western	Western Landcare	135,000	National Landcare Program	Willandra Lakes World Heritage Area - coordination of integrated on-ground rabbit control works	Landcare groups
Western	Euston Regional Landcare Incorporated	18,795	Pest Levy	Pig Baiting Support Project in the Euston and Homebush areas	Landcare groups
Western	Western Landcare	16,000	National Landcare Program	EMU's in the Far West - a series of projects to rehabilitate degraded landscapes	Landcare groups
SLM	University of NSW	40,909	NSW State Gov	Research to explore the social benefits of the Land Management Code and assess whether the code has improved landholders' engagement	Community groups

Local Land Services Financial Statements

For year ending 30 June 2020.



Local Land Services

Financial Statements

For the year ended 30 June 2020

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 2020, 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: 29 October 2020



.....
Allison Harker
Board Member
Local Land Services Board

Dated: 29 October 2020

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 comprises the Statement of Comprehensive Income for the year ended 30 June 2020, the Statement of Financial Position as at 30 June 2020, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a Statement of Significant Accounting Policies and other explanatory information of LLS and the consolidated entity. The consolidated entity comprises LLS 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 2020, and of their financial performance and its 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 and the consolidated entity 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 (including Independence Standards)' (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 2020 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 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 ability of LLS and the consolidated entity to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

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. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that LLS or 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.



Min Lee
Director, Financial Audit Services

Delegate of the Auditor-General for New South Wales

30 October 2020
SYDNEY

LOCAL LAND SERVICES
STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Consolidated			Parent	
		Actual 2020 \$'000	Budget 2020 \$'000	Actual 2019 \$'000	Actual 2020 \$'000	Actual 2019 \$'000
Expenses excluding losses						
Operating expenses						
Employee related	2(a)	121,281	107,596	114,652	-	-
Personnel services	2(b)	-	-	-	121,281	114,652
Other operating expenses	2(c)	81,821	72,798	87,681	81,821	87,681
Depreciation and amortisation	2(d)	6,966	7,813	2,519	6,966	2,519
Grants and subsidies	2(e)	71,558	26,998	28,070	71,558	28,070
Finance costs	2(f)	664	1,014	-	664	-
Total expenses excluding losses		282,290	216,219	232,922	282,290	232,922
Revenue						
Sale of goods and services	3(a)	80,938	46,185	69,423	80,938	69,423
Investment revenue	3(b)	852	400	918	852	918
Grants and contributions	3(c)	197,827	123,795	155,359	203,148	162,507
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	5,321	3,919	7,148	-	-
Other revenue	3(e)	6,837	37,363	5,656	6,837	5,656
Rates	3(f)	(20)	-	7	(20)	7
Total revenue		291,755	211,662	238,511	291,755	238,511
Operating result		9,465	(4,557)	5,589	9,465	5,589
Gain on disposal	4(a)	207	-	311	207	311
Impairment losses	4(b)	(180)	-	-	(180)	-
Net result		9,492	(4,557)	5,900	9,492	5,900
Other comprehensive income						
Items that will not be reclassified to net result						
Net increase in property, plant and equipment asset revaluation reserve		215,441	-	28,265	215,441	28,265
Total other comprehensive income		215,441	-	28,265	215,441	28,265
TOTAL COMPREHENSIVE INCOME		224,933	(4,557)	34,165	224,933	34,165

The accompanying notes form part of these financial statements.

LOCAL LAND SERVICES
STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Notes	Consolidated			Parent	
		Actual 2020 \$'000	Budget 2020 \$'000	Actual 2019 \$'000	Actual 2020 \$'000	Actual 2019 \$'000
ASSETS						
Current assets						
Cash and cash equivalents	5	88,762	26,413	53,015	88,762	53,015
Receivables	6	24,796	7,542	29,188	24,482	28,970
Inventories	7	2,381	1,300	1,953	2,381	1,953
Assets held for sale	8	102	102	102	102	102
Total current assets		116,041	35,357	84,258	115,727	84,040
Non-current assets						
Property, plant and equipment	9					
- Land and buildings		818,077	599,998	603,598	818,077	603,598
- Plant and equipment		4,252	7,050	4,640	4,252	4,640
- Infrastructure systems		22,129	20,526	22,650	22,129	22,650
- Work in progress		5,167	-	2,446	5,167	2,446
Total property, plant and equipment		849,625	627,574	633,334	849,625	633,334
Right-of-use assets	10					
- Land and buildings		23,215	-	-	23,215	-
- Plant and equipment		7,529	-	-	7,529	-
Total right-of-use assets		30,744	-	-	30,744	-
Intangible assets	11					
- Intangible assets		1,373	19,693	846	1,373	846
- Work in progress		5,761	-	2,070	5,761	2,070
Total intangible assets		7,134	19,693	2,916	7,134	2,916
Total non-current assets		887,504	647,267	636,250	887,504	636,250
Total assets		1,003,545	682,624	720,508	1,003,231	720,290
LIABILITIES						
Current liabilities						
Payables	13	28,266	13,542	37,187	46,427	52,901
Borrowings	14(a)	4,638	4,380	-	4,638	-
Provisions	15(a)(b)	51,404	8,700	16,282	33,618	964
Other	16	1,940	1,500	1,273	1,940	1,273
Total current liabilities		86,248	28,122	54,742	86,623	55,138
Non-current liabilities						
Borrowings	14(b)	26,749	25,104	-	26,749	-
Provisions	15(c)	689	1,200	614	-	-
Other	16	259	700	485	259	485
Total non-current liabilities		27,697	27,004	1,099	27,008	485
Total liabilities		113,945	55,126	55,841	113,631	55,623
Net assets		889,600	627,499	664,667	889,600	664,667
EQUITY						
Asset Revaluation Reserve		359,316	115,551	143,875	359,316	143,875
Accumulated funds		530,284	511,948	520,792	530,284	520,792
Total equity		889,600	627,499	664,667	889,600	664,667

The accompanying notes form part of these financial statements.

