



**Government  
of South Australia**

# **NATIVE VEGETATION COUNCIL**

## **2020-21 Annual Report**

NATIVE VEGETATION COUNCIL

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To:

David Speirs MP

Minister for Environment and Water

This annual report will be presented to Parliament to meet the statutory reporting requirements of the Public Sector Act 2009, the Public Sector Regulations 2010, the Public Finance and Audit Act 1987, section 17 of the Native Vegetation Act 1991, and meets the requirements of Premier and Cabinet Circular PC013 Annual Reporting.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Native Vegetation Council by:

**Vaughan Levitzke PSM**

**Presiding Member,**

**Native Vegetation Council**

Date 5 October 2021    Signature





## From the Presiding Member

It is a pleasure to report on a busy year for the South Australian Native Vegetation Council (the Council), with the commencement of several new members in April 2021, bringing a broader array of experience and skill sets to the Council. I would also like to take the opportunity to thank the previous members of the Council for their hard work under former Presiding Member, Emily Jenke.

One of the key areas the Council has progressed since April is the development of its Strategic Plan which will describe the Council's vision and how we will deliver it to the State. The Council has also been participating in the South Australian Productivity Commission Development Referrals Review, and has been reforming its own governance structure and underlying committee, the Native Vegetation Assessment Panel.

We have considered significant native vegetation clearance across the state. During 2020-2021, under the *Native Vegetation Act 1991* and *Native Vegetation Regulations 2017*, a total of 2,321.11 hectares of native vegetation and 1,068 scattered trees have been cleared. This has been offset by the management and restoration of 9,655.63 hectares of native vegetation, and \$11,014,187.30 of agreed Significant Environmental Benefit (SEB) payments into the Native Vegetation Fund. Part of this allowed the Council to achieve an SEB through purchase of the Ryan property adjacent Deep Creek Conservation Park. In addition, Council will be achieving SEB's through the roll out the new Biodiversity Credit Exchange (BCE) program in the Murraylands, Riverland, and around Mount Barker.

The Council continues to support implementation of the Planning and Design Code, and invest in good governance measures to ensure the Council meets its legislative, regulatory, standards and community expectations of probity, accountability and openness.

The Council's work has been conducted with the support of the Native Vegetation Branch (DEW) and also informed by our many significant partnerships across the state with Landscape Boards, Local Councils, State Government Agencies, Industry partners and native vegetation specialists.

The Council never loses sight of the important role it has in ensuring sustainable development and the conservation of native vegetation and is pleased to provide its Annual Report for 2020-21.

For other news relating to the Council please visit our website at <https://www.environment.sa.gov.au/topics/native-vegetation>.



**Vaughan Levitzke PSM**

**Presiding Member,**

**Native Vegetation Council**

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## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	<p>The Native Vegetation Council (the Council) monitors the overall condition of South Australia's native vegetation and makes decisions on a wide range of matters concerning native vegetation in the State. The Council's functions include:</p> <ul style="list-style-type: none"> <li>- encouraging the re-establishment of native vegetation on extensively-cleared land</li> <li>- managing the Heritage Agreement Scheme, which encourages the protection of native bushland</li> <li>- funding and encouraging on-ground works that produce a significant environmental benefit (SEB)</li> <li>- investing in research to support management of native vegetation</li> <li>- assessing applications and establishing conditions for the clearance of native vegetation</li> <li>- undertaking engagement and communications with stakeholders</li> <li>- producing an annual report.</li> </ul>
<b>Our Vision</b>	<p>Promoting the value of our native vegetation and its important contribution to the health of our landscapes and sustaining the livelihoods of South Australians.</p>
<b>Our Values</b>	<p>To build community understanding and promote the value of native vegetation.</p>
<b>Our functions, objectives and deliverables</b>	<p>A primary object of the <i>Native Vegetation Act 1991</i> (the Act) is to protect and enhance the natural environment of South Australia and to assist and encourage landholders to protect and conserve existing native vegetation and encourage revegetation in parts of the State that have been extensively cleared.</p> <p>The key role of the Council is to provide a balanced and considered approach to native vegetation management through engaging with clearance proponents and stakeholder groups. The challenge for the Council is managing native vegetation whilst supporting economic growth and development for South Australia.</p> <p>The Council provides decisions that seek to further the objects of the Act, including to:</p> <ul style="list-style-type: none"> <li>- review the condition of the native vegetation of the State</li> <li>- advise the Minister in relation to -</li> </ul>

	<p>a) The preservation, enhancement and management of existing native vegetation</p> <p>b) The re-establishment of native vegetation on land where native vegetation has been cleared or degraded</p> <p>c) Research into the preservation, enhancement and management of native vegetation and the re-establishment of native vegetation on cleared land.</p> <ul style="list-style-type: none"> <li>- Keep the principles of clearance of native vegetation under review and to advise the Minister of any changes to the principles that it considers are necessary or desirable.</li> <li>- Determine applications for consent to clear native vegetation under Part 5 of the Act.</li> <li>- Assess and respond to applications referred to Council under the <i>Development Act 1993</i> and the <i>Planning, Development and Infrastructure Act 2016</i>.</li> <li>- Encourage research into the preservation, enhancement and management of existing native vegetation.</li> <li>- Administer the Native Vegetation Fund pursuant to Division 3 of the Act.</li> <li>- Such other functions as are assigned to the Council under this or any other Act.</li> </ul>
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## Our organisational structure

As at 30 June 2021 the Native Vegetation Council consisted of the following members:

Presiding Member – Ms Emily Jenke (to 28 February 2021)  
 Presiding Member – Mr Vaughan Levitzke PSM (from 1 May 2021)  
 Conservation Council nominee – Mr Maurice Roche (to 25 February 2021)  
 Conservation Council nominee – Ms Melissa McCallum (from 15 April 2021)  
 Landscape SA (formerly NRM) nominee – Mr Ross Sawers (reappointed)  
 Primary Producers SA nominee – Ms Natalie Sommerville (to 28 February 2021)  
 Local Government Association SA nominee – Mr John Neal (reappointed)  
 Minister’s nominee – Professor Robert Hill (reappointed)  
 Minister’s Planning, Development or Mining nominee – Ms Catherine Hollingsworth (to 28 February 2021)  
 Minister’s Planning, Development or Mining nominee – Ms Kylie Weymouth (from 15 April 2021)

## Changes to the agency

During 2020-21 there were no changes to the agency’s structure and objectives as a result of internal reviews or machinery of government changes.

## **Our Minister**

**The Hon David Speirs MP is the Minister for Environment and Water**

The Minister oversees the portfolios of:

- Sustainability, Environment and Conservation
- Water and the River Murray
- Climate Change



## **Our Executive team**

The Council has no staff of its own and utilises the services of Department for Environment and Water (DEW) staff. Reporting on this matter is contained in the DEW 2020-21 Annual Report. Executive, administrative and project support were provided to the Council from existing DEW resources.

## **Legislation administered by the agency**

The Native Vegetation Council is responsible for complying with the –

- *Native Vegetation Act 1991*
- *Native Vegetation Regulations 2017*
- *Native Vegetation (Credit for Environmental Benefit) Regulations 2015*
- *Development Act 1993*
- *Planning, Development and Infrastructure Act 2016*
- *Planning, Development and Infrastructure (General) Regulations 2017*

Delegation under the *Native Vegetation Regulations 2017*:

- Department for Energy and Mining
- Country Fire Service SA

Standard Operating Procedures (SOP):

- Department for Environment and Water, Fire Management
- SA Water
- Department for Infrastructure and Transport
- Forestry SA
- SA Power Networks
- ElectraNet



## The agency's performance

### Performance at a glance

#### Agency contribution to whole of Government objectives

Key Objectives	Agency's Contribution
More jobs	<p><u>Planning and Development</u></p> <p>The Council supports the State's Growth Agenda through provision of timely and efficient approval processes for key developments. In the last financial year, the Council was able to approve 98% of applications for areas such as;</p> <ul style="list-style-type: none"> <li>• Tourism accommodation</li> <li>• Primary production</li> <li>• Infrastructure such as power lines and roads</li> <li>• Residential housing</li> <li>• Residential subdivision</li> </ul> <p><u>Significant Environmental Benefit (SEB) Program</u></p> <p>The Council assists landholders in drawing an income from the creation of SEB credit sites either through an incentive program run by the Council or through a registered third-party provider. The Council supports important conservation, management and restoration works that develop jobs and provide skills in the management of native vegetation in the landscape.</p> <p>The Native Vegetation Council provides opportunities to business' through SEB grants.</p> <p><u>Accredited Consultants</u></p> <p>Training of Accredited Consultants has provided the opportunity for environmental experts to conduct assessments on behalf of applicants to assess the requirements of the Act, to support their application for clearance.</p> <p>Training of 13 new Accredited Consultants (in addition to the 62 already trained) was conducted to allow native vegetation experts to undertake vegetation assessments for regulation and clearance applications under the Act, specifically in the:</p> <ul style="list-style-type: none"> <li>- Assessment and Application Process</li> <li>- Bushland Assessment Method</li> <li>- Scattered Tree Assessment Method</li> <li>- Rangeland Assessment Method</li> <li>- Planning and Design Code</li> </ul>

	The training provided to Accredited Consultants increases the quality of assessments presented to the Council, and assists in generating efficient outcomes for the applicant.
Lower costs	<p>The inclusion of the Council as a referral body in South Australia's Planning and Design Code provides landholders with a streamlined process with reduced approval timeframes for development. The change has created a 'one stop shop' that considers all potential requirements an applicant may need to address in the initial phase of development.</p> <p>The process allows Council to work with proponents to develop innovative approaches to improve sustainable development in South Australia.</p>
Better Services	<p>The Council work within a customer focused Governance Framework that seeks to provide timely advice and equitable and transparent decision making. The Governance Framework allows for Council to meet out of session to consider applications and other matters that are working under truncated timelines.</p> <p>To facilitate improvement in the development referral space, the Council responded to the South Australian Productivity Commission review into Development Referrals. Ongoing engagement with the Commission has been promising and the final report is due in the 2021-22 financial year.</p>

### Agency specific objectives and performance

Agency objectives	Indicators	Performance
Native Vegetation Council Governance and Service Standards	<p>The Council commenced a review of its Charter, setting out the legal and policy framework under which the Council operates. The Charter documents the functions and responsibilities of the Council and assists the Council in delivering good governance. The Charter will be finalised in the financial year 2021-2022.</p> <p>The Council continued the development of a Strategic Plan outlining its vision and strategic goals including how it will partner with stakeholders and the broader community to deliver its plan of action.</p> <p>The Council commenced a review of its Service Standards, aiming to provide clarity about the Council's decision making processes. The standards set in place the</p>	Good governance contributes to the Council's overall performance in exercising its functions, and ensures the Council meets its legislative, regulatory, standards and community expectations of probity, accountability and openness.

	<p>Council's commitment to service timelines and transparency of decision making when dealing with native vegetation matters.</p> <p>The Council has considered the function of its Committee, the Native Vegetation Assessment Panel (NVAP). NVAP commenced a six (6) month trial of a new model where Native Vegetation Branch staff expertise together with nominated Council members is utilised. This model provides greater consistency and efficiency in decision making related to providing outcomes to applicants, the community and business.</p>	
Clearance approvals (Native Vegetation Assessments)	<p>The native vegetation assessment function provides certainty to the community and businesses that require native vegetation clearance by providing timely and practical advice. The <i>Native Vegetation Regulations</i> place 39 clearance activities into four major approval pathways:</p> <ol style="list-style-type: none"> <li>1. Permitted clearance (self-assessment approach): 16 activities.</li> <li>2. Fire Hazard Reduction: 5 activities.</li> <li>3. Vegetation Management plans: 4 activities.</li> <li>4. Risk assessment: 14 activities including major developments and projects, and mining and exploration activities.</li> </ol> <p>A total of 2,321.11 hectares was approved for clearance under the Act and Regulations in 2020-2021 (note, this figure includes approvals issued for applications that were modified to reduce the impact of the clearance).</p> <p>A total of 3.06 hectares (6 applications) was refused for clearance and a total of 1.2 hectares (2 applications) was partially refused.</p>	<p>Quick and simple assessment, improved clarity for the public and streamlined administration of the Act. The public is equipped with more tools to assist in determining the information required and the pathway that applies. This provides members of the public with a quicker process for obtaining approval. The <a href="https://apps.environment.sa.gov.au/nvmu/">https://apps.environment.sa.gov.au/nvmu/</a> portal assists users to navigate their way through the application process.</p>
Offsetting native vegetation loss (Biodiversity Credit Exchange)	<p>Council's Committee, NVAP, endorsed expenditure to expand the Biodiversity Credit Exchange (BCE) to the Murraylands and Riverland Region. Expressions of interest will be sought in early 2021-22.</p>	<p>The BCE program is supporting restoration activities for important and high value areas of South Australia in perpetuity while also</p>

	<p>The NVAP approved establishment of two private SEB Credit Sites:</p> <ul style="list-style-type: none"> <li>• Berri Barmera Council, Pages Quarry SEB, 286 hectares</li> <li>• OneSteel Manufacturing, Uplands SEB, 2,394 hectares</li> </ul>	<p>having the added bonus of supporting businesses to undertake the growth and development they need. This program is a demonstration of providing income to landholders to manage native vegetation.</p> <p>The environmental impacts of clearance are offset which will maintain and improve South Australia's native vegetation.</p>
Significant Environmental Benefits Program	<p>The Council approved expenditure of \$507,000 for purchase and management of the Ryan property, adjacent Deep Creek Conservation Park. The purchase will add 80 hectares of high value woodlands into the Deep Creek Conservation Park.</p> <p>The NVAP approved an expression of interest being submitted for purchase and restoration of two blocks adjacent the Monarto Woodlands, subject to further consideration in 2021-22.</p>	<p>The SEB program has continued to deliver on ground outcomes that support a landscape scale approach to improving the condition and re-establishment of native vegetation in areas that have been disturbed or degraded.</p>
Private Land Conservation Program (Native Vegetation Heritage Agreements)	<p>During 2020-21, 47 new Heritage Agreement applications were received and 21 requests for variations and subdivisions to existing Heritage Agreements were processed. Four (4) Heritage Agreements were registered by the Minister or his delegate. A total of 1,850,089.702 hectares of native vegetation is held under private conservation through Heritage Agreements.</p> <p>The Revitalising Private Conservation (RPC) in SA grant program was launched in August 2020 with the opening of the first round of small (&lt;\$10,000) grants. Over 201 applications were received, with 70 successful recipients awarded a total of \$434,000 in funding.</p>	<p>The Heritage Agreement program allows for reduced council rates for those South Australian's who have entered into conservation agreements.</p> <p>The program also supports landholders to undertake work, and attract new Heritage Agreements across the State, including supporting landholders in managing the</p>

	The second round of RPC grants has been opened and successful applicants will be awarded in the 2021-22 financial year.	impacts of bushfires through reinstating fences to maintain property boundaries.
Consultation with key stakeholders	<p>The Council is developing a Communications and Engagement Strategy to assist delivery of its Strategic Plan that will be released in 2021-22 financial year.</p> <p>For the 2020-21 financial year the Council engaged directly with the Kangaroo Island Landscape Board and the Kangaroo Island Council in response to concerns regarding the management of native vegetation.</p> <p>Consultation was undertaken in relation to proposed amendments to the <i>Native Vegetation Regulations 2017</i> in order to prescribe the area to which the Act applies.</p> <p>This was in response to the introduction of the Planning and Design Code under the <i>Planning, Development and Infrastructure Act 2016</i> for metropolitan Adelaide which changed the zoning of some areas and unintentionally removed the Act from applying to those areas. The proposed amendments to the Regulations will reinstate the application of the Act to these areas.</p>	Consultation provides the opportunity for key stakeholders to express their concerns regarding the management of native vegetation.
Public Consultation	<p>Under the <i>Native Vegetation Regulations 2017</i>, level 4 applications represent clearances that are likely to result in a significant impact on biodiversity. Clearances of this nature require public consultation. For the 2020-21 financial year the Native Vegetation Branch received 23 applications that were subject to a 28 day public consultation period.</p>	Public consultation provides members of the public with the opportunity to make comment on particular applications where they may have an issue to raise with a proposal, or concern about how it is addressed under the Act.
Planning and Development Act reforms	Phase 3 of the Planning and Design Code came into effect on 19 March 2021. As a result, the Native Vegetation overlays now apply to the whole of the State (for areas where the Act Applies). This will simplify the approvals process for development as part of the new <i>Planning, Development and</i>	The Council as a statutory referral body has received 10 applications for direction. All were undertaken within the

	<i>Infrastructure Act 2016</i> and will ensure that development applicants are aware and consider native vegetation from the outset.	20 day statutory timeframe.
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## Corporate performance summary

### Employment opportunity programs

Program name	Performance
No programs were run by the Council	N/A

### Agency performance management and development systems

Performance management and development system	Performance
The Council undertakes a performance review every two years, including evaluation of its effectiveness and governance responsibilities.	<p>Council Members assessed their performance in association with the Council approved governance principles, undertaken at the end of the Council's term in February 2021.</p> <p>The new Council was appointed during April 2021. Members attended an Induction session at Cleland Wildlife Park on 5 May 2021.</p>
Government employees supporting Council operations undertake a performance review and development program with their managers.	Two (2) sessions are held with all staff on an annual basis.

### Work health, safety and return to work programs

Program name	Performance
The Council abides by the relevant health and safety policies and procedures that have been adopted by DEW to meet whole of Government and legislative requirements.	Reporting on this matter is contained within the DEW Annual Report 2020-2021.

<b>Workplace injury claims</b>	Current year 2020-21	Past year 2019-2020	% Change (+ / -)
Total new workplace injury claims	N/A	N/A	N/A
Fatalities	N/A	N/A	N/A
Seriously injured workers*	N/A	N/A	N/A
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	N/A	N/A	N/A

\*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

<b>Work health and safety regulations</b>	Current year 2020-21	Past year 2019-2020	% Change (+ / -)
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	N/A	N/A	N/A
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	N/A	N/A	N/A

<b>Return to work costs**</b>	Current year 2020-21	Past year 2019-2020	% Change (+ / -)
Total gross workers compensation expenditure (\$)	N/A	N/A	N/A
Income support payments – gross (\$)	N/A	N/A	N/A

\*\*before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>.

**Executive employment in the agency**

Executive classification	Number of executives
SAES Level 1	0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>.

The [Office of the Commissioner for Public Sector Employment](#) has a workforce information page that provides further information on the breakdown of executive gender, salary and tenure by agency.



## Financial performance

### Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2020-2021 are attached to this report.

<b>Statement of Comprehensive Income</b>	<b>2020-21 Budget \$000s</b>	<b>2020-21 Actual \$000s</b>	<b>Variation \$000s</b>	<b>Past year 2019-20 Actual \$000s</b>
Total Income	2262	3856	1594	4281
Total Expenses	2734	2276	458	3184
<b>Net Result</b>	<b>472</b>	<b>1580</b>	<b>1100</b>	<b>1097</b>
<b>Total Comprehensive Result</b>	<b>472</b>	<b>1580</b>	<b>1100</b>	<b>1097</b>

<b>Statement of Financial Position</b>	<b>2020-21 Budget \$000s</b>	<b>2020-21 Actual \$000s</b>	<b>Variation \$000s</b>	<b>Past year 2019-20 Actual \$000s</b>
Current assets	0	0	0	0
Non-current assets	0	0	0	0
<b>Total assets</b>	<b>0</b>	<b>11323</b>	<b>0</b>	<b>9937</b>
Current liabilities	0	11	0	205
Non-current liabilities	0	0	0	0
<b>Total liabilities</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>205</b>
<b>Net assets</b>	<b>0</b>	<b>11312</b>	<b>0</b>	<b>9732</b>
<b>Equity</b>	<b>0</b>	<b>11312</b>	<b>0</b>	<b>9732</b>

### Consultants disclosure

The following is a summary of external consultants who have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

#### Consultancies with a contract value below \$10,000 each

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All consultancies below \$10,000 each - combined	NA	0

### Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
NA	NA	0
	Total	0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>.

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

### Contractors disclosure

The following is a summary of external contractors who have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

### Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
Ecological Associates	Field Assessments	\$ 8448

### Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$ Actual payment
NA	NA	0
	Total	0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>.

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts](#).

The website also provides details of [across government contracts](#).

**Other financial information****Clearance of native vegetation under the *Native Vegetation Act 1991***

During 2020-21, under the *Native Vegetation Act 1991* (the Act), 26 clearance applications were approved with clearance consent being granted to over 45.28 hectares of native vegetation and 240 trees (excluding brush-cutting applications). Significant Environmental Benefit (SEB) areas established to offset the clearance included the management and restoration of 112.76 hectares of native vegetation and agreed payments into the Native Vegetation Fund of \$364,795.74.

**Clearance of native vegetation under the *Native Vegetation Regulations 2017***

During 2020-21, under the *Native Vegetation Regulations* (the Regulations), specifically under regulation 12, 217 clearance matters were approved. The total approved clearance was 2275.83 hectares and 800 trees (these figures exclude applications for change of grazing practice or ecological management, where vegetation has not been removed). A number of the approved clearances under the Regulations required the establishment of an SEB. SEB's established to offset the clearance included the management and restoration of 9542.87 hectares of native vegetation and agreed payments into the Native Vegetation Fund of \$10,649,391.66.

**Summary of clearance under the *Native Vegetation Act 1991* and *Native Vegetation Regulations 2017***

During 2020-2021, under the Act and Regulations, a total of 2,321.11 hectares of native vegetation and 1,068 scattered trees have been cleared. This has been offset by the management and restoration of 9,655.63 hectares of native vegetation, and \$11,014,187.30 of agreed SEB payments into the Native Vegetation Fund. The statistics for clearance applications and regulations can be found in Table 1.

**Table 1. Clearance statistics for comparison of financial year 2019-20 and 2020-21**

<b>Clearance</b>	<b>Financial year 2019-20</b>	<b>Financial Year 2020-21</b>
Clearance Application under Section 28	35	31
Clearance Application under Section 28 withdrawn	5	1
Hectares under Section 28	19.41	45.28
Brush-cutting under Section 28	755	676
Total approval under Section 28	774.41	721.28
Trees under Section 28	53	240
Applications under Regulation 12	166	220
Application under Regulation 12 withdrawn / refused	9	3
Hectares under Regulation 12	337.10	2276.53
Hectares approved under Management Plan (change of grazing regime or ecological management)	60	683.65
Total Hectares approved under Regulation 12	397.10	2275.83
Trees under Regulation 12	590	800
\$ SEB under Section 28	112,647.80	364,795.74
\$ SEB under Regulation	2,089,197.55	10,649,391.66
Hectares SEB offset under Section 28	400.63	112.76
Hectares SEB offset under Regulation	945.60	9542.87

Under the *Native Vegetation Act 1991*, the Council has the ability to provide delegation to certain departments to allow particular clearances under regulation to occur.

A breakdown of the clearance that has occurred under delegation can be seen below in Table 2.

**Table 2. Clearance decisions under Regulations by delegation or via a Standard Operating Procedure 2020-21**

Organisation with delegated officers	No of clearance decisions	Ha Native Vegetation approved	Trees Approved	Committed SEB \$	Committed on-ground SEB (ha)
DEM Energy*	2	192.277	0	0	1,770.13
DEM Mining	10	1220.03	4	\$647,684.83	9,379.00
SA Water	33	1.92	71	\$53,426.14	0
DIT	27	17.22	22	\$67,976.65	0
Forestry SA	4	24.3 (prescribed burns)	0	NA	NA
ElectraNet	1	0.013	0	\$672.87	0
SA CFS	47	475.30 (466.02 prescribed burns)	0	NA	NA

\*DEM Energy unable to provide all relevant data for the reporting period.

**Table 3. Clearance decisions under Regulation 12 by Landscapes Region 2020-21**

Landscape Region	No. submitted	No. completed Applications	Withdrawn/ refused	Ha native Vegetation approved for removal	Trees approved for removal	Committed payment into NV Fund (\$)	Committed SEB (ha)
Hills and Fleurieu	69	69	1	5.20	81.00	331,014.93	5.37
Alinytjara Wilurara	3	3	0	14.09	0	27,533.75	0
Eyre Peninsula	25	25	2	1,053.73	23	7,421,627.46	1,519.29
Kangaroo Island	10	10	0	3.60	4	159,259.14	0
Northern and Yorke	41	41	0	97.03	298	1,715,191.02	2.69
Green Adelaide	10	10	0	0.167	50	55,496.04	8.53
Murrayland and Riverland	31	31	0	29.06	78	288,276.62	1.4
SA Australian Arid Lands	15	15	0	1,066.89	1	158,752.34	8,005.34
Limestone Coast	16	16	0	3.58	26	170,322.56	0
<b>Total</b>	<b>220</b>	<b>220</b>	<b>3</b>	<b>2273.35</b>	<b>561</b>	<b>10,327,473.86</b>	<b>9542.62</b>

**Table 4. Clearance decisions under section 28 by Landscapes Region 2020-21**

Landscapes Region	No. submitted	No. completed Applications	Withdrawn/ refused	Ha native Vegetation approved for removal	Trees Approved for removal	Committed payment into NV Fund (\$)	Committed SEB (ha)
Hills and Fleurieu	6	6	0	14.53	15	207,447.25	2.740
Alinytjara Wilurara	0	0	0	0	0	0	0
Eyre Peninsula	4	4	1	6.63	89	2,059.70	45.700
Kangaroo Island	4	4	0	2.46	0	25,440.80	16.45
Northern and Yorke	3	3	1	0.23	69	5,442.36	0
Murrayland and Riverland	7	7	1	14.11	2	56,899.08	0
SA Australian Arid Lands	0	0	0	0	0	0	0
Limestone Coast	7	7	2	7.30	93	67,506.55	40
<b>Total</b>	<b>31</b>	<b>31</b>	<b>5</b>	<b>45.26</b>	<b>268</b>	<b>364,795.74</b>	<b>104.89</b>

**Compliance with the *Native Vegetation Act 1991***

The Act provides for civil and summary enforcement proceedings for any infringement. Significantly, any conviction for the illegal clearance of native vegetation requires the Council to initiate proceedings in the Environment, Resources and Development (ERD) Court seeking an order to 'make good' that breach. Offences against the Act lie within the criminal jurisdiction of the ERD Court. This includes failure to comply with a Heritage Agreement.

**Reports Received 2020-21: Alleged Illegal Clearance**

During the 2020-21 financial year the Investigation and Compliance Unit received or detected a total of 183 reports of potential clearance of native vegetation contrary to the *Native Vegetation Act 1991*. The reports are presented according to each NRM region in Table 5 below alongside data for the eight preceding financial years.

**Table 5: Reports received by NRM Region 2012-13 to 2020-21**

<b>NRM Region</b>	<b>12-13</b>	<b>13-14</b>	<b>14-15</b>	<b>15-16</b>	<b>16-17</b>	<b>17-18</b>	<b>18-19</b>	<b>19-20</b>	<b>20-21</b>
Adelaide & Mount Lofty Ranges	61	60	21	29	30	38	51	53	<b>51</b>
Alinytjara Wilurara	0	1	0	0	0	0	0	0	<b>0</b>
Eyre Peninsula	17	22	34	11	32	26	5	21	<b>16</b>
Kangaroo Island	10	11	4	8	13	19	8	21	<b>11</b>
Northern & Yorke	24	25	8	14	21	12	15	20	<b>37</b>
SA Arid Lands	2	1	0	0	1	3	2	1	<b>0</b>
SA Murray Darling Basin	34	34	22	25	21	29	38	35	<b>46</b>
South East	26	23	13	22	20	16	15	34	<b>22</b>
<b>Sub-total</b>	<b>174</b>	<b>177</b>	<b>102</b>	<b>109</b>	<b>138</b>	<b>143</b>	<b>134</b>	<b>185</b>	<b>183</b>
Change Detection Program	41	22	28	31	40	54	61	0	<b>0</b>
<b>TOTAL*</b>	<b>215</b>	<b>199</b>	<b>130</b>	<b>140</b>	<b>178</b>	<b>197</b>	<b>195</b>	<b>185</b>	<b>183</b>

There were a total of 183 reports of potential clearance of native vegetation received for 2020-21. This is consistent with the average number of reports recorded (180) over the preceding eight years of data collection despite there being no additional reports received through the Change Detection Program (CDP).



No reports of potential clearance of native vegetation were received through the CDP due to resourcing constraints. The CDP analyses satellite imagery on an annual basis to detect changes in native vegetation cover. Satellite imagery is obtained over each region of the State at regular intervals providing a series of geographically and spectrally calibrated images of the same location across a period of time. Prior to 2019-20, on an average, 20-30% of alleged native vegetation clearances annually are detected via the CDP.

With respect to the number of reports received of potential clearance of native vegetation received (minus CDP reports) the number of reports received in 2020-21 were significantly higher (183 reports) than the average number over the preceding 8 years of data collection (145 reports).

### **Action taken from Reports received 2020-21: Alleged Illegal Clearance**

A range of actions is available following a report of illegal clearance. The Native Vegetation Compliance Guidelines provide direction to officers on the use of the various compliance and enforcement tools available in the Act. The Compliance Guidelines provide transparency and consistency in enforcement of the Act.

