

Business Plan

Eyre Peninsula Natural Resources
Management Board

2017-2020



Government
of South Australia



Natural Resources
Eyre Peninsula

National
Landcare
Programme



The EP NRM Board is committed to working with our many partners and volunteers to maximise good natural resource management efforts throughout the region.



Natural Resources Management Act 2004

Natural Resources Management Plan for the Eyre Peninsula, Natural Resources Management Region

I, Honourable Ian Hunter MLC, Minister for Sustainability, Environment and Conservation, after taking into account and in accordance with the requirements of section 81 of the Natural Resources Management Act 2004, hereby adopt these amendments to the Investing Our Resources 2017-2020, volume of the Eyre Peninsula Regional Natural Resources Management Plan.

A handwritten signature in black ink, appearing to read 'I. Hunter'.

Hon Ian Hunter

MINISTER FOR SUSTAINABILITY, ENVIRONMENT AND CONSERVATION

Date: May 1 2017

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Foreword to Business Plan 2017-20

The Eyre Peninsula Natural Resources Management Board is confident that our 2017-2020 Business Plan is well placed to ensure sustainable and resilient EP landscapes into the future. Recent investments in both our Water Allocation Plan and our overarching strategic plan (the NRM Plan) have given us greater clarity while strong community input has shaped strategic documents that will encourage ongoing partnerships.

Sustainable primary production remains a Board priority as well as a regional priority; we will continue to work with land managers on soil improvements, pest management, stock efficiencies and on water planning efficiencies. We have also partnered in marine ecosystem research and monitoring; our community rated their use of coastal environs as a key facet of their lives on EP.

As always, working with partners is a key part of our operation success and this includes industry groups, relevant government agencies, businesses, local government and individuals. We continue to strengthen our working relationship with the Eyre Peninsula Local Government Association and Regional Development Australia, Whyalla and EP. Over the life of this plan, we expect to identify further efficiencies across our three organisations from our shared vision for the region.

Our strong focus on both biodiversity conservation and biosecurity remains. The process of developing Pest Management Plans is well underway and will continue into this Plan. Already the suite of Plans finalised give a more robust education tool for everyone to use. To assist in our biodiversity understanding, further training of community members will occur to continue rolling out our bird surveys and bushland condition monitoring. These are very effective ways of engaging with our community while simultaneously gaining invaluable information about the health of various species.

As we prepare this Plan, we are very aware of the limited capacity for grant funding currently and for a Board our size, we are very keen to attract external funding to allow us to carry out a broader work programme. With the National Landcare Programme currently under review, we have participated with other NRM Boards across SA, and with partner organisations, in preparing a document outlining the value of those funds to SA. The outcomes from the review will be announced in 2016/17.

Our Board is strongly committed to working closely with our community to ensure that EP's natural resources are strengthened into the future; regardless of the issues we need to face. Our NRM Plan shows a resilience thinking approach that we believe will allow our communities to be sustained despite the various economic and other shocks that invariably face us.

We look forward to those challenges.

Diana Laube
Presiding Member
Eyre Peninsula NRM Board



Introduction

Managing our natural resources is a balance between conservation and sustainable use. To achieve this requires an integrated understanding of the region’s social, economic, environmental and cultural values and aspirations.

The Eyre Peninsula Natural Resources Management Board (the Board) has a strong regional presence and is well connected with the Eyre Peninsula community through the networks of its membership and their relationships with community and industry groups.

The Board has specific roles and responsibilities under the Natural Resources Management Act 2004 (NRM Act). One of those responsibilities is to develop a regional Natural Resources Management (NRM) Plan. The Plan sets a long term vision for management of natural resources on Eyre Peninsula and guides the actions of all organisations and individuals to optimise natural resources management outcomes of the Region and achieve the shared regional vision.

The Board’s vision for Eyre Peninsula is:

“Natural resources managed to support ecological sustainability, vibrant communities and thriving enterprises in a changing climate”.

The Board pursues three goals aligned with the vision:

- 1. Sustainable management and use of land, sea and water**
- 2. Healthy and resilient land, sea and water ecosystems**
- 3. Active participation in Natural Resource Management**

The EP NRM Plan is comprised of a range of planning at three levels, as shown below.

This document is an updated “Business Plan” for the period 2017-20. It considers emerging issues, current priorities for investment and builds on previous achievements for the next three years.

Regional NRM Planning suite – comprised of two components



The region

The Eyre Peninsula Natural Resources Management Region covers a land area of approximately 80,000 square kilometres. The region includes 2,355 kilometres of coastline and 182 islands. Native vegetation covers about 43% of the land area, and 55% is farmed for cropping and livestock. The Eyre Peninsula is an ecotone of Australia, where the continent's ecosystems of south-east and south-west join to create a unique biodiversity. Conservation is the major land use with over 100 conservation parks and over 650 heritage agreements, the latter of which occurs on private property.

The main economic drivers in the region are agriculture, aquaculture, commercial fishing, tourism, manufacturing and mining.

The region's population is approximately 56,000 and over 60% of the population live in the two cities of Whyalla and Port Lincoln. The region has many small coastal and rural communities that are spread across the region. The Eyre Peninsula has eleven local governments, and some outside council areas. About 5.5% of the population is of Aboriginal descent (1.6% across SA), and the main cultural groups include Barngarla, Nauo, Wirangu, Kokatha and Mirning.

See Appendix 1 for a detailed map of the Eyre Peninsula Natural Resources Management Region.

