



# Corporate Plan

## 2016 - 2020

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Cape York Natural Resource Management Ltd

April 2017

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## **Chair's Foreword**

On behalf of the Members, Board of Directors and Staff, I am pleased to present the Cape York Natural Resource Management Ltd. (Cape York NRM) Corporate Plan for the period 2016-17 to 2019-20.

The Cape York Natural Resource Management NRM Region covers 13.7 million hectares, extending north from the Bloomfield River on the east Coast and the Mitchell River Catchment in the west, to 'The Tip' of the Peninsula. Cape York NRM also shares responsibility with Northern Gulf Resource Management Group for the area of the Mitchell Catchment north of the River (The Mitchell Joint Management Area).

The Region is significant from a social, economic and environmental perspective supporting a diverse population of people from indigenous, multi-generational settler and ethnic backgrounds. Economically the Region is dependent on agriculture, mining, commercial and recreational fishing, tourism and small business.

The region is nationally and internationally recognized for its natural and cultural heritage values and a strong conservation based economy has developed employing more than 100 residents, predominantly Indigenous, across a broad range of natural resource and cultural heritage management activities. Those values include more than 3,300 terrestrial plant species including 72 different types of rainforest and 36 mangrove species. Fourteen species of seagrass have also been identified. In terms of animals, the Cape has more than 500 vertebrate species including a quarter of Australia's frog species, a quarter of its reptile species, half of the nation's bird species and one third of its mammal species. Forty of these species only occur on Cape York.

Cape York NRM Region has sixteen complete river basins, two partial basins and internationally recognized wetlands. These freshwater habitats are home to eighty-eight species of fish, 15 of which spend some of their lives in estuarine or ocean waters. Some of the rivers flow westwards into the Gulf of Carpentaria and others flow eastward into the Great Barrier Reef Lagoon adjacent to which lies 62 per cent of the Great Barrier Reef.

The Region's landscapes, waterways, coastal areas, plants and animals have provided the continents first people with a sustainable subsistence economy over tens of thousands of years. They are reflected in their tribe and clan story lines, their social structures and spiritual beliefs and are integral to their understanding of their kinship connections.

The recently completed NRM Plan for the Region identifies a number of significant challenges which are, or have the potential to, impact on its natural resource and cultural heritage values, and by virtue of that impact, on the achievement of Cape York NRM's vision which is for:

***'A CAPE YORK THAT IS RECOGNISED FOR THE HEALTH OF ITS LANDSCAPES, THE WELLBEING OF ITS PEOPLE, AND THE SUSTAINABILITY OF ITS DIVERSE ECONOMY'.***

Of these challenges the Board has identified a number of priorities which we are working with our community to address during the life of this Corporate Plan. Currently, Cape York NRM is directing significant effort and resources towards:

- Appropriate Fire Management
- Services Provided by Healthy Ecosystems
- Protected and repaired freshwater and marine systems
- Adaptive and implemented regional NRM, community, country and agricultural plans
- Preparedness for climate change and weather extremes
- Impacts to threatened species reduced
- Practiced and shared living knowledge

- Embedded monitoring and evaluation systems that inform NRM Actions
- Business Excellence

While addressing the priorities above, and through the delivery of State and Australian Government projects, Cape York NRM continues to engage with local communities to understand and plan for issues impacting on local land management. An ongoing issue for all landholders on the Cape is the negative ecological, social, cultural and economic impact of poor fire management. The community is keen to work with us and government agencies including National Parks and Wildlife to implement a holistic risk-based approach to planned burning and management of wildfires which considers the long-term impacts on the region's landscapes, and people; and stabilising the funding base for our organisation, our partners, and community NRM groups including Landcare; and reducing our business operating costs. At the time of developing this Corporate Plan, we are anticipating 2016-17 revenue to total \$4.42m. The sources of this funding are detailed at Appendix 6. The projected Income section of that Appendix (which is based on contracted funding) indicates a significant reduction in revenue in 2017-18 with a further reduction beyond that period due to state and Commonwealth Programs coming to an end with no certainty of future allocations. We will work to seek funding to continue to deliver on the community determined priorities as detailed in the Cape York NRM Plan.

As the lead natural resource management agency for Cape York we have developed and published this multi-year Corporate Plan to provide our stakeholders with a clear understanding of the organisation's strategic direction and focus for the coming 5 years. The plan commits us to continue our leadership and capacity building role, and to strengthening our relationships with interest groups such as Landcare and other community groups, our primary industry, Traditional Custodian, and conservation groups, state agencies and local government authorities, universities and research organisations, and to ongoing delivery of the majority of our on-ground activity through contracted delivery partners.

Yours faithfully

**Emma Jackson**  
Chair

# 1. INTRODUCTION

## 1.1 The Region at a glance

The Cape York NRM region extends north from the Mitchell River catchment to 'The Tip' of Cape York Peninsula, encompassing diverse landscapes including 16 complete river basins with their systems virtually unmodified (the Annan River being the exception).

Both Cape York NRM and Northern Gulf Resource Management Group (NGRMG) have shared responsibility for an area of the Mitchell River catchment north of the Cape York Peninsula Land Use Strategy (CYPLUS) line. This is known as the Mitchell Joint Management Area or JMA and it is shown as a hatched area in the Map at Figure 1. Both organisations have community, industry and government engagement responsibilities within the JMA and both apply for funding and manage projects within the JMA in accordance with a Memorandum of Understanding (dated 11 February 2015).

The region contains 30 broad vegetation groups including 72 different types of rainforest comprising 20% of Australia's remaining rainforest. Although much of the biodiversity has yet to be systematically surveyed, Cape York is known to have 3338 terrestrial plant species (379 of which are listed as rare and threatened and 264 of which are only found in Cape York). Cape York's diverse fauna includes 60% of Australia's butterflies, 25% of the frog species, 25% of the reptile species, 50% of the bird species, 33% of the mammals and the richest freshwater fauna in Australia (88 species, 41 of which are only found in Cape York (Cape York Interim Advisory Group 2005).

Cape York has a rich historical and living cultural landscape. There are about 45 distinct Aboriginal languages with several hundred dialects. The diversity of its ecological zones – drier central highland, wetter northern region and wetter and more continuous rainfall in the east – has allowed for the development of contrasting kinds of cultural landscapes. The way water moves across the landscape is the basis underpinning Cape York's clan estates, language groups and regional alliance groups.

The population of Cape York in 2011 was 15,400 56% of whom are Indigenous (Australian Bureau of Statistics 2012). Most people live in towns and there is a high level of unemployment (16%) (Chester & Driml 2012). There are 10 local governments (8 of which are Indigenous). The major primary industry based on both land use and income is cattle grazing. The other main industries include mining, horticulture, tourism and commercial fishing.

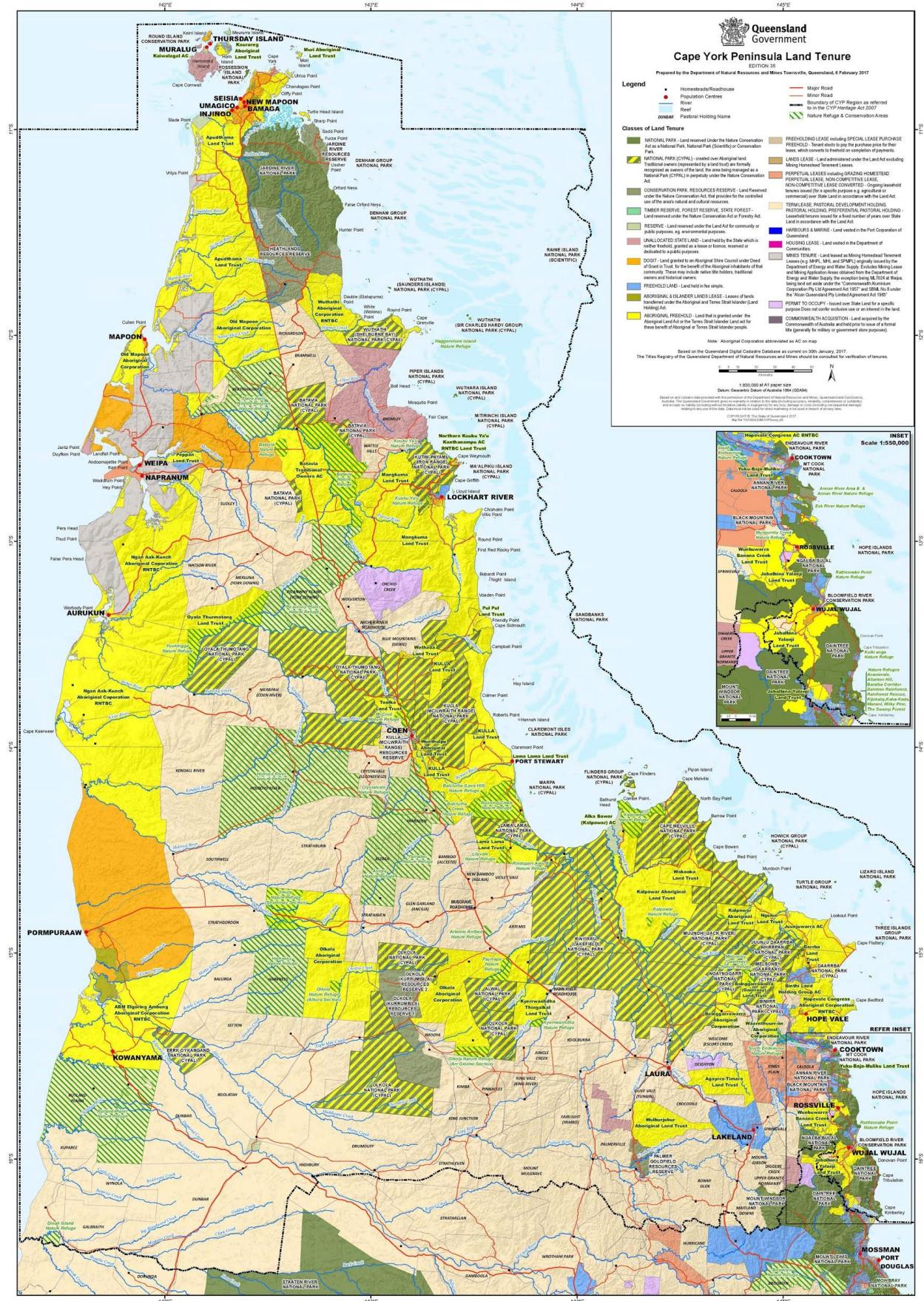


Figure 1: Land Use (Socio-ecological) systems in the Cape York NRM Region

## 1.2 The Region's socio-ecological systems

### 1. Grazing native vegetation

**Grazing** of native pastures is one of Cape York's dominant socio-ecological systems in terms of the land area utilised, its economic contribution and the industry's associated social actors and institutions. As at the beginning of 2017 this system was comprised of 58 enterprises covering an area of approximately 5,811,400 hectares (approximately 44% of the Cape York NRM Region)