The following is a list of options available upon receiving a report of clearance:

- Exempt (non-native) - where clearance has been investigated and the vegetation is assessed to be non-native.
- Exempt (*Native Vegetation Regulations 2017*) - Where clearance has been investigated and assessed to be exempt under the Regulations.
- No further action (NFA) — where the offender or exact location of the clearance cannot be determined or clearance has occurred in accordance with a formal clearance approval or is outside of the statutory timeframes or jurisdiction of the Act, no further action is taken.
- Education letter — where clearance is assessed as trivial and occurs by accident or through ignorance, an educational letter may be sent that identifies that clearance has occurred and provides information about native vegetation, its value and obligations for its protection.
- Written caution — where clearance is trivial or minor and is accidental or mistaken, and not a repeat occurrence, a formal caution may be issued.
- Enforcement notice (section 31 E of the Act) — authorised officers may issue this administrative order where they have reasonable grounds to believe that clearance has or may occur. These notices are commonly referred to as 'stop work' or 'make good' notices. A make good order requires the landowner to undertake minor remedial works to rectify clearance actions and can only be issued if the clearance is assessed as minor.

- Expiation — a \$750 fine may be issued by an authorised officer, with the authority of the Council under section 35(5) of the Act. This is issued when the clearance is assessed to be minor.
- Refer for investigation — where it is believed that a moderate or serious offence has occurred, an investigation is required to gather further evidence to potentially pursue legal proceedings.

There were a total of 183 clearance reports received this financial year. Of this total, there were 45 reports where compliance action had not been finalised as further information was being gathered (RFI information pending). These reports have been carried over for the 2021-22 financial year.

Of the reports that had been actioned for the 2020-21 financial year (138 reports), a total of 52 reports (38%) were considered to be either No Further Action (NFA) required (14%), Exempt - Non Native (7%) or Exempt – Regulation (17%) under the *Native Vegetation Regulations 2017*. A further 45 reports (32%) received Education letters for trivial to minor clearance breaches.

In matters where there had been a clear breach of the Act, a total of 19 Caution letters (14%) and 8 Enforcement Notices (6%) to either stop work and/or make good the clearance were issued in 2020-21. Furthermore 10 expiations plus 2 expiations/enforcement notices (9%) were issued with the main offence being clearance of house sites without Council approval.

There were 2 (1%) reports that were believed to be serious offences and were referred to investigation to gather further evidence to pursue legal proceedings. One of these reports consists of alleged illegal clearance over 10 different properties under the ownership and management of a single registered proprietor.

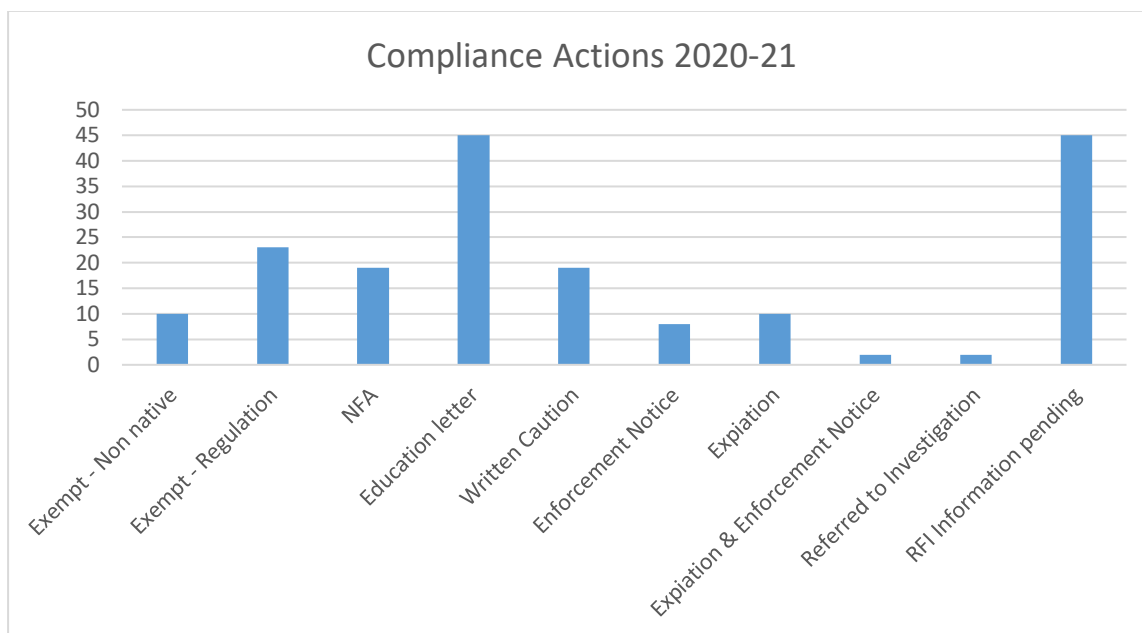
Table 6 and figure 1 summarises the actions taken from reports of alleged illegal clearance for the 2020-21 financial year. Figure 2 averages out the actions taken across a 9-year period from the 2012-13 financial year to 2020-21 financial year.

**Table 6. Compliance Actions taken for Reports received for the 2020-21 financial year.**

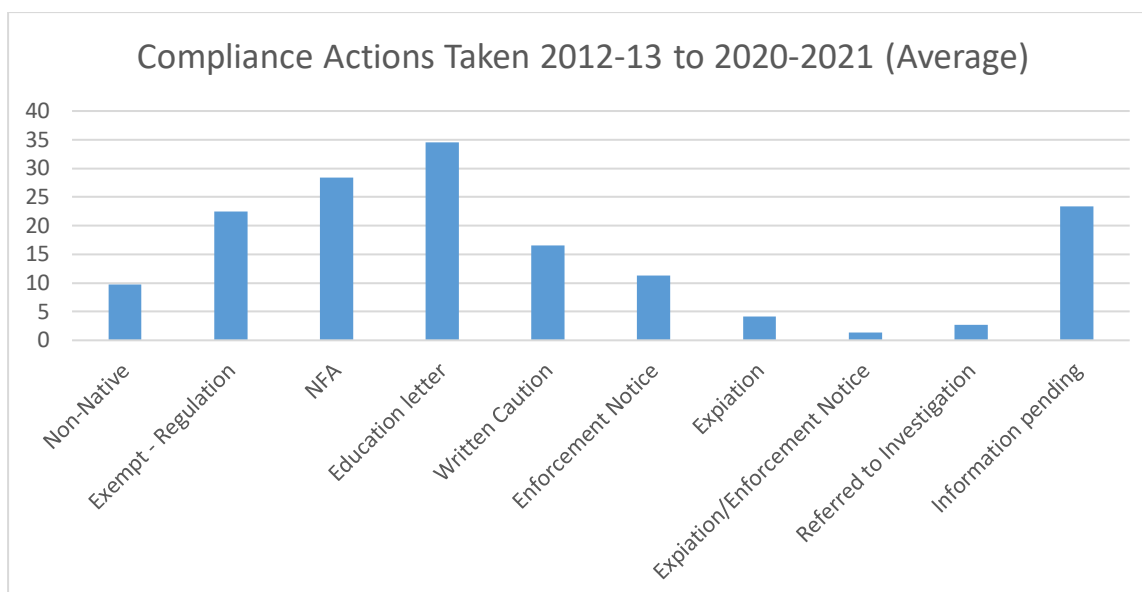
Actions	Number
Exempt – Non native	10
Exempt – Regulation	23
NFA	19
Education letter	45
Written Caution	19
Enforcement Notice	8
Expiation	10

Expiation & Enforcement Notice	2
Referred to Investigation	2
RFI Information pending	45
<b>TOTAL</b>	<b>183</b>

**Figure 1. Compliance actions taken for reports received for the 2020-21 financial year.**



**Figure 2. Average of compliance actions taken for reports received 2012-13 to 2020-21 financial year.**



The Native Vegetation Working Group was established in 2016/17 and consists of the Native Vegetation Branch and Compliance Unit members including the respective Managers of both units and the Native Vegetation Compliance Coordinator. The purpose of this working group is to discuss the appropriate enforcement action for a report of unlawful clearance including whether the report is referred to investigation.