Figure 1. The Eyre Peninsula NRM Region



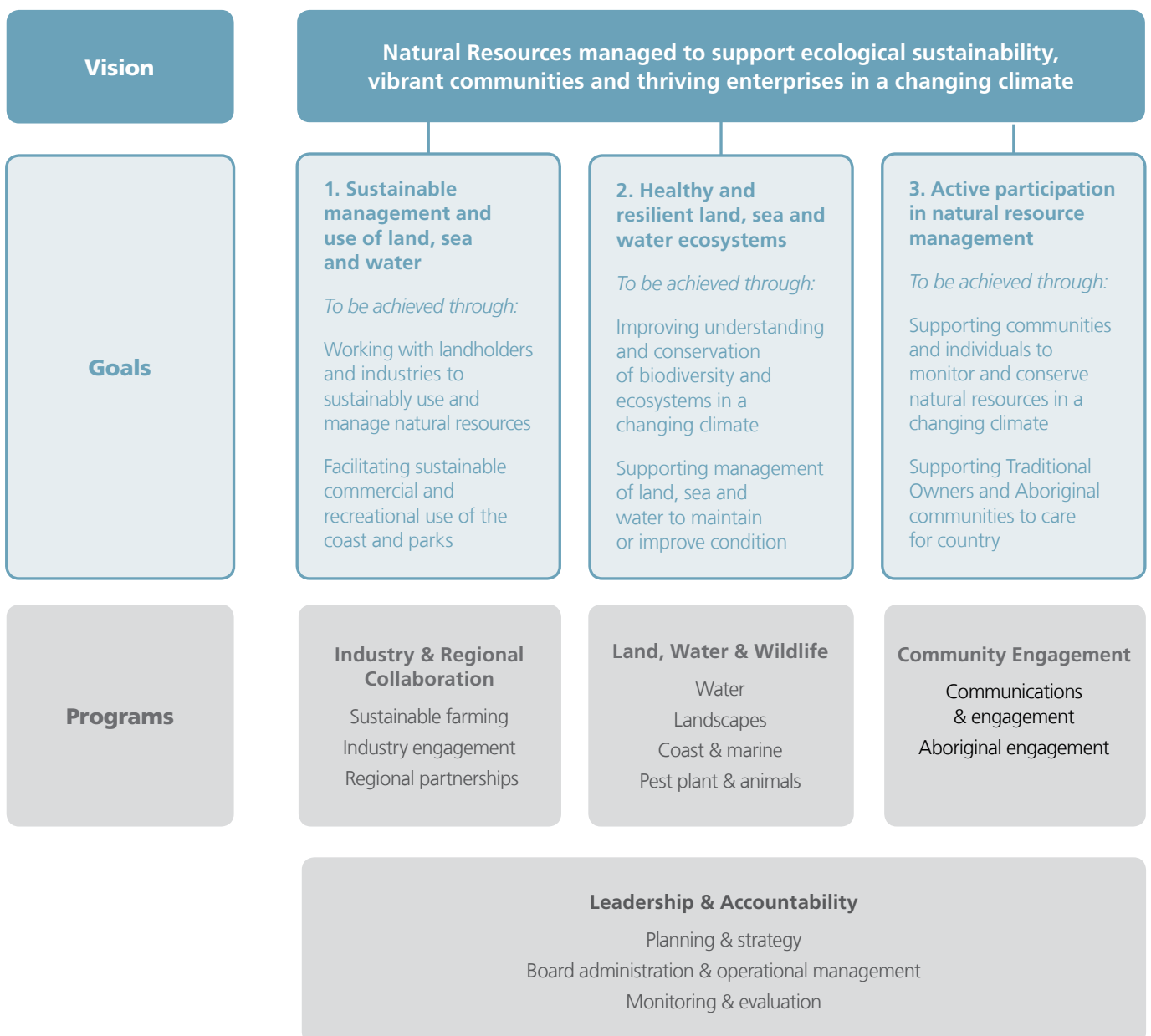
Board investment 2017-20

This three year Business Plan sets out the high-level actions to implement priorities and ultimately achieve the regions goals and vision.

The four programs that underpin the delivery of goals are naturally interconnected. For example, 'Community Engagement' underpins all of the work undertaken and the 'Leadership and Accountability' program provides the overall governance needed to ensure effective and efficient delivery.

The figure below shows the relationship from Goals, through to sub-programs. Table 1 and Figure 2 identify expenditure and expected revenue for each program and sub-program.

Figure 2. Relationship between Goals and Programs



Investment

This Business Plan sets out the programs and sub-programs that will be funded by the Board to contribute to the implementation of the Strategic Plan. It describes the expenditure and expected revenue for the three-year period from 2017/2018 to 2019/2020.

The Board's investment will be delivered through a range of projects and approaches including direct investment, contracts for works or services, and grants to community organisations.

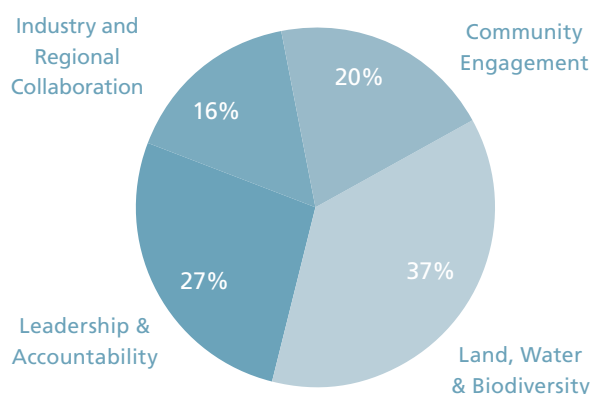
As approved by the Minister in April 2016, the (water and land) levies for the 2017/18 and subsequent years will increase by 3% (or CPI if greater) per annum. As a result of this in 2017/18, the Eyre Peninsula will raise an additional \$81,000 revenue from levies to cover increasing operational costs.

Table 1. Expenditure by Programs and sub-programs (including retained earnings projects)

Program	Sub Program	2017-18	2018-19	2019-20
		\$000	\$000	\$000
Land, Water and Wildlife	Water	284	290	245
	Landscapes ¹	605	616	629
	Coast and marine	435	444	453
	Pest plants and animals	598	610	622
Industry and regional collaboration	Sustainable farming	459	468	478
	Industry engagement	100	200	-
	Regional partnerships	300	100	-
Engagement	Community engagement	517	527	540
	Aboriginal engagement ²	551	611	521
Leadership and accountability	Planning and strategy	215	219	223
	Board Admin and operational management	1037	1042	1010
	Monitoring and improvement	193	172	175
Total Expenditure		5294	5299	4896

Total Expenditure by Program 2017-18

Figure 3. Percentage of funding allocated to each program for 2017-18 (including retained earnings)



¹ Existing funding agreements will expire at end of 2016/2017 – alternative funding may be identified

² Aboriginal engagement is primarily funded through Australian Government

³ Planning, strategy and governance includes water planning and management costs; corporate costs; ongoing collection of NRM levy collection costs associated with local government collection of the Division 1 levy funds.

Retained earnings projects

The Board has approval to utilise retained earnings to undertake a range of priority Sustainable Development Projects in the region, which will be delivered over the first two financial years of this plan.

These Sustainable Development projects have been identified as priorities by key partners, which whilst lead to significant environmental management outcomes, will also lead to important sustainable development outcomes for the region.

