

NATIVE VEGETATION COUNCIL

ANNUAL REPORT

1 July 2014 to 30 June 2015



**Government
of South Australia**



Native Vegetation Council

Annual Report of the Native Vegetation Council 2013-14

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Hon Ian Hunter MLC
Minister for Sustainability, Environment and Conservation
Parliament House
North Terrace
ADELAIDE SA 5000

Dear Minister

In accordance with the requirements of section 17 of the *Native Vegetation Act 1991*, the *Public Sector Act 2009*, the financial reporting requirements of the *Public Finance and Audit Act 1987* and the Department of Premier and Cabinet Circular DPC013 – Annual Reporting Requirements, I have pleasure in presenting the annual report of the Native Vegetation Council for the year ended 30 June 2015.

The *Native Vegetation Act 1991* remains a key legislative instrument supporting South Australia's Strategic Plan, the Planning Strategy for South Australia and the State Natural Resources Management Plan.

Under subsection 11(1) of the *Native Vegetation Act 1991* I have served as the Acting Presiding Member to the Native Vegetation Council following the resignation of the appointed Presiding Member Caroline Schaeffer on 31 August 2014.

I take this opportunity to thank the Members of the Native Vegetation Council for their commitment and contribution in delivering on the Strategic Directions of the Council. I also wish to acknowledge the significant work and support from the Native Vegetation Management Unit staff of the Department of Environment, Water and Natural Resources in assisting the Native Vegetation Council conduct its business.

The following annual report provides a comprehensive overview of the activities of the Native Vegetation Council for 2014-15.

Yours sincerely

Bruce Munday
**Acting Presiding Member
Native Vegetation Council**

PLANS AND OBJECTIVES

The Native Vegetation Council (NVC) provides expert advice on the *Native Vegetation Act 1991* (the Act) to the Minister for Sustainability, Environment and Conservation (the Minister) and monitors the overall condition of the state's vegetation and makes decisions on a wide range of matters concerning native vegetation in South Australia. Its responsibilities include:

- review the condition of the native vegetation of the state
- advise the Minister in relation to—
 - (a) the preservation, enhancement and management of existing native vegetation
 - (b) the re-establishment of native vegetation on land where native vegetation has been cleared or degraded
 - (c) research into the preservation, enhancement and management of native vegetation and the re-establishment of native vegetation on cleared land
- 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
- determine applications for consent to clear native vegetation under Part 5 of the Act
- assess and respond to applications referred to Council under the *Development Act 1993*
- encourage research into the preservation, enhancement and management of existing native vegetation
- encourage the re-establishment of native vegetation on land from which native vegetation has been cleared
- administer the Native Vegetation Fund pursuant to Division 3 of the Act
- such other functions as are assigned to the Council under this or any other Act.

The NVC provides decisions that seek to further the objects of the Act. Decisions are made that consider ecological, economic and social outcomes to enable the effective protection, maintenance and restoration of our native vegetation. The NVC has a vision where the community will be informed, knowledgeable and justifiably proud of its native vegetation and the steps it is taking to enhance it. To further the objects of the *Native Vegetation Act 1991*, the NVC Strategic Plan endorsed in September 2014, lists four priorities and a range of specific strategies to be implemented over the next two years, which are:

- Relationship management - *Communication / establishing and strengthening relationships.*
- Education and training - *Sharing knowledge and encouraging innovation.*
- Climate change - *Research and science to enhance knowledge and adapt to change.*
- Monitoring and evaluating - *Monitoring the state of our biodiversity to educate and provide grounds for the importance of protection.*

The NVC when performing their functions must take into account the provisions of the State NRM Plan, and any other relevant NRM plan. These strategic priorities align strongly with State NRM planning for 2012-17. Its vision suggests that 'we care for the land, water, air and sea that sustain us' and its goals are:

1. People taking responsibility for natural resources and making informed decisions.
2. Sustainable management and productive use of land, water, air and sea.
3. Improved condition and resilience of natural systems.

By being involved and working together with the NRM regions, local government and communities, the NVC supports the State NRM Plan with the implementation of programs to assist the ongoing improvement in the condition of our native vegetation.

OPERATIONS AND INITIATIVES

POLICY AND LEGISLATIVE MATTERS

Review of Native Vegetation Regulations 2003 under the Native Vegetation Act 1991

The aim of the review is to reduce the current complexity of the Regulations without increasing the potential impacts of clearance activities. Two options for revising the regulations have been proposed, and presented to major stakeholders in a report. The options are:

1. Refinement of the current activity based permitted clearing regulations, and streamlining of associated processes
2. Introduction of a risk-based approach, where the impact of the clearance on biodiversity conservation (explicitly, priority biodiversity values) is considered rather than the activity that the clearance is for.

Major stakeholders, including the Department for Planning, Transport and Infrastructure (DPTI), Department of Primary Industries and Resources of South Australia (PIRSA), Department of State Development, SA Water, Conservation Council of SA, Primary Producers SA and Local Government Association (LGA) were directly engaged on the two options for streamlining the clearance application, assessment and approval processes. In addition, over 90% of regional councils were contacted to discuss issues relative to the Regulations, to help inform our review process.

Based on feedback from these stakeholders a 'hybrid' model that clearly establishes different pathways of assessment and approval processes for different clearance activities is being developed. A risk-based approach has been included as one of the pathways. It is believed that this model provides greater certainty by having transparent approval processes clearly stated up-front for the various clearance activities.

Drafting instructions for the Regulations have been prepared for formal public consultation, due to commence in the next financial year.

Native Vegetation (Miscellaneous) Amendment Act 2013, Regulation and reforms

Significant Environmental Benefit Regulations

The *Native Vegetation Act 1991* was amended by the *Native Vegetation (Miscellaneous) Amendment Act 2013* (Amendment Act). The Amendment Act was proclaimed on Monday 15 December 2013. The amendments included sections related to credit, assignment and third party establishment of environmental benefits. However, these sections have remained suspended until work is undertaken to prepare associated policy, regulations and a public register.

The NVC, with the assistance of the Native Vegetation Management Unit (NVMU) has been developing regulations as required by the Amendment Act. In particular, the regulations will establish the process for becoming an Accredited Third Party Provider and will establish the information that needs to be captured within the Significant Environmental Benefit (SEB) Register. The regulations will also prescribe the accompanying fees.

On 16 March 2015, Cabinet approval was granted for the drafting of regulations by Parliamentary Counsel and to undertake public consultation on the draft regulations. The draft regulations, *Native Vegetation (Credit for Environmental Benefits) Regulations 2015*, were released for public comment on 22 May 2015, and open for a period of six weeks.

It is anticipated that the Regulations will come into operation during the 2015-16 financial year.

Significant Environmental Benefit Metrics Review

An SEB is intended to be an action that provides an environmental gain over and above the impact of an approved clearance activity. An action typically involves the management and protection of an area of land for conservation.

The SEB Metrics review was undertaken by the NVC, in conjunction with NVMU to examine how SEB requirements are determined. This included a review of existing processes and development of new processes for the following:

- Vegetation assessment methodologies used to assess areas proposed to be cleared or areas proposed to be established as an SEB. This was intended to provide more quantitative and rigorous assessment methods and included the development of separate methods for both the agricultural and arid regions of the state.
- The calculation for determining the area required for SEB in order to offset the impacts of a clearance application. This was intended to align the SEB requirements as determined through different vegetation assessment methods.
- The calculation of the amount needed to be paid into the Native Vegetation Fund (the Fund) in lieu of providing an on ground SEB. This was to ensure that payments made into the Fund reflected the real cost of managing native vegetation.

The review was undertaken over a three year period and involved significant public consultation. The consultation stage was finalised in October 2014 with the NVC endorsing a new Metrics.

Supporting policy documentation is currently being developed with the intent to introduce the new Metrics during the 2015-16 financial year.

Significant Environmental Benefit Policy

A new SEB Policy is currently under development. The policy will set out matters that the NVC or its delegate will take into account when considering what constitutes an SEB. This will ensure that the new Metrics and Credit, Assignment and Third Party Significant Environmental Benefits are introduced in a clear and consistent manner. It will also help maximise the environmental gains through the establishment of SEB areas and will provide clearance applicants with certainty and clarity when providing an SEB.

The policy has been released within the Department of Environment, Water and Natural Resources (DEWNR) for comment and will be made available for public comment during the 2015 calendar year. The policy will be introduced at the same time as the new Metrics.

Standard Operating Procedures - Department of Planning, Transport and Infrastructure

Certain regulations under the *Native Vegetation Regulations 2003* allow clearance to occur in accordance with a Standard Operating Procedure (SOP). This provides agencies, who undertake regular clearance activities, a means by which to manage those activities on an ongoing basis.

The Department of Planning, Transport and Infrastructure (DPTI) applied to the NVC to make a number of amendments to their current SOP.

At the NVC February 2015 meeting, the NVC approved the amendments to the SOP. The Minister, following the recommendations of the NVC, by notice in the South Australian Government Gazette authorised a position within DPTI to approve clearance under regulation 5(1)(b).

The changes were intended to streamline the approval process and included the following:

1. When it is proposed to clear native vegetation under one of the Native Vegetation Regulations, DPTI will no longer assess the native vegetation impact against the Principles of Clearance.
2. DPTI have amended the definition of Level 1 and 2 impact categories to remove the requirement that a project be assessed at the next level if it is seriously at variance with the Principles of Clearance.
3. DPTI requested to be authorised to assess and approve the following applications under Native Vegetation Regulation 5(1)(1b):
 - all Category 1 applications,
 - Category 2 applications which fall within the current SOP Level 1 removal quantities (less than or equal to 20 native trees and/or between 0.2 ha and 0.5 ha (inclusive) of native vegetation).
4. DPTI will no longer seek Natural Resources Management (NRM) Board comment for native vegetation clearance.

Standard Operating Procedures - SA Power Networks

SA Power Networks wishes to develop a sustainable vegetation management plan that reduces the need for tree trimming over time that improves the amenity of vegetation around power-lines. This could include the removal of inappropriate, fast growing or large trees in consultation with local government and the community. The program of tree removal and replacement would provide an alternative to the current cutting practices to achieve clearance near power-lines.

In order to have certainty for what clearance activities can be undertaken and to ensure an efficient and streamlined assessment and approval process for this clearance the NVC at its February 2015 meeting supported SA Power Networks' request to develop an Standard Operating Policy.

NATIVE VEGETATION COUNCIL GUIDELINES

Under section 25 of the Act and pursuant to various regulations the NVC must prepare draft guidelines in relation to the management of native vegetation. The NVC, by public advertisement and the South Australian Government Gazette, invite members of the public and stakeholders to comment on the draft guidelines within no less than two months following publication of the advertisement. The following guidelines have been either finalised or are in development.