### **Civil Enforcement Proceedings**

In civil enforcement proceedings, the ERD Court may order a respondent to 'make good' an illegal clearance of native vegetation. The order may require the respondent to re-establish or rehabilitate native vegetation on the areas cleared or may require a payment into the Native Vegetation Fund for exemplary damages, or an amount that represents any financial benefit the respondent may have gained, or could reasonably expect to gain from the illegal clearance. The ERD Court may also require the respondent to publicise the environmental and other consequences that would follow the breach and the terms of the court order. This is an important process to discourage landholders from future clearance of native vegetation.

For the 2020-21 financial year:

- The Department has been investigating the clearance of approximately 2,500 hectares of native vegetation in the south-east of South Australia. These clearances were detected between February 2018 and August 2020. 14 separate incidents of clearance have been identified and are all related. They have been identified through reports from the community, observations by DEW and Landscape SA staff and the Department's change detection program. Criminal proceedings are not being pursued, Civil enforcement proceedings commenced in the ERD Court 19 March 2021.
- The Department has concluded an investigation of clearance of native vegetation on Kangaroo Island where approximately 1.4 hectares were cleared when a landowner constructed a dam in a location he had been specifically ordered not to clear in 2010. This matter is currently being adjudicated with a view to undertake criminal and civil action in the ERD Court.
- Civil proceedings commenced in relation to clearance of over 30 hectares of native vegetation including white Cyprus pine and low woodland following a criminal investigation. The matter has been adjourned for a further conference.
- An individual is subject to civil proceedings for the clearance of approximately 83 hectares for two centre pivots following a guilty plea in criminal proceedings in 2015. Negotiations are ongoing with a further conference scheduled in the event that an agreement can not be negotiated.
- One company and one individual were subject to an ongoing matter in relation to illegally clearing approximately 10 hectares of native vegetation including Ridge-fruited Mallee, Dune Stringy Bark and Sand-Heath Yacca. Civil proceedings commenced after the director of the company pleaded guilty to breaches of the *Native Vegetation Act 1991* in March 2019.

## Risk management

### Risk and audit at a glance

#### Fraud detected in the agency

Category/nature of fraud	Number of instances
It is declared that there were no instances of fraud detected in the activities undertaken by the Council in this reporting period.	0

*NB: Fraud reported includes actual and reasonably suspected incidents of fraud.*

#### Strategies implemented to control and prevent fraud

Strategies to detect instances of fraud are reported in the DEW Annual Report 2020-21.

Data for previous years is available at: <https://data.sa.gov.au/data/datasert/native-vegetation-council-annual-report-data>

#### Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Zero

Data for previous years is available at: <https://data.sa.gov.au/data/datasert/native-vegetation-council-annual-report-data>

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

**Reporting required under any other act or regulation**

Act or Regulation	Requirement
N/A	N/A

**Reporting required under the *Carers' Recognition Act 2005***

N/A

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Process Query	Heritage Agreement Arrangements	No Case to Answer	2
Process Query	Assessment Outcomes	No Case to Answer	3
		<b>Total</b>	<b>5</b>

Additional Metrics	Total
Number of positive feedback comments	0
Number of negative feedback comments	5
Total number of feedback comments	5
% complaints resolved within policy timeframes	100

Further reporting on this matter is contained within the DEW Complaints Register and DEW Annual Report 2020-21.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/native-vegetation-council-annual-report-data>

## Service Improvements

### Service Improvements resulting from complaints or consumer suggestions over 2020-2021

The Native Vegetation Branch (the Branch) continues to work with Information Technology Services to improve the quality and usability of the online application for clearance portal.

The Branch also works with the DEW Natural Resources Centre located in the Waymouth Street office, to direct calls and enquiries to appropriate personnel within the Branch, assisting to streamline the process for members of the public.

Continued improvements to the Council's website are also ongoing to ensure that it can be easily navigated and the requirements of the *Native Vegetation Act 1991* is explained in 'plain English' to facilitate understanding.

The Branch has continued to develop fact sheets for stakeholders and the general public, providing guidance to policies and procedures relating to native vegetation.

The Council has commenced communication and engagement initiatives to articulate the role of the Council in setting native vegetation policy and engaging with its key stakeholders and the wider South Australian community on certain matters.

## Compliance Statement

The Native Vegetation Council is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
The Native Vegetation Council has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	Y



## **Appendix: Audited financial statements 2020-21**



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## To the Presiding Member Native Vegetation Council

### Opinion

I have audited the financial report of the Native Vegetation Fund for the financial year ended 30 June 2021.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Native Vegetation Fund as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Presiding Member of the Native Vegetation Council, and the Acting Chief Executive and Chief Financial Officer of the Department for Environment and Water.

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Native Vegetation Fund. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

## **Responsibilities of the Chief Executive and the Council for the financial report**

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The Members of the Native Vegetation Council are responsible for overseeing the entity's financial reporting process.

## **Auditor's responsibilities for the audit of the financial report**

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Native Vegetation Fund for the financial year ended 30 June 2021.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Native Vegetation Fund's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Presiding Member and Chief Executive about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson

**Auditor-General**

26 October 2021

# **Native Vegetation Fund**

## **Financial Statements**

For the year ended 30 June 2021

**Native Vegetation Fund**  
**Certification of Financial Statements**  
*for the year ended 30 June 2021*

---

We certify that the:

- financial statements for the Native Vegetation Fund:
  - are in accordance with the accounts and records of the Fund;
  - comply with relevant Treasurer's Instructions;
  - comply with relevant accounting standards; and
  - present a true and fair view of the financial position of the Fund at the end of the financial year and the result of its operation and cash flows for the financial year.

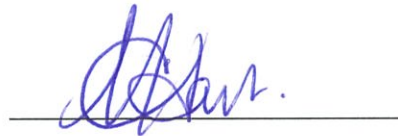
internal controls employed by the Native Vegetation Fund for the financial year over its financial reporting and its preparation of financial statements have been effective



Vaughan Levitzke  
**Presiding Member**

Native Vegetation Council

26 October 2021



Cate Hart

**A/Chief Executive**

Department for Environment and Water

26 October 2021



Shaun O'Brien

**Chief Financial Officer**

Department for Environment and Water

26 October 2021

**Native Vegetation Fund**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2021*

---

	<b>Note</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
<b>Income</b>			
Intra-government transfers	2.1	1 227	1 197
Revenues from fees and charges	2.2	2 618	3 035
Interest revenues	2.3	4	49
Other income	2.4	7	-
<b>Total income</b>		<b>3 856</b>	<b>4 281</b>
<b>Expenses</b>			
Supplies and services	4.1	26	61
Grants and subsidies	4.2	2 239	3 112
Other expenses	4.3	17	11
<b>Total expenses</b>		<b>2 282</b>	<b>3 184</b>
<b>Net result</b>		<b>1 574</b>	<b>1 097</b>
<b>Total comprehensive result</b>		<b>1 574</b>	<b>1 097</b>

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

**Native Vegetation Fund**  
**Statement of Financial Position**  
*as at 30 June 2021*

---

	<b>Note</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
<b>Current assets</b>			
Cash and cash equivalents	5.1	10 820	8 808
Receivables	5.2	497	1 129
<b>Total current assets</b>		<b>11 317</b>	<b>9 937</b>
<b>Total assets</b>		<b>11 317</b>	<b>9 937</b>
<b>Current liabilities</b>			
Payables	6.1	11	205
<b>Total current liabilities</b>		<b>11</b>	<b>205</b>
<b>Total liabilities</b>		<b>11</b>	<b>205</b>
<b>Net assets</b>		<b>11 306</b>	<b>9 732</b>
<b>Equity</b>			
Retained earnings		11 306	9 732
<b>Total equity</b>		<b>11 306</b>	<b>9 732</b>

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.