Figure 4. Summary of retained earnings projects

Expansion of Nature Tourism – Northern Coastline of Whyalla	This project will generate sustainable economic development for Whyalla, through increased tourism visitation, whilst safeguarding the existing environmental assets (such as the Cuttlefish and the heritage listed Shingle dune system).
Water Security for Sustainable Development	This project will safeguard industry investment in water and water security for major developments, emerging industries and “greenfield” sites, whilst at the same time ensuring fit-for-purpose water management regimes are developed.
Sustainable Tourism – Koalas and threatened habitats	This project will assist in sustaining an important tourism asset in the Southern Eyre Peninsula region, as well as managing an emerging environmental impact on threatened habitats.
Sustainable Development – LiDAR and Imagery	This project will provide up to date Light Detecting and Ranging (LiDAR) and Imagery that can be used for sea-level rise modelling, leading to improvements in coastal development decision making and economic growth for the region. It will also provide a valuable resource for local government, developers, industry, DEWNR staff and the public.
Sustainable Coastal Access for all	This project will lead to improved visitor amenities across the region, supporting continued economic growth in the tourism sector, and at the same time minimizing risks associated with increased visitation on the environment.
Aboriginal Rangers Program	This project will create meaningful and long-term employment for indigenous people in the region, instilling a sense of pride in the participants involved and greater connection to country.

Land, water and wildlife

This program encompasses management of landscapes, water, native plants and animals, pest plants and animals and coastal and marine environments. Large landscape scale projects such as WildEyre work across land tenures and land systems. Actions in coastal areas are guided by the Boards' Coastal Action Plan and focus on reducing the impact of human activities on species and the integrity of coastal habitats.

Work to reduce the impact of pest plants and animals is prioritised based on species-specific management plans and the recently endorsed water allocation plan will provide a framework for the management of essential water resources.

Upcoming priorities include:

- Implementation and monitoring of the Water Allocation Plan for the Southern Basins and Musgrave Wells Area
- Administration of water affecting activities throughout the region
- Continuing to implement the biodiversity monitoring program, which includes bushland condition monitoring and bird monitoring across the region
- Monitoring, and facilitation of on ground works including revegetation, fencing and pest control for high priority coast, marine and terrestrial habitats
- Support for the development and implementation of research projects for the Coffin Bay area
- Support to Local Government to reduce stormwater impacts on coastal and marine ecosystems
- Implementing regional pest management plans for priority pest plants and animals, including delivery of the fox baiting program across the region.

Case Study: Eyre Peninsula blue gums



Eyre Peninsula Blue Gum (*Eucalyptus petiolaris*) Woodland is an Endangered ecological community, under section 184 of the Environmental Protection and Biodiversity Conservation (EPBC) Act.

The ecological community has undergone a severe decline in Eyre Peninsula and is estimated to have lost 91% of its previous geographic distribution. Even today, it continues to be threatened by land clearance, habitat fragmentation, invasive fauna species, weed species, dryland salinity, dieback, fires and climate change.

The woodlands survive within restricted predominantly moderate/high fertility to well-drained soils in sheltered valleys, lower hill slopes and watercourses in locations such as the Koppio Hills, Cleve Hills and west of Marble Range.

Ecologically these woodlands provide valuable resources to many transient bird and animal species that use the areas for food, shelter, or as corridors to other habitats. Some of the species that rely on these woodlands include mammalian herbivores (e.g. kangaroos), smaller ground-dwelling mammals (e.g. dunnarts), arboreal mammals (e.g. possums), bats, woodland birds and reptiles, as well as numerous invertebrates.

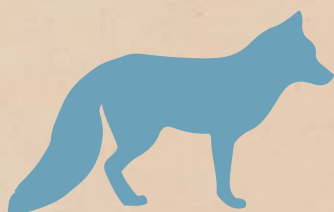
In the Eastern district, landholders have been engaged through workshops and other activities, building awareness of the importance of these woodland communities, increasing their knowledge of the species and their fragmented distribution. As a result, landholders have shown a commitment to start protecting Blue Gum water courses on their properties, and are planning a range of on ground activities such as fencing or erosion control, as well as monitoring the birds and water quality in water courses.

Achievements



Water Allocation Plan endorsed and implementation commenced

12 Pest Management Plans implemented. Additional 8 Plans being developed



75,313 fox baits laid throughout the Eyre Peninsula

42 projects funded totalling \$290,710 through the Annual NRM Grants program



Other notable achievements

- 95 Water Affecting Activities (WAA) enquiries received.
- 33 Water Affecting Activities (WAA) permits assessed and approved.
- 1,170kg of rabbit baits laid throughout the region.
- 5,000 dingo baits laid in the Western District
- More than 1800 hectares surveyed for gorse, bridal veil and boneseed outbreaks.
- More than 6,140km of roads surveyed for Buffel grass, African lovegrass, Fountain grass and other invasive Pennisetum grass species throughout the region, with over 100 sites managed.
- Birds Australia's 2020 Shorebird and Hooded Plover surveys completed around the EP Coastline.
- Over 140 water tests completed in the Port Lincoln Natural Resources Centre.
- Coastal Vehicle Access Decision Making Framework for EP has been developed together with Regional Development Australia Whyalla and EP.

Industry and Regional Collaboration

The Board has an extensive history of working in collaboration with regional partners and this has been a key success factor in achieving resource management outcomes for the region. The Eyre Peninsula Integrated Climate Change Agreement and the recently completed Coastal Vehicle Access Strategy Framework, are examples of this work, which were both delivered in partnership with the Eyre Peninsula Local Government Association and Regional Development Australia – Whyalla and Eyre Peninsula.

Our seafood, agriculture and tourism sectors rely on healthy and functioning ecosystems to be sustainable, especially in changing climatic conditions and ever increasing demands for increased food and fibre production and visitation to the region.

Improved practices that incorporate new technologies to protect and enhance natural resources whilst improving profitability and risk management strategies will contribute to the long term viability of EP.

Upcoming priorities include:

- Advocate and work for regional outcomes by partnering with the Eyre Peninsula Local Government Association and Regional Development Australia – Whyalla and Eyre Peninsula
- Continue to support the Eyre Peninsula Integrated Climate Change Agreement
- Engage and partner with Local Governments to assist deliver NRM outcomes including stormwater management, roadside vegetation management, coastal management and pest control
- Support to farmers, agronomists and farming system groups to encourage sustainable agricultural practices
- Support to industries to adapt to climate change by assisting them implement actions in the Regional Climate Change Adaption Plan
- Building and strengthening partnerships with the seafood, tourism and mining sectors

Case Study: Water use on farms

Eyre Peninsula farmers are reliant on mains water or small aquifers with little opportunity for above ground water storage. Water is an essential requirement for running a farm business and has a significant impact upon the livestock enterprise with relation to stock welfare, farm productivity and business profitability. The goal of farm water planning is to have the water you need, when you need it. Farm water planning also takes into account the levels of risk associated with water supply reliability.

Two workshops were held in July 2015 where guest speakers presented information on new technologies available for water infrastructure on farm and the benefits of preparing a water plan for the property. Each farming business used aerial photos of their property to map their current system, identify areas of concern and then develop a 5 to 10 year plan to improve the sustainability of their water system.

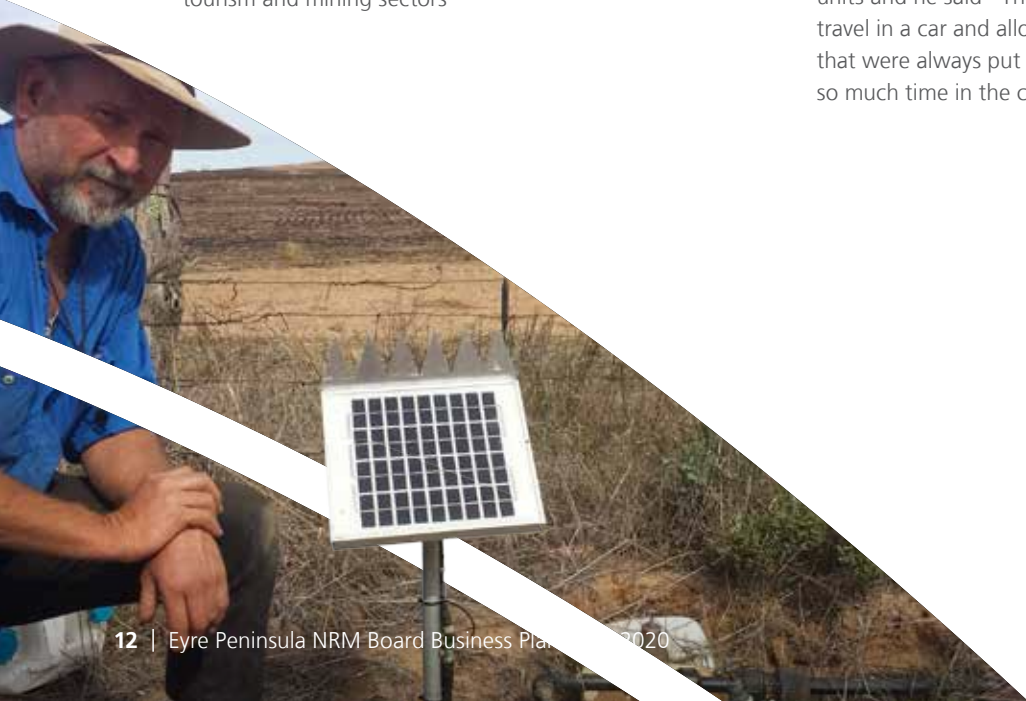
Six months after the workshop, landholders have purchased 130 leak detection devices saving between 20- 50% on water bills, over 100 farmers have visited the sheeted catchment at Pt. Neill, three solar pumps are being installed and 16ha cropping land recovered from waterlogging and salinization.

Brenton Jones and his family farms two properties; 2400 ha at Darke Peak running 2400 merinos with an annual rainfall of 340mm and 13,000+ ha at Mullaquana Station, approx. 180km away, running 5,000 merinos with a 250mm annual rainfall.

While Brenton's water infrastructure is in good condition, he says that he spends so much time chasing water leaks that it's nearly a full time position for his properties which are over 180km apart.

Brenton said "attending the 'water use on farms' forum gave me a better understanding of the technology available to assist with my farming enterprise".

Since the workshop Brenton has invested in three leak detection units and he said "These devices have saved me many hours of travel in a car and allowed me to undertake other farming duties that were always put lower on the priority list as I was spending so much time in the car".



Achievements



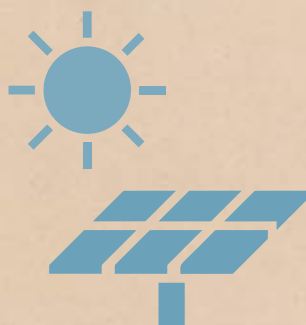
Over 400 farmers were engaged in the past 12 months through a range of workshops, small group meetings and field days.

5 sheep group meetings across the region, focusing on lamb survival and sheep nutrition



8 community agricultural groups funded through the 'Sustainable Farming Systems Group Support Grant Program'

130 leak detection devices installed on farms following the 'Water Use on Farms' workshops



Other notable achievements

- 16 landholders participating in a collaborative 'Restoring Paddock pH with Farming Acid Soils Champions Project'.
- Over 400 farmers were engaged in the past 12 months through a range of workshops, small group meetings and field days, including:
 - From Paddock to Succession
 - Biomes and Food Production
 - Understanding Crop Production – a Year in Focus for Women
 - Cereal Production from the beginning for Women
 - Water Use on Farms
- Sustainable Agriculture & Regional Landcare Facilitators supporting farming systems groups and farmer groups (LEADA & EPARF, Ag Bureau's).
- Supporting regional and state-wide sustainable agriculture projects, such as Grain and Graze 3, Australian Government Action on ground and National Landcare Program, SheepConnect SA, New Horizons, Healthy Soils for Premium Foods initiative– ensuring sharing of information, knowledge and best practice examples with EP farmers.

Community Engagement

The Board has an extensive range of stakeholders. This program aims to communicate effectively, build community, Board and staff knowledge of NRM through knowledge and information exchange, and support volunteer groups to achieve their objectives. The Board uses a range of strategies to support participation of Aboriginal people in natural resources management projects.

This program includes a burgeoning citizen science program, which has potential for application across delivery programs and projects, particularly in the Land, Water and Wildlife Program. In this way, community members become involved in measuring resource condition and actively contributing to management.

Upcoming priorities include:

- Support to community groups to undertake natural resource management activities across the region
- Support and coordination of volunteers to assist in on-ground activities and monitoring of natural resources
- Coordination of citizen sciences initiatives that build community capacity and knowledge, and assist resources condition monitoring
- Support to schools to provide nature based education initiatives
- Building community understanding and awareness of natural resources management through educational initiatives
- Facilitation of Aboriginal interests in the Board's decision making by administrating the Aboriginal Advisory Committee
- Support to Aboriginal communities to facilitate career pathways for Aboriginal youth

Case Study: Fox baiting generates results

The red fox (*Vulpes vulpes vulpes*) has a natural distribution across the continents of Europe, Asia and North America. They were first successfully released in southern Victoria, at Point Cook and Ballarat, probably in 1871 and their subsequent spread across Australia was rapid, reaching South Australia by 1888 and Kalgoorlie in Western Australia by 1917.