Review of the Guidelines for Native Vegetation SEB Policy for the Clearance of Native Vegetation Associated with Minerals and Petroleum Industry

Review of the Guidelines for Native Vegetation SEB Policy for the Clearance of Native Vegetation Associated with Minerals and Petroleum Industry has continued through 2014-15.

Mining has potential impact on fauna and flora, accelerated weed spread, increased erosion and flooding. This impact needs to be minimised as far as reasonably practicable. The guidelines are to provide operators involved with activities under the *Mining Act 1971* and *Petroleum Act 2000* with an understanding of the processes involved for applicants to comply with the clearance of native vegetation and the SEB requirements under the *Native Vegetation Act 1991*.

Guideline for Expansion or Intensification of Grazing under Regulation 5(1)(zh) for land held under Pastoral Lease

This revised guideline refers to grazing management rather than being focused on water points and is limited in its operation to pastoral lands only, although the regulation 5(1)(zh) has

application to the whole of the state. It informs landowners and land managers of the information that should be considered and included in the preparation of a management plan for the grazing of domestic stock on pastoral land, in a manner and at a rate that will not cause permanent degradation of the native vegetation. The NVC sought feedback from key stakeholders on the revised guideline. Taking the comments into consideration the NVC released the final guideline in July 2014, available to the public at http://www.environment.sa.gov.au/managing-natural-resources/Native_vegetation/Managing_native_vegetation/Clearance_guidelines#specific.

Guideline for Prescribed Burning (includes Cold Burn) of native vegetation

The Act and Regulations provide for the clearance of native vegetation by application of fire. Fire is used to manage native vegetation for reducing fuel loads to protect life and property and for planned ecological outcomes.

However, for subsection 27(4a)(a) of the Act the development of a guideline relating to Cold Burn is required, as burning is a type of clearance that can occur in the course of the application of fire.

The NVC consulted and released an Interim Guideline for Prescribed Burning (includes Cold Burn) of native vegetation in 2013. Following stakeholder and public comment the NVC is revising the guideline for release in October 2015.

Guideline for Clearance of native vegetation through Aboriginal resource use activities under regulation 5(1)(zi)

Aboriginal traditions and culture are inextricably tied to the Australian landscape and its biodiversity, where cultural practices have influenced biodiversity patterns over thousands of years. The purpose of this guideline is to provide a basis for formal recognition of Aboriginal people and their cultural practices, which previously had not been recognised under the Act. The guidelines provide specific guidance in relation to the clearance of native vegetation by Aboriginal communities consistent with cultural resource use activities. The final guideline was released in January 2015 and is available to the public at http://www.environment.sa.gov.au/managing-natural-resources/Native_vegetation/Managing_native_vegetation/Clearance_guidelines#specific.

Draft Guidelines to change of stock species to camels on pastoral lease land and draft Guideline for clearance by grazing – change stock species under Regulation 5(1)(zh)

The draft guidelines have been developed as an outcome of the 90 Day Change Project relating to the establishment of a camel industry on pastoral leasehold land. This was achieved through a partnership between Primary Industries and Regions SA, DEWNR and the NVC. The aim of the draft guidelines is to ensure that grazing of domestic stock does not cause significant or permanent degradation of native vegetation. A key mechanism to enable grazing while also protecting native vegetation is via approved management plans. The draft guidelines released for public comment in March 2015 guides landowners and land managers in the preparation of the management plan. During the financial year 2015-16 the NVC will take into consideration comments from the public to finalise the guideline and to develop policy in relation to the guideline.

NATIVE VEGETATION COUNCIL STRATEGIC DIRECTIONS

In September 2014 the NVC finalised and endorsed its Strategic Plan 2014-16.

The NVC set the following strategic priorities:

1. Relationship management

2. Monitoring and evaluation
3. Education and training
4. Climate change.

The Strategic Plan's four priorities are supported by a range of specific strategies to be implemented over the next two years. The NVC is focusing on delivering actions to achieve these priorities: relationship management, education and training, climate change, and monitoring and evaluation.

The Vision of the NVC is to provide balanced ecological, economic and social outcomes in order to deliver the effective protection, maintenance and restoration of South Australia's native vegetation. These outcomes will lead to an informed and knowledgeable community that is justifiably proud of its native vegetation and of the steps it is taking to enhance it.

RELATIONSHIPS MANAGEMENT

Communication

Promoting the understanding and awareness of community wellbeing, sustainable production and environmental outcomes relating to native vegetation in South Australia is of concern to the NVC. This financial year the NVC released eight issues of the online eNews with the readership levels increasing to over 400. This year the NVC has encouraged new networks, relationships and community understanding through the media exposure of news bulletins, news items, regional publications and radio interviews. The SEB Metrics and Policy Review process enabled the strengthening of stakeholder relationships, which are being built upon during other native vegetation reform discussions.

The successful development of the 90 Day Change Project to develop camel grazing guidelines in collaboration with PIRSA and NRM staff also demonstrated the ability of NVC members to communicate across agencies to achieve new initiatives.

Native Vegetation Council Survey

The objective of this survey is to record views on key areas of native vegetation management. This will assist the NVC to develop actions during 2015 and 2016. The target audience consists of consultants, local governments, stakeholders of the Act, agency staff, Heritage Agreement owners, SEB parties and NVC grant recipients. The survey was conducted between July and August 2015, through 'Have Your Say' on the DEWNR home page at <http://www.environment.sa.gov.au/Home>.

BHPB Naturelinks Concept Plan

In November 2012, the Olympic Dam Corporation (ODC) committed to investigating the Naturelinks Concept, as one of a number of activities, during the four-year extension of the availability period for the amended Olympic Dam and Stuart Shelf Indenture to be triggered. In 2013, ODC formally submitted an outline of the Naturelinks Concept to the Olympic Dam Task Force and NVC. In December 2013, the NVC gave in-principle support to progress the investigation of the concept, including collecting details of the quality and sustainability of the proposed SEB offset. ODC worked with representatives from DEWNR and the Department of State Development to further develop detail required for the Concept Plan.

The Concept Plan proposes to implement an offset management strategy that promotes conservation and sustainability at a landscape scale as opposed to the more traditional SEB offset management strategies, which involve targeted actions for smaller parcels of land.

The Concept Plan proposes to satisfy several criteria that make it a high priority to achieve a SEB, including 1.6 million hectares directly benefiting from varying degrees of management actions including stock removal in some areas, reduced stocking, natural regeneration and where warranted, rehabilitation measures. Additionally the Naturelinks Concept optimises environmental, social and economic co-benefits through provisions such as targeted and landscape scale research and training and educational opportunities. The ODC have proposed to implement the Naturelinks Concept through a staged approach. The NVC on 19 May 2015 endorsed Stage 1 of the Naturelinks Concept Plan and gave in-principle support for Stage 2.

Regional visits

The NVC seeks to undertake one trip to regional South Australia during the course of each year as an opportunity to identify and discuss issues with local communities, local government and NRM Boards. This is an opportunity for the NVC to strive towards improving processes and procedures for the clearance and preservation of native vegetation while still recognising the need to maintain the Objectives of the Act. The NVC take this opportunity to enhance relationships with stakeholders, community and regional NRM Boards, view progress of clearance approvals, SEB Grant projects and SEB offset areas.

In June 2015 the NVC visited areas within Natural Resources Adelaide and Mount Lofty Ranges region, including on the first day, the South Eastern Freeway access at Bald Hills Road at Mount Barker, where Department of Planning, Transport and Infrastructure staff discussed design changes to reduce the construction footprint and minimise the native vegetation impact. NVC also viewed proposed locations that could provide an SEB.

At Langhorne Creek the NVC inspected the revegetation of CMV Farms. The 2002 clearance application required an offset of 750 trees. CMV Farms have expanded this to 20 000 trees via direct seeding and tube stock with revegetation continuing. The NVC also toured the recently purchased site at Currency Creek of the Nature Foundation SA 'Watchalunga', a nature reserve protecting wetlands of the Finniss River and habitat of the Southern Emu Wren. Plans to manage and establish more suitable habitat for this and other threatened species were expounded.

On the second day of the trip the NVC viewed the work of Friends of Moores Road, Norton Summit on the Morialta to Coralinga Biolink Project where they are linking private landholdings to allow movement of native flora and fauna across the landscape with habitat enhancement. Two significant fauna species sighted include the Southern Brown Bandicoot and the Chestnut-rumped Heathwren (both endangered). Two rare (at state level) flora species have been identified along with seven species that are uncommon within the Mount Lofty Ranges. Improving biodiversity on properties surrounding and including Cromer Conservation Parks west and east were also visited. The sites have received SEB grants over several years and this visit provided the opportunity to view progress on several sites.

Two community forums were held: one at Mount Barker and another at Gawler. Invitees included the SA Country Fire Service (SA CFS), NRM Boards, local government, Members of Parliament, Regional Development Associations, agriculture groups and environment organisations. Presentations were provided which outlined policy changes to SEB offsetting by third parties and credit creation, as well as the transition process for Natural Resources South Australia to become the first point of contact for native vegetation enquires. This was followed by a question and answer session with the attendees. Questions focused on legislative reform and policy changes.

MONITORING AND EVALUATION

Civil Court Orders Monitoring

The NVC continues to support the Civil Court Orders Monitoring program developed to ensure compliance with the *Native Vegetation Act 1991*. Outstanding fines and civil payments are traced and recovered through a monitoring regime. Site visits continue to ensure compliance with Civil Court Orders issued by the Environment, Resources and Development Court (ERD Course) that require remediation works and/or management of native vegetation to be carried out, payments into the fund or a combination of both management and payment.

EDUCATION AND TRAINING

Crown Solicitors Office Education sessions

Due to resourcing this financial year the NVC and DEWNR staff were unable to support education sessions, conducted by the Crown Solicitors' Office, in relation to the *Native Vegetation Act 1991* and the *Native Vegetation Regulations 2003*.

NVC Accredited Consultant Training Program

In 2014-15 the NVC supported the development of a new training program to support NVC Accredited Consultants, NRM Officers, delegated authorities and related contractors. The NVC Accredited Consultants are utilised by landholders to provide technical skills and information to assist in biodiversity conservation and management. This includes the identification of SEB offsets and assets such as vegetation communities, flora and fauna and the management of threats.

Four workshops were held with current consultants to ascertain training needs and to ensure the systematic maintenance, improvement and broadening of skills within the NVC Consultancy area. Outcomes from the workshops are being used in the planning and design of the new training program. The new accredited NVC Consultant Training Program will be launched in early 2016 and will support over 200 consultants.

CLIMATE CHANGE

Climate change has never been more important with the projections of warmer and drier conditions and increased likelihood of severe weather events across the State. During the 2015-16 financial year, the NVC will be seeking to work with government, the community and industry to support their climate change initiatives that align with native vegetation management. The opportunity to quantify and demonstrate the importance of native vegetation in carbon sequestration is important. For example, the vegetation within South Australian Heritage Agreements under the Act captures approximately 73 million ton of carbon equivalent per year. Other initiatives in primary production and through the Carbon Farming legislation that aligns with the work of the NVC will also be progressed during the next financial year.

CLEARANCE ISSUES

Since the enactment of the former *Native Vegetation Management Act 1985* and the *Native Vegetation Act 1991*, South Australia has been a national leader in managing the clearance of native vegetation. This has had important outcomes for the protection of biodiversity, maintaining ecosystem services and for managing land degradation processes such as salinisation.

With the exception of clearance provided for by *Native Vegetation Regulations 2003*, the clearance of intact native vegetation with significant biodiversity value is not permitted by the Act without approval.

Following the introduction of the *Native Vegetation Regulations 2003*, the range of activities and development able to be assessed under the Regulations has broadened. Since 2003, there has been a trend towards a higher proportion of matters seeking clearance approval under the Regulations rather than formal clearance applications under section 28 of the Act.

SUMMARY OF CLEARANCE APPLICATIONS UNDER SECTION 28 OF THE NATIVE VEGETATION ACT 1991

During 2014-15, 19 clearance applications were approved with clearance consent being granted to 90.9 ha of native vegetation. One extension and one new brush cutting (*Melaleuca uncinata*) applications were granted in this reporting year. However, no new clearance requests were received.

For 2014-15, SEB established to offset the above clearance included the management or restoration of 143.35 ha of native vegetation and agreed payments into the Native Vegetation Fund of \$10 415. Detailed information on section 28 applications is presented in Appendix 1.

SUMMARY OF CLEARANCE APPLICATIONS UNDER THE NATIVE VEGETATION REGULATIONS 2003

In 2014-15, 205 clearance matters consistent with the *Native Vegetation Regulations 2003* were approved of which 93 were assessed by the NVMU, 98 assessed under delegation (as set out in Table 1) and 14 by Native Vegetation Assessment Panel (NVAP). The total clearance of native vegetation, under the Regulations for this reporting year was 2326.65 ha and 1016 trees. The high number of trees cleared in this financial year includes 622 trees removed for the Mount Barker SE Freeway Exchange. In 2014-15, 531 trees were approved for pruning.

A number of the Regulations require the establishment of an SEB. During the 2014-15 financial year, SEB payments established for matters considered under the Regulations, including those under delegation totalled \$733 333.31 with other clearance requirements of an on ground SEB offset of 581.8 ha. From previous years approvals, a further \$121 098 was paid into the Native Vegetation Fund by DPTI, being payment for works on the Dukes Highway and \$34 770 being payment for further works on the Southern Expressway.

It should be noted that there is an ability to clear under the Regulations that does not require consultation with the NVC, e.g. clearance around prescribed building or structure under Regulation 5(1)(k). Hence the amount of this clearance is unknown.

In addition to clearance outlined in Table 1, DEWNR conducted 34 prescribed burns for fuel reduction totaling 4262.8 ha and six ecological burns totaling 45.3 ha in South Australia's parks and reserves.

Organisation with delegated officers	No of clearance decisions	Ha Native Vegetation cleared	Trees Removed
DSD Mining	4	58.24	1
DSD Energy	4	413.0	0
SA Water	12	148.78	22
DPTI	66	34.74	216
Forestry SA	7	194	0
ElectraNet	1	.267	0
SA CFS	4	8.9	0

Table 1: Clearance decisions under Regulations by delegation 2014-15

Clearance	Financial Year 2013-14	Financial Year 2014-15
CC Application under section 28	24	19
Ha under section 28	42	90.91
Trees under section 28	127	46
CC under Regulations	184	205
Ha under Regulations	3335	2326.65
Trees under Regulations	261	1016
\$ SEB under Regulations	1 533 752.00	733 333.31
\$ SEB under section 28	35 725.00	10 414.84
Ha SEB offset under Regulations	8165	581.8
Ha SEB offset under section 28	874	143.35

Table 2: Clearance statistics for comparison of financial year 2013-14 and 2014-15

NRM Region	No of clearance decisions	Ha Native Vegetation cleared	Trees Removed
Adelaide & Mount Lofty Ranges	88	146.77	474
Alinytjara Wilurara	7	25.12	5
Eyre Peninsula	24	116.18	4
Kangaroo Island	5	8.61	1
Northern and Yorke	20	320.67	29
SA Murray Darling Basin	34	1147.94	416
South Australian Arid Lands	10	28.55	0
South East	17	532.81	87

Table 3: Clearance decisions under Regulations by NRM Region 2014-15

NATIVE VEGETATION COUNCIL COMMITTEES

The NVC has the power to establish a committee/s under section 10 of the Act. There are three committees established by the NVC.

NATIVE VEGETATION ASSESSMENT PANEL

In September 2007 the NVC established the Native Vegetation Assessment Panel (NVAP) as a subcommittee, to determine vegetation clearance matters, Heritage Agreement applications and other operational issues pursuant to the *Native Vegetation Act 1991* and the *Native Vegetation Regulations 2003*.

The NVAP is a panel for operational decision-making, under the delegation of the NVC. It hears representations from proponents in relation to matters under regulation and pursuant to subsection 29(10)(b) for clearance applications. In making decisions, the NVAP has regard to comments as required, including regional NRM Board comment (under subsection 29(5) of the Act) and local government comment. The NVAP also has delegation to initiate civil proceedings in the ERD Court and provide direction on the terms of any order sought from the ERD Court to

make good a breach of the Act. The NVAP has established clear policies on decision-making and has access to outside expertise as required. During 2014-15, the NVAP held seven meetings.

NATIVE VEGETATION COUNCIL FIRE COMMITTEE

The NVC Fire Committee was established by the NVC in 2006 and has had delegation under regulation 5(1)(y) of the *Native Vegetation Regulations 2003* for all matters involving the clearance of native vegetation by, or on behalf of, a local council complying with a management plan approved by the NVC and regulation 5(1)(zi) for the purpose of the clearance to preserve or enhance ecological processes.

The membership of the Fire Committee has been made up of a member from the NVC, a representative from SA CFS and a representative from the LGA. Members are elected in September, for a term of two years and under the Committee's Terms of Reference may, at the end of the two year term, be re-elected.

As part of the Premier's Boards and Committee Reform announced in July 2014, DEWNR identified that the NVC Fire Committee's duties and functions needed to be reviewed. For the financial years 2013-14 and 2014-15 members did not meet. No Fire Management Plans have been assessed this financial year. The Committee will not be re-appointed in September 2015. The duties and functions will be absorbed into the Fire Management Unit of DEWNR.

Although the State Bushfire Coordinating Committee is now abolished the NVC has representation on the Ecological Technical Reference Group to provide technical and policy support. This group provides advice to CFS regarding Bush Fire Area Management Plans.

NATIVE VEGETATION COUNCIL GRANTS COMMITTEE

The NVC Grants Committee was first established in 1998 and consists of a Chairperson and two other members nominated by the NVC from its membership. The Grants Committee informs processes and procedures associated with the Native Vegetation Incentives Program (NVIP), including setting of priorities for the range of NVC Grants in the conservation, restoration and management of native vegetation, reviewing guideline documents associated with calling and implementing the range of NVC Grants and setting the levels and types of support available under each of the grants.

Significant Environmental Benefit Grants

The NVC launched the SEB Grants Program in October 2008. Funding for these works is provided from payments into the Native Vegetation Fund by landowners, developers, government agencies and mining companies to achieve the SEB required to offset the approved clearance of native vegetation in South Australia. The SEB Grant Program creates opportunities to work at a landscape scale and allow strategic investment at an appropriate scale.

Since the introduction of the SEB Grants Program, the NVC has supported more than 71 projects across the eight NRM regions resulting in over 200 000 hectares of on ground works, committing to over \$13 million for conservation enhancement and landscape management works in an effort to improve biodiversity.

In July 2014 the NVC resolved to not hold new rounds for the SEB Grants 2014-15 financial year. This decision was made in order to undertake a thorough review of the SEB Grants Program and to continue improving the innovative and exciting Program. The SEB Grants Program will resume in the 2015-16 financial year.

Research Grants

The NVC Research Grants were introduced in 1998 to provide funding for research into preservation, enhancement and management of native vegetation in South Australia. The

provision for Research Grants is consistent with section 14(e) of the *Native Vegetation Act 1991* and section 13(2) of the *Native Vegetation Regulations 2003*. The grants have been available to private landholders, local government, state government agencies, organisations, community groups and research institutes.

The NVC in July 2014 resolved to suspend the Research Grants for this financial year, pending a review of the program. Since its introduction in 1998, the Research Grants Program has enabled support of 163 research projects across the state and contributed over \$1.6 million in funding for native vegetation related research.

Heritage Agreement Grants

The Heritage Agreement Grant Scheme was instigated in 1995 in response to landholder requests for assistance (in addition to fencing) to manage Heritage Agreement areas. Over the past 18 years, landholders have shown considerable interest in receiving grants to improve biodiversity in Heritage Agreement areas.

The NVC in July 2014 resolved to suspend the Heritage Agreement Grants for this financial year, pending a review of the program. Since 1998 the NVC Heritage Agreement Grants Scheme has supported over 800 projects across the state. Over \$1.25 million in grants have been provided to landholders, who have matched these contributions with in-kind labour.

VEGETATION MANAGEMENT ACTIVITIES

Heritage Agreement Applications

This innovative program was started in 1980 because of concern over excessive native vegetation clearance in the agricultural region of the state and pioneered formal 'off park' conservation in Australia. It has been well supported by South Australian landholders; there are now 2831 native vegetation Heritage Agreement areas ensuring the long-term protection of over one million hectares of the state's original vegetation.

During 2014-15 seven new Heritage Agreements applications were received. Seven requests for variations and subdivisions to existing Heritage Agreements were received. Seventeen Heritage Agreements were registered by the Minister.

Stand out activities in 2014-15 include a Heritage Agreement being entered into over a significant area of land within the South Australian Murray Darling Basin (SAMDB) NRM Region's Calperum and Taylorville Stations. Together the stations comprise a total of 331 238 ha that will contribute to protected areas on private land. Both properties are declared as critical habitat for species conservation under Commonwealth legislation. In addition, Calperum Station includes the western portion of the internationally important Riverland Ramsar wetlands. The key management vision for the properties is 'to promote the conservation and sustainable development of Calperum and Taylorville Stations through community involvement, local capacity-building and innovative approaches to land management'.