**LOCAL LAND SERVICES
STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020**

Consolidated Entity	Accumulated Funds \$'000	Asset Revaluation Reserve \$'000	Total Equity \$'000
Balance at 1 July 2019	520,792	143,875	664,667
Net result for the period	9,492	-	9,492
Other comprehensive income:			
Net increase in property, plant and equipment (Note 9)	-	215,441	215,441
Total other comprehensive income	-	215,441	215,441
Total comprehensive income for the period	9,492	215,441	224,933
Total transactions with owners in their capacity as owners	-	-	-
Balance at 30 June 2020	530,284	359,316	889,600
Balance at 1 July 2018	514,502	115,610	630,112
Net result for the period	5,900	-	5,900
Other comprehensive income:			
Net increase in property, plant and equipment (Note 9)	-	28,265	28,265
Total other comprehensive income	-	28,265	28,265
Total comprehensive income for the period	5,900	28,265	34,165
Transactions with owners in their capacity as owners			
Increase in net assets due to transfer of equity from Soil Conservation Service	390	-	390
Total transactions with owners in their capacity as owners	390	-	390
Balance at 30 June 2019	520,792	143,875	664,667

The accompanying notes form part of these financial statements.

**LOCAL LAND SERVICES
STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020**

Parent Entity	Accumulated Funds \$'000	Asset Revaluation Reserve \$'000	Total Equity \$'000
Balance at 1 July 2019	520,792	143,875	664,667
Net result for the period	9,492	-	9,492
Other comprehensive income:			
Net increase in property, plant and equipment (Note 9)	-	215,441	215,441
Total other comprehensive income	-	215,441	215,441
Total comprehensive income for the period	9,492	215,441	224,933
Total transactions with owners in their capacity as owners	-	-	-
Balance at 30 June 2020	530,284	359,316	889,600
Balance at 1 July 2018	514,502	115,610	630,112
Net result for the period	5,900	-	5,900
Other comprehensive income:			
Net increase in property, plant and equipment (Note 9)	-	28,265	3,616
Total other comprehensive income	-	28,265	3,616
Total comprehensive income for the year	5,900	28,265	9,516
Transactions with owners in their capacity as owners			
Increase in net assets due to transfer of equity from Soil Conservation Service	390	-	390
Total transactions with owners in their capacity as owners	390	-	390
Balance at 30 June 2019	520,792	143,875	664,667

The accompanying notes form part of these financial statements.

**LOCAL LAND SERVICES
STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020**

Notes	Consolidated			Parent	
	Actual	Budget	Actual	Actual	Actual
	2020	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments					
Employee related	(112,679)	(103,677)	(105,601)	-	-
Personnel services expense	-	-	-	(112,679)	(105,601)
Grants and subsidies	(71,558)	(26,998)	(28,070)	(71,558)	(28,070)
Finance costs	(664)	(1,014)	-	(664)	-
Other supplier payments	(61,425)	(72,546)	(85,745)	(61,425)	(85,745)
GST paid on purchases	(9,415)	-	(10,939)	(9,415)	(10,939)
Total payments	(255,741)	(204,236)	(230,355)	(255,741)	(230,355)
Receipts					
Sale of goods and services	80,938	45,759	58,635	80,938	58,635
Interest received	227	400	525	227	525
Rates	996	-	1,696	996	1,696
Grants and contributions	197,827	123,915	155,359	197,827	155,359
Other customer receipts	11,580	37,243	2,124	11,580	2,124
GST received on amounts received	11,277	-	7,302	11,277	7,302
Total receipts	302,845	207,317	225,641	302,845	225,641
NET CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES	47,104	3,081	(4,714)	47,104	(4,714)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of land and buildings, plant and equipment and infrastructure systems	369	-	424	369	424
Purchases of land and buildings, plant and equipment and infrastructure systems	(7,055)	(3,250)	(3,029)	(7,055)	(3,029)
Purchases of intangibles	(569)	(9,814)	(2,084)	(569)	(2,084)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(7,255)	(13,064)	(4,689)	(7,255)	(4,689)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of principal portion of lease liabilities	(4,102)	(4,633)	-	(4,102)	-
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(4,102)	(4,633)	-	(4,102)	-
NET INCREASE/(DECREASE) IN CASH	35,747	(14,616)	(9,403)	35,747	(9,403)
Opening cash and cash equivalents	53,015	41,029	62,418	53,015	62,418
CLOSING CASH AND CASH EQUIVALENTS	88,762	26,413	53,015	88,762	53,015

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 2019 to 30 June 2020. The comparative figures are for the year between 1 July 2018 to 30 June 2019.

Machinery of Government changes following the election of the NSW Government, which came into effect from 1 July 2019, saw LLS move to the newly structured Department of Planning, Industry & Environment cluster. A further machinery of government change saw LLS move to the Regional NSW cluster from 2 April 2020. 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.

These financial statements have been authorised for issue by the Local Land Services Board on 29 October 2020.

(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 recognised as income when sufficiently specific performance obligations under the transfer are satisfied. Where no such performance obligations exist, income is recognised immediately upon receipt.

(ii) Sale of goods and services

Revenue from the sale of goods is recognised as revenue according to the deliverables present in the contract for the provision of goods and services, in accordance with AASB 15 *Revenue from Contracts with Customers*.

Revenue for the rendering of services is recognised when the service is provided or according to the sufficiently specific performance obligations present in the contract with the customer. This can be by reference to the stage of completion or according to the outputs associated with providing the service, depending on the nature of each contract.

LLS uses significant judgements in assessing performance obligations are met over time as works are delivered against the contracts with customers. Generally this is measured as stage of completion and captures costs incurred to date in delivering the works which include labour and plant utilisation rates.

(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 2020 the interest rates on overdue rates are 11.31% (2019 - 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)

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 12 for further information regarding fair value.

Fair value of infrastructure systems are derived using a depreciated replacement cost approach.

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 CIVAS (NSW) Pty Limited in December 2019 and was based on an independent assessment. After a formal assessment confirming no material movement in the valuation has occurred since December, a revaluation adjustment amounting to \$212.157m 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 2020.

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 October and November 2019. CIVAS (NSW) Pty Limited were engaged to conduct the valuations, with revaluation adjustments made in accordance with the valuations obtained. After formal assessment confirming no material movement in the valuation has occurred since October, a revaluation adjustment amounting to \$3.285m has been recognised in the financial statements against the land and building values.

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 CIVAS (NSW) Pty Limited on behalf of Department of Planning, Industry and Environment. The TSR land vested to and under the effective control of LLS was valued at \$788,172,437 as at 30 June 2020.

(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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

(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) 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.

(xi) 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.

(xii) 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.

(xiii) 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.

(xiv) 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

(xv) 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.

(xvi) Impairment of financial assets

LLS recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the entity expects to receive in accordance with AASB 9.

LLS groups debtor balances according to customer segments based on the expectation the historical loss experience will show a different loss pattern than for other groups. A historical loss rate is calculated based on the total uncollected debt measured against the total debt issued in the period. Adjustments are made to exclude the effect of non-collections for reasons other than credit loss.

LLS uses significant judgements and estimates in segmenting the customer base and calculating the historical loss rates. Judgements are also applied in determining whether a loss has arisen out of a credit risk which could give rise to a change in the rates applied to future expected credit losses.

(xii) 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.

(xiii) 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.

(xix) Right-of-use assets

LLS recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability (refer j(iii) below), adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land and buildings 3 to 26 years
- Motor vehicles 2 to 5 years

The right-of-use assets are also subject to impairment. LLS assesses at each reporting date whether there is an indication that an asset may be impaired. Where there is an indication the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and written down to its recoverable amount.

(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.

(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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(iii) Lease liabilities

At the commencement date of the lease, LLS recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- exercise price of a purchase options reasonably certain to be exercised by LLS; and
- payments of penalties for terminating the lease, if the lease term reflects the entity exercising the option to terminate.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for LLS leases, the lessee's incremental borrowing rate is used, being the rate that LLS would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. This rate is provided periodically to agencies by NSW Treasury.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

LLS applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

In applying AASB 16 for the first time, LLS has used the following practical expedients permitted by the standard:

- not reassess whether a contract is, or contains, a lease at 1 July 2019, for those contracts previously assessed under AASB 117 and Interpretation 4.
- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on its previous assessment on whether leases are onerous immediately before the date of initial application as an alternative to performing an impairment review
- not recognise a lease liability and right-of-use-asset for short-term leases that end within 12 months of the date of initial application
- excluding the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- using hindsight in determining the lease term where the contract contained options to extend or terminate the lease

In accounting for leases and lease commitments, LLS applies significant judgements in measuring the obligations. These include judgements in determining whether a reasonable certainty exists in relation to lease renewals or options being taken up and application of incremental borrowing rates.

LLS includes lease liabilities under borrowings in the Statement of Financial Position.

(iv) 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.

(v) 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

LLS has recognised a provision at year end in relation to the Supporting Our Neighbours program. LLS has determined a constructive obligation exists arising from the launch of the program in April 2020. The provision is based upon applications received from landholders and where assessed values of claims were not known an average of previously assessed claims was used.

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.

(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 12 and Note 21 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 19.

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

(n) **Changes in accounting policy, including new or revised Accounting Standards**

LLS applied AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-Profit Entities*, and AASB 16 *Leases* for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

AASB 15 Revenue from Contracts with Customers

AASB 15 supersedes AASB 111 *Construction Contracts*, AASB 118 *Revenue and related Interpretations* and it applies, with limited exceptions, to all revenue arising from contracts with customers. AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

AASB 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures. In accordance with the transition provisions in AASB 15, LLS has adopted AASB 15 retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application, i.e. 1 July 2019.

LLS has adopted the practical expedient of reflecting the aggregate effect of all modifications that occur before the beginning of 1 July 2018 when:

- identifying the satisfied and unsatisfied performance obligations;
- determining the transaction price; and
- allocating the transaction price to the satisfied and unsatisfied performance obligations.

The adoption of AASB 15 did not result in any change in timing of recognition of revenues to align with the performance of the contract deliverables. The adoption of AASB 15 did not have an impact on the Statement of Comprehensive Income, Statement of Financial Position or Statement of Cash Flows for the financial year.

AASB 16 Leases

AASB 16 supersedes AASB 117 *Leases*, Interpretation 4 *Determining whether an Arrangement contains a Lease*, Interpretation 115 *Operating Leases – Incentives* and Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting

Lessor accounting under AASB 16 is substantially unchanged from AASB 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in AASB 117. Therefore, AASB 16 does not have a significant impact for leases where the entity is the lessor.

Lessee accounting

AASB 16 requires LLS to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under AASB 117. As the lessee, LLS recognises a lease liability and right-of-use asset at the inception of the lease. The lease liability is measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease, or the lessee's incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined. The corresponding right-of-use asset is measured at the value of the lease liability adjusted for lease payments before inception, lease incentives, initial direct costs and estimates of costs for dismantling and removing the asset or restoring the site on which it is located.

LLS has adopted the partial retrospective option in AASB 16, where the cumulative effect of initially applying AASB 16 is recognised on 1 July 2019 and the comparatives for the year ended 30 June 2019 are not restated.

In relation to leases that had previously been classified as 'operating leases' under AASB 117, a lease liability is recognised at 1 July 2019 at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 July 2019 was 2.14%. The corresponding right-of-use asset is initially recorded on transition at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 30 June 2019. The exception is right-of-use assets that are subject to accelerated depreciation. These assets are measured at their fair value at 1 July 2019.

LLS did not hold any finance leases at the transition date of 1 July 2019.

In applying AASB 16 for the first time, LLS has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- not recognise a lease liability and right-of-use-asset for short-term leases that end within 12 months of the date of initial application
- using hindsight in determining the lease term where the contract contained options to extend or terminate the lease

The effect of adoption AASB 16 as at 1 July 2019 (increase/ (decrease) is, as follows:

	\$'000
Assets	
Property, plant and equipment	33,139
Total Assets	33,139
Liabilities	
Borrowings	33,139
Total Liabilities	33,139
Equity	
Accumulated funds	-
	-

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The lease liabilities as at 1 July 2019 can be reconciled to the operating lease commitments as of 30 June 2019, as follows:

	\$'000
Operating lease commitments as at 30 June 2019 (GST included)	14,560
(Less): GST included in operating lease commitments	1,324
Operating lease commitments as at 30 June 2019 (GST excluded)	13,236
Weighted average incremental borrowing rate as at 1 July 2019	246
Discounted operating lease commitments as at 1 July 2019	12,990
(Less): commitments relating to short-term leases	750
(Less): commitments relating to leases of low-value assets	169
Add: Lease payments relating to renewal periods not included in operating lease commitments as at 30 June	21,068
Lease liabilities as at 1 July 2019	33,139

AASB 1058 Income of Not-for-Profit Entities

AASB 1058 replaces most of the existing requirements in AASB 1004 Contributions. The scope of AASB 1004 is now limited mainly to contributions by owners (including parliamentary appropriations that satisfy the definition of a contribution by owners), administrative arrangements and liabilities of government departments assumed by other entities.

AASB 1058 applies to income with a donation component, i.e. transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not-for-profit entity to further its objectives; and volunteer services. AASB 1058 adopts a residual approach, meaning that entities first apply other applicable Australian Accounting Standards (e.g. AASB 1004, AASB 15, AASB 16, AASB 9, AASB 137) to a transaction before recognising income.

Not-for-profit entities need to determine whether a transaction is/contains a donation (accounted for under AASB 1058) or a contract with a customer (accounted for under AASB 15).

AASB 1058 requires recognition of receipt of an asset, after the recognition of any related amounts in accordance with other Australian Accounting Standards, as income:

- when the obligations under the transfer is satisfied, for transfers to enable an entity to acquire or construct a recognisable non-financial asset that will be controlled by the entity.
- immediately, for all other income within the scope of AASB 1058.

In accordance with the transition provisions in AASB 1058, the entity has adopted AASB 1058 retrospectively with the cumulative effect of initially applying the standard at the date of initial application, i.e. 1 July 2019. LLS has adopted the practical expedient in AASB 1058 whereby existing assets acquired for consideration significantly less than fair value principally to enable the LLS to further its objectives, are not restated to their fair value.

The adoption of AASB 1058 did not have an impact on the Statement of Comprehensive Income, Statement of Financial Position or the Statement of Cash Flows for the financial year. The revenue items captured by AASB 1058 did not require any changes in terms of timing of income recognition.

(o) 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 2020. These are listed as follows, along with the corresponding effective date:

- AASB 17 Insurance Contracts (Jan 2021)
- AASB 1059 Service Concession Arrangements: Grantors (Jan 2020)
- AASB 2018-5 Amendments to Australian Accounting Standards – Deferral of AASB 1059 (Jan 2020)
- 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 2019-1 Amendments to Australian Accounting Standards – References to Conceptual Framework (Jan 2020)
- AASB 2019-2 Amendments to Australian Accounting Standards – Implementation of AASB 1059 (Jan 2020)
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform (Jan 2020)
- AASB 2019-7 Amendments to Australian Accounting Standards – Disclosure of GFS Measures of Key Fiscal Aggregates and GAAP/GFS Reconciliations (Jan 2020)

LLS has considered these standards and has assessed there to be little or no impact on the content and presentation of the financial statements once the standards become effective, beyond any minor changes to disclosures.

2. EXPENSES EXCLUDING LOSSES

	Consolidated		Parent	
	Actual 2020 \$'000	Actual 2019 \$'000	Actual 2020 \$'000	Actual 2019 \$'000
(a) Employee related services				
Salaries and wages (including recreation leave)	99,067	91,213	-	-
Superannuation – defined benefit plans	578	626	-	-
Superannuation – defined contribution plans	8,800	8,005	-	-
Long service leave	5,140	7,229	-	-
Workers compensation insurance	831	743	-	-
Payroll tax and fringe benefits tax	6,453	5,989	-	-
Redundancy payments	412	847	-	-
	121,281	114,652	-	-
(b) Personnel services				
	-	-	121,281	114,652
	-	-	121,281	114,652
(c) Other operating expenses include the following:				
Advertising and promotion	846	1,139	846	1,139
Auditor's remuneration – audit of financial reports	198	238	198	238
Expected credit losses	(289)	1,819	(289)	1,819
Board remuneration	1,981	2,052	1,981	2,052
Cleaning	487	662	487	662
Computer software fees	714	810	714	810
Contractors and other fees	29,139	23,772	29,139	23,772
Cost of inventories held for distribution	3,582	3,523	3,582	3,523
Cost of sales	5,865	6,484	5,865	6,484
Courier and freight	92	66	92	66
Data/Internet	116	69	116	69
Electricity	573	683	573	683
Insurance	662	519	662	519
Corporate Services	3,200	3,235	3,200	3,235
Legal - Crown Solicitor's Office	1	1	1	1
Legal other	79	47	79	47
Levies	7,604	7,399	7,604	7,399
Maintenance	3,225	3,186	3,225	3,186
Motor vehicle	5,948	5,455	5,948	5,455
Operating lease rental – minimum lease payments	1,219	8,794	1,219	8,794
Other operating	10,336	10,447	10,336	10,447
Printing	1,163	1,040	1,163	1,040
Rates	70	101	70	101
Telecommunication	1,083	1,167	1,083	1,167
Training and staff development	807	1,025	807	1,025
Travel	3,120	3,948	3,120	3,948
	81,821	87,681	81,821	87,681
(d) Depreciation and amortisation expense				
Buildings	3,399	959	3,399	959
Infrastructure	784	827	784	827
Plant and equipment	2,741	733	2,741	733
Amortisation of intangible assets	42	-	42	-
	6,966	2,519	6,966	2,519
(e) Grants and subsidies				
National Landcare Programme	3,328	4,591	3,328	4,591
Catchment Management NSW	5,868	4,865	5,868	4,865
Hunter Catchment Contribution	4,733	2,102	4,733	2,102
Landcare Co-ordinators Initiative	4,889	3,255	4,889	3,255
Weed Action Plan	5,040	4,833	5,040	4,833
Supporting Our Neighbours	9,074	-	9,074	-
Other	38,626	8,424	38,626	8,424
	71,558	28,070	71,558	28,070
(f) Finance costs				
Interest expense from lease liabilities	664	-	664	-
	664	-	664	-

3. REVENUES

	Consolidated		Parent	
	Actual 2020 \$'000	Actual 2019 \$'000	Actual 2020 \$'000	Actual 2019 \$'000
(a) Sale of goods and services				
Sale of goods:				
Minor sales of goods and services	202	329	202	329
Rendering of services:				
Education	44	45	44	45
Fees for services rendered	71,086	59,052	71,086	59,052
Permit fees	2,334	3,884	2,334	3,884
Recovery of administrative costs	(3)	-	(3)	-
Other services	7,275	6,113	7,275	6,113
	80,938	69,423	80,938	69,423
(b) Investment revenue				
Interest	227	525	227	525
Rents	625	393	625	393
	852	918	852	918
(c) Grants and contributions				
Industry/private bodies	345	951	345	951
Commonwealth Government	22	175	22	175
NSW budget sector agencies	192,215	149,070	192,215	149,070
Personnel services received free of charge	-	-	5,321	7,148
Local and other state governments	5,245	5,163	5,245	5,163
	197,827	155,359	203,148	162,507
(d) Acceptance by the Crown Entity of employee benefits and other liabilities				
Superannuation	578	626	-	-
Long service leave	4,711	6,488	-	-
Payroll tax	32	34	-	-
	5,321	7,148	-	-
(e) Other revenue				
Levies	(3)	1	(3)	1
Other revenue	6,840	5,655	6,840	5,655
	6,837	5,656	6,837	5,656
(f) Rates				
Rates	(20)	7	(20)	7
	(20)	7	(20)	7

4. GAIN / (LOSS) ON DISPOSAL

	Consolidated		Parent	
	Actual 2020 \$'000	Actual 2019 \$'000	Actual 2020 \$'000	Actual 2019 \$'000
(a) Gain / (loss) on disposal				
Gain on disposal of property, plant and equipment				
Proceeds from disposal	368	424	368	424
Written down value of assets disposed	(161)	(113)	(161)	(113)
Net gain on disposal of property, plant and equipment	207	311	207	311
(b) Other gain/(loss)				
Impairment of right-of-use assets - buildings	(180)	-	(180)	-
Impairment losses	(180)	-	(180)	-

5. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

Cash at bank and on hand	88,762	53,015	88,762	53,015
	88,762	53,015	88,762	53,015

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)	88,762	53,015	88,762	53,015
Closing cash and cash equivalents (per statement of cash flows)	88,762	53,015	88,762	53,015

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 \$45.1 million (2019 \$41.7 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	27,229	32,698	27,229	32,698
Miscellaneous	37	(40)	37	(40)
Less: Allowance for expected credit losses	(3,855)	(4,179)	(3,855)	(4,179)
Net GST	194	-	194	-
Trade receivables	23,672	28,479	23,672	28,479

Prepayments

Other	1,124	709	810	491
	1,124	709	810	491

Receivables

	24,796	29,188	24,482	28,970
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6. CURRENT / NON-CURRENT ASSETS - RECEIVABLES - (continued)

	Consolidated		Parent	
	Actual 2020 \$'000	Actual 2019 \$'000	Actual 2020 \$'000	Actual 2019 \$'000
Movement in the allowance for expected credit losses				
Balance at beginning of period	4,179	2,368	4,179	2,368
Amounts written off during the period	(35)	(8)	(35)	(8)
Increase/(decrease) in allowance recognised in profit or loss	(289)	1,819	(289)	1,819
Balance at end of period	3,855	4,179	3,855	4,179
GST				
GST receivable	1,795	1,652	1,795	1,652
GST payable	(1,601)	(1,818)	(1,601)	(1,818)
NET GST Receivable/(Payable)	194	(166)	194	(166)

Net GST payable is disclosed at Note 13.