Foxes are opportunistic predators and scavengers with a very wide dietary range, ranging in size from small skinks to wallabies and also feed on carrion and other scavenged materials. Invertebrates, berries and other vegetative material may be predominantly taken during summer, or autumn.

In the farming context, foxes and other predators can result in losses to livestock production systems. Some sheep breeds, for example merinos, which exhibit poor mothering ability, or new born lambs are often at risk and some foxes become habituated to the killing of lambs. Foxes can also be a vector for disease, with potentially significant economic and social costs where disease is introduced.

The Fox Baiting program has been in operation across much of Eyre Peninsula (including major Parks) for more than ten years with some landholders baiting for 15 years. This program was built around local landholder and group participation, with a view to better landscape controls. Baiting with 10.80 baits in autumn and spring is encouraged through the program as a minimum and most farmers prefer to bait before or during lambing seasons to reduce risks.

A recent survey of Landholders indicated that 93% thought baiting improved productivity, with 75% also reporting that they increased production by between \$1000-5000 pa. Of those surveyed 48% of landholders believed baiting had reduced fox numbers over the last 10 years and 40% felt that they had remained stable, which is an indicator that the program is having an effect in controlling fox numbers across the region.



Achievements



12 Port Lincoln High School students in Aboriginal Ranger Cadetship (ARC) to achieve Certificate 2 and 3 in Conservation and Land Management

Schools supported across all districts; with over 500 students engaged in the past 12 months in a range of natural resources initiatives



Citizen science initiative continues to grow with over 200 citizen scientists having completed a free 40-hour bird ID training course



700 Twitter followers



Other notable achievements

- 1 x full time Aboriginal trainee and 2 Aboriginal school-based trainee positions. All three have now graduated to employment with Natural Resources Eyre Peninsula or the Green Army.
- Coffin Bay and Lincoln National Parks were both featured as Nature Play's Park of the Month.
- Working in partnership with the Coffin Bay oyster industry on projects including marine debris management and real-time monitoring of environmental parameters.
- Weena Mooga (Aboriginal women) small grants for big ideas.
- YouTube videos have been produced to raise awareness about our programs including sustainable agriculture, Aboriginal engagement and marine parks; and the importance of natural resources to our livelihoods and lifestyles.
- Updated Natural Resources Eyre Peninsula website, ensuring timely and relevant information is available to the community.

Leadership and accountability

The Board is the primary entity in the region with responsibilities for management of natural resources. It has a range of statutory requirements with respect to planning, monitoring, evaluation and reporting. The Board is guided by the principles of good governance to ensure it operates with integrity, openness, accountability, consideration of risks, efficiency and considers the views and aspirations of its community.

A proportion of project funds are invested in monitoring, evaluation and reporting. The Board is committed to refining its monitoring and evaluation strategy and reviewing targets to ensure they are measurable and relevant to desired outcomes. The Board is increasingly involving community groups and individuals in development of strategic plans and undertaking surveys to collect monitoring data information under the guidance of field staff.

Upcoming priorities include:

- Maintenance of the NRM Board in line with the requirements of the NRM Act
- Providing administrative and governance support to the Board
- Financial, auditing, contract and grant management on behalf of the Board
- Delivery of the service level agreement between the Board and DEWNR
- Implementation of the risk management framework
- Implementation and monitoring of the new Regional NRM Plan
- Responding to statutory and agency referrals
- Coordination of monitoring, evaluation and reporting activities across the organisation

Case Study: Coffin Bay research and monitoring forum

Over forty researchers, Local Government representatives, industry, community and government agencies gathered in Coffin Bay to gain an understanding of current research being undertaken in the region, to identify knowledge gaps in research needs and to sow the seed for future research projects in a workshop hosted by Natural Resources Eyre Peninsula.

The Coffin Bay ecosystem (referred to simply as Coffin Bay) includes the waters of Coffin Bay proper, Port Douglas, Mount Dutton Bay and Kellidie Bays, as well as the smaller Yangie Bay.

The ecosystem not only supports thriving fishing, aquaculture and tourism industries, but is also home to a number of fish, plant, invertebrate, marine mammal and bird species.

Natural Resources Eyre Peninsula Regional Biologist Dr Greg Kerr highlighted the importance of such a workshop, and the need for a collaborative approach to research.

“Coffin Bay is a unique ecosystem right on the doorstep of a bustling coastal township adjacent to prime agricultural land, the Coffin Bay National Park and Eyre Peninsula’s groundwater supplies”.

“This workshop enabled us to identify our knowledge gaps and really focus on working together to achieve research outcomes in the future”.

Natural Resources Eyre Peninsula aims to facilitate the establishment of a Coffin Bay Research Group that will provide a platform for future research activities in the region.



Achievements



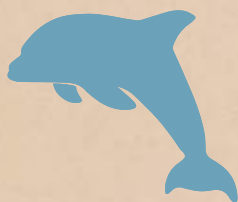
Aboriginal Advisory Committee continues to provide valuable input into NRM Planning and Aboriginal engagement in the region

6 Adapt NRM grants totalling \$194,700 funded to assist with climate change adaptation or mitigation



3 year commitment to Eyre Peninsula Integrated Climate Change Agreement

Over 40 researchers, local government, industry, community and government participants in Coffin Bay Forum



Other notable achievements

- Completed a new draft regional NRM Plan after conducting a comprehensive community engagement process and subregional planning.
- Development of new water affecting activities, pest and land management policies
- Ongoing partnerships, collaboration and development of strategic initiatives with
 - Eyre Peninsula Local Government Association (EPLGA)
 - Regional Development Australia – Whyalla and Eyre Peninsula (RDAWEP)
 - Lower Eyre Agricultural Development Association (LEADA)
 - Eyre Peninsula Agricultural Research Foundation (EPARF)
 - Farming systems group, agricultural bureaus and Landcare groups
- Signing of the new, 3 year, Eyre Peninsula Integrated Climate Change Agreement (EPICCA) to ensure continued momentum in Climate Change.

Staff and physical resources

South Australia's NRM Boards deliver their priorities, policies and programs via a partnership with the Department of Environment, Water and Natural Resources (DEWNR). For the Board, this means DEWNR, through 'Natural Resources Eyre Peninsula', with central corporate and policy support, delivers the Board's annual business plan (including the Board's statutory responsibilities under the NRM Act 2004) as well as high-level program and project management for all regional activities.

The Regional Director for Natural Resources Eyre Peninsula is responsible for the development of an Annual Implementation Plan between DEWNR and the Board. The Regional Director will be accountable for delivering the endorsed annual implementation plan, while working with the Board to oversee delivery through the regional workforce that delivers both Board and DEWNR programs. There are 29.1 Full Time Equivalent (FTE) DEWNR staff funded by the Board for the 2017-18 financial year and the FTE numbers will be similar for the two subsequent years (subject to continued Australian Government funding).

The Board does not intend to acquire new physical resources, infrastructure or land during the 2017-2020 period.

Aside from DEWNR, the Board's partners include Local Government, non-government organisations, volunteer groups, industry groups, land managers and other government agencies. In the majority of projects the Board has a facilitation role in delivering on-ground activities.

Sources of funding (income)

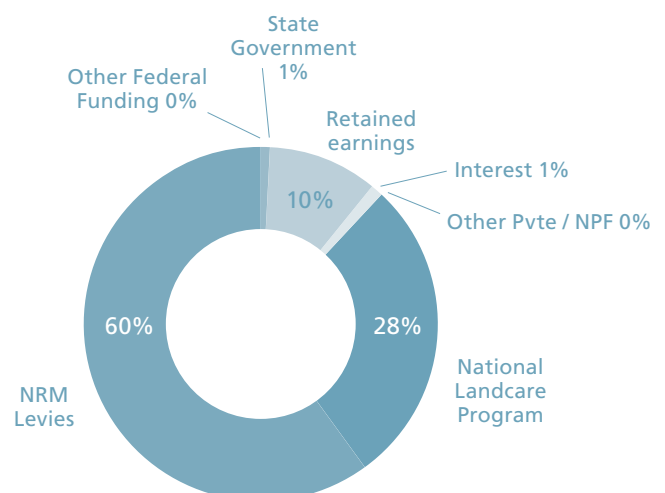
The Board receives funds from a range of sources to implement the strategies and actions described in the Business Plan (Table 2). These funds are also used throughout the year to leverage additional funds to the region, either directly to the Board or through some of our partner organisations.

Table 2. Sources of funding¹

Funding Source	2016-17 adopted Budget (\$ 000)	2017-18 (\$ 000)	2018-19 (\$ 000)	2019-20 (\$ 000)
Regional NRM Levies sub-total	3,082	3,174	3,269 ²	3,366 ²
Regional NRM Levy (Division 1)	2,688	2,769	2,851	2,936
NRM water Levy (Division 2)	394	405	418	430
State Government sub-total	192	41	41	41
Other State Agency funding	192	41	41	41
Federal Government sub-total	2,690	1,474	1,474	1,474
National Land Care Program	1,474	1,474	-	-
Other Federal funding	1,216	-	1,474 ³	1,474 ³
Other sub-total	139	605	515	15
Interest	30	30	15	15
Other private and NFP	75	25	-	-
Animal and Pest control	34	-	-	-
Retained Earnings ⁴	-	550	500	-
Total	6,103	5,294	5,299	4,896

Funding sources 2017-18

Figure 5. Proportion of total funding received from each source in 2017-18



¹ This table does not show the funding that the State Government (DEWNR) provides to support management of Natural Resources EP, management of public lands (National Parks), marine parks and fire in the region. These services provide important support for the Board's activities in the region.

² NRM levy income in 2018/2019 and 2019/2020 has been indexed at 3%.

³ Income decreases in future years due to current projects funded by the Australian Government being completed. It is anticipated that the Board will apply for future funding as opportunities from Australian Government programs become available, as such funding in 2018/2019 and 2019/20 is subject to change.

⁴ The Retained Earnings is linked to the delivery of priority Sustainable Development Projects in the region which have been approved by Cabinet.

Information on NRM levies

The types of NRM levies

The *Natural Resources Management Act 2004* established the NRM Boards to assist with the protection of the State's natural resources, and their sustainable and integrated management. To enable the Board to undertake its functions, the NRM Act provides for two forms of levy to be raised. They are:

- **Division 1** – regional NRM levy – Section 95 of the Act allows for levies to be collected by constituent councils and the Minister for Sustainability Environment and Conservation collects outside of the Local Government area within the EP NRM Region consistent with Section 97 of the Act, and
- **Division 2** – NRM water levy – Section 101 of the Act enables the Minister to declare a water levy or levies payable by holders of water licences.

Why have levies

The NRM levies are a primary source of funding for the management of the region's natural resources. Funds raised through the levies ensure that works are undertaken to achieve the region's vision of *"Natural resources managed to support ecological sustainability, vibrant communities and thriving enterprises in a changing climate"*. The levies also provide the Board with the ability to leverage additional government funds, which greatly increases the amount of work that can be accomplished in our region.

Basis and rates of the Levy

Under the NRM Act, a NRM Board has the authority to define the most appropriate basis and rates for NRM levies. To meet the budget requirements (as outlined on page 9) the Board considered a number of options to increase income generated from the land and water based NRM levies. The Board also resolved to consider changing the basis of the land and water levies when formulating this draft Business Plan. Changing the basis was a strategic approach and in response to stakeholder feedback.

Regional NRM Land Levy

Under section 95(3)(a) of the NRM Act, the following options are provided as the basis for calculating the regional NRM levy:

- **Option 1** – the value of rateable land
- **Option 2** – a fixed charge of the same amount on all rateable land
- **Option 3** – a fixed charge of an amount that depends on the purpose for which the rateable land is used
- **Option 4** – the area of rateable land
- **Option 5** – the purpose for which the rateable land is used and the area of the land
- **Option 6** – the location of the rateable land.

Previous Business Plans have applied Option 2 as the basis for calculating the regional NRM levy. In 2017-18 the basis for the levy collection will change to Option 3, where a fixed charge will be applied depending on the purpose for which the rateable land is used, which was approved by the Minister in April 2016.

As a result of this change, it is important to note that regional NRM levies for residential and vacant land properties in Local Government areas will decrease in 2017/2018 due to changing the basis of the regional NRM levy (see Table 4), whilst levies for industrial, commercial and primary production properties will increase.

Levy rates and collection from Local Government

Table 3 outlines each Local Government's contribution to the regional NRM levy for the 2017/2018 financial year. The table further includes collection fees that Local Government can recover as per Regulation 4C of the *Natural Resources Management (Financial Provisions) Regulation 2005*.

Table 3:- Estimated regional NRM Levy contributions, and establishment and collection fees per Local Government area

Local Government	Regional NRM Land Levy Contribution (\$) 2017/18	Council Collection fee (\$)
District Council of Ceduna	166,941	2,855
District Council of Cleve	101,890	2,653
District Council of Elliston	94,146	2,633
District Council of Franklin Harbour	79,912	2,615
District Council of Kimba	63,981	2,547
District Council of Lower Eyre Peninsula	337,311	3,320
City of Port Lincoln	634,574	4,284
District Council of Streaky Bay	154,919	2,808
District Council of Tumby Bay	172,953	2,826
City of Whyalla	853,324	5,012
District Council of Wudinna	69,549	2,565
Total quantum (local government areas only)	2,729,500	34,118
<i>Outside Council areas</i>	39,500	NA
Total quantum (including outside council areas)	2,769,000	34,118

Levy rates for Land use purposes for 2017/2018

Changing the basis of the regional NRM levy to land use purpose (Option 3) in 2017/2018 is driven by the 'beneficiary pays' principle. This will see primary production land users paying a higher rate for the regional NRM levy as they use natural resources to generate an income and they are more likely to receive a benefit from NRM programs. In comparison, residential properties will pay a lower rate for the regional NRM levy as they are less likely to receive a direct benefit from a NRM program. Commercial and industrial properties will pay a higher rate than residential but less than primary producers, as many of the region's businesses indirectly use natural resources to generate an income (e.g. agricultural suppliers, tourism operators, fish processors, steel manufacturers, etc).

In 2017/2018 the regional NRM levy will be calculated upon land use purpose basis, and it will also incorporate a 'beneficiary pays' principle. A base rate and multiplier calculation will be applied to achieve the 'beneficiary pays' principle, which allows beneficiaries to be charged a greater rate than those who are less likely to receive a benefit from managing our natural resources. A base rate of \$73.75 is estimated for 2017/2018 financial year, and the specific multipliers and the corresponding levy rate for each land use purpose is shown in Table 4.

To enable consistency in the application of Option 3 a new regulation has been developed titled - *Natural Resources Management (Financial Provisions) Variation Regulations 2016*, which provides the purposes for which rateable land is used are prescribed.

Table 4. Levy rate per land use purpose for 2017/2018

Land use	No. properties	Multiplier	Levy rate per land use (\$)	Quantum per land use (\$)
Residential	25,207	1	73.75	1,859,100
Commercial	1,720	1.5	110.63	190,284
Industrial	253	1.5	110.63	27,989
Primary Producers	2,560	2	147.51	377,617
Other & Vacant land	3,722	1	73.75	274,510
Total	33,462			2,729,500

Please note that the Levy rate per land use depends upon number of properties classified for land use purpose, which is to be determined by Local Governments in 2017/2018. The rates will increase in 2018/2019 and 2019/20 by 3% (or CPI if greater).

The levy rate for properties in Outside Council Areas will be based on a fixed rate of of \$82.29 per rateable assessment for 2017/2018, and increase by of 3% (or CPI if greater) for 2018/2019.

Where contiguous land holdings are owned and occupied by the same person or non-contiguous land is farmed as a single

enterprise, the combined land holdings may be regarded as a single piece of rateable land for regional NRM levy calculations. It is Local Governments' role to determine the number of single enterprises within their jurisdiction.

NRM Water Levy

The NRM Act specifies the options for collecting a NRM water Levy (Division 2) from water licensees. The levy may include one or more of these options:

- **Option 1** – a fixed charge
- **Option 2** – the quantity of water allocated
- **Option 3** – the quantity of water received or taken
- **Option 4** – the quantity of water passing through any works
- **Option 5** – the size, type or capacity of any works
- **Option 6** – the quantity of water used
- **Option 7** – the share of the water that makes up the relevant water resource
- **Option 8** – the area of land where the water may be used, or the area of land where the water is used
- **Option 9** – the effect that the taking or using of the water has, or may have, on the environment, or some other effect or impact that, in the opinion of the Minister, is relevant and that is capable of being determined, measured or applied.

The NRM water levy will continue to be based on the quantity of water allocated (Option 2) and the purpose for which the water is taken. The NRM water levy does not apply to stock and domestic use.

The total NRM water levy collected from water licensees in the Southern Basins and Musgrave Prescribed Wells Areas will increase by 3% from \$393,564 in 2016/17 to **\$405,371** in 2017/2018 (see Table 5).

Table 5. NRM Water Levy 2017/18

Purpose	Levy rate (cents per kilolitre)	Water allocated in 2017/2018 (kilolitre)	Total NRM water levy quantum(\$)
Public water supply purposes	4.40	8,601,405	378,298
Irrigation, industrial and recreational	2.43	324,852	7,897
Mining and energy sectors	4.40	436,000	19,176
Total		9,362,257	405,371

The levy rates in Table 5 will increase by 3% (or CPI if greater) per annum for 2018/2019 and 2019/2020.

A landholder who is also a water licensee within the Southern Basins and Musgrave Prescribed Wells Areas will be required to pay a land based NRM levy and a water based NRM levy.

Social impacts of levies

Under the NRM Act, the Board is required to assess the potential social impacts of imposing NRM levies. A Social and Economic Impact Assessment was prepared by EconSearch Pty Ltd in October 2015. The assessment used representative financial models to consider the impacts of the NRM levies on people and businesses using the following measures:

- **Households** – after tax on average personal income and low income earners
- **Primary Production** – Earnings before Interest and Tax (EBIT)
- **Commercial and industrial businesses** – Gross Operating Surplus (GOS); a measure of a firm’s profit that represents the surplus generated by operating activities after labour and other operating costs have been paid. GOS is used as the measure of profit for non-farm industries as the economic model from which the data are drawn is industry-wide and not detailed enough to calculate EBIT.

A copy of this report is available on request.

Guide for impacts

The assessment rated the impacts on households, businesses and/or industries using the following scale of impacts on the measures above:

<1%	1 to <5%	>5%
Minor	Moderate	Significant

Based on the assessment of impacts in comparison to other models that were assessed, the Board considered that the NRM land levy would not place an undue burden on ratepayers.

Impact of regional NRM Levies in 2017/2018 – land use purpose

In 2017/2018 financial year, the regional NRM will change the calculation basis to the land use purpose basis. The Social and Economic Assessment found this land use purpose levy would have:

- a minor impact on households; ranging from 0.13% for the mean after tax income, through to 0.30% for single full age pensions
- a minor impact on dryland farms; for both marginal operations and profitable enterprises
- a minor impact on business profitability across most sectors of non-farm businesses. Businesses in the professional services, scientific and technical services could be significantly impacted because of the low median Gross Operating Surplus in these sectors. Education, training, arts and recreational services could also be moderately impacted.