Additionally the NVC facilitated amendments to the Little Sahara Heritage Agreement on Kangaroo Island. Little Sahara is the name given to the mobile sand dunes partly located within this Heritage Agreement. It is a widely promoted tourist attraction on Kangaroo Island. The area is visited by 50 000 people per year resulting in high adverse impact on biodiversity within the Heritage Agreement. Mutually agreed sustainable outcomes were achieved to ensure that the Heritage Agreement area is not further degraded and that tourism can continue to operate and provide a source of income to the Island.

Heritage Agreement Fencing

Consistent with section 14(e) of the Act, as one of a limited number of incentives, Heritage Agreements include a clause to allow the Minister to provide fencing to exclude stock from the

Heritage Agreement area. This is on the condition that the landholder maintains the fencing over the remainder of its useful life. Financial assistance for the fencing of Heritage Agreements is prioritised by need and availability of funds. In 2014-15 the NVC expended \$48 023.04 over 6.18 kilometres across six Heritage Agreements and in doing so contributed to the ongoing conservation and protection of a total of 841.04 hectares.

Roadside Vegetation Management

Road reserves have developed beyond providing for vehicle transport, to include provision of a variety of services including telecommunications, gas, electricity, water and effluent mains. This vegetation is extremely valuable from a biodiversity perspective and can contain important remnant vegetation within heavily cleared areas. Road reserves often contain the only significant remnants of native vegetation in rural areas of South Australia. The NVC supports local government road authorities in meeting not only their commitment to road management but also their aim of maintaining and improving roadside native vegetation by offering an allocation from the Fund for projects such as roadside conservation markers and/or roadside vegetation surveys. In 2014-15 the NVC continued the ongoing support for 56 Roadside Vegetation Management Plans. This financial year the NVC approved four Roadside Management Plans.

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 NVC to initiate proceedings in the 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.

To monitor and review the condition of native vegetation across the state, the NVC supports an ongoing change detection program that utilises satellite imagery.

Reports Received 2014-15: Alleged Illegal Clearance

During the 2014-15 financial year the Compliance and Monitoring Team received or detected a total of 130 reports of potential clearance of native vegetation contrary to the *Native Vegetation Act 1991*. These reports are presented according to each NRM region in Table 4 below alongside data for the seven preceding financial years.

NRM Region	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15
Adelaide & Mount Lofty Ranges	59	77	49	50	53	61	60	21(16%)
Alinytjara Wilurara							1	
Eyre Peninsula	25	31	48	34	14	17	22	34(26%)
Kangaroo Island	4	10	18	14	15	10	11	4(3%)
Northern & Yorke	11	23	37	28	29	24	25	8(6%)
SA Arid Lands	2	2	1	1	1	2	1	
SA Murray Darling Basin	30	44	48	36	36	34	34	22(17%)

South East	30	36	54	48	33	26	23	13(10%)
Sub-total							177	102
Change Detection Program							22	28(22%)
TOTAL*	161	223	255	211	231	215	199	130

Table 4: Reports received by NRM Region 2007-08 to 2014-15

The number of total reports, 130, received for 2014-15 is below the average number recorded over the past nine years of collecting data. Of the 130 reports, 28 (22%) were detected through the Change Detection Program (CDP). The CDP analyses satellite imagery on an annual basis to detect changes in native vegetation cover.

Action taken from reports received 2014-15: alleged illegal clearance

A range of actions are 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 to resolve 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 2003) - Where clearance has been investigated and assessed to be exempt under the Regulations.
- No further action – 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, 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, minor, accidental or mistaken, and not a repeat occurrence, a formal caution may be issued.
- Enforcement notice (section 31E of the Act) – Expressly 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 NVC. 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 pursue legal proceedings.
- Pending further information – This status is given to new reports of clearance still in the investigative stage.

Figure 1 summarises the actions taken from reports of alleged illegal clearance for the 2014-15 financial year, and Figure 2 averages out the actions taken across a six-year period from the 2008-09 financial year to 2014-15 financial year.

Of the 130 reports received this financial year a total of 44 reports (33%) were considered to be either No Further Action required (23%) or Exempt – Regulation (10%) under the *Native Vegetation Regulations 2003*. The majority of the exempt clearances related to fence line clearance, roadside safety, bushfire protection around dwellings or detected though the CDP and verified to be planted vegetation, seasonal variation in cover and the result of wild fires.

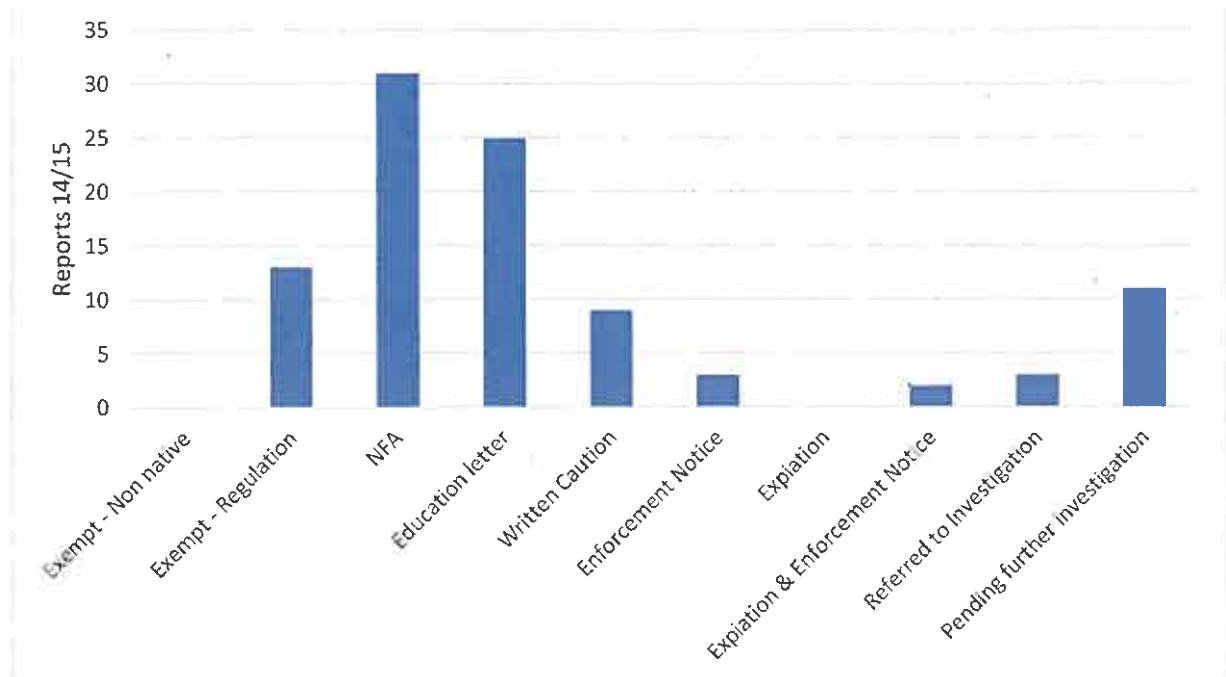


Figure 1: Action taken from reports received for 2014–15 financial year

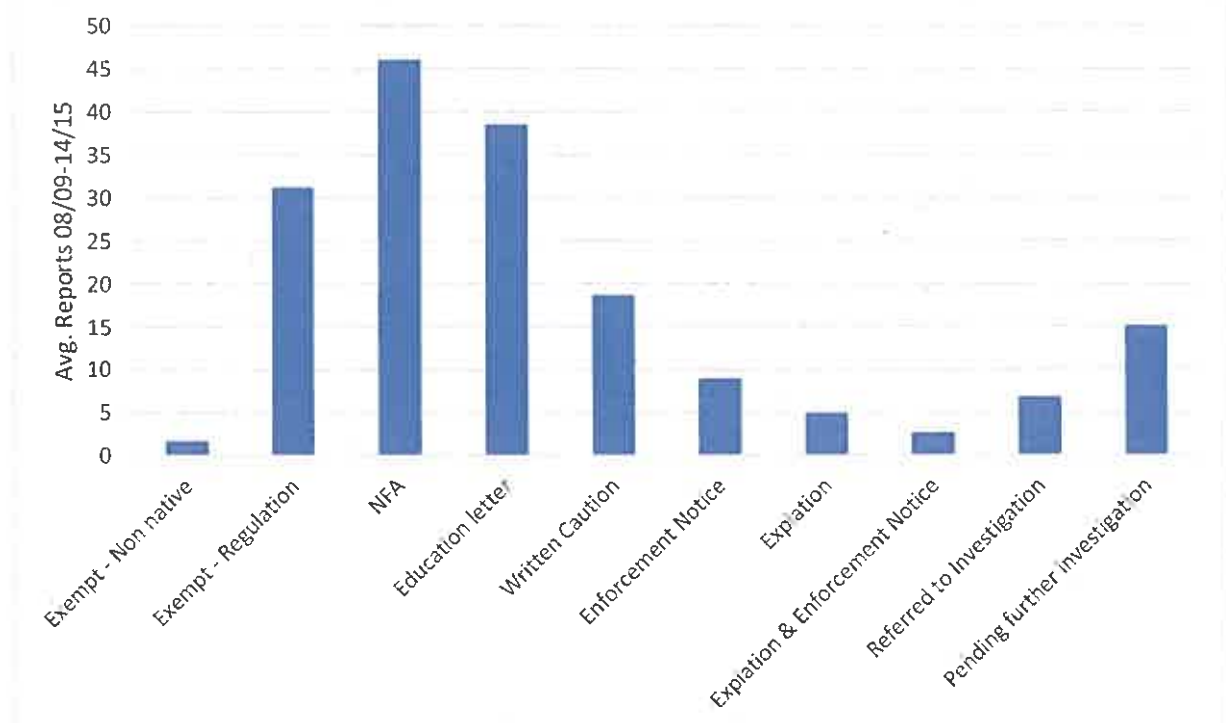


Figure 2: Average of actions taken from reports received – 2008-09 to 2014-15 financial year

Native Vegetation Compliance Steering Committee

The operation of the Native Vegetation Compliance Steering Committee continued as an effective mechanism to review and establish directions and priorities for investigations into possible breaches of the Act. The membership of the Steering Committee comprises: Director, Conservation & Land Management (DEWNR), Director, Regional Coordination (DEWNR) and the Manager, Native Vegetation Management Unit (NVC representative). The Steering Committee held four meetings in the financial year 2014-15.

Criminal Prosecutions

For the 2014-15 financial year there were no finalised court matters.

There are currently three ongoing prosecution matters before the courts and three matters being investigated with a view of prosecution.

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.

There were no civil matters initiated during the 2014-15 financial year, however there are three civil matters that have been lodged in the ERD Court and are 'on hold' pending the outcome of the criminal prosecution. This is because the NVC must under section 26(2a) of the Act initiate civil enforcement proceedings where an offender has been convicted of clearing native vegetation without consent.

The Act also allows the NVC to initiate civil actions separately without a prior conviction being made. Civil proceedings in the ERD Court may also be initiated for a breach of a Heritage Agreement.

Native Vegetation Compliance Changes

As part of the DEWNR Compliance Reform Project, the re-structured Native Vegetation Compliance Unit has been in operation as part of DEWNR's Compliance Unit for the 2014-2015 financial year. The NVC continued in the 2014-15 year to support the Native Vegetation Compliance Unit with a budget of \$187 400.

Reports of unlawful clearance are received, assessed and actioned by the NVC Compliance Coordinator in DEWNR's Compliance Unit under delegation of the NVC. The NVC Compliance Coordinator is also responsible for monitoring civil court orders and investigations into serious breaches of the Act.

The Prosecution Liaison Officer and Spatial Information Officer continue to provide assistance when required on breaches of the Act. The transition of the compliance function to the regions is in progress with Kangaroo Island regional staff recently appointed as authorised officers under the Act to provide support to the NVC and the NVC Compliance Coordinator.

ROLE, LEGISLATION AND STRUCTURE

The *Native Vegetation Act 1991* was proclaimed on 18 April 1991. Native vegetation is defined under the Act as a plant or plants of a species indigenous to South Australia and includes a plant or plants growing in or under waters of the sea. The Act controls the clearance of native

vegetation in addition to assisting the conservation, management and research of native vegetation on lands outside the National Parks and Wildlife parks and reserves system.

OBJECTS OF THE NATIVE VEGETATION ACT

The objects of the Act are to provide for:

- the conservation, protection and enhancement of native vegetation in the state
- the provision of incentives and assistance to landholders in relation to the preservation, enhancement and management of native vegetation
- the encouragement of research into the preservation, enhancement and management of native vegetation.

Principles of clearance of native vegetation

Clearance means any activity that could cause substantial damage to native plants, including cutting down, removal, burning, poisoning, slashing of understorey, removal of branches (for example, brush cutting or woodcutting), drainage or flooding of land and, in some circumstances, grazing.

An important part of the Act is the set of provisions relating to clearance applications lodged by landholders. In deciding whether to consent to an application to clear native vegetation, the NVC must refer to the Principles of Clearance listed in Schedule 1 of the Act. The principles relate to plant species diversity, significant remnants, wetlands, soil erosion and the potential for clearance to exacerbate flooding. In general, the NVC must not make a decision that is seriously at variance with these principles. In its deliberations on clearance applications, the NVC also considers practical aspects of farm management, bushfire management, the River Murray Flood Plain and the Adelaide Dolphin Sanctuary. The NVC may consent to clearance under specified conditions. Any clearance approved by the NVC in ordinary circumstances, may be subject to conditions ensuring that the approved clearance is offset by an SEB.

The SEB may be achieved 'on ground' through revegetation, regeneration or protection works on the same or adjacent properties or by a payment into the Native Vegetation Fund.

Native Vegetation Fund

The Act establishes the Native Vegetation Fund (the Fund), monies from which are made available for the management of Heritage Agreement areas, research into the preservation, large scale conservation, restoration and management of native vegetation once established or reinstated on cleared land. The Fund consists of an annual allocation appropriated by Parliament, clearance application fees, monies paid into the Fund to achieve an SEB and penalties from civil and summary enforcement proceedings. Current legislation provides that monies paid into the Fund as SEB payments or penalties must be managed by the NVC to establish or regenerate native vegetation in the NRM region where the clearance or breach has occurred. New legislation will allow that money paid into the Fund as SEB payment or penalties may be used in a region of the state other than the region where the relevant land is located.

The Auditor-General may at any time, and must at least once in each year, audit the accounts of the Fund.

Native Vegetation Regulations 2003

Associated with the Act are the *Native Vegetation Regulations 2003* (the Regulations). A number of the Regulations describe specific circumstances where clearance of native vegetation can be undertaken without the need for a formal consent from the NVC. Other regulations, while excluding the need to formally apply for the clearance of native vegetation, have detailed

provisions that need to be fulfilled to the satisfaction of the NVC in order for the action to be considered exempt. This might include the need to establish an SEB.

The Regulations extend the definition of native vegetation to include the protection of certain dead trees where they provide, or have the potential to provide habitat for animals of a listed threatened species.

Clearance of native vegetation enabled by a regulation does not apply to land protected under a Heritage Agreement except where explicitly stated by that regulation.

In some cases, even though clearance may be exempt by the Regulations, there may be constraints under other legislation which need to be complied with, such as the *River Murray Act 2003*, *Water Resources Act 1997*, *Natural Resources Management Act 2004*, *Development Act 1993*, *Adelaide Dolphin Sanctuary Act 2005* and the *Commonwealth Environment Protection and Biodiversity Conservation Act 1999*.

Legislative reform

Amendments to the Act in 2013 gave clarification that the Act applies to part of the City of Mitcham consisting of the suburbs Bellevue Heights, Blackwood, Coromandel Valley, Craighburn Farm, Eden Hills, Glenalta and Hawthorndene. Maps have been made available to include these areas. The downloadable maps are available on the Enviro Data SA website at <https://data.environment.sa.gov.au>.

The overall map encompasses the whole of South Australia. Twelve local council area maps (mainly metropolitan) provide a breakdown of council lands where there is a mix of locations the Act does and does not apply in. An interactive map for professional use is available via [NatureMaps](#).

ROLE OF THE NATIVE VEGETATION COUNCIL

The NVC is responsible for the conservation, protection and enhancement of the native vegetation of South Australia and, in particular, remnant native vegetation. This is in order to prevent further reduction of biological diversity and degradation to land and soil, loss of quantity and quality of native vegetation and loss of critical habitat.

In answer to Premier Weatherill's reform of the South Australian government boards and committees, announced in July 2014, the NVC wrote to the Minister for Sustainability, Environment and Conservation addressing a range of functions of the NVC. This gave necessity to the requirement that the NVC remain as a separate statutory body from government and be granted exemption from abolition. In October 2014 it was formalised that the NVC would be retained. However, the NVC committees were subject to 'other reform'. It has been the responsibility of the NVC to ensure significant changes to capacity and capability of the NVAP, the Grants Committee and the Fire Committee. This will be formalised early in the new financial year of 2015-16.

Functions of the Native Vegetation Council

The NVC's principal functions pursuant to the Act include to:

- keep the condition of the native vegetation of the state under review
- advise the Minister about matters pertaining to the preservation and management of existing native vegetation, and the re-establishment of native vegetation
- take into account and seek to further the objects of the Act
- take into account and seek to further the principles of clearance of native vegetation

- take into account the provisions of the State NRM plan and any other relevant NRM plan under the *Natural Resources Management Act 2004*
- determine applications for consent to clear native vegetation
- encourage research into the preservation, enhancement and management of native vegetation and the re-establishment of native vegetation on cleared land
- encourage the re-establishment of native vegetation on land from which native vegetation has been cleared
- administer the Fund.

MEMBERSHIP

The NVC is established under section 7 of the Act and consists of seven members appointed by the Governor. All members must have some knowledge of, and experience in, the preservation and management of native vegetation. Amendments have been made to the Act to allow for someone with planning, mining or development expertise to be appointed to the NVC. This membership replaces the Commonwealth Minister for Environment and Conservation who declined nomination for appointment to the NVC. Nominations have been sought but to date no appointment has been made. The Governor appointed the present NVC membership for a two-year term from 3 September 2013 expiring on 2 September 2015.

As at 30 June 2014 the NVC membership was as follows:

Presiding Member

Vacant – remains unfilled

(Caroline Veronica Schaefer, Nominee of the Minister for Sustainability, Environment and Conservation resigned 31 August 2014).

Members

Bruce Conrad Munday, Nominee of the Minister for Sustainability, Environment and Conservation

Penelope Ann Paton, Nominee of the Natural Resources Management Council

Maurice Colm Roche, Nominee of the Conservation Council of SA

Emie Louise Borthwick, Nominee of the Primary Producers SA

Barry Kym McHugh, Nominee of the Local Government Association Inc

Vacant, Nominee of the Minister for Sustainability, Environment and Conservation (in consultation with the Minister for Planning)

Deputy Members

Joseph Lindsay Keynes (Deputy to Munday)

Roger Barrington Wicks (Deputy to Paton)

Vacant (Deputy to Roche) Jeanette Ann Gellard resigned 16 June 2014

Roger David Farley (Deputy to Borthwick)

Helen Anne MacDonald (Deputy to McHugh)

Vacant (Deputy to nominee with planning, mining or development expertise)

The Chief Officer, South Australian Country Fire Service has a standing invitation to attend meetings of the NVC.

Committees

Native Vegetation Assessment Panel

Chair: Bruce Munday, Nominee of the Minister for Sustainability, Environment and Conservation

Maurice Roche, Nominee of the Conservation Council of SA

Emie Borthwick, Nominee of the Primary Producers SA

Native Vegetation Council Fire Committee

Chair: Kym McHugh, Nominee of the Local Government Association Inc

Neville Hyatt, Nominee of the Local Government Association Inc

Leigh Miller, Nominee of the South Australian Country Fire Service

Deputy to McHugh: Maurice Roche

Deputy to Hyatt: Adam Gray

Deputy to Miller: Richard Wald

Native Vegetation Council Grants Committee

Chair: Caroline Schaefer, Nominee of the Minister for Sustainability, Environment and Conservation (3 September 2013 to 28 August 2014)

Chair: Penny Paton, Nominee of the Natural Resources Management Council (appointed 17 February 2015)

Penny Paton Nominee of the Natural Resources Management Council (3 September 2013 to 16 February 2015)

Bruce Munday, Nominee of the Minister for Sustainability, Environment and Conservation

Maurice Roche (appointed 17 February 2015)

Meetings: General and Special

During the 2014-15 financial year six formal meetings of the NVC were convened including a visit to the Adelaide and Mount Lofty Ranges NRM region in June 2015.

Attendance by appointed members at meetings:

Member	Meeting Attendance	Comments
Caroline Veronica Schaeffer	1	Native Vegetation Council
	1	Native Vegetation Council Out of Session
	1	NVC Grants Committee
Bruce Conrad Munday	5	Native Vegetation Council
	2	Native Vegetation Council Out of Session
	2	NVC Grants Committee
	6	Native Vegetation Assessment Panel
Penny Ann Paton	6	Native Vegetation Council
	2	Native Vegetation Council Out of Session
	2	NVC Grants Committee
Maurice Colm Roche	6	Native Vegetation Council
	2	Native Vegetation Council Out of Session
	1	NVC Grants Committee
	6	Native Vegetation Assessment Panel
Emie Louise Borthwick	6	Native Vegetation Council
	2	Native Vegetation Council Out of Session
	6	Native Vegetation Assessment Panel
Barry Kym McHugh	5	Native Vegetation Council
	2	Native Vegetation Council Out of Session

Governance Arrangements

As required by section 16 of the Act the NVC was assisted by the Secretary, the Manager of NVMU, the Coordinator Assessment and Stakeholder Liaison Officer and, as required, by other officers employed by DEWNR under the *Public Sector Act 2009*.

The numbers and the expertise of staff from DEWNR working on native vegetation issues are of critical importance to the NVC, as it relies almost solely on DEWNR officers, in particular members of the NVMU for legislative, technical, scientific and administration advice. Reporting on this matter is contained within the DEWNR Annual Report 2014-15.

Management of Human Resources

The NVC members (no government employees) received the following remuneration as determined by the Governor:

Native Vegetation Council Remuneration

Presiding Member: Annual stipend \$18 000

Members: Sitting Fee \$206 per four hours

Native Vegetation Assessment Panel

Chair: Sitting Fee \$221 per four hours

Member: Sitting Fee \$177 per four hours

Native Vegetation Council Grants Committee Remuneration

Chair: Sitting Fee \$129 per four hours

Member: Sitting Fee \$103 per four hours

Employee numbers, gender and status

The NVC has no staff of its own and relies on staff resources from DEWNR. Members of the NVC are aware of and abide by the employment opportunity policies and programs of DEWNR. Reporting on this matter can be viewed in the DEWNR Annual Report for 2014-15.

The gender balance of the NVC is taken into consideration when members are appointed. During the period 1 July 2014 to 28 August 2014 the gender balance was three male and three female members. During the period 29 August 2014 to 30 June 2015 the gender balance was three male and two female members. For the financial year 2014-15 the gender balance for deputy members was one female and three male deputy members.

The following matters are also contained in the DEWNR annual report 2014-15:

- Workforce Diversity
- Workforce Adaptation
- Executives
- Leave Management
- Performance Development
- Leadership and Management Development
- Employment Opportunity Programs
- Work Health and Safety and Injury Management
- Reporting Against *Carers Recognition Act 2005*
- Disability Access and Inclusion Plans
- Government Buildings Energy Strategy
- Public Complaints
- Sustainability Reporting
- Financial Performance
- Account Payment Performance

CONTRACTUAL ARRANGEMENTS

During the reporting period the NVC did not enter into contractual agreements exceeding \$4 million in value.

FRAUD

Financial services are provided to the NVC by DEWNR. Reporting on strategies to detect instances of fraud is contained in the DEWNR Annual Report for 2014-15.

It is declared that there were no instances of fraud detected in the activities undertaken by the NVC during this reporting year.

CONSULTANTS

The NVC did not hire consultants during the reporting period. However, the NVC has utilised the advice and services of SA CFS, DEWNR, Crown Solicitors Office, other government agencies, industry and the community sector. The NVC wishes to thank those persons who have been so generous in sharing their knowledge and expertise with the members.

OVERSEAS TRAVEL

It is declared that no member of the NVC has travelled overseas on the business of the NVC during this reporting period.

ASBESTOS MANAGEMENT IN GOVERNMENT BUILDINGS

The NVC uses the facilities and services of staff of DEWNR. Reporting on these matters is contained in the DEWNR Annual Report for 2014-15.

URBAN DESIGN CHARTER

The NVC in 2014-15 continued to maintain the Government of South Australia's commitment to good urban design through the management of native vegetation in public places.

No events occurred in this reporting period that required the NVC to consider the principles of urban design contained in the South Australian Urban Design Charter.

FREEDOM OF INFORMATION - INFORMATION STATEMENTS

As a DEWNR administered entity, the NVC participates and abides by the arrangements outlined in the DEWNR Freedom of Information regime. Reporting on this matter is contained in the DEWNR Information Statement published on the web www.environment.sa.gov.au.

WHISTLEBLOWERS PROTECTION ACT 1993

Reporting requirements against the *Whistleblowers Protection Act 1993* require the NVC to report on the number of occasions on which public interest information has been disclosed to a Responsible Officer of the agency. There were no disclosures made during the 2014-15 financial year.

REGIONAL IMPACT ASSESSMENT STATEMENT

The NVC did not undertake any Regional Impact Assessment Statements during the 2014-15 financial year.

RECONCILIATION STATEMENT

The NVC would like to acknowledge the land on which it meets is the traditional lands for the Kurna people and that it respects their spiritual relationship with their country. The NVC also acknowledges the Kurna people as the custodians of the Adelaide region and that their cultural and heritage beliefs are still as important to the living Kurna people today.

In fulfilling its functions, the NVC is cognisant of the cultural and natural heritage of traditional owners and strives to achieve positive outcomes wherever these matters are concerned.

ACKNOWLEDGEMENTS

The NVC would like to thank the Minister and staff of DEWNR for the support and encouragement that it has received over the year.

APPENDIX 1: NATIVE VEGETATION CLEARANCE UNDER SECTION 28: 2014-15

Type of Clearance	Number of clearance applications	Area (ha) of degraded native vegetation – <i>Consented to clear</i>	Area (ha) of scrubland – <i>Refused to clear</i>	Number of individual trees – <i>Consented to clear</i>	Number of individual trees – <i>Refused to clear</i>	Significant Environmental Benefit (SEB) Area (ha)	Significant Environmental Benefit (SEB) *2 Payment (\$)
Brushcutting	2	56	0	0	0	0	0
Cemetery	2	.79	0	0	0	0	\$303.20
Centre Pivots	2	3.50	0	26	0	26.5	0
Cycle Trail	2	2.55	0	18	0	13.25	0
Walking Trail	2	.55	0	0	0	0.2	0
Amenity Purposes*1	3	2.27	0	0	0	7.7	\$1,234.40
Recreational	4	6.15	0	2	0	0	\$8,877.24
Farm Management	2	19.10	0.4	0	0	95.7	0
TOTAL	19	90.91	0.4	46	0	143.35	\$10,414.84

*1 Amenity Purposes include applications for composting site

*2 Figures for SEB requirements are for agreed amounts and all SEB payments and works may not have been finalised.

**APPENDIX 2: NATIVE VEGETATION CLEARANCE
UNDER REGULATIONS: 2014-15**

Regulation	Description	No of Applications 2013-14	No of Applications 2014-15
5(1)(a)	Dwellings and Associated Structures	14	19
5(1)(ab)	Residential Sub-division	7	8
5(1)(b)	Prescribed buildings and structures other than dwellings	2	0 + 8 [♦] + 1 [∅]
5(1)(d)	Public Interest or Infrastructure	32 + 10 [♦]	27
5(1)(da)	Minor Clearance – Developments	2	4
5(1)(e)	Repair or maintenance works of the Crown	0	1
5(1)(g)	Repair or Maintenance of Infrastructure	0	3
5(1)(h)	Commissioner of Highways	3 + 28 [▲]	13 + 31 [▲]
5(1)(k)	Clearance around prescribed building and structure	1	0 +
5(1)(l)	Avoid Damage	6	9
5(1)(lb)	Public Safety	7 + 8 [▲]	6 + 35 [▲]
5(1)(s)	Clearance for fenceline	1	1
5(1)(u)	Clearance for walking track	1	1
5(1)(y)	Roadside vegetation (management)	1	0 +
5(1)(zc) & (zd)	Mining Exploration & Operations	0 + 18 [■]	0 + 8 [■]
5(1)(zfa)	Regrowth Management Plan	5	2
5(1)(zg)	Maintenance of Pasture	0	2
5(1)(zh)	Grazing of Native Vegetation	0	1
5(1)(zi)	Preserving, Enhancing Biological Diversity	8 + 6 [♦]	7 + 4 [♦]
5(1)(zj)	Management Problems	3	3
5(1)(zk)	Pest Plant & Animal	0 + 2 [♦]	0 +
5A	Clearance for fire prevention and control	0 + 15 [▶] + 4 [◇]	0 + 7 [▶] + 4 [◇]
	TOTAL	184	205

- ♦ applications assessed by SA Water under delegation from the NVC
- ▲ applications assessed by DPTI under SOP endorsed by the NVC
- applications assessed by DSD under delegation from the NVC
- ▶ applications assessed by Forestry SA under delegation from the NVC
- ∅ applications assessed by ElectraNet under delegation from the NVC
- ◇ applications assessed by SA CFS under NV Regulation 5A

**APPENDIX 3: FINANCIAL STATEMENT OF THE NATIVE
VEGETATION FUND FOR THE YEAR ENDED 30 JUNE 2015**

Audited financial statements are attached.

Native Vegetation Fund
Annual Financial Statements

For the Year Ended 30 June 2015

Native Vegetation Fund

Certification of the Financial Statements

We certify that the attached general purpose financial statements for the Native Vegetation Fund:

- comply with relevant Treasurer's Instructions issued under Section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian accounting standards;
- are in accordance with the accounts and records of the Native Vegetation Fund; and
- present a true and fair view of the financial position of the Native Vegetation Fund as at 30 June 2015 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Native Vegetation Fund for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



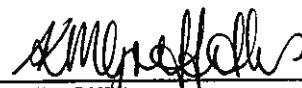
Emily Jenke
Presiding Member
Native Vegetation Fund

29 October 2015



Sandy Pitcher
Chief Executive
Department of Environment,
Water and Natural Resources

29 October 2015



Michelle Giffiths
Chief Financial Officer
Department of Environment,
Water and Natural Resources

29 October 2015

Native Vegetation Fund
Statement of Comprehensive Income
For the Year Ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
Expenses			
Supplies and services	5	72	327
Grants and subsidies	6	2 895	2 733
Other expenses	7	9	9
Total expenses		<u>2 976</u>	<u>3 069</u>
Income			
Revenues from fees and charges	8	695	659
Interest revenues	9	123	145
Total income		<u>818</u>	<u>804</u>
Net cost of providing services		<u>2 158</u>	<u>2 265</u>
Revenues from SA Government			
Revenues from SA Government	10	1 054	1 031
Total revenues from SA Government		<u>1 054</u>	<u>1 031</u>
Net result		<u>(1 104)</u>	<u>(1 234)</u>
Total comprehensive result		<u>(1 104)</u>	<u>(1 234)</u>

The net result and total comprehensive result are attributable to the SA Government as owner

The above statement should be read in conjunction with the accompanying notes

Native Vegetation Fund
Statement of Financial Position
As at 30 June 2015

	Note	2015 \$'000	2014 \$'000
Current assets			
Cash and cash equivalents	11	4 304	5 245
Receivables	12	108	96
Total current assets		<u>4 412</u>	<u>5 341</u>
Total assets		<u>4 412</u>	<u>5 341</u>
Current liabilities			
Payables	13	225	50
Total current liabilities		<u>225</u>	<u>50</u>
Total liabilities		<u>225</u>	<u>50</u>
Net assets		<u>4 187</u>	<u>5 291</u>
Equity			
Retained earnings		<u>4 187</u>	<u>5 291</u>
Total equity		<u>4 187</u>	<u>5 291</u>