Refer Note 21 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

7. CURRENT / NON-CURRENT ASSETS - INVENTORIES

Seed inventory				
Opening balance of seed stock	392	418	392	418
Seed withdrawn from seed bank	(26)	(2)	(26)	(2)
Sale of seed stock	(16)	(40)	(16)	(40)
Value of seed collected	52	18	52	18
Net loss on value of seed stock	(2)	(2)	(2)	(2)
Closing balance	400	392	400	392
Other Inventory on hand				
Opening balance on hand at beginning of period	1,561	1,432	1,561	1,432
Increase in stock levels during period	420	129	420	129
Closing Balance	1,981	1,561	1,981	1,561
Total Inventory on hand at end of period	2,381	1,953	2,381	1,953

8. ASSETS HELD FOR SALE

NON-CURRENT assets held for sale				
Land and buildings	102	102	102	102
	102	102	102	102

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
At 1 July 2019					
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)
Net carrying amount	603,598	4,640	22,650	2,446	633,334
At 30 June 2020					
At fair value	824,465	8,272	27,650	5,167	865,554
Accumulated depreciation and impairment	(6,388)	(4,020)	(5,521)	-	(15,929)
Net carrying amount	818,077	4,252	22,129	5,167	849,625

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
Period ended 30 June 2020					
Net carrying amount at start of year	603,598	4,640	22,650	2,446	633,334
Additions	-	209	13	2,723	2,945
Disposals	-	(371)	-	(26)	(397)
Transfers	-	46	250	24	320
Net revaluation increment less revaluation decrements recognised in reserves	215,441	-	-	-	215,441
Depreciation expense - asset owned	(962)	(605)	(784)	-	(2,351)
Write back on disposal	-	333	-	-	333
Net carrying amount at end of year	818,077	4,252	22,129	5,167	849,625

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
Period ended 30 June 2019					
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	1	705	-	-	706
Net carrying amount at end of year	603,598	4,640	22,650	2,446	633,334

10. PARENT & CONSOLIDATED - NON-CURRENT ASSETS – RIGHT-OF-USE ASSETS

	Land and Buildings \$'000	Plant & Equipment \$'000	Total \$'000
At 1 July 2019			
At fair value	-	-	-
Accumulated depreciation and impairment	-	-	-
Net carrying amount	-	-	-
At 30 June 2020			
At fair value	25,628	9,665	35,293
Accumulated depreciation and impairment	(2,413)	(2,136)	(4,549)
Net carrying amount	23,215	7,529	30,744

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	Total \$'000
Period ended 30 June 2020			
Net carrying amount at start of year	-	-	-
Recognition of right-of-use assets on initial application of AASB 16	26,767	6,372	33,139
Adjusted net carrying amount at beginning of year	26,767	6,372	33,139
Additions of right-of-use assets	746	3,293	4,039
Disposals	(1,074)	-	(1,074)
Impairment losses	(179)	-	(179)
Depreciation of right-of-use assets	(2,437)	(2,136)	(4,573)
Write back on disposal	24	-	24
Remeasurement	(632)	-	(632)
Net carrying amount at end of year	23,215	7,529	30,744

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	Total \$'000
Period ended 30 June 2019			
Net carrying amount at start of year	-	-	-
Net carrying amount at end of year	-	-	-

11. INTANGIBLE ASSETS - PARENT & CONSOLIDATED

	Total \$'000
At 30 June 2020	
Fair value	1,834
Accumulated amortisation	(461)
Net carrying amount	<u>1,373</u>
Period ended 30 June 2020	
Net carrying amount at start of year	846
Additions / transfers	569
Amortisation (recognised in 'depreciation and amortisation')	(42)
Net carrying amount at end of year	<u>1,373</u>
	Total \$'000
At 30 June 2019	
Fair value	1,265
Accumulated amortisation and impairment	(419)
Net carrying amount	<u>846</u>
Year ended 30 June 2019	
Net carrying amount at start of year	832
Additions / transfers	14
Net carrying amount at end of the year	<u>846</u>

The value of intangible assets include easements against land, irrigation water licences and capitalised software costs.

	Total \$'000
Intangibles - Works in Progress	
Period ended 30 June 2020	
Net carrying amount at start of year	2,070
Additions	3,691
Net carrying amount at end of year	<u>5,761</u>
Intangibles - Works in Progress	
Period ended 30 June 2019	
Net carrying amount at start of year	-
Additions	2,070
Net carrying amount at end of year	<u>2,070</u>

The value of intangible assets works in progress is comprised of costs associated with the development of software systems.

12. 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.

12. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS - PARENT & CONSOLIDATED (continued)

(a) Fair value hierarchy

At 30 June 2020

	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)	-	28,687	789,390	818,077
Infrastructure systems (Note 9)	-	-	22,129	22,129
Total	-	28,789	811,519	840,307

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
Total	-	17,774	608,576	626,350

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. Depending on the type of property asset involved, the fair value of freehold land and buildings was determined using a direct comparison of similar properties or the depreciated replacement cost approach added to the comparable market value of the land for similar properties.

CIVAS (NSW) Pty Limited 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 historical 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 2020

Recurring level 3 fair value measurements	Land and Buildings \$'000	Infrastructure Systems \$'000	Total Fair Value \$'000
Fair value as at 1 July 2019	585,926	22,650	608,576
Additions	-	13	13
Fair value of assets transferred	(8,692)	-	(8,692)
Net revaluation increments	212,156	250	212,406
Depreciation	-	(784)	(784)
Fair value as at 30 June 2020	789,390	22,129	811,519

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
Transfers	-	-	0
Disposals	-	-	0
Depreciation	(711)	(827)	(1,538)
Fair value as at 30 June 2019	585,926	22,650	608,576

There were no transfers between level 2 and level 3 of the fair value hierarchy during the year ended 30 June 2020.

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.	Changes in composition of classes and between classes or groupings in the dataset comprising the mass valuation can impact the fair value generated from the methodology.
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.