**Threats:** The major threats to the industry are its viability and perceptions regarding its impact on the region's ecological values and the quality of water entering to the Great Barrier Reef Lagoon. There are 48 grazing properties across 2,161,800 ha of GBR catchments. This in turn has implications for the industry's social license to operate (the ongoing approval needed from stakeholders within the regional, state, national and international community). In terms of viability, stocking rates on some properties are as low as one head per 60 hectares; enterprises 'mainly breeding properties turning off store cattle for southern markets, live cattle export and coastal fatteners' (Department of Employment, Economic Development and Innovation, 2010, page 8). All saleyards and processing facilities lie outside the Cape York Peninsula Area. Some live export occurred from Weipa in 2009 (CYSF 2010) with a further shipment in 2016.

Herd genetics are reportedly poor and infrastructure is reported to be minimal (CYPLUS 1995). Surveys by Cape York NRM indicate that there is low conformity to grazing best management practice and in recent decades there has been a significant reduction in 'critical mass' with many grazing properties taken out of production (change of tenure to National Park and Aboriginal Freehold).

Distance from farm gate to markets and high transport costs generally are amongst factors contributing to relatively high operating costs and reportedly slim profit margins (Savanna Explorer). In 1992 average returns were \$0.90 per hectare on total sales value of \$6.57 million which equated to an average annual gross income of less than \$150,000 per property. The total value for livestock sales for Cape York in 2005-2006 was \$28.1m which is equivalent to an average gross income of approximately \$484,000 per property (ABS Value of Agricultural production by LGA Cape York Peninsula cited in CYSF 2010).

### 2. Nature Conservation

**Nature Conservation** is another dominant socio-ecological system on Cape York in terms of the land area utilised and the institutions and associated social actors. These actors now include Traditional Owners, as well as the customary State Government agencies, National Park visitors, tourist related industries, and neighbouring landholders. As at the beginning of 2017 this system comprised 2,324,100 hectares (approximately 17% of Cape York Region)

This represents significant recent growth in this system as a result of large areas of Aboriginal Freehold land being dedicated as jointly managed national parks. The state is also progressively converting existing national parks to jointly managed national parks (CYPAL), with Aboriginal freehold as the underlying tenure.

To date, tenure resolution has been completed for 18 existing parks (now designated national parks (CYPAL) covering nearly 1,400,000 hectares. A further 8 new national parks (CYPAL) comprising nearly 645,200 hectares have also been created. A further fifteen existing national parks in the Cape York Peninsula Region, covering almost 413,300 hectares, are yet to be converted to national park (CYPAL).

There are also 26 **Nature Reserves** on Cape York. The area covered by these reserves has not been calculated as they exist over a range of other land tenures and

are accounted for in the socio-ecological systems relevant to their land use. Of those reserves, 17 are situated on and cover nearly 260,000 hectares of Aboriginal freehold land. Other large reserves are situated on pastoral leases including Bertiehaugh (Steve Irwin Reserve), Batavia, Piccaninny, Holroyd River, Strathalban, Astrea, Yarraden and Harkness.

**Threats:** impact on ecosystems of: weeds and feral animals including pigs, cats, wild dogs and horses, poorly managed cattle and/or feral cattle; infrastructure (including key arterial roads) on ecosystems; property access and internal roads, fence lines and water infrastructure on waterway and wetland health; increased erosion along with threats to biodiversity vegetation and wetlands as a result of inappropriate fire, weed and pest animal management.

### 3. Intensive Horticulture

Whilst there have been significant changes in nature of the Region's **Perennial, seasonal and irrigated horticulture** its land use footprint at this time is primarily restricted to the Lakeland Agricultural precinct and the Endeavour Valley. As at the beginning of 2017 this system comprised 5,269 hectares (approximately 0.0004% of Cape York Region)

**Threats:** Water availability, impact of nutrients, herbicides and pesticides and water infrastructure on waterway and wetland health, soil borne diseases (e.g. Panama race 4), invasive weeds, feral animals.

Any major expansion outside of the current Lakeland precinct area will require vegetation clearing which has in recent years been a controversial and divisive issue due to the opposition of stakeholders within the regional, state, national and international community to tree clearing generally. The opposition is often related to concerns regarding global warming, the potential for impact on the region's significant ecological values, and on landscapes, waterways and wetlands, particularly where these are adjacent to the Great Barrier Reef lagoon . This opposition to clearing also has implications for landholders social license to operate.

### 4. Aboriginal Freehold

As at the beginning of 2017 this system comprised more than 6,183,700 hectares of Aboriginal Freehold land (approximately 46% of the Region), 2 million hectares of which has been designated Cape York Peninsula Aboriginal Land (CYPAL) National Park (see Nature Conservation System).

The return of ownership and management of identified lands (formerly held as 22 pastoral leases) to identified local Aboriginal Traditional Owners has been carried out via the Cape York Peninsula Tenure Resolution Program. The tenure change is taking place to allow Traditional Owners to return to live on country and pursue employment and business opportunities in land management, grazing, and mining.

**Threats:** Insufficient resources available to properly manage environmental and cultural values; conflict between clans within Land Trusts; inability to raise capital for economic development and other purposes (such as infrastructure to allow people to return to and live on their country).

Ongoing loss of productive grazing land has had an impact on the overall viability of the pastoral industry on Cape York. It has also had a significant impact on Cook Shire Council's rate base and the ability of Council to maintain infrastructure such as roads, as Aboriginal Freehold and national park (CYPAL) land is exempt from rates.

## **Population Centres**

The Main **Population Centres** in the region are Seisia, Bamaga, New Mapoon, Umagico, Injinoo, Mapoon, Weipa, Napranum, Lockhart River, Weipa, Coen, Aurukun, Pormpuraaw, Laura, Lakeland, Cooktown, Hopevale, Wujal Wujal and Kowanyama.

**Threats:** Isolation and poor access to basic services and facilities including health and education. Other threats include high levels of unemployment and socio-economic disadvantage, potential impacts of Climate Change, low or non-existent rate base for Local Government results in heavy reliance on government funding, often in the form of disaster relief grants for infrastructure repair. See also section 1.3 below.

## **1.3 Some of the Region's challenges**

### **Basic Road and Transport Infrastructure**

Transport of goods into and out of Cape York is a key challenge for economic development and the wellbeing of its people. Because wet seasons can close roads for up to 4 months each year, Cape York relies heavily on air and sea freight and although the Peninsula Development Road (PDR). The PDR is the Cape's key transport artery. It is a mainly gravel road 571km in length, 528km which is maintained by the Department of Transport and Main Roads (the remainder at the Weipa end is on Rio Tinto mining lease). Over the last few years the PDR is being progressively sealed with funding from the joint Australian and State Government Cape York Region Package, repairs usually wait until the dry season returns. of which is being progressively upgraded from a mainly gravel road. To date 103km has been sealed with a further 50 km scheduled for seal in 2017.

### **Power Infrastructure**

The majority of Cape York's communities and most of the region's grazing properties, roadhouses and homeland outstations rely on a mix of solar and diesel power generation systems with only the townships in the far southeast of the region connected to grid power. However, a world-first solar project at Lakeland could provide the blueprint for regional Australian towns to go it alone in the event of power failure. Stage one of the Lakeland Solar and Storage Project, located 70 kilometres south west of Cooktown, features the Southern Hemispheres first large-scale battery storage connected to a fringe-of-grid solar project. Conergy, the company building the \$42.5 million project, hopes to use Lakeland as a test case for 'grid-to-islanding' functionality — whereby the far north Queensland town could be powered directly from the battery for up to five hours in the event of a power failure. The solar farm will feed in to the neighbouring Lakeland substation, the second most northern substation on the National Electricity Market highway, located more than 1,200 kilometres from the nearest large-scale power plant. Planning for a second stage is well under way.

### **Communications Infrastructure**

Telstra 'Next G' Mobile phone and internet coverage is also accessible in most communities on the Cape. The networks, however, only have coverage within close proximity of most towns. Beyond that, satellite phones or access to the Australian HF Radio Network are the only means of telecommunication. In terms of internet access, many Cape York properties, businesses and residents have recently been able to access affordable, high-speed broadband with the launch of services on NBN's Sky Muster satellite network. This access was made possible by the Australian Government's investment of \$2 billion in two advanced Ka-band satellites and a network of ground stations to make up the this new Sky Muster service.

### **Economic Development**

Development on Cape York is governed by a legislative framework of Acts and Regulations that place clear guidelines on development. A challenge in this regard in recent years has been the almost regular number of changes to key elements of that framework. This creates uncertainty which can inhibit development. Transport costs, isolation, seasonal influences and access to seasonal labour are also factors.

## **Wellbeing**

*Health:* Health outcomes are very low. There are high levels of substance abuse and life expectancy for Cape York's Indigenous people is nearly 20 years less than the average Australian. The most recent available data indicates that 23% of young people under 35 years of age 35 have a sexually transmitted disease, that approximately 15% of adults have diabetes, 25% of adults have early kidney disease and that more than 50% of adults do not eat enough fruit and vegetables to stay healthy. The research also indicated that 67% of adults smoke tobacco compared with 25% nationally (Cahill 2005).

*Education:* There are very low rates of attendance, and very low secondary school completion rates

*Employment:* There are very few 'real' jobs for Indigenous people. Only around 14% of Indigenous Australians receive an income from employment in the real (non-Remote Jobs Employment Program) economy. Income transfers (including RJEP) account for approximately 70% of the total community income in remote communities, compared to around 10% for Australia as a whole (Cape York Institute 2005)

*Income:* Average incomes are low – the average personal income for Indigenous people is around 60 % of the Australian average for

*Housing:* Indigenous community housing is publicly provided, often of low quality and unsuitable for the climate. Its design is not informed by or supportive of cultural practice. Overcrowding is a significant issue, with resulting health and safety implications.

*Safety:* The level of safety for people on Cape York has been assessed as very low based on rates of reported violent crimes against the person and property offences. Isolation, travel over long distances and poor road conditions also contribute to high levels of road trauma.

*Governance:* The processes of governing on Cape York, whether involving the three levels of government, markets, networks, families, tribes, clans, or formal or informal organizations are intensely political with high levels of conflict between parties and conflicts of interest.

Competition rather than collaboration is the norm, with people and organisations often not willing to work together even where there is a common goal or mutual benefit.

## **1.4 The Cape York Region NRM Plan and Investment Strategy (RIS)**

The Cape York Regional NRM Plan is the overarching document that outlines the long term vision for integrated management of the Region's natural resource and cultural heritage values. Both the Plan and the Regional Investment Strategy 2014-2019 (RIS), have been developed in consultation with the people of Cape York. The NRM Plan is owned by the people of Cape York, and Cape York NRM is its custodian. The Plan outlines the community's priorities and pathways for achievement of that vision, and the RIS details how Cape York NRM intends to invest in those priorities in coming years.

The community's NRM Plan also provides:

- Key pathways for adapting to the challenges of a changing climate
- a strategic framework that can be used to improve the governance of natural resources on Cape York through its use to align the investment and activity of diverse participants toward achievement of the Plan's agreed natural resource and cultural heritage targets
- an overview of assets, threats and priorities at whole-of-region as well as catchment and social-ecological system scales.

This Corporate Plan outlines how Cape York NRM will use the Regional NRM Plan framework to make its own contribution to improved governance of natural resources on Cape York.

## 1.5 Setting objectives – the objective hierarchy

Figure 2 details the objectives hierarchy for the NRM Plan. These objectives have been developed at four levels.

**Level 1** is Cape York NRM's vision and Mission. The vision provides a general sense of what the community would like the Region's natural and cultural heritage values to be like in the long term. The vision reflects the important relationship between protection and use of the catchment's natural assets, which generate environmental, economic and social benefits. The Mission reflects Cape York NRM's understanding of its role in supporting the people of Cape York to achieve that vision.

**Level 2** holds the **long-term 20 to 30-year objectives for fire, water, ecosystems, people, livelihoods and biodiversity**, found in the relevant Sub-strategies of the NRM Plan. These objectives were developed by Cape York NRM in consultation with the people and communities of Cape York. They guide effort by defining what is to be achieved in relation to fire, water, ecosystems, people, livelihoods and biodiversity; it is assumed that achieving these objectives will position the Cape York Region community on the path to achieving the vision.

**Level 3** is made up of **5-year strategic objectives** that help communicate the improved management adaptation pathways; it is assumed that achieving these objectives will enable progress towards 20 to 30-year fire, water, ecosystems, livelihoods and biodiversity objectives.

**Level 4** includes **5-year strategic priorities**, which are the management measures or tasks which will be undertaken taken during the period to drive adoption of improved management practices; it is assumed that achieving these strategic priorities will lead to achievement of the strategic objectives.

<p style="text-align: center;"><b>1. Our Vision and our Mission</b></p> <p style="text-align: center;"><b>OUR VISION IS FOR A CAPE YORK THAT IS RECOGNISED FOR THE HEALTH OF ITS LANDSCAPES, THE WELLBEING OF ITS PEOPLE, AND THE SUSTAINABILITY OF ITS DIVERSE ECONOMY</b></p> <p>Our Mission is to help people to work together to care for the natural environment and to promote the sustainable use of Cape York's natural resources</p>	
<p style="text-align: center;"><b>2. Long Term objectives</b></p> <p>A better institutional and social context for NRM on Cape York</p> <p>Increased ecosystem and community resilience, increased capacity for climate change adaptation</p> <p>Cultures of collaboration, adaptive learning, knowledge transfer, implemented management, learning by doing, action research</p> <p>Improved institutional frameworks, and supportive cultural and social networks</p>	

3. Five Year Strategic Objectives											
<b>Resilience:</b> Objectives: Preparedness for climate change and weather extremes and Adaptive and implemented Regional NRM, community, country and agricultural plans  These plans have a big influence on changes in land management and land and in people's response to local climate change impacts	<p style="text-align: center;"><b>Adaptation Pathways</b></p> <table border="1"><tr><td><b>Fire</b> <b>Objective:</b> Appropriate fire management  Every year large areas of Cape York Peninsula burn at the wrong time, affecting the health and function of the landscape. Many places burn hot that should not and often places burn that should be protected from fire. Fire continues to be one of the greatest land management challenges for Cape York</td><td><b>Water</b> <b>Objective:</b> Protected and repaired freshwater and marine systems  Cape York has vast, connected and highly valuable and diverse aquatic and marine systems that need protection from multiple climate change impacts.</td><td><b>Ecosystems</b> <b>Objective:</b> Services provided by healthy ecosystems  Healthy ecosystems are critical for resilience to the multiple impacts of a changing climate.</td><td><b>Threatened Species</b> <b>Objective:</b> Impacts to threatened species reduced. This pathway presents actions for gathering information, prioritising threatened species and targeting hotspots in conservation efforts. This will require a coordinated and cross- sector approach for landscape scale conservation of species and habitats, including sea turtles and mammals. The work will include long-term monitoring and systematic surveys of species and ecosystems.</td><td colspan="2"><b>People and Relationships</b> <b>Objective:</b> Practiced and shared living knowledge  This pathway is about providing opportunity for people to get together to share their knowledge and support each other to implement action.</td></tr></table>					<b>Fire</b> <b>Objective:</b> Appropriate fire management  Every year large areas of Cape York Peninsula burn at the wrong time, affecting the health and function of the landscape. Many places burn hot that should not and often places burn that should be protected from fire. Fire continues to be one of the greatest land management challenges for Cape York	<b>Water</b> <b>Objective:</b> Protected and repaired freshwater and marine systems  Cape York has vast, connected and highly valuable and diverse aquatic and marine systems that need protection from multiple climate change impacts.	<b>Ecosystems</b> <b>Objective:</b> Services provided by healthy ecosystems  Healthy ecosystems are critical for resilience to the multiple impacts of a changing climate.	<b>Threatened Species</b> <b>Objective:</b> Impacts to threatened species reduced. This pathway presents actions for gathering information, prioritising threatened species and targeting hotspots in conservation efforts. This will require a coordinated and cross- sector approach for landscape scale conservation of species and habitats, including sea turtles and mammals. The work will include long-term monitoring and systematic surveys of species and ecosystems.	<b>People and Relationships</b> <b>Objective:</b> Practiced and shared living knowledge  This pathway is about providing opportunity for people to get together to share their knowledge and support each other to implement action.	
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<p style="text-align: center;"><b>Embedded Monitoring and evaluation systems that inform NRM action</b></p> <p><b>Objective:</b> Regional monitoring that utilises local data in respectful ways and the development of region-wide indicators.</p> <p>These enable landholders and support organisations to learn skills and monitor data to measure long-term land-use change outcomes, which inform the implementation of future practices. Opportunities for custodianship and data sharing agreements are key to accessing this pathway.</p>											
<p style="text-align: center;"><b>Business Excellence</b></p> <p><b>Objective:</b> Continuous improvement across the company's key business attributes</p> <p>Leadership, Client and community driven direction and strategy, Focus on results , creation of value for stakeholders, systems and processes, data information and knowledge and valuing people</p>											

4. Five Year Strategic Priorities					
Resilience People & Relationships	Fire	Water	Ecosystems	Threatened Species	
encouraging preparedness and recovery planning from property to regional levels	improving governance through coordination and collaboration	improving knowledge on water systems through engagement with community	exploring innovation through alternative land uses and income sources	Collating and analysing databases and information on species distribution and ecology. Developing and presenting climate models for species refugia.	Promote use of the Atlas as a tool to share knowledge and build skills
supporting innovative actions to mitigate the effects of a changing climate	supporting fire management clusters that connect people and share skills, knowledge and tools to improve fire management	improving and increasing monitoring programs communicating how systems function through building conceptual models with the community	measuring and mapping ecosystem services such as carbon, water, sedimentation, nutrients, energy, air quality and habitat	Conducting surveys to discover or understand distributions of species (eg. Jardine River Turtle). Monitoring species populations. Conducting workshops and projects to prioritise areas and species, involving people across sectors and specialties.	local and regional planning for climate adaptation
continuing to communicate and refine research with the Cape York community on understanding the impacts of a changing climate	supporting implementation of traditional Indigenous and contemporary Western fire management practice	supporting Indigenous groups and land managers to access country and resources for managing water assets, including targeted weed management	understanding the values people gain from these services, such as recreation, productivity, aesthetics and culture	Learning about the key areas and species to target, including cultural and social connections. Refining monitoring tools and techniques through shared learning.	sector specific workshops, demonstration sites, field days, events a
supporting identification and development of asset specific adaptation actions.	improving and increasing on-ground monitoring of impacts of fire management	coordinating and promoting agricultural planning and actions that result in sustainable management of water resources and improved water quality.	supporting new markets for carbon abatement and native produce	Exchanging knowledge and identifying values (eg. totems) of the species and ecosystems. Providing mapping services for documenting ecological knowledge, species locations and threats. Trialing recovery actions to learn what works for recovering populations	training on country enabling existing capacity
Planning at a socio-ecological scale			protecting Indigenous intellectual property for genetic resources.	Developing partnerships with research institutions and other sectors to implement threat abatement strategies.	

Business Excellence
Implementation of the opportunities for improvement identified in the 2016 Organisational Performance Excellence Review

**Figure 2: The Cape York Region NRM Plan 2016-2020 objectives hierarchy**

## **1.6 Supporting Corporate Services Strategies**

### **1.6.1 Strategy for fire, water, ecosystems, people, livelihoods and biodiversity**

A range of Sub-strategies have informed Cape York NRM's decision making and investment since our first funding was received in 2011. These sub-strategies, which have been developed in consultation with Commonwealth and State government agencies and the people and communities of Cape York, have been delivered at a mix of whole-of-Region and catchment or sub-catchment scale depending on the assets involved, the threats to them, community priorities and/or the themes of the funding programs resourcing our work (Figure 4). Because of the drivers behind each sub-strategy, including the regular and ongoing shifts in focus and priority of funding programs, sub-strategies have and will continue to be assessed according to their own context, and may not always fully reflect the Regional NRM Plan priorities.

### **1.6.2 Resilience**

Since its establishment in 2010, Cape York NRM has embraced transformation and resilience thinking in its approach to the significant challenges presented for Cape York's people, land, water, soil and biodiversity assets by fragmented, short term investment programs which are often not aligned to the Region's NRM priorities.

Resilience is the ability of the Region's people and ecological systems to absorb stress while continuing to function in a desired way. A series of major events in recent years, from wildfires, unprecedented seasonal variability, cyclones, low commodity prices, poor engagement by government around issues such as World Heritage, Wild Rivers, vegetation and water resource management, multi scale political conflicts, and global issues such as the financial crisis, has severely tested the ability of the Region's communities and ecosystems to cope.

Our resilience based approach to natural resource and cultural heritage management means that we take into account the interactions between people and nature's systems, how and why these connections change, and what can be done to achieve balance in the exchanges between people and those systems. This way of thinking is termed a social-ecological systems approach, which means that in all aspects of our work we include elements such as land form, vegetation types, land uses, social structures, as well as cultural issues and dynamics. Social-ecological systems exist at a range of connected scales, from site to the whole of Region landscape. When choosing the scale at which we make decisions about priorities and investment, Cape York NRM considers the balance between the scale being small enough to get a good understanding of the issue and its impact, while being large enough to allocate resources efficiently.

The resilience and social-ecological systems approaches are sub-strategies that underpin both the Regional NRM Plan and RIS.

### **1.6.3 Engagement for Participation**

Cape York NRM considers relationships with our diverse range of partners and stakeholders as one of the most valuable and important parts of our business. These relationships and partnerships within and outside the Region have developed over the past six years and are regarded as critical to our success as an organisation.

As the lead organisation for natural resource management in the Region, Cape York NRM also recognises the important contribution which our partners and many other organisations make, through their own activities independent of Cape York NRM, in delivery against the NRM Plan

and in working to improve the values of Cape York's socio-ecological systems generally.

We have formalised our approach to developing and managing relationships with our partners and other Stakeholders through our "Engagement for Participation" strategy. This Strategy has been

put in place to provide our Directors and staff with a framework to guide the way they relate to the people and organisations of Cape York and how we engage them in both the general and activity-specific activities of the Company, and the management of Natural Resources and Cultural Heritage on Cape York generally.

The objective is to improve our working relationships and to increase the quality and scale of participation by the people and organisations of Cape York in the governance of Cape York NRM and in Natural Resource and Cultural Heritage Management activities in the Region.

#### **1.6.4 Communications and Marketing**

Cape York NRM considers that its ability to communicate effectively with the people, organisations and communities for the region in which it operates is crucial to its success. We believe that Cape York NRM falls into three groupings of people that are able to significantly influence its ability to achieve Cape York NRM's vision and mission: internal – the organisation; external – stakeholders and member bodies; rhetorical – the wider national and international audience, which ultimately recognises the organisation in global context. Ongoing mutual trust and goodwill between the organisation and these communities of interest depends on the effective delivery of content-rich communication and service in the field.

The Cape York NRM Communication and Marketing Strategy is an overarching plan that defines pathways for effective communication and representation of the organisation within its natural regional boundaries and beyond. It outlines methodologies for purposeful reporting on activities, the delivery of cultural and environmental corporate positioning, and the distribution of helpful information and community engagement activities to members.

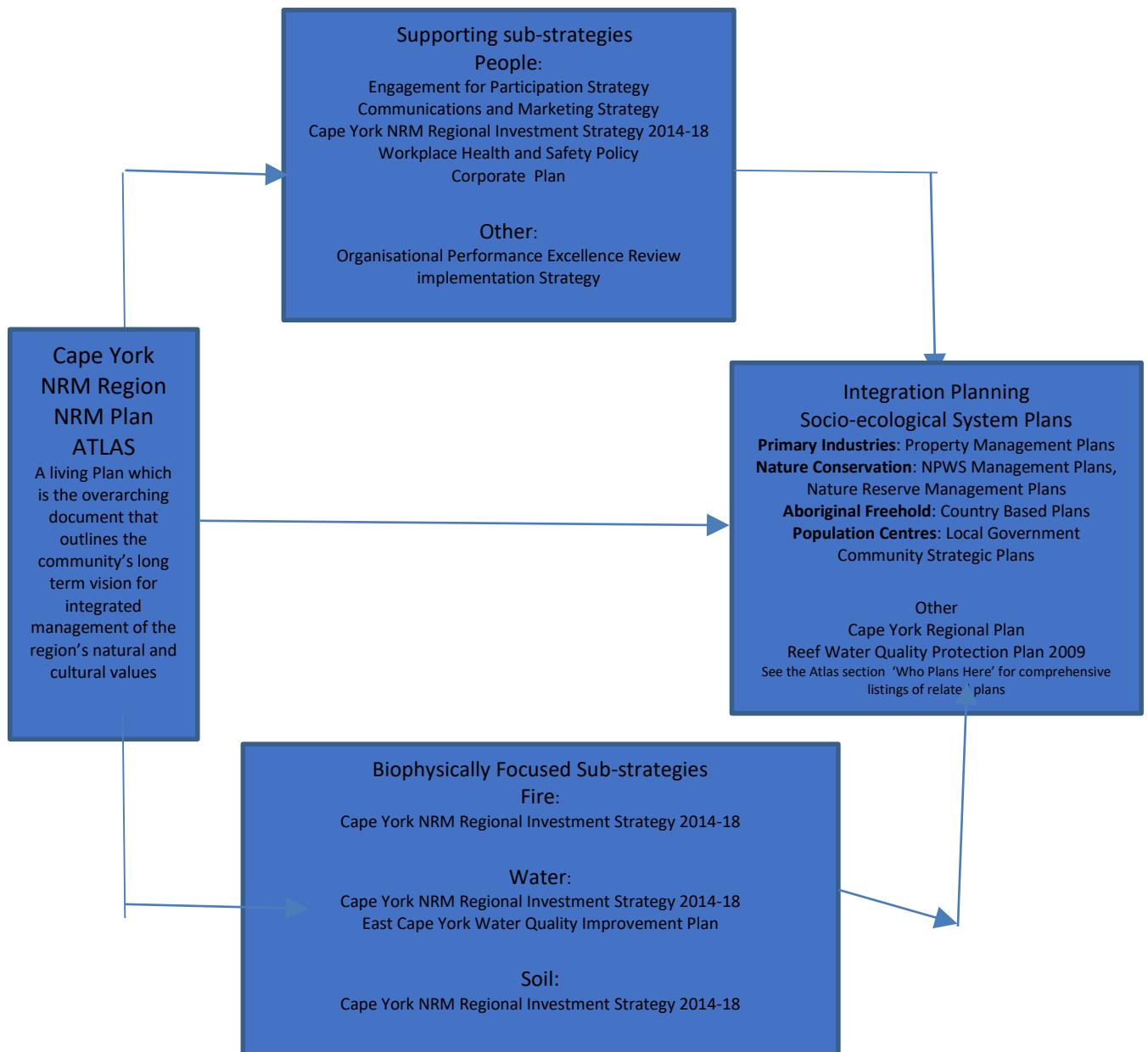
The document is an active, positive communication roadmap, outlining methods and engagement activities for transparent, current, inclusive and appropriate communication to a number of identified and varied audiences. The Strategy also considers the risks involved in creating a wide-reaching public relations campaign, as well as considering social factors that change over time.

#### **1.6.5 Corporate Planning**

This Corporate Plan has been developed using the Regional NRM Plan, its sub-strategies and our Corporate Strategies as the basis for priorities. It outlines how Cape York NRM will contribute to the achievement of the Regional NRM Plan. The Corporate Planning process also provides an opportunity to recognise new drivers of change or shifts to the existing drivers of change, that impact on the delivery of the NRM Plan. This adaptive management approach is used to enhance the resilience of both Cape York NRM as an entity, as well as that of the landscape and people of the Region.

The Corporate Plan includes corporate or organisational performance targets that have been identified through the **Organisational Performance Excellence** process

<http://www.policypartners.com.au/assets/nrm---performance-excellence-guide-for-regional-nrm-organisations.pdf>. It includes projects which Cape York NRM will be working to deliver, as well as confirmed funding. The specific output and outcome targets that we will seek to achieve are detailed in the company's Service Agreements with the State and Commonwealth governments and are reported on and detail for Commonwealth funded achievements are publicly available through the MERIT reporting system. Corporate performance and other key information is reported each year in Cape York NRM's Annual Community Report.



**Figure 3: The relationship between the Regional NRM Plan, sub-strategies and other strategies and plans**

# Statement of Corporate Intent

## **2 Statement of Corporate Intent**

### **2.1 Cape York Natural Resource Management Ltd.**

Cape York Natural Resource Management Ltd (Cape York NRM) is a limited liability, community owned company with not-for-profit objectives. The company has a member elected Board of ten Directors, representing Cape York's Indigenous, Community, Conservation, Primary Industry, Local Government and Tourism, small business, mining and other industry sectors.

The company has a small dedicated team of staff who work with individuals, groups and communities across the region to care for the health of country, through activities that promote and deliver on its mission.

The priorities that guide the work of the Directors and staff have been developed through extensive community engagement. The organisation works with a diverse range of partners across Cape York, and through these relationships, it carries out activities to build the resilience of its people and landscapes, based on principles of sustainable development, capacity building, project support and development, and regional coordination and planning.

Currently Cape York NRM's staff work with land and sea managers, traditional custodians, growers, graziers and ranger groups on a wide variety of programs that enhance Cape York's wetlands, soils and biodiversity as well as activities which offer protection to the Great Barrier Reef environment. Cape York NRM supports work that addresses the issue of climate change, as well as threats to the environment, culture and communities, including threatened species like sea turtles and the rare Jardine River turtle. Other programs work to reduce the impact of invasive species, such as feral pigs and weeds.

### **2.2 Vision and Mission**

#### **Vision**

*Our vision is for a Cape York that is recognised for the health of its landscapes, the wellbeing of its people, and the sustainability of its diverse economy*

#### **Mission**

*Our mission is to help people to work together to care for the natural environment and to promote the sustainable use of Cape York's natural resources*

### **2.3 Business Objectives for the planning period 2016– 2020 including linkages to key government strategic directions and policies**

The primary focus for Cape York NRM over the five years commencing from 2016 will be to work with the people of Cape York to adapt to the challenges of a changing climate while working towards achieving the following Regional NRM Plan targets:

#### **2.3.1. Appropriate Fire Management**

Cape York NRM will continue to work with its partners to identify and implement projects that will reduce fires that affect the health and function of Cape York's landscape and impact on the viability of the region's primary industry enterprises.

*Aligned to:*

*Queensland Herbarium (2014) Regional Ecosystem Fire Guidelines (September 2014)  
(Queensland Department of Science, Information Technology, Innovation and the Arts:  
Brisbane).*

*Cape York Peninsula Fire Management Strategy  
Planned Burn Guidelines – Cape York Peninsula Bioregion of Queensland*

### **2.3.2 Services Provided by Healthy Ecosystems**

Cape York NRM will continue to work with its partners identify and implement projects that contribute to improvements to the health and resilience of the region's ecosystems.

*Aligned to:*

*Environment Protection and Biodiversity Conservation Act (Cwth)*

*Regional Ecosystem Fire Guidelines (September 2014)*

*Cape York Peninsula Pest Management Strategy 2016*

*Cape York Peninsula Fire Management Strategy*

### **2.3.3 Protected and repaired freshwater and marine systems**

Cape York NRM will continue to partner and invest in projects that restore and protect the values of the region's diverse aquatic and marine systems.

*Aligned to:*

*Water Act 2000 (Qld)*

*Vegetation Management Act 1999 (Qld)*

*Coastal Management Plan – Coastal Protection and Management Act 1995*

*Cape York Peninsula Pest Management Strategy 2016*

*Cape York Peninsula Fire Management Strategy*

*Marine Debris Management Plan*

*Reef Water Quality Protection Plan 2013*

*Great Artesian Basin Water Resource Plan 2006*

### **2.3.4 Adaptive and implemented regional NRM, community, country and agricultural plans**

Cape York NRM will continue to partner and invest in the development of community based plans for sustainable livelihoods and conservation, and will continue to support their implementation.

*Aligned to:*

*Soil Conservation Act 1986*

*Cape York Peninsula Heritage Act 2007*

### **2.3.5 Preparedness for climate change and weather extremes**

Cape York NRM will continue to work with the region's people, organisations, industries and local government authorities to encourage preparedness for the impacts of climate change in the form of mitigation adaptation and recovery planning.

*Aligned to:*

*the State Government's Climate Change policies*

*Cape York Peninsula Fire Management Strategy*

### **2.3.6 Impacts to threatened species reduced**

Cape York NRM will continue to work to coordinate a cross-sector approach to landscape scale conservation of species and habitats, including marine turtles and mammals.

*Aligned to:*

*Cape York Peninsula Pest Management Strategy 2016*

*Cape York Turtle and Dugong Management Plan*

*Recovery Plan for the Golden Shouldered Parrot 2003-2007*

### **2.3.7 Practiced and shared living knowledge**

Cape York NRM will continue to provide opportunities for people to get together to share knowledge, improve their working relationships and to increase their participation in the region's natural resource and cultural heritage management activities.

*Aligned to:*

*Cape York NRM Engagement for Participation Strategy  
Cape York NRM Communications and Marketing Strategy  
Cape York NRM Indigenous Participation Strategy*

### **2.3.8 Embedded monitoring and evaluation systems that inform NRM Actions**

Cape York NRM will continue to partner and invest in the collection and utilization of regional data. It will always act respectfully in its role as custodian and in the way in which it uses the data.

*Aligned to:*

*Our State and Federal Government contractual requirements and our fiduciary and other legal obligations*

## **2.4 Our business activities**

Since establishment the company's main business undertakings have been influenced by the Charter developed by the Cape York NRM Board Steering Committee. That Committee consulted extensively with the people of Cape York on the establishment of a NRM body for the region in 2009 (Crimp, 2009). The key business related elements of the charter are to do with the fulfilment of the role of a regional Natural Resource Management body. These elements include:

- The protection and enhancement of the natural environment
- Supporting and facilitating the ecological sustainability and viability of industry to improve quality of life for the community
- The provision of information and education
- Building community capacity
- Carrying on of research about the natural environment and its management
- Development of a natural resource management plan and investment strategy for the Cape York region, and;
- Development of funding applications.

## **2.5 Business Values and Principles**

Cape York NRM has adopted the following values and principles as a framework to ensure the successful and efficient management of the company, implementation of the Regional NRM Plan and Regional Investment Strategy, and its ability to meet of statutory and contractual obligations and community expectations:

### **2.5.1 Our Business Values**

- Respect for the people before us, the people here today and especially the people of the future
- Healthy well managed natural resources, as a valuable existing capital, as they underpin the people of Cape York's cultures, economies, environment and lifestyles, and;
- Democracy and full active participation in decisions that affect our lives and the lives of our children.

## **2.5.2 Our Business Principles**

### **Governance for Cape York reflects its unique geography, natural assets, people, communities and opportunities.**

Cape York is remote from current mainstream governance arrangements, with difficult communications and significant climatic and distance barriers, however its people and communities hold a huge wealth of knowledge. Governance practice, public investment, policy (including all planning) and innovation that empowers local communities to ‘drive’ planning in a healthy and equitable partnership with government are essential for the maintenance of Cape York’s environmental, social and cultural values as well as equitable and sustainable development. In particular, a lack of capacity and resources to participate in the social and political (mostly Brisbane and Canberra centric) networks which influence the discourse on the governance of Cape York’s resources is a real barrier to informing and effectively engaging many of Cape York’s people and communities of interest.

### **Traditional Owners have rights and responsibilities for management of land and resources across Cape York.**

They have knowledge and capacity essential for effective management of these resources. With this in mind Cape York NRM has adopted the United Nations Declaration of Rights of Indigenous People as its framework for engagement of the Traditional Custodians of Cape York’s land and fresh and salt-water resources.

### **Comprehensive knowledge of Cape York’s natural and cultural resources informs decision making.**

This will ensure that development decisions are well informed by the best available scientific and Traditional knowledge; do not impact adversely on the health of those natural and cultural resources; consider their impact on spatial or temporal connectivity, and; enable ecosystems to maintain their resilience to climate variability and climate change. Any approach must also acknowledge and demonstrate respect for, and fully exploit the knowledge and passion, of the people of Cape York.

### **New wealth opportunities are purposely designed and supported so that they are sustainable and provide**

#### **a long lasting and true legacy for the region and its diverse peoples.**

Decisions are made within the context of systems rather than isolated single point developments so that cumulative impacts are well understood and managed. Long term implications, costs and benefits of projected changes and significant risks such as climate change must be fully considered in decision-making.

### **The economic valuation of ecosystem services must be a strong underpinning decision making tool.**

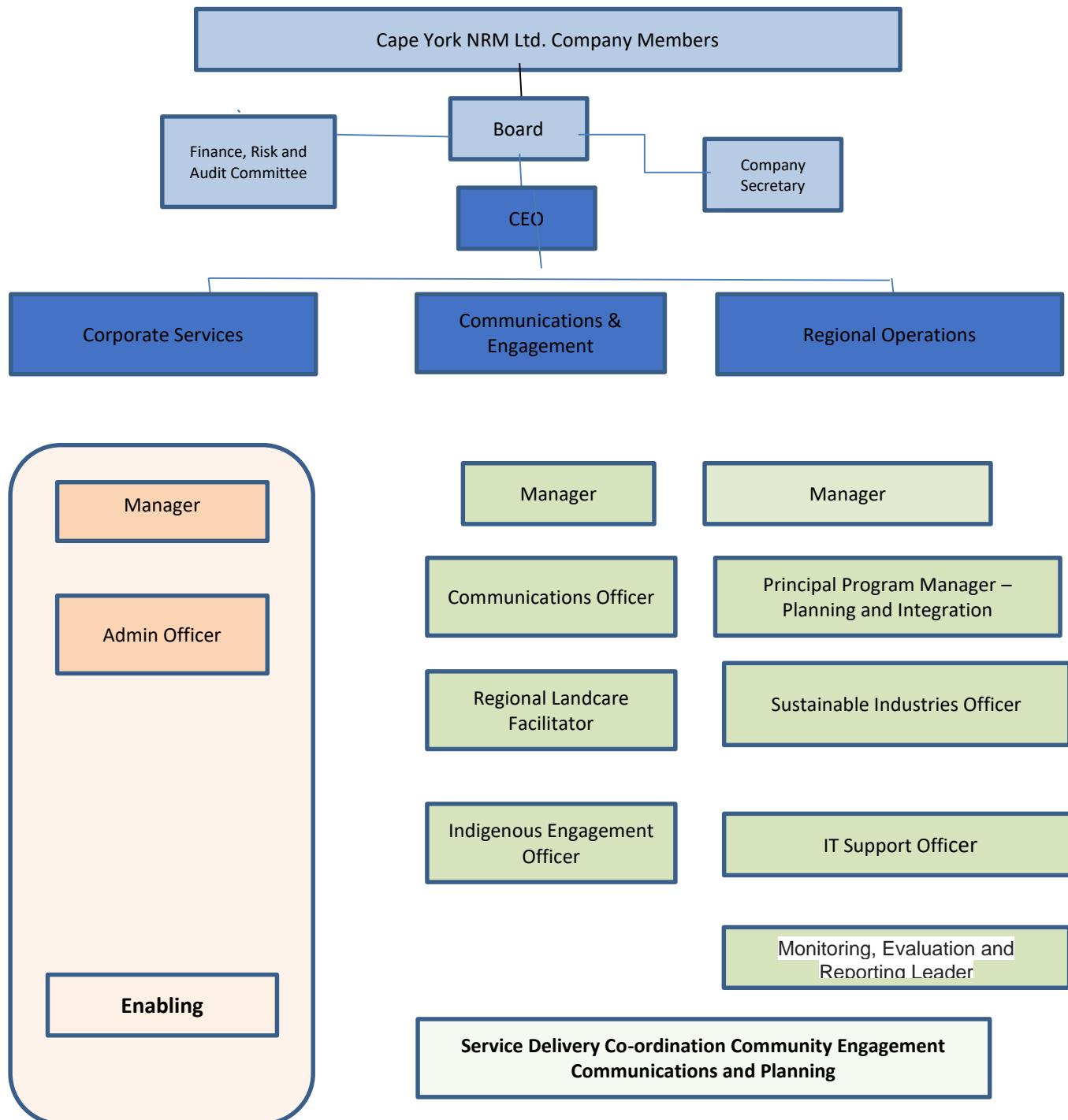
This allows a quantitative comparison of the benefits and costs of development, especially as the natural resource capital of Cape York is expected to play a key role in new economic developments.

## 2.6 Nature and Scope of the activities undertaken by Cape York NRM

Cape York NRM conducts its main business activities through a business structure (Figure 5) based on good governance and delivery of enabling actions (adaptation pathways) which have been identified as supporting: a) attainment of the NRM Plan's eight targets, and b) achievement of excellence across the seven areas of its business operations.

### 2.6.1 Business Structure and Programs

Governance | Regional Operations | Communications and Engagement | Corporate Services



**Figure 4: Cape York NRM business structure**

*Note: Cape York NRM also hosts the Coordinator of the Nest to Ocean Turtle Protection Program on behalf of the Western Cape Turtle Threats Abatement Alliance*

Whilst constrained by resourcing levels and an ongoing commitment to delivery through partnerships, the structure and relatively small staffing contingent contributes to a whole of team approach, and supports integration across programs and the delivery of funded activities. This integration is achieved through team and stakeholder involvement in program, project and activity planning and delivery activities. This often results in resource sharing and integration with partners and their own program delivery. Integration will be further enhanced during the period covered by this plan and beyond through the processes of development of implementation of adaptive regional NRM, community, country and agricultural plans.

As indicated above, Cape York NRM has adopted two main approaches to delivery of its main business activities: Internal Delivery and Partnership Delivery.

### **2.6.2 Internal Service Delivery**

Internal service delivery involves Cape York NRM staff carrying out a range of activities including:

- Coordination of fire management
- Coordination of landscape scale conservation of species and habitats
- Creating opportunities for people to share NRM and cultural heritage related knowledge and to foster collaboration, community awareness and participation;
- Working directly with the primary industry sector on implementation of improved land management practices
- Planning activities
- Carrying out strategic water quality improvement related activities with a primary focus on the freshwater systems of Cape York's Great Barrier Reef catchments
- Coordination of strategic water quality and biodiversity monitoring
- Corporate and project related communications
- Strategic engagement for improved levels of participation
- Capacity building
- Participation in government initiatives and providing input into development of government policy
- Management and oversight of Internal and external programs and projects
- Data collection and collation, development of region wide indicators and monitoring of trends
- Reporting
- Corporate and statutory functions.

### **2.6.3 Partnership Delivery**

Partnership delivery involves a diverse range of people and organisations, such as graziers, farmers, Indigenous Land and Sea Rangers, Land Trusts, Local Government Authorities, Landcare and other community based entities carrying out a range of activities including:

- Improving the sustainability of agricultural enterprises
- Adopting improved land and water quality management practices
- Monitoring water quality
- Pest animal and weed management
- Marine and freshwater turtle conservation
- Removal of marine debris
- Rubbish management and related community education
- Planning at various scales (including property and country based plans)

- Community engagement and support (including the work of Landcare and like organisations and industry groups).

Cape York NRM will continue to explore and evaluate new and existing mechanisms and partnerships for delivery as this has proven to be an approach that maximises on-ground outcomes whilst building the knowledge and capacity of the landholders, organisations and people of Cape York to participate in natural resource and cultural heritage management.

## **2.7 Priorities of Cape York NRM aligned to achievement of these objectives in the 2016-2017 financial year**

The following priorities were identified by the Cape York NRM Board of Directors, in partnership with the organisation's Executive Team, during Workshops held in 2015 and 2016.

### **2.7.1 Foundational Activities**

Actions which improve:

- The stability and long term sustainability of the company
- Our efficiency and financial strength
- Our understanding of the environment in which the company operates
- Our knowledge of strategy and capacity to be strategic in our focus
- Our business processes and systems.

### **2.7.2 Relationships**

Actions which improve:

- Our relationships with our people, partners and stakeholders
- Our capacity to engage and communicate
- Our ability to build the capacity of our partners to participate.

### **2.7.3 Healthy Country**

Actions which contribute to improving Cape York's ecological values and the social, cultural and economic, health (wellbeing) of its people:

- Implementation of the Cape York Region NRM Plan and Regional Investment Strategy
- Implementation of the East Cape York Water Quality Improvement Plan
- Managing and making knowledge available
- Influencing policy.

# **Business Plan 2016-17**

### **3. Business Plan 2016-17**

#### **3.1 Projects Activities and Programs to be delivered in 2016-17**

In 2016-17, Cape York NRM plans to undertake a number of projects and activities that will directly contribute to delivering on the strategic objectives of the NRM Plan. Some of those projects will be delivered on an ongoing basis over several years whilst others may be completed during that period. Some will be delivered internally, some by partners and some will be delivered by Cape York NRM and partner staff. All funded projects are aligned to the Cape York Region NRM Plan. All projects and activities will be monitored evaluated and where necessary revised to ensure alignment to the Plan and contracted outcomes.

A summary of these projects and activities, aligned to the strategic objectives of the NRM Plan, include (but are not limited to) the following:

##### **Appropriate Fire Management**

- Cape York Indigenous Fire Workshop and the Cape York Regional Fire Forum
- Northern Australia Fire Information fire scar mapping
- Employment of a dedicated staff member to work with landholders to improve fire management awareness and practices

##### **Services Provided by Healthy Ecosystems**

- Improving the viability of small horticultural enterprises and reducing input costs for food producers

##### **Protected and repaired freshwater and marine systems**

- Gully and streambank erosion mitigation
- Property management planning and a Grazier grants program
- Waterway rehabilitation, Reef Trust Gully Erosion project; Weed control program (hymenachne, gamba grass, sicklepod rubber vine Pond apple), Feral animal control
- Wetland management program, surveys incl. the natural & cultural story Jardine River wetlands & Aquatic species diversity Jardine River

##### **Adaptive and implemented regional NRM, community, country and agricultural plans**

- Employment of a Cape York Reef Trust Extension Officer and Reef Alliance Key Technical Officer (QDAF secondment)
- Incentive grants to graziers
- Improving fire management
- EC Mapping and soil education Program

##### **Preparedness for climate change and weather extremes**

- Developing understanding of localized impacts of climate change and the Wenlock WQ Climate Change project

##### **Impacts to threatened species reduced**

- Marine Turtle monitoring and targeted vertebrate predator control. White bellied Crimson finch project, Yuka Baja mussel project

##### **Practiced and shared living knowledge**

- Combating litter & illegal dumping & environmental arts project
- WCTTAA review forum and report Jardine River natural and cultural history project & Western Cape York Marine Turtle documentary
- Industry Roundtables for grazing and horticulture
- Jardine River natural and cultural history project

##### **Embedded monitoring and evaluation systems that inform NRM Actions**

- Employment of a qualified, experienced staff member to perform MERI functions
- Development and implementation of improved data collection and reporting tools
- Developing monitoring systems for fire

### **Corporate Governance and Business Support**

- Selection and implementation of improved financial management software
- Implementation of the opportunities identified in the 2016 Organisational Performance Evaluation, and our self-assessment against the NLP Governance Standards expectations
- Establishment of the NQ NRM Alliance with partners Terrain and Northern Gulf Resource Regional NRM bodies, and the incorporation of a Joint Venture entity to provide Corporate and other services.
- Development of the Business Plan for 2016-17
- Staff Performance Evaluations
- Staff SATISFACTION Survey

The funding currently available for delivery of the above projects and activities are listed below in Table 1.

<b>Program or Project</b>	<b>Activities</b>	<b>Internal Delivery</b>	<b>External Delivery</b>	<b>Totals</b>
		\$	\$	\$
<b>Appropriate Fire Management</b>	Improving fire management and developing monitoring systems for fire' Cape York Regional Fire Forum CY Indigenous Fire workshop  Provision of NAFL info, NAFL allocation	189,687	150,000	339,687
<b>Services Provided by Healthy Ecosystems</b>	Improving viability small horticultural enterprises, reducing input costs for food producers		10,000	10,000
<b>Protected and repaired freshwater and marine systems</b>	Waterway rehabilitation, Reef Trust Gully Erosion project; Weed control program (hymenachne, gamba grass, sicklepod, rubber vine, Pond Apple), Feral animal control  Grazier grants program  Wetland management program, surveys etc. The natural and cultural story Jardine River wetlands  Aquatic species diversity Jardine River	267,510	568,968	836,478
<b>Adaptive and implemented regional NRM, community, country and agricultural plans</b>	Cape York Reef Trust Extension Officer  Reef Alliance Key Technical Officer DAF  Incentive grants to graziers. Improving fire management  EC Mapping and soil education Program	382,073	386,633	768,706
<b>Preparedness for climate change and weather extremes</b>	Developing understanding of localized impacts of climate change  Wenlock WQ Climate Change project	99,163	35,000	134,163
<b>Impacts to threatened species reduced</b>	Marine Turtle monitoring and targeted vertebrate predator control. White bellied Crimson finch project, Yuka Baja mussel project	130,764	777,698	908,462

Practiced and shared living knowledge	Combating litter & illegal dumping & environmental arts project Communications WCTTAA review forum and report Jardine River natural and cultural history project Industry Roundtables for grazing and horticulture Western Cape York Marine Turtle documentary Jardine River natural and cultural history project Industry Roundtables for grazing and horticulture Western Cape York Marine Turtle documentary	207,190	76,900	284,090
Embedded M&E systems that inform NRM Actions	developing monitoring systems for fire  Developing data management, processes and systems for improving Monitoring Evaluation and Reporting  Developing monitoring systems for fire	296,495		296,495
Corporate Governance, Operational and Business Support	Selection and implementation of improved financial management software Implementation of the opportunities identified in the 2016 Organisational Performance Evaluation, and our self-assessment against the the NLP Governance Standards expectations Establishment of the NQ NRM Alliance and incorporation of a Joint Venture entity to provide Corporate and other services. Development of the Business Plan for 2016-17 Staff Performance Evaluations Staff Satisfaction Survey Refer also to table at Appendix 3	546,110		546,110
<b>TOTALS</b>		<b>2,118,992</b>	<b>2,005,199</b>	<b>4,124,191</b>

**Table 1: Indicative summary of funding for activities to be delivered in 2016-17**

*Note: Appendix 4: Financial Statements provides information on the source of this funding at the date of publication of this Corporate Plan*

### **3.2 Other functions Cape York NRM intends to deliver**

There are a number of significant activities that Cape York NRM will be involved in during 2016-17 and they are:

- Thoughtful Traveller Cape York
- Participation in Cape York Water Resource Planning
- Sourcing funding for a West Cape York Water Quality Improvement Plan
- Establishment of a joint venture entity in partnership with Northern Gulf Resource Management Group and Terrain NRM Regional NRM bodies

### **3.3 Planned improvements to policies or procedures that promote accountability, effectiveness and efficiency**

In March and April 2016, Cape York NRM participated in an independent evaluation of performance and capability against the 'Performance Excellence Guide for NRM Organisations, 3rd Edition (Vogel et al: 2015)

The review involved a semi-structured approach to the collection of information through discussions with members of the Board, senior management team, staff and a cross-section of external stakeholders with 10 external individuals interviewed. A key finding of the review was that since the first review, undertaken in 2013, Cape York NRM had improved its performance across all Components contained within the NRM Excellence Guide, with significant

improvement in the areas of leadership, corporate strategic planning, information and knowledge management, process management and business results.

### **3.3.1 Performance Targets and other Measures**

Using the outcomes from the 2016 review, Cape York NRM Board of Directors and senior management will implement a range of actions in line with the opportunities to improve effectiveness and efficiency identified in the evaluation. These actions include organisational changes to policies or procedures including conformance and compliance structures that will result in improvements to accountability, effectiveness and efficiency

The key strategic actions to be taken in response to the outcomes of the NRM Performance Excellence Review are set out in Appendix 2. These actions are those that are believed to have the most significant impact on the ability of the organisation to undertake its business efficiently and effectively.

### **3.4 Identification of Major Business Risks and Risk Mitigation Actions**

During the period covered by the plan, Cape York NRM will maintain its approach to risk management in line with the company's Risk Management Plan and Risk Register. This will involve:

- Maintaining a culture of risk identification, assessment and management at all levels of the company.
- Ongoing monitoring of the risk register and risk management plans at Board, Corporate and Operational levels.
- Including strategic risk management as a component of the business and planning processes.
- Continued development and documentation of processes for mitigation of risk.
- The review and improvement of risk reporting formats.
- Improving risk procedures and accountability for managing risk.
- Commitment to ongoing risk management training for all staff.

Currently identified significant risk areas together with mitigating controls are detailed in Appendix 3: Significant risks and mitigating controls.

# Financial Statements

## **4 Financial Statements 2016 - 2018**

### **4.1 Financial Statements**

Projected funds by program and socio-ecological system for the 2016-17 financial year are found in the tables at Appendices 4 and 5 respectively.

Funding for the 2016-2018 period as shown in Appendix 6 includes only funding allocations for which Cape York NRM holds service agreements.

### **4.2 Compliance with Australian Accounting Standards**

Cape York NRM and its funded programs are audited annually by an independent firm of qualified external Auditors. These audits are carried out and the financial reports and statements that they produce are prepared in accordance with Australian Accounting Standards. Copies of those reports are provided to members of the company each year, and an abbreviated ‘community financial report’ is made public for the information of the people of Cape York generally.

### **4.3 Assumptions underpinning the financial statements**

The underlying assumption in this Corporate Plan is that the funding levels detailed in it will be forthcoming from both State and Commonwealth Governments and that the funding will be received in line with the timeframes set out in the relevant Service Agreements. Without such funding commitments, Cape York NRM’s business would be in jeopardy, for reasons of both our financial solvency and ability to deliver against the NRM Plan and contracted natural resource condition milestones and outcomes.

Cape York NRM has entered into an Alliance with Terrain NRM and Northern Gulf Resource Management Group to pursue improved business effectiveness and efficiencies. One of the initiatives being considered is the establishment of a separate jointly owned legal entity to provide services to the three partner organisations. A further, related underlying assumption is that establishment of this entity will not have an overall negative impact on the cost of governance and corporate service delivery.

The following specific assumptions have been made in the development of this Corporate Plan:

- State funding for 2017-18 will be in line with the 2016-17 service agreement amount.
- The current multi-year Commonwealth NLP funding agreement will not be varied.
- The current multi-year service agreement with the Queensland Farmers Federation for delivery of Reef Trust Program Phase 3 will not be varied
- The only borrowings Cape York NRM has projected are for the financing of components of its vehicle fleet which is carried out under leasing or similar arrangements
- Interest rates are expected to reduce over the Plan Period with a consequent reduction in interest receivable.
- Amounts receivable from our funding bodies will be fully paid to us by the end of each financial year.

#### **4.4 Project Costing Principles**

Cape York NRM applies a cost to projects based on an all-inclusive labour charge-out rate of labour costs, direct on-costs as well as a general overhead rate to cover the range of supports and services detailed in the Corporate Governance Funding section below. Actual costs are monitored against the cost charge out calculation and an adjustment to charge-out rates made as needed.

#### **4.5 Corporate Governance Funding (including other planned expenditure and corporate overheads allocated to projects)**

Cape York NRM's current corporate structure has been established to ensure that the company is able to thoroughly discharge its responsibilities under those Acts and to meet its obligations to its funders, members and the Cape York Community generally. That structure consists of:

- A ten-member Board of Directors
- A Company Secretary
- CEO running the business with a skilled management team
- Community engagement which supports building awareness, and provides community feedback and advocacy of our strategies and programs, and
- Business Management support covering financial and risk management, communications and marketing, human resources and IT.

In addition to supporting the Board of Directors in discharging its statutory obligations, the CEO and Business Management units provide advice to the Board and professionally manage operational relationships and projects.

Cape York NRM does not receive dedicated funding from any source toward the cost of its base corporate governance structure, the activities required to discharge its responsibilities as a Limited Liability Company with not for profit objectives (Corporations Act), or its compliance with the requirements of the Australian Charities and Not-for-profit Commission (ACNC Act 2012.) Instead, the company is required it to fund these essential core costs from a varying percentage of the funding allocations it receives from government.

Meeting the reasonable costs of Corporate Governance from this allocation is an ongoing challenge.

A summary of projected Governance and Business Management expenditure follows in Table 2. An overview of the Corporate and Statutory responsibilities undertaken by Cape York NRM and the nature of activities and type of expenditure associated with these responsibilities is found in Appendix 3.

Item	Expense \$	Source of Funding			
		Grants	Interest	Donations	Total
Board Governance	150,786	150,786		0	150,786
Corporate Services	374,211	374,211		0	374,211
Business Support	376,939	376,939		0	376,939
<b>Total</b>	<b>901,936</b>	<b>901,936</b>		<b>0</b>	<b>901,936</b>

**Table 2: Governance, Corporate and Business Support Expenditure**

## **4.6 Reserve Funds**

A general reserve fund (Special Purpose Account) has been established in conformity with the Board's Governance Policy 16. The purpose of the fund is to provide protection in the event of 'an unexpected and drastic reduction in income'. The goal is to maintain the fund at a minimum of 10% of planned levels of expenditure in any year. The balance of the fund at 1 July 2016 as a percentage of planned expenditure for the 2016-17 Financial Year is detailed Table 3.

<b>Reserve Funds as at 1.7.2016</b>	<b>Planned expenditure 2016-17</b>	<b>Planned Reserve as at 30.6.2017</b>	<b>Reserve as % of expenditure</b>
0	0	217,600	5%

**Table 3: Reserve Funds as a percentage of projected expenditure in 2016-17**

## **4.7 Estimated Capital Expenditure 2016-17**

The budgeted capital expenditure for 2016-17 is outlined below in Table 4.

<b>Category</b>	<b>Expenditure \$</b>	<b>Description</b>
Appropriate Fire Management	0	
Services Provided by Healthy Ecosystems	0	
Protected and repaired freshwater and marine systems	0	
Preparedness for climate change and weather extremes	0	
Adaptive and implemented regional NRM, community, country and agricultural plans		
Impacts to threatened species reduced	0	
Practiced and shared living knowledge	0	
Embedded monitoring and evaluation systems that inform NRM Actions	0	
Corporate Governance and Business Support	<b>27,000</b>	Office equipment \$5k and replacement vehicle allocation \$22k

**Table 4: Budgeted Capital Expenditure 2016-17**

# Appendices

## **Appendix 1: Cape York NRM strategic organisational measures**

These key strategic actions will be undertaken in response to the outcomes of the NRM Performance Excellence Review. These actions are those that are believed by the Board of Directors and Leadership Team to have the most significant impact on the ability of the organisation to undertake its business efficiently and effectively.

<b>Performance Area</b>	<b>Performance Target</b>
Leadership	<p>Ensure an adequate mix of skills on the Board by identifying the skills required of new board appointments and developing board member skills and professional development</p> <p>The establishment of a clear forward plan for meeting dates and agendas.</p> <p>Increase communications between the Leadership Team and the staff to raise understanding of the issues that are discussed, the outcomes and how to have issues and ideas raised at the SMT for consideration.</p> <p>Develop a formal policy and program to reduce our environmental footprint</p> <p>Focus on internal communication to provide the opportunity to improve developing values and communicating strategic purpose.</p>
Corporate Strategy and Planning	Development of a clear HR (Workforce) strategy that incorporates an assessment of workforce capacity and needs.
Information & knowledge management	<p>Increased emphasis on internal communication and knowledge sharing throughout the organisation.</p> <p>Development and implementation of processes for the provision of project level financial information in a timely and efficient manner.</p>
People focus	<p>Improved internal communication to reduce the impacts of high workloads on information sharing.</p> <p>Development of staff work plans and further implementation of staff reviews for all staff in the organisation.</p> <p>Development of a coordinated approach to attraction and retention of staff to minimise the risk of staff turnover to the organisation.</p> <p>Development of a coordinated approach to workforce planning and skill development.</p> <p>Utilisation of staff performance and development reviews to identify organisation wide training needs.</p> <p>Development of leadership skills across the management team to assist in improving communication and developing a positive focus on HR management.</p> <p>Development of processes to monitor a range of HR indicators including staff satisfaction.</p>

## Appendix 2: Significant risks and mitigating controls

This appendix summarises the most significant risks as identified in the Cape York NRM Risk Register.

Risk Description	Mitigating Controls
<b>Financial Risk – inadequate funding and poor financial management</b>	
Inadequate funding. Shift of NRM related funding away from community based NRM bodies and delivery against Regional NRM Plans	Maintaining flexible staffing arrangements. Employment Agreements subject to funding, adjusting operating approach to an environment where traditional funds are being directed away from Regional NRM bodies and where levels of funding are uncertain
Lack of linkage between financial and project management systems leading to poor budgetary controls and liquidity and cash flow challenges	Currently aware of poor linkages, not accepting risk, monitoring closely and developing improved linkages
Failure to meet our funding, reporting & budgetary requirements jeopardises continuing funding	Ongoing regular program monitoring by CEO & Program Manager. Comprehensive exceptions based reporting to Board
<b>Strategic Risks – Attracting and retaining staff</b>	
Lack of succession planning for key positions will lead to operational/management discontinuities and loss of corporate knowledge and intellectual capital/property for key positions	Plan currently in place for CEO, Board Senior Managers and program coordinators
Lack of internal communications capacity/resources threatens achievement of our corporate goals	Regular review of position descriptions, remuneration aligned to reflect market conditions. Introduce systems, policies and procedures to make the Cape York NRM operations and administration efficient and effective
Inability to recruit and retain suitably qualified and experienced staff leading skill gaps difficulty in project delivery, operational dysfunction and inefficiencies, reduced reporting and loss of corporate knowledge	
<b>Hazard Risks – risk of personal injury or death</b>	
Environmental conditions in the field - hot/cold/wet could lead to personal sickness/injury/death - sunstroke, hyperthermia, dehydration,etc. Possible litigation resulting	Bottles of water and hats and first aid kit and safety/wet weather gear kept in cars, staff trained in first aid. Relevant equipment provided Workcover insurance in place
Driving hazards causing personal injury/death, damage to vehicles, injury to other people and property	Satellite phones and personal locating beacons made available for staff to take in the field  Defensive driver courses for staff. Robust travel and related health and safety policies in place to deal with risks
<b>Operational Risks – reduced delivery capacity</b>	
Lack of clear operational and administrative processes and policies leading to operational dysfunction and inefficiencies, lack of accountability reduced reporting, poor financial controls and staff turnover.	Ongoing development and review of policies and processes
Risk to program delivery and timelines due to our reliance on community support and contracted partners to roll out funded activities	Regular monitoring of performance of contracted delivery organisations with exceptions reporting to Board each meeting
Failure to effectively communicate with stakeholders and other target audiences	Regular review and update of Communications Strategy, appropriate allocation of adequate resources to fully support the Brand strategy and targeting of identified key audiences, integration of communications and marketing activities with the project planning and operational delivery areas of the organisation.

### **Appendix 3: Nature of Activities and Type of Expenditure for Corporate Governance Functions and Roles**

<b>Responsibility</b>	<b>Functions and roles</b>	<b>Associated Expenditure</b>
Governance	Governance of the company Oversight of whole of organization performance and compliance with contractual obligations	Directors fees, Board meeting costs, Director travel, training induction, performance assessment, and election costs
Governance Support	support for the Board of Directors and their meetings, governance advice, monitoring compliance with fiduciary and legislated obligations and responsibilities Support for company membership Conduct Director elections Develop and review Governance Policies Review and develop amendments to the constitution	Company Secretary remuneration Executive Support Officer remuneration Admin Officer remuneration Travel and accommodation costs for Board meetings
Executive and Business Management	Preparation and publication of corporate level plans and strategies, Organisational level Leadership, Annual Report, corporate level communications, Audit preparation, Workcover, risk management framework, financial management and reporting, HR Management, Fleet and asset management, IT support, contract management, accounts receivable and payable	CEO remuneration Corporate Services Manager remuneration Communications Manager remuneration Business Improvement (OPE etc) costs Audit costs Legal Costs Insurance costs Financial management systems costs

### **Appendix 4: Planned Expenditure 2016-17**

**Planned Expenditure on delivery against NRM Plan Targets and support programs for the 2016-17 financial year, by funding source.**

<b>NRM Plan Target or Program</b>	<b>State Government</b>	<b>Commonwealth Government</b>	<b>Other</b>	<b>Total Proposed Expenditure</b>
Corporate Governance and Business support	152,708	393,402		<b>546,110</b>
Appropriate Fire Management	146,710	169,050	23,927	<b>339,687</b>
Services Provided by Healthy Ecosystems			10,000	<b>10,000</b>
Protected and repaired freshwater and marine systems	309,660	526,818		<b>836,478</b>
Adaptive and implemented regional NRM, community, country and agricultural plans		768,706		<b>768,706</b>
Preparedness for climate change and weather extremes		134,163		<b>134,163</b>
Impacts to threatened species reduced	551,156	357,306		<b>908,462</b>
Practiced and shared living knowledge	103,800	180,290		<b>284,090</b>
Embedded monitoring and evaluation systems that inform NRM Actions	97,575	198,920		<b>296,495</b>
<b>Totals</b>	<b>1,361,609</b>	<b>2,728,655</b>	<b>33,927</b>	<b>4,124,191</b>

## Appendix 5: Planned Cape York NRM Investment for 2016-17 by dominant Land Use / Socio-ecological system

Revenue Source	Direct Investment in on-ground-action by Dominant Land Use – Socio-ecological System					Indirect Investment	Total Investment
	Grazing native pastures	Nature conservation	Indigenous Freehold	Intensive Agriculture	Sub-Totals Direct Investment		
	\$	\$	\$	\$	\$		
National Landcare Program	102,304	164,188	657,359	102,304	1,026,155	1197,845	1,224,000
Reef Trust Phase 3	823,429				823,429	286,869	1,110,298
State NRM Program	125,648	21,001	192,881	73,647	413,177	171,823	585,000
Nest to Ocean Turtle Protection Program			722,866		72,8662	53,743	776,609
Other	6,982	6,982	6,981	6,982	27,927	6,000	33,927
Gully Remediation	298,057				298,057	96,300	394,357
<b>Total</b>	<b>1,356,420</b>	<b>192,171</b>	<b>1,580,087</b>	<b>182,933</b>	<b>3,311,611</b>	<b>812,580</b>	<b>4,124,191</b>

## Appendix 6: Projected Income 2016-2020

**Contracted income related to delivery against NRM Plan Targets and support programs for 2016-20**

NRM Plan Target or Program	2016-17	2017-18	2018-19	2019-2020	Total Contracted Income (all sources)
National Landcare Program	1,224,000	1,224,000	0	0	<b>2,448,000</b>
Reef Trust Phase 3	1,110,298	1,077,526	671,342	0	<b>2,859,166</b>
State NRM Program	585,000	0	0	0	<b>585,000</b>
Nest to Ocean Turtle Protection Program	776,609	229,689	0	0	<b>1,006,298</b>
Other	33,927	40,000	0	0	<b>73,927</b>
Gully Remediation	394,357	193,955	0	0	<b>588,312</b>
<b>Total</b>	<b>4,124,191</b>	<b>2,765,170</b>	<b>671,342</b>	<b>0</b>	<b>7,560,703</b>