The total equity is attributable to the SA Government as owner

Unrecognised contractual commitments 16

Contingent assets and liabilities 17

The above statement should be read in conjunction with the accompanying notes

Native Vegetation Fund

Statement of Changes in Equity For the Year Ended 30 June 2015

	Retained Earnings	Total
	\$'000	\$'000
Balance at 30 June 2013	6 525	6 525
Net result for 2013-14	(1 234)	(1 234)
Total comprehensive result for 2013-14	(1 234)	(1 234)
Balance at 30 June 2014	5 291	5 291
Net result for 2014-15	(1 104)	(1 104)
Total comprehensive result for 2014-15	(1 104)	(1 104)
Balance at 30 June 2015	4 187	4 187

All changes in equity are attributable to the SA Government as owner

The above statement should be read in conjunction with the accompanying notes

Native Vegetation Fund
Statement of Cash Flows
For the Year Ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
Cash flows from operating activities			
Cash outflows			
Payments for supplies and services		(72)	(327)
Payments of grants and subsidies		(2 721)	(3 119)
Other payments		(9)	(9)
Cash used in operations		<u>(2 802)</u>	<u>(3 455)</u>
Cash inflows			
Fees and charges		682	729
Interest received		125	151
Cash generated from operations		<u>807</u>	<u>880</u>
Cash flows from SA Government			
Receipts from SA Government		<u>1 054</u>	<u>1 031</u>
Cash generated from SA Government		<u>1 054</u>	<u>1 031</u>
Net cash (used in) operating activities	14	<u>(941)</u>	<u>(1 544)</u>
Net (decrease) in cash and cash equivalents		<u>(941)</u>	<u>(1 544)</u>
Cash and cash equivalents at the beginning of the period		5 245	6 789
Cash and cash equivalents at the end of the period	11	<u><u>4 304</u></u>	<u><u>5 245</u></u>

The above statement should be read in conjunction with the accompanying notes

Native Vegetation Fund
Note Index
For the Year Ended 30 June 2015

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- 3 New and revised accounting standards and policies
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Native Vegetation Fund
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2015

1 Objectives of the Native Vegetation Fund

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

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

In accordance with the provisions of the Act, the Council has delegated certain functions to officers within the Department of Environment, Water and Natural Resources (DEWNR), who provide technical and administrative support including the use of certain plant and equipment, office accommodation and various administrative services. These services are provided by DEWNR at no charge to the Council and have not been recognised in the financial statements of the Fund as it is impractical to determine the value of these services.

2 Summary of significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards, and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

The Fund has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Fund is a not-for-profit entity.

Except for AASB 2015-7 which the Fund has early adopted, Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Fund for the reporting period ending 30 June 2015 (refer note 3).

(b) Basis of preparation

The preparation of the financial statements requires:

- The use of certain accounting estimates and requires management to exercise its judgement in the process of applying the Fund's accounting policies. Areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, are outlined in the applicable notes
- The selection and application of accounting policies in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported
- Compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the Accounting Policy Statements require the following note disclosures, which have been included in this financial report:
 - (a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature
 - (b) Native Vegetation Council/Committee member and remuneration information, where a council/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement

The Fund's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a 12 month period and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2015 and the comparative information presented.

(c) Reporting entity

The financial activities of the Fund are primarily conducted through an interest bearing deposit account established pursuant to section 8 of the *Public Finance and Audit Act 1987* and held with the Department of Treasury and Finance (DTF).

The Fund's sources of revenue include:

- money appropriated by Parliament for the purposes of the Fund
- fees payable in respect of applications to the Council to clear native vegetation
- expiation fees and penalties recovered in respect of offences against the Act
- interest from investment of the Fund

(d) Comparative information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

The restated comparative amounts do not replace the original financial statements for the preceding period.

(e) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

Native Vegetation Fund
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2015

2 Summary of significant accounting policies (continued)

(f) Taxation

The Fund is not subject to income tax. The Fund is liable for fringe benefits tax and goods and services tax (GST).

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

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

(g) Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

(h) Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the Fund will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Fees and charges

Revenues from fees and charges are derived from the provision of goods and services to other SA Government agencies and to the public. This revenue is recognised upon delivery of the service to the clients or by reference to the stage of completion.

Revenues from SA Government

Appropriations for program funding are recognised as revenues when the Fund obtains control over the funding. The Fund receives its appropriation income as an intra-government transfer via DEWNR. Control over appropriations is normally obtained upon receipt.

(i) Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Fund will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Grants and subsidies

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

All contributions paid by the Fund have been contributions with unconditional stipulations attached.

(j) Current and non-current classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within 12 months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, the Fund has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

(k) Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Where an asset line item combines amounts expected to be settled within 12 months and more than 12 months, the Fund has separately disclosed the amounts expected to be recovered after more than 12 months.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position include cash at bank and on hand.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consists of cash and cash equivalents as defined above.

Cash is measured at nominal value.

Receivables

Receivables arise from fees and penalties and compensation payments recovered in respect to offences against the Act. Receivables are generally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debt is raised when there is objective evidence that the Fund will not be able to collect the debt. Bad debts are written off when identified.

Native Vegetation Fund

Notes to and forming part of the Financial Statements

For the Year Ended 30 June 2015

2 Summary of significant accounting policies (continued)

(l) Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Where a liability line item combines amounts to be expected to be settled within 12 months and more than 12 months, the Fund has separately disclosed the amounts expected to be settled after more than 12 months.

Payables

Payables include creditors and accrued expenses.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Native Vegetation Fund.

Accrued expenses represent goods and services provided by the other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date the invoice is first received.

(m) Unrecognised contractual commitments and contingent assets and liabilities

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

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.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office. If GST is not payable to, or recoverable from, the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

3 New and revised accounting standards and policies

Accounting Standards

Except for AASB 2015-7 which the Fund has early adopted, Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Fund for the period ending 30 June 2015. The Fund has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Fund.

The new AASB 1055 Budgetary Reporting, which become effective for the first time in 2014-15 has no impact on the Fund as the budgetary information is not separately identified and presented to Parliament in the original budgeted financial statements in respect of the reporting period (2014-15 Budget Paper 4).

In accordance with the new AASB 10 Consolidated Financial Statements and AASB 11 Joint Arrangements, which became effective for the first time in 2014-15, the Fund has reviewed its control assessments (i.e. the Fund's involvement with the entity; protective and substantive rights; ability to direct major relevant activities etc.) in accordance with AASB 10 and its classification assessments in accordance with AASB 11 and has concluded that there is no impact. The Fund does not currently control another entity and does not have any joint arrangements within the scope of AASB 11.

4 Activities of the Fund

In achieving its objectives, the Fund conducts all of its activities through the one program - 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.

Native Vegetation Fund

Notes to and forming part of the Financial Statements

For the Year Ended 30 June 2015

5 Supplies and services	2015	2014
	\$'000	\$'000
Accommodation and property	14	11
Travel and accommodation	-	7
Vehicles - Aircraft	-	2
Contractors	-	26
Fee for service	2	24
Minor works	47	244
General administration	3	13
Other	6	-
Total Supplies and services	<u>72</u>	<u>327</u>

6 Grants and subsidies	2015	2014
	\$'000	\$'000
Payment of Heritage Agreement Grant Schemes	59	122
Contribution to the Native Vegetation Council Secretariat for NVC Administrative Support	163	101
Contribution to the Native Vegetation Council Secretariat for Biodiversity Assessment Function	58	100
Contribution to the Native Vegetation Council Secretariat for contract positions - NV Incentives Program Management	143	147
Contribution to the Native Vegetation Council for Council Operating Costs	52	-
Contribution to DEWNR for Manager Native Vegetation Management Unit	129	-
Contribution to the Native Vegetation Council Secretariat for contract position - Prosecution Liaison Officer	-	43
Contribution to the Native Vegetation Council Secretariat for contract position - NVC Communication and Engagement Officer	61	40
Contribution to DEWNR for Coordinator, Assessment and Stakeholder Liaison	117	-
Contribution to the Native Vegetation Council Secretariat for the Communication Strategy BushRAT	7	2
Contribution to DEWNR for Coordinator, Governance and Administration	104	-
Contribution to DEWNR for Regional Transition NV Officers	175	-
Contribution to DEWNR for Operating Costs NVMU	28	-
Contribution to DEWNR Investigations and Compliance Unit	187	-
Contribution to the Native Vegetation Council Secretariat for Endala Comment	-	3
Contribution to the Native Vegetation Council Secretariat for Protecting Vegetation Under the NV Act	-	7
Contribution to the Industry Support Officer SA And Lands Region	-	50
Contribution to DEWNR for Statewide Vegetation Cover Monitoring	-	193
Contribution to DEWNR for Change Detection Program	119	250
Contribution to DEWNR for South East Woodland Restoration program	475	-
Research grants	970	1 577
Local Government grants	47	98
Other grants	1	-
Total Grants and subsidies	<u>2 895</u>	<u>2 733</u>

Grants and subsidies paid/payable to entities within SA Government

The following grants and subsidies (included in the grants and subsidies amounts shown above) were provided to entities within the SA Government.

	2015	2014
	\$'000	\$'000
Payment of Heritage Agreement Grant Schemes	59	122
Contribution to the Native Vegetation Council Secretariat for NVC Administrative Support	163	101
Contribution to the Native Vegetation Council Secretariat for Biodiversity Assessment Function	58	100
Contribution to the Native Vegetation Council Secretariat for contract positions - NV Incentives Program Management	143	147
Contribution to the Native Vegetation Council for Council Operating Costs	52	-
Contribution to DEWNR for Manager Native Vegetation Management Unit	129	-
Contribution to the Native Vegetation Council Secretariat for contract position - Prosecution Liaison Officer	-	43
Contribution to the Native Vegetation Council Secretariat for contract position - NVC Communication and Engagement Officer	61	40
Contribution to DEWNR for Coordinator, Assessment and Stakeholder Liaison	117	-
Contribution to the Native Vegetation Council Secretariat for the Communication Strategy BushRAT	7	2
Contribution to DEWNR for Coordinator, Governance and Administration	104	-
Contribution to DEWNR for Regional Transition NV Officers	175	-
Contribution to DEWNR for Operating Costs NVMU	28	-
Contribution to DEWNR Investigations and Compliance Unit	187	-
Contribution to the Native Vegetation Council Secretariat for Endala Comment	-	3
Contribution to the Native Vegetation Council Secretariat for Protecting Vegetation Under the NV Act	-	7
Contribution to the Native Vegetation Council Secretariat for photocopier and maintenance	-	-
Contribution to the Industry Support Officer SAAL Region	-	50
Contribution to DEWNR for Statewide Vegetation Cover Monitoring	-	193
Contribution to DEWNR for Change Detection Program	119	250
Contribution to DEWNR for South East Woodland Restoration program	475	-
Research grants	534	538
Total Grants and subsidies paid/payable to entities within SA Government	<u>2 411</u>	<u>1 596</u>

7 Other expenses	2015	2014
	\$'000	\$'000
Audit fees	10	8
Bad and doubtful debts	(1)	-
Other	-	1
Total Other expenses	<u>9</u>	<u>9</u>
Audit fees paid/payable to the Auditor-General's Department relating to the audit of financial statements	10	8
Total Audit fees	<u>10</u>	<u>8</u>

Native Vegetation Fund
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2015

7 Other expenses (continued)

Other services
 No other services were provided by the Auditor-General's Department

8 Revenues from fees and charges

	2015	2014
	\$'000	\$'000
Fees, fines and penalties	16	42
Significant environmental benefits*	679	617
Total Revenues from fees and charges	695	659

Fees and charges received/receivable from entities within the SA Government

The following fees and charges (included in the fees and charges revenues shown above) were received/receivable from entities within the SA Government:

	2015	2014
	\$'000	\$'000
Significant environmental benefits	406	351
Total Fees and charges received/receivable from entities within the SA Government	406	351

* 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.

9 Interest revenues

	2015	2014
	\$'000	\$'000
Interest from entities within the SA Government	123	145
Total Interest revenues	123	145

10 Revenues from SA Government

	2015	2014
	\$'000	\$'000
Appropriations from Consolidated Account pursuant to the Appropriation Act	1 054	1 031
Total Revenues from SA Government	1 054	1 031

11 Cash and cash equivalents

	2015	2014
	\$'000	\$'000
Deposits with the Treasurer	4 304	5 245
Total Cash and cash equivalents	4 304	5 245

Interest rate risk

Cash deposits are recognised at their nominal amounts and interest is credited to revenue as it accrues. 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.

12 Receivables

	2015	2014
	\$'000	\$'000
Current		
Receivables	99	86
Less: Allowance for doubtful debts	-	(1)
	99	85
Accrued interest	9	11
Total Current receivables	108	96

Receivables from entities within the SA Government

The following receivables (included in the receivables amount shown above) were receivable from entities within the SA Government.

	2015	2014
	\$'000	\$'000
Receivables	45	11
Accrued interest	9	11
Total Receivables from entities within the SA Government	54	22

Native Vegetation Fund
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2015

12 Receivables(continued)

Movement in the allowance for doubtful debts

The allowance for doubtful debts (allowance for impairment loss) is recognised when there is objective evidence (i.e. calculated on past experience and current and expected changes in client credit rating) that a receivable is impaired. An allowance for impairment loss has been recognised in 'other expenses' in the Statement of Comprehensive Income for specific debtors and debtors assessed on a collective basis for which such evidence exists.

Movements in the allowance for doubtful debts (impairment loss):	2015 \$'000	2014 \$'000
Carrying amount at the beginning of the period	(1)	(1)
Decrease in the allowance	1	-
Carrying amount at the end of the period	<u>-</u>	<u>(1)</u>

Interest rate and credit risk

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables, prepayments and accrued revenues are non-interest bearing.

Other than as recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

(a) Maturity analysis of receivables - refer note 15

(b) Categorisation of financial instruments and risk exposure information - refer note 15

13 Payables

	2015 \$'000	2014 \$'000
Current		
Creditors	216	42
Accrued expenses	9	8
Total Current payables	<u>225</u>	<u>50</u>

Current payables to entities within the SA Government

The following payables (included in the payables amount shown above) were payable to entities within the SA Government:

	2015 \$'000	2014 \$'000
Creditors	160	-
Accrued expenses	9	8
Total Current payables to entities within the SA Government	<u>169</u>	<u>8</u>

Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid. Sundry creditors are normally settled within 30 days. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

(a) Maturity analysis of payables - refer note 15.

(b) Categorisation of financial instruments and risk exposure information - refer note 15.

14 Cash flow reconciliation

	2015 \$'000	2014 \$'000
Reconciliation of cash and cash equivalents at the end of the reporting period:		
Cash and cash equivalents disclosed in the Statement of Financial Position	4 304	5 245
Balance as per the Statement of Cash Flows	<u>4 304</u>	<u>5 245</u>
Reconciliation of net cash (used in) operating activities to net cost of providing services		
Net cash (used in) / provided by operating activities	(941)	(1 544)
Less revenues from SA Government	(1 054)	(1 031)
Movement in assets and liabilities		
Increase/(decrease) in receivables	12	(76)
Increase/(decrease) in payables	(175)	386
Net cost of providing services	<u>(2 158)</u>	<u>(2 265)</u>

15 Financial risk management/financial instruments

15.1 Financial risk management

Risk management is managed by the Funds corporate services section and departmental risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the *Australian Standard Risk Management Principles and Guidelines*.

The Fund is exposed to financial risk - liquidity risk, credit risk and market risk. There have been no changes in risk exposure since the last reporting period.

15.2 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 note 2.

Refer note 15.3 for the carrying amounts of each of the following categories of financial assets and liabilities: receivables and payables measured at cost.

The Fund does not recognise any financial assets or financial liabilities at fair value, but does disclose fair value in the notes.

- The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these (refer notes 2, 12 and 13).

Native Vegetation Fund
Notes to and forming part of the Financial Statements
For the Year Ended 30 June 2015

15 Financial risk management/financial instruments (continued)

15.3 Liquidity Risk

Liquidity risk arises from the possibility that the Fund is unable to meet its financial obligations as they fall due. The Fund works with the Department of Treasury and Finance to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

The Fund settles undisputed accounts within 30 days from the date of the invoice or date the invoice is first received. In the event of a dispute, payment is made 30 days from resolution.

The Fund's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

The carrying amount recorded in note 15.3 represent the Fund's maximum exposure to financial liabilities.

The following table discloses the carrying amount of each category of financial instrument held by the Fund including the contractual maturity analysis for financial assets and liabilities (i.e. liquidity risk).

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Table 15.3: Categorisation and maturity analysis of financial assets and liabilities

Category of financial asset and financial liability	Notes	2015 Carrying amount / Fair \$'000	2015 Contractual maturities			
			Current \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets						
Cash and cash equivalents	11	4 304	4 304	-	-	-
Receivables ⁽¹⁾	12	108	108	-	-	-
Total financial assets		4 412	4 412	-	-	-
Financial liabilities						
Payables ⁽¹⁾	13	216	216	-	-	-
Total financial liabilities		216	216	-	-	-
Category of financial asset and financial liability		2014 Carrying amount / Fair \$'000	2014 Contractual maturities			
			Current \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets						
Cash and cash equivalents	11	5 245	5 245	-	-	-
Receivables ⁽¹⁾	12	96	96	-	-	-
Total financial assets		5 341	5 341	-	-	-
Financial liabilities						
Payables ⁽¹⁾	13	42	42	-	-	-
Total financial liabilities		42	42	-	-	-

⁽¹⁾ Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. Commonwealth, State and Local Govt taxes, fees and charges, Auditor-General's Department audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

15.4 Credit risk

Credit risk arises when there is the possibility of the Fund's debtors defaulting on their contractual obligations resulting in financial loss to the Fund. The Fund measures credit risk on a fair value basis and monitors risk on a regular basis.

The Fund has minimal concentration of credit risk. The Fund has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The Fund does not engage in high risk hedging for its financial assets. No collateral is held as security and no credit enhancements relate to financial assets held by the Fund.

Allowances for impairment of financial assets are calculated on past experience and current and expected changes in client credit rating. Other than receivables, there is no evidence to indicate that financial assets are impaired. Refer note 12 for information on the allowance for impairment in relation to receivables.

The carrying amount of financial assets as detailed in note 15.3 represents the Fund's maximum exposure to credit risk.

The following table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets.

Table 15.4 Ageing analysis of Financial Assets

	Carrying amount	Not past due and not impaired	Past due but not impaired			Impaired financial assets
			Overdue for less than 30 days	Overdue for 30-60 days	Overdue for more than 60 days	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2015						
Receivables ⁽¹⁾	108	100	-	4	3	-
2014						
Receivables ⁽¹⁾	96	17	65	-	14	(1)

⁽¹⁾ Receivable amounts disclosed here exclude amounts relating to statutory receivables (amounts owing to government). They are carried at cost.

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15 Financial risk management/financial instruments (continued)

15.5 Market Risk

The Fund has no interest bearing liabilities as at the end of the reporting period. There is no exposure to foreign currency or other price risks

Sensitivity disclosure analysis

A sensitivity analysis has not been undertaken for the interest rate risk of the Fund as it has been determined that the possible impact on profit and loss or total equity from fluctuations in interest rates is immaterial.

16 Unrecognised contractual commitments

2015 2014
\$'000 \$'000

Expenditure commitments - other		
Within one year	429	706
Later than one year but not later than five years	220	253
Total Other commitments	649	959

The Fund's commitments include payments to a number of organisations for research grants, DEWNR for the Change Detection Program, the funding of the Native Vegetation Incentives Management Program and for heritage agreements.

17 Contingent assets and liabilities

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

18 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.

Fines, penalties and charges of significant environmental benefit are to be utilised in the following areas:

	2015	2014
	\$'000	\$'000
South East	639	714
Mount Lofty Ranges Greater Basin	325	572
SA Murray Darling Basin	274	208
Kangaroo Island	104	128
Northern & Yorke Agricultural District	521	861
SA Arid Lands	266	411
Eyre Peninsula	268	179
Alinytjara Wilurara	151	182
Total Restrictions on contributions received	2,548	3,255

19 Remuneration of council and committee members

Members during 2014-15 financial year were:

Native Vegetation Council

McHugh B K
Munday B C
Paton P A
Roche M C
Borthwick E L
Keynes J L (Deputy)
Schaefer C V (retired 28/08/14)

Native Vegetation Council Fire Committee

Miller L R *
Hyatt N
McHugh B K

Native Vegetation Assessment Panel

Munday B C
Roche M C
Borthwick E L

Native Vegetation Council Grants Committee

Munday B C
Paton P A
Roche M C (appointed 17/02/15)
Schaefer C V (retired 28/08/14)

* Denotes government employees

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19 Remuneration of council and committee members (continued)

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

	2015	2014
Nil	2	4
\$1 - \$9 999	7	12
\$20 000 - \$29 999	-	1
Total number of members	9	17

Remuneration of members reflects all costs of performing board member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$17 000 (2014 \$63 000) and has not been recognised in these financial statements. The remuneration of members is provided by DEWNR.

*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.

Unless otherwise disclosed, transactions between members and the Fund are on conditions no more favourable than those that is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

For the purposes of this table, 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 direct out-of-pocket expenses incurred by relevant members.

20 Events after the reporting period

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