13. CURRENT LIABILITIES - PAYABLES

	Consolidated		Parent	
	Actual 2020 \$'000	Actual 2019 \$'000	Actual 2020 \$'000	Actual 2019 \$'000
CURRENT				
Accrued salaries, wages and on-costs	1,099	361	-	-
Other taxes payable	1,495	1,412	-	-
Personnel services payable	-	-	20,756	17,487
Creditors	25,672	35,250	25,671	35,250
Net GST (Refer Note 6)	-	166	-	166
	28,266	37,189	46,427	52,903

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 21.

14. CURRENT- NON-CURRENT LIABILITIES - BORROWINGS

(a). CURRENT

Lease liabilities

Buildings	2,246	-	2,246	-
Plant and Equipment	2,392	-	2,392	-
Total current liabilities	4,638	-	4,638	-

(b). NON-CURRENT

Lease liabilities

Buildings	21,403	-	21,403	-
Plant and Equipment	5,346	-	5,346	-
Total non-current liabilities	26,749	-	26,749	-

15. CURRENT- NON-CURRENT LIABILITIES - PROVISIONS

(a). CURRENT

Employee benefits and related on-costs

Recreation leave	12,821	11,023	-	-
Long service leave	3,446	2,884	-	-
Payroll tax	1,519	1,411	-	-
	17,786	15,318	-	-

(b). CURRENT

Restoration costs	931	964	931	964
Supporting Our Neighbours Program (refer Note 1(j)(v))	32,687	-	32,687	-
	33,618	964	33,618	964
Total current provisions	51,404	16,282	33,618	964

(c). NON-CURRENT

Employee benefits and related on-costs

Long service leave	264	245	-	-
Payroll tax	132	123	-	-
Other employee related provisions	293	246	-	-
Total non-current provisions	689	614	-	-

15. **CURRENT- NON-CURRENT LIABILITIES - PROVISIONS (continued)**

Recreation leave

The liability at 30 June was \$12.821 m (2019 - \$11.023m). This is based on leave entitlements at 30 June 2020. The value of recreational leave expected to be taken within 12 months is \$9.6m (2019 - \$9.1m) and \$3.2m (2019 - \$1.9m) after 12 months.

	Consolidated		Parent	
	Actual 2020 \$'000	Actual 2019 \$'000	Actual 2020 \$'000	Actual 2019 \$'000
Aggregate employee benefits and related on-costs				
Provisions – current	17,786	15,318	-	-
Provisions – non-current	689	614	-	-
Accrued salaries, wages and on-costs (Note 13)	1,099	361	-	-
	19,574	16,293	-	-

Movements in provisions (other than employee benefits)

Restoration costs

Carrying amount at beginning of financial year	964	964	964	964
Carrying amount at end of financial year	964	964	964	964

Supporting Our Neighbours Program

Carrying amount at beginning of financial year	-	-	-	-
Additional provision recognised	32,687	-	32,687	-
Carrying amount at end of financial year	32,687	-	32,687	-

16. **CURRENT / NON-CURRENT LIABILITIES - OTHER**

CURRENT

Unearned income	1,795	887	1,752	1,085
Unspent grants	145	386	188	188
Total current liabilities - other	1,940	1,273	1,940	1,273

NON-CURRENT

Unspent grants	259	485	259	485
Total non-current liabilities - other	259	485	259	485

17. **COMMITMENTS FOR EXPENDITURE**

Capital commitments

LLS has capital commitments at year-end of \$1.8 million (2019 - \$2.5 million). The amount relates to contracted commitments in primarily in connection with development of systems to support LLS in delivery of its functions.

18. CONTINGENT LIABILITIES

As at 30 June 2020 LLS had no contingent assets or liabilities.

19. 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 \$9.492 million was favourable compared to budget.

Revenue of \$291.755 million was favourable compared to budget by \$80.093 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 both New South Wales and Commonwealth Governments.

Expenditure of \$282.290 million was unfavourable compared to budget by \$66.071 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 \$320.921 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. Capitalisation of leased assets also contributed to the increase.

Total liabilities was greater than budget by \$58.819 million, including an increase in payables of \$14.724 million and an increase of \$42.193 million in provisions, due to timing of year-end payments. Total equity was \$889.600 million. This was \$262.101 million greater than budget and in the main due to revaluation of land.

Cash flows

A net increase in cash and cash equivalents of \$35.747 million resulted in a closing cash equivalent balance for the year of \$88.762 million. This result was \$50.363 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.

20. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	Consolidated		Parent	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Net cash from operating activities	47,104	(4,714)	47,104	(4,714)
Depreciation and amortisation	(6,966)	(2,519)	(6,966)	(2,519)
Doubtful debts expense	289	(1,819)	289	(1,819)
Asset under construction costs written-back	-	(181)	-	(181)
Gain on sale of fixed assets	207	311	207	311
Other gains/(losses)	(180)	-	(180)	-
Increase/(decrease) in receivables	(5,096)	9,810	(5,096)	9,810
Increase/(decrease) in inventories	428	103	428	103
Increase/(decrease) in prepayments	415	103	319	45
(Increase)/decrease in payables	8,929	678	6,478	(1,878)
(Increase)/decrease in provisions	(35,197)	(2,614)	(32,654)	-
(Increase)/decrease in other liabilities	(441)	6,742	(441)	6,742
Net result	9,492	5,900	9,488	5,900

21. 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
			2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Cash and cash equivalents	5	At amortised cost	88,762	53,015	88,762	53,015
Receivables ¹	6	Receivables (at amortised cost)	23,672	28,479	23,672	28,479
			112,434	81,494	112,434	81,494
Payables ²	13	Financial liabilities (at amortised cost)	26,771	35,610	46,427	52,902
Borrowings - lease liabilities	14	Financial liabilities (at amortised cost)	31,387	-	31,387	-
			58,158	35,610	77,814	52,902

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 and at bank.