Please note these percentages are reflective of the rates applied in the modelling, and rates may change upon the Board approving the multiplier for specific land uses.

Impact of NRM water levies

In regard to the NRM water levy there will be only one minimal change to the basis of the levy, which is the introduction of a new classification to allow for a differential rate for water supply to the energy and minerals sector. The impacts of the changes to water levy were assessed, with the results indicating a minimal impact on all water licensees.

Decision making principles

Board investment is targeted at the highest priority outcomes contained within the Regional NRM Plan, regardless of how it is raised. Below are the principles the Board use to support their decision making processes:

- **Core Function** – statutory requirement under the Natural Resources Management Act or other legislative or regulatory requirements.
- **Strategic** – alignment with the regional NRM Plan, State NRM Plan, State's 10 Economic Priorities and other key regional plans.
- **Outcomes focused** – will lead to sustainable use, protection and conservation of the region's natural resources.
- **Cost/Benefit** – in value, outcomes, partnerships and community engagement – delivery of local, catchment or regional outcomes, across one specific industry or multiple industries or communities sectors.
- **Capacity and capability** – resources, knowledge and skills required to undertake the work are available within the Board, community or partner organisations.
- **Collaborative** – forms partnerships with other groups and organisations to share responsibility and deliver the best possible natural resources management outcomes.
- **Innovative** – opportunity to drive innovation, demonstrate best practice and/or increase understanding of natural resources.
- **Visibility** – raising the importance of natural resources and the work being undertaken by the Board, the community and partner organisations.
- **Fairness** – no single person, organisation or group of organisations is treated more or less favourably than others.
- **Equality** – people who are the beneficiaries of natural resources management both indirectly and directly in the region should contribute accordingly.
- **Administrative accountability** – public accountability for efficient and effective use of State, Australian Government and levy funds.

Monitoring and Evaluation

The Board and DEWNR have some long established monitoring projects and data sets to monitor the state and condition of the natural resources and related trends on EP. This includes monitoring and evaluating the effectiveness of strategies to manage threats as well as protect specific natural resources. Limited resources means that monitoring needs to be prioritised in space and time, optimal indicators identified and cost-effective data collection strategies implemented.

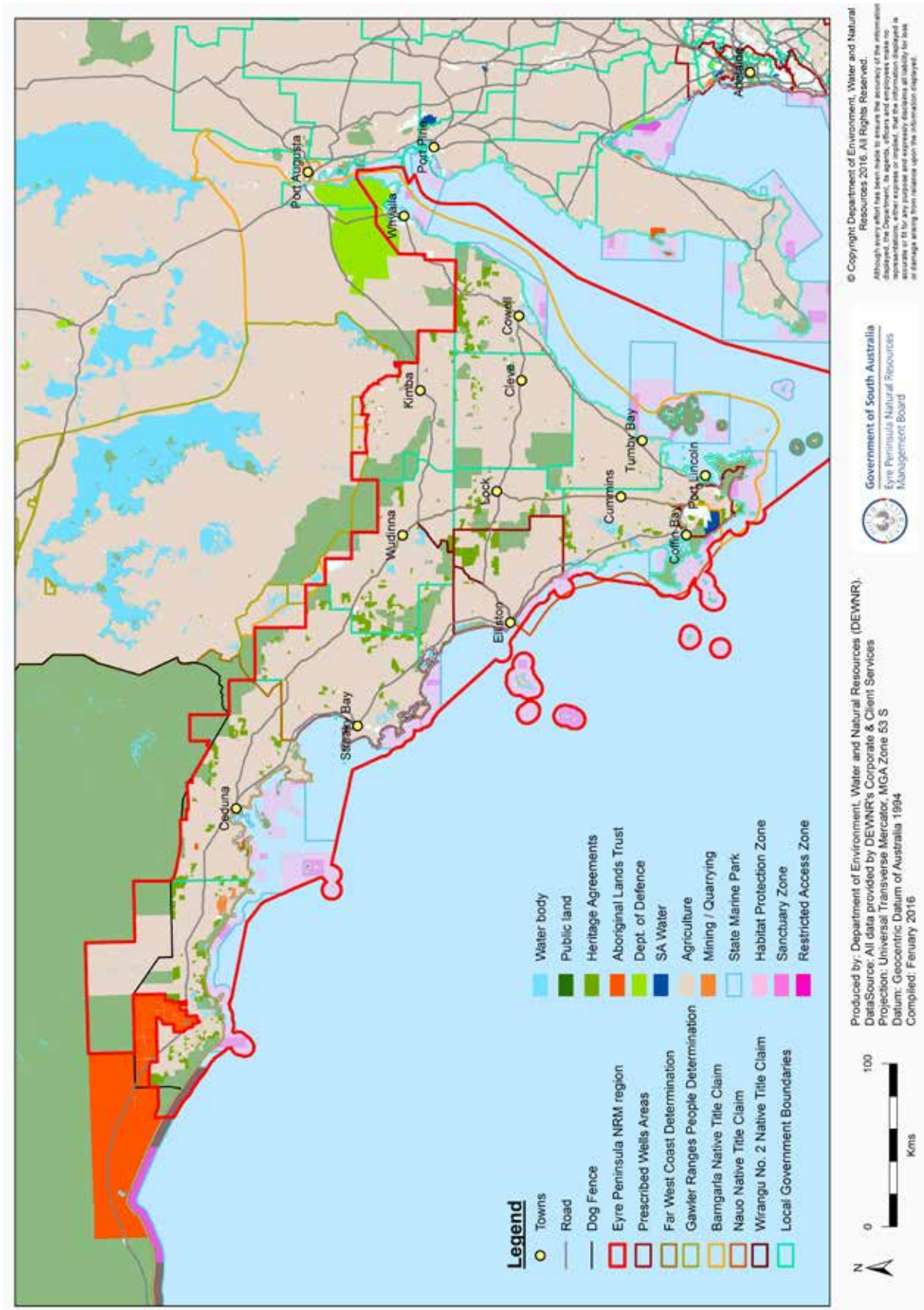
Other

Information on the Board membership, role and activities can be found at:

www.naturalresources.sa.gov.au/eyrepeninsula/home

Appendices

Appendix 1 – Eyre Peninsula Natural Resources Management Region Map



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