**Native Vegetation Fund**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2021*

---

	<b>Retained earnings</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 July 2019</b>	<b>8 635</b>	<b>8 635</b>
Net result for 2019-20	1 097	1 097
<b>Total comprehensive result for 2019-20</b>	<b>1 097</b>	<b>1 097</b>
<b>Balance at 30 June 2020</b>	<b>9 732</b>	<b>9 732</b>
Net result for 2020-21	1 574	1 574
<b>Total comprehensive result for 2020-21</b>	<b>1 574</b>	<b>1 574</b>
<b>Balance at 30 June 2021</b>	<b>11 306</b>	<b>11 306</b>

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

**Native Vegetation Fund**  
**Statement of Cash Flows**  
*for the year ended 30 June 2021*

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	Note	2021 \$'000	2020 \$'000
<b>Cash flows from operating activities</b>			
<u>Cash inflows</u>			
Intra-government transfers		1 227	1 197
Fees and charges		3 249	2 651
Interest received		5	57
Other receipts		7	-
<b>Cash generated from operating activities</b>		<b>4 488</b>	<b>3 905</b>
<u>Cash outflows</u>			
Payments for supplies and services		(26)	(61)
Payments of grants and subsidies		(2 433)	(2 981)
Other payments		(17)	(10)
<b>Cash used in operations</b>		<b>(2 476)</b>	<b>(3 052)</b>
<b>Net cash provided by / (used in) operating activities</b>		<b>2 012</b>	<b>853</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>2 012</b>	<b>853</b>
Cash and cash equivalents at the beginning of the reporting period	5.1	8 808	7 955
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>10 820</b>	<b>8 808</b>

The accompanying notes form part of these financial statements.

# **Native Vegetation Fund**

## **Notes to and forming part of the financial statements**

### *For the year ended 30 June 2021*

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#### **1. About the Native Vegetation Fund**

The Native Vegetation Fund (the Fund) is established pursuant to section 21 of the *Native Vegetation Act 1991* (the Act).

The Native Vegetation Council is responsible for the administration of the Fund in accordance with the Act.

The financial activities of the Fund are conducted through an interest bearing deposit account established pursuant to section 21 of the *Public Finance and Audit Act 1987* and held with the Department of Treasury and Finance (DTF).

##### **1.1. Basis of preparation**

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards with reduced disclosure requirements.

For the purposes of preparing the financial statements, the Fund is a not-for-profit entity. The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

The Department for Environment and Water (DEW) prepares a Business Activity Statement on behalf of the Fund under the grouping provisions of the GST legislation. Under these provisions, DEW is liable for the payments and entitled to the receipts associated with GST. Therefore the Fund's net GST receivable/payable is recorded in DEW's Statement of Financial Position. GST cash flows applicable to the Fund are recorded in DEW's Statement of Cash Flows.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

##### **1.2. Objectives and programs**

###### **Objectives**

The major purpose of the Fund is to provide funds to be applied for research, preservation, enhancement and management of native vegetation in South Australia and encouraging the re-establishment of native vegetation on land from which it has been previously cleared.

In achieving its objectives, the Fund conducts its services through a single program, the Native Vegetation Fund. As the Funds conducts its services through a single program, a Statement of Expenses and Income by Program has not been prepared.

##### **1.3. Impact of COVID-19 pandemic on the Fund**

The COVID-19 pandemic impacted from March 2020. DEW, as a service provider to the Native Vegetation Council, managed the move of a significant number of staff to work from home arrangements where feasible. DEW also ensured precautions were taken for staff and the public where sites, and facilities remained open, adopting best practice advice to ensure personal safety at those sites. During 2020-21, the delivery of some grant programs was delayed or did not go ahead which was due to a number of factors including difficulties meeting stakeholders due to COVID-19 restrictions.

**Native Vegetation Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

---

**2. Income**

**2.1. Intra-government transfers**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Intra-government transfers	1 227	1 197
<b>Total Intra-government transfers</b>	<b>1 227</b>	<b>1 197</b>

Intra-government transfers are recognised on receipt.

**2.2. Revenues from fees and charges**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Significant environmental benefits *	2 587	2 982
Fees, fines and penalties	31	53
<b>Total revenues from fees and charges</b>	<b>2 618</b>	<b>3 035</b>

\* The owner of land on which native vegetation is growing or is situated, may apply for consent to clear the vegetation under section 28 of the Act. In consenting to the clearance of native vegetation under section 29 of the Act, the Council may attach a condition requiring the applicant to make a payment into the Fund of an amount considered by the Council to be sufficient to achieve a significant environmental benefit. The monies paid into the Fund must as far as practicable, be used to establish or regenerate native vegetation on land that is within the same region of the state as the cleared land and that has been selected by the Council for that purpose having regard to the Regional Biodiversity Plans approved by the Minister for that region.

Revenues from fees and charges are recognised when invoices are raised.

**2.3. Interest revenues**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest from entities within the SA Government	4	49
<b>Total interest revenues</b>	<b>4</b>	<b>49</b>

**2.4. Other income**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Refund of unspent grant funds	7	-
<b>Total other income</b>	<b>7</b>	<b>-</b>

**Native Vegetation Fund**  
**Notes to and forming part of the financial statements**  
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### 3. Board, committees and employees

#### 3.1. Key management personnel

Key management personnel of the Fund include the Minister for Environment and Water and the members of the Native Vegetation Council.

Total compensation for the Funds' key management personnel was \$33 000 in 2020-21 (2020: \$40 000).

The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the Parliamentary Remuneration Act 1990 and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account under section 6 the Parliamentary Remuneration Act 1990. See administered items for disclosures of the Minister's remuneration paid and recovered from the Consolidated Account.

#### **Transactions with key management personnel and other related parties**

No transactions with key management personnel or related parties occurred during 2020-21.

#### 3.2. Remuneration of council and committee members

Members during 2020-21 financial year were

##### **Native Vegetation Council**

E C Jenke (Presiding Member, expired February 2021)  
V J Levitzke\* (Presiding Member, appointed May 2021)  
J H Neal  
R S Hill  
C Hollingsworth\* (expired February 2021)  
M C Roche (expired February 2021)  
R B Sawers  
M McCallum (appointed April 2021)  
K Weymouth\* (appointed April 2021)  
N P P Sommerville (expired February 2021)

##### **Native Vegetation Assessment Panel**

V J Levitzke (Chairperson, appointed May 2021)  
M McCallum (appointed April 2021)  
S Reachill\* (appointed April 2021)  
A Schutz\* (appointed April 2021)  
N P P Sommerville (Chairperson, expired February 2021)  
J H Neal (expired February 2021)  
R S Hill (expired February 2021)

\* In accordance with the Premier and Cabinet's Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year.

#### **Board and committee remuneration**

The number of members whose remuneration received or receivable falls within the following bands:

	2021	2020
\$0 - \$19 999	12	9
\$20 000 - \$39 999	-	1
<b>Total number of members</b>	<b>12</b>	<b>10</b>

The total remuneration received or receivable by members was \$33 000 (\$40 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax. The remuneration of members is paid by DEW.

For the purposes of the table above, travel allowances and other out-of-pocket expenses paid to members have not been included as remuneration as it is considered to be reimbursement of out-of-pocket expenses incurred by relevant members.

**Native Vegetation Fund**  
**Notes to and forming part of the financial statements**  
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**4. Expenses**

**4.1. Supplies and services**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Accommodation	9	9
Fee for service	8	27
Minor works	3	11
General administration	3	4
Legal costs	1	7
Other	2	3
<b>Total supplies and services</b>	<b>26</b>	<b>61</b>

**4.2. Grants and subsidies**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Recurrent grants (i)	1 669	1 973
Significant environmental Benefit (SEB) grants	570	1 139
<b>Total grants &amp; subsidies</b>	<b>2 239</b>	<b>3 112</b>

(i) Recurrent Grants

Contribution to the Native Vegetation Council (NVC) Secretariat for Biodiversity Assessment Function	483	611
Contribution to Incentives Program NVC	441	502
Contribution to DEW for Coordinator, Assessment and Stakeholder Liaison	134	128
Contribution to DEW for Compliance Function NVC	122	144
Contribution to DEW for Coordinator, Governance and Administration	116	116
Contribution to DEW Investigations and Compliance Unit	92	90
Contribution to the NVC for Council Operating Costs	90	66
Contribution to the NVC Secretariat for NVC Administrative Support	83	98
Contribution to DEW for Manager Native Vegetation Management Unit (NVMU)	73	144
Contribution to DEW for Operating Costs NVMU	35	71
Contribution to DEW for Change Detection Program	-	3
<b>Total recurrent grants</b>	<b>1 669</b>	<b>1 973</b>

For grants payable, the grant will be recognised as a liability and expense when the entity has a present obligation to pay the grant and the expense recognition criteria are met.

Significant Environmental Benefit (SEB) Grants are provided to restore, re-vegetate and protect areas of native vegetation within South Australia.

**Native Vegetation Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**4.3. Other expenses**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Audit fees paid/payable to the Auditor-General's Department	11	11
Impairment loss on receivables	6	-
<b>Total other expenses</b>	<b>17</b>	<b>11</b>

**Audit fees**

Audit fees paid/payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$10 800 (2020: \$10 600). No other services were provided by the Auditor-General's Department.

**5. Financial assets**

**5.1. Cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>5.1: Cash and cash equivalents</b>		
Deposits with the Treasurer	10 820	8 808
<b>Total cash and cash equivalents</b>	<b>10 820</b>	<b>8 808</b>

***Deposits with the Treasurer***

Special deposit accounts are established under section 21 of the Public Finance and *Audit Act 1987*. Special deposit accounts must be used in accordance with their approved purpose.

Cash is measured at nominal value.

The Fund invests surplus funds with the Treasurer. Interest is earned on the average monthly balance at rates based on the DTF 90 day average overnight cash interest rate and interest is paid at the end of each quarter.

**5.2. Receivables**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Receivables	503	1 128
Less impairment loss on receivables	(6)	-
	497	1 128
Accrued interest	-	1
<b>Total receivables</b>	<b>497</b>	<b>1 129</b>

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing.

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

**Native Vegetation Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**6. Liabilities**

**6.1. Payables**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Trade payables	-	194
Accrued expenses	11	11
<b>Total payables</b>	<b>11</b>	<b>205</b>

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

**7. Outlook**

**7.1. Unrecognised commitments**

Commitments include operating arrangements arising from contractual sources and are disclosed at their nominal value.

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	309	52
Later than one year but not longer than five years	337	182
Later than five years	218	-
<b>Total expenditure commitments</b>	<b>864</b>	<b>234</b>

The Fund's expenditure commitments are for the delivery of grant programs.

**7.2. Contingent assets and liabilities**

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

As at the reporting date, criminal proceedings have commenced against several landowners who have been alleged to have breached the Act. Civil proceedings had also commenced against landowners who have been convicted of breaching the Act.

The potential amount of fines and/or damages to be received should the proceedings be successful are not quantifiable and as such no estimate of the potential financial effect can be made. There is also the potential for costs to be awarded against the Council for any unsuccessful prosecutions.



**Native Vegetation Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**7.3. Restrictions on contributions received**

The Council is restricted on its use of monies in the Fund according to the provisions of the Act. Section 21(6) of the Act specifies that the Council must as far as practicable, use monies paid into the Fund to achieve a significant environmental benefit to offset the approved clearance of native vegetation. Expiation fees, penalties handed down by the Magistrates Court, financial benefits (as determined by the Environment, Resources and Development Court (ERD)) gained from illegal clearance and exemplary damages (as determined by the ERD Court), must be spent within the same region of the State as the land cleared.

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Hills and Fleurieu	2 385	2 514
Northern & Yorke	2 128	1 259
Murraylands and Riverlands	1 783	1 480
SA Arid Lands	1 549	1 490
Eyre Peninsula	1 122	228
Alinytjara Wilurara	629	641
Limestone Coast	480	407
Kangaroo Island	402	284
Green Adelaide	110	
<b>Total restrictions on contributions received</b>	<b>10 588</b>	<b>8 303</b>

**7.4. COVID-19 pandemic outlook for the entity**

The COVID-19 pandemic will continue to impact the operations of the Fund in providing services to the Council in 2021-22. Delays in delivery of outputs may continue to arise from travel restrictions, and changes to working arrangements for staff.

**7.5. Events after the reporting period**

There are no known events after balance date that affect these financial statements in a material manner.

**Native Vegetation Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**8. Measurement and risk**

**8.1. Financial instruments**

***Financial risk management***

Risk management is managed by DEW's corporate services section and DEW's risk management policies are in accordance with the *SA Government Risk Management Guide and the principles established in the Australian Standard Risk Management Principles and Guidelines*.

The Fund's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

***Liquidity risk***

The Fund is funded principally by revenues from significant environmental benefits raised under the Act. The Council and DEW works with DTF to determine the cash flows associated with its approved program of work.

There have been no changes in risk exposure since the last reporting period.

Refer to note 6.1 for further information.

***Impairment of financial assets***

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The Fund uses a uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances.

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment, including forward-looking information.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Fund is exposed to credit risk.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor.

Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the Fund and a failure to make contractual payments for a period of greater than 90 days past due.

**Native Vegetation Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**8.1. Financial instruments (continued)**

***Categorisation of financial instruments***

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

***Classification of Financial instruments***

The Fund measures all financial instruments at amortised cost.

		<b>2021</b>	<b>2020</b>
<b>Category of financial asset and financial liability</b>	<b>Note</b>	<b>Carrying amount \$'000</b>	<b>Carrying amount \$'000</b>
<b><u>Financial assets</u></b>			
<b>Cash and cash equivalents</b>			
Cash and cash equivalents	5.1	10 820	8 808
<b>Financial assets at amortised cost</b>			
Receivables	5.2	497	1 129
<b>Total financial assets</b>		<b>11 317</b>	<b>9 937</b>
<b><u>Financial liabilities</u></b>			
<b>Financial liabilities at cost</b>			
Payables	6.1	-	194
<b>Total financial liabilities</b>		<b>-</b>	<b>194</b>