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 \$'000	Allowance for expected credit losses \$'000
	%		
2020			
<3 months overdue	6.81	1,315	90
3 months - 6 months overdue	17.3	227	39
6 months - 18 months overdue	22.96	1,040	239
>18 months overdue	100	3,487	3,487
		6,069	3,855
2019			
<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
		13,077	4,179

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.

21. 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 2019 - Nil%).

The table below summarises the maturity profile of LLS's financial liabilities, together with the interest rate exposure.

FINANCIAL INSTRUMENTS Consolidated								
	Weighted Average Effective Int. Rate	Nominal Amount ¹	Interest rate exposure			Maturity dates		
			Fixed Int. Rate	Variable Int. Rate	Non-interest Bearing	< 1 yr	1 - 5 yrs	> 5 yrs
		\$'000	\$'000	\$'000	\$'000			
2020								
Payables	0.0%	26,771	-	-	26,771	-	-	-
Borrowings:								
Lease liabilities	2.1%	31,387	-	31,387	-	4,638	18,320	8,429
		58,158	-	31,387	26,771	4,638	18,320	8,429
2019								
Payables	0.0%	35,611	-	-	35,611	-	-	-
Borrowings:								
Lease liabilities	0.0%	-	-	-	-	-	-	-
		35,611	-	-	35,611	-	-	-

FINANCIAL INSTRUMENTS Parent								
	Weighted Average Effective Int. Rate	Nominal Amount ¹	Interest rate exposure			Maturity dates		
			Fixed Int. Rate	Variable Int. Rate	Non-interest Bearing	< 1 yr	1 - 5 yrs	> 5 yrs
		\$'000	\$'000	\$'000	\$'000			
2020								
Payables	0.0%	46,427	-	-	46,427	-	-	-
Borrowings:								
Lease liabilities	2.1%	31,387	-	31,387	-	4,638	18,320	8,429
		77,814	-	31,387	46,427	4,638	18,320	8,429
2019								
Payables	0.0%	52,903	-	-	52,903	-	-	-
Borrowings:								
Lease liabilities	0.0%	-	-	-	-	-	-	-
		52,903	-	-	52,903	-	-	-

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.

21. 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	Equity \$'000	Result \$'000	Equity \$'000
		-1%		+1%	
2020					
Financial Assets					
Cash and cash equivalents	88,762	(888)	(888)	888	888
Receivables	23,672	(237)	(237)	237	237
Financial Liabilities					
Payables	26,771	(268)	(268)	268	268
Borrowings	31,387	(314)	(314)	314	314

2019

Financial Assets					
Cash and cash equivalents	53,015	(530)	(530)	530	530
Receivables	28,479	(285)	(285)	285	285
Financial Liabilities					
Payables	35,610	(356)	(356)	356	356
Borrowings	-	-	-	-	-

Parent

	Carrying Amount \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
		-1%		+1%	
2020					
Financial Assets					
Cash and cash equivalents	88,762	(888)	(888)	888	888
Receivables	23,672	(237)	(237)	237	237
Financial Liabilities					
Payables	46,427	(464)	(464)	464	464
Borrowings	31,387	(314)	(314)	314	314

2019

Financial Assets					
Cash and cash equivalents	53,015	(530)	(530)	530	530
Receivables	28,479	(285)	(285)	285	285
Financial Liabilities					
Payables	52,902	(529)	(529)	529	529
Borrowings	-	-	-	-	-

(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.

22. 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	2020 \$'000	2019 \$'000
Short-term employee benefits	4,963	5,913
Non-monetary benefits	7	7
Post-employment benefits	595	383
Termination benefits	-	369
Total	5,565	6,672

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 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, Industry and Environment	Grants received and corporate services
NSW Food Authority	Meat Industry Levy
Regional NSW	Grants received
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

23. SUBSEQUENT EVENTS

Local Land Services rates will be waived for the year ending 30 June 2021 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.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not had a material impact on the operations of LLS up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by both Federal and State Governments and other countries, such as maintaining social distancing requirements, quarantine and any economic stimulus that may be provided.

Other than the above, no other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect LLS's operations, the results of those operations, or LLS's state of affairs in future financial years.

End of audited financial statements

Appendix

Land disposal

Local Land Services did not dispose of any land during 2019-20.

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.



Acronyms

AASFA	Agriculture and Animal Services Functional Area
ABS	Australian Bureau of Statistics
BSE	Bovine spongiform encephalopathy
CEO	Chief Executive Officer
DLO	Departmental liaison officer
EMU	Ecosystem management understanding
FTE	Fulltime equivalent
GPS	Global positioning system
GSE	Government sector employment
ICT	Information communications technology
KPI	Key performance indicator
LALC	Local Aboriginal Land Council
LGBTQIA+	Lesbian, gay, bisexual, transgender, queer, intersex, asexuality, + symbol stands for other sexualities not included in the 'definition'
MERI	Monitoring Evaluation Reporting and Improvement Framework
MoU	Memorandum of understanding
MyLLS	My Local Land Services customer portal
NPS	Net promoter score
NRM	Natural resource management
NSW DPI	NSW Department of Primary Industries
PID	Public interest disclosure
PNF	Private native forestry
RBMS	River basin management system
RHDV	Rabbit Hemorrhagic Disease Virus
SDLAM	Sustainable Diversion limits adjustment mechanism
SLM	Sustainable land management
SWAG	Statewide advisory group
SWMS	Safe work method statements
TSR	Travelling stock reserve
VPIT	Vertebrate Pesticide Induction Training
WHA	World Heritage Area
WHS	Work health and safety



Australian Government

National
Landcare
Program



Local Land Services is jointly funded through the NSW Government, the Australian Government's National Landcare Program and rural ratepayers of NSW. Further information on our funding can be found on page 73.

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The information contained in this publication is based on knowledge and understanding at the time of writing November 2020. 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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