**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

# STANDING COMMITTEE ON PUBLIC ACCOUNTS

**(Reference: Inquiry into Auditor-General Report: 1/2021 – Land Management Agreements)**

**Members:**

**MRS E KIKKERT (Chair)**
**MR M PETTERSSON (Deputy Chair)**
**MR A BRADDOCK**

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**THURSDAY, 17 JUNE 2021**

**Secretary to the committee:**
**Ms A Jongsma (Ph: 620 51253)**

**By authority of the Legislative Assembly for the Australian Capital Territory**

## WITNESSES

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*Amended 20 May 2013*

**The committee met at 11.32 am.**

**HARRIS, MR MICHAEL**, ACT Auditor-General
**STANTON, MR BRETT**, Assistant Auditor-General, Performance Audit
**PLUMMER, MS KELLIE**, Director, Performance Audit

**THE CHAIR**: Welcome to the public hearing of the Standing Committee on Public Accounts into Auditor-General's report No 1 of 2021, land management agreements. Today we will hear evidence from the ACT Auditor-General and officials and the Minister for Planning and Land Management and officials.

Please be aware that the proceedings today are being recorded and transcribed by Hansard and will be published. The proceedings are also being broadcast and webstreamed live. When taking a question on notice, it would be useful if witnesses used these words: "I will take that as a question on notice." This will help the committee and witnesses to confirm questions taken on notice from the transcript.

We will first hear from the ACT Auditor-General and his officials. Can I confirm that you have read the privilege statement on the pink card in front of you and that you understand the privilege implications of the statement?

**Mr Harris**: I have read the privilege statement and I understand it.

**Mr Stanton**: I have read the statement and I understand it.

**Ms Plummer**: I have read the privilege statement and I understand it.

**THE CHAIR**: Thank you. Shall we kick off with an opening statement, Mr Harris?

**Mr Harris**: Thank you, Chair. This report, like all of my reports to the Assembly, has conclusions, key findings and recommendations at the beginning of the report. Somewhat unusually, this one has an overall conclusion. Normally we do not do that; we just do conclusions. However, the overall conclusion has one sentence at the very end which reads:

> The value of Land Management Agreements is questionable.

**THE CHAIR**: Yes.

**Mr Harris**: The reason we have come to that overall conclusion is because of the nature of the actual conclusions. Those conclusions, basically, on the evidence available to us at the time the audit was undertaken, tell us that land management agreements in their current form are ineffectively and inefficiently managed. On the evidence available to us at the time of the audit, they appear not to be updated on a regular basis, they appear not to be enforced on any form of regular basis or any pattern basis. For those reasons, our overall conclusion is that land management agreements, as they are currently constituted, are questionable in value.

**THE CHAIR**: Thank you. In your report you touch briefly on the renewal process. You mentioned that the agreement needs to be renewed every five years.

**Mr Harris**: That is what the act says.

**THE CHAIR**: Yes. The Auditor-General, his submission, said that the act does not specify time frames for renewal of LMAs.

**Mr Harris**: The government response.

**THE CHAIR**: Yes, in the government's response.

**Mr Stanton**: It is my understanding that it is the form itself, the LMA form, that has identified a need to review and renew those on a five-yearly basis.

**THE CHAIR**: I believe that because I looked it up. I will be asking the minister about his response. Thank you. Mr Pettersson.

**MR PETTERSSON**: Do you know when the last LMA form was approved?

**Mr Stanton**: In the course of the audit, we had access to the 2016 form. Some of our field work and focus was on agreements that were struck in 2016 and from then. We were also provided with a 2020 form. We made some positive comments in relation to the 2020 form about how it had been renewed and updated and how it provided more fulsome advice and guidance than the 2016 form.

We proceeded on the basis that there was a 2020 form and that that was guiding the activities of the directorate and its officers. I understand that there is a question as to the validity of the 2020 form, which may be best left for other people to discuss and ascertain in terms of its validity through the notifiable instrument process. We certainly understood that there was a 2020 form, and we looked at that 2020 form and made comment on it.

**MR PETTERSSON**: Would an LMA be valid if there was not an approved form?

**Mr Harris**: Unlikely.

**MR BRADDOCK**: Why is that?

**Mr Harris**: The form is a notifiable instrument under the relevant act. If the notifiable instrument for one reason or another was invalid or ran out of time, or was revoked in any way, shape or form, the form attached to it would also be invalid, in my view. Therefore, it is not a legal instrument. If it had signed documentation relying on that form as a legal basis for it and that legal basis had been removed for one reason or another, we would presume that everything that was based on it was also illegal.

**THE CHAIR**: If an LMA had expired and it was not renewed after five years and the lessee was still there, would that be against the law?

**Mr Stanton**: According to the directorate, and in the work that we did with the directorate in the course of the audit, notwithstanding that an LMA was not renewed and revised within a five-year period, the LMA still existed and was in place. We

certainly found numerous agreements stretching back 10, 12, 15 and 19 years. The directorate understood and asserted that those agreements were still in place.

**THE CHAIR**: They are saying it was still valid but, according to the act, it needed to be renewed every five years.

**Mr Stanton**: The intention, through the LMA form, was to renew it and revise it every five years.

**THE CHAIR**: Yes.

**Mr Harris**: In our follow-up with the directorate in relation to the form, the directorate's view was that the form is valid and legal and that the revocation issue is a way of ensuring that the Legislation Act does not become overburdened. I do not want to paraphrase their words; they have an explanation for it.

**THE CHAIR**: Of course they do.

**Mr Harris**: They are making a distinction between the notifiable instrument and a process for making sure that unnecessary listings are not kept on the Legislation Act. That is the best way I can describe it. I do not pretend to necessarily understand the answer, but in their follow-up to my question, "Is this form legal and valid?" their response was, "Yes, it is."

**THE CHAIR**: Interesting.

**Ms Plummer**: That is also consistent with the fact that, during the audit sampling, we reviewed a number of allegedly current LMAs that were on the 2020 approved form. Within that, we reviewed 63 LMAs as part of the audit. Within that sample there were some LMAs that were on the 2020 approved form.

**MR PETTERSSON**: A substantive?

**THE CHAIR**: Yes.

**MR PETTERSSON**: Can you explain to the committee the different roles and responsibilities that Access Canberra and EPSDD have when it comes to LMAs?

**Ms Plummer**: Access Canberra predominantly have a role in monitoring compliance with the agreements. They technically have a role in appointing inspectors under the Planning and Development Act if there is an issue on that land. As far as we could tell in the audit, no-one from Access Canberra was undertaking any monitoring or compliance role with respect to LMAs, despite having the delegation under the legislation to undertake that role.

**Mr Stanton**: The rural services and natural resource protection team within EPSDD had responsibility for liaising with the rural leaseholders, developing the agreements and monitoring and ensuring that the agreements were kept up to date. They had responsibility for developing the agreements and then, as Kellie said, Access Canberra had the clear responsibility under the Planning and Development Act for monitoring

and undertaking whatever compliance might be necessary. That arose through the development and the implementation of Access Canberra when it was established. That was prior to the development and implementation of Access Canberra. That development, monitoring and enforcement role appeared to have been with that rural team in whatever guise it was prior to Access Canberra.

**MR PETTERSSON**: In your audit, were you able to ascertain any difference in enforcement and monitoring under the previous regime, as opposed to when Access Canberra came into existence?

**Mr Stanton**: No. We are not in a position to comment on what happened prior to Access Canberra coming on board, but absolutely the audit report refers to a number of reviews and reports that were prepared going back to 2009, and I draw the committee's attention to that. In chapter 1 of our report we talk about various reports that were conducted. There was the 2009 report on the review of ACT land management agreements. That was conducted in September 2009, and that is at paragraph 1.28. That report certainly highlighted issues with monitoring, enforcement and compliance of LMAs at that time.

I draw the committee's attention to a report by the Commissioner for Sustainability and the Environment in March 2009 entitled *Report on ACT Lowland Native Grassland Investigation*. That is at paragraph 1.24. The commissioner at that time also highlighted issues with monitoring and compliance of LMAs. What we wanted to do in this report was to highlight that there were issues with monitoring and enforcement of the LMAs 12 years ago, in 2009, and it would appear to us that those issues are still in place and have not been resolved.

**MR PETTERSSON**: Did you identify what some of the root causes are for that lack of compliance within Access Canberra?

**Mr Stanton**: No.

**Ms Plummer**: I think part of it is that they have not been referred a matter from the rural services team. Access Canberra are not proactively undertaking a program of compliance. For them to become aware of something on rural leasehold land, they may be waiting for a rural services officer to make contact with them. As far as we are aware, that has not happened.

**MR PETTERSSON**: So, theoretically, there may have been no problems worth reporting?

**Ms Plummer**: Possibly.

**Mr Harris**: We do say in the report that, to date, there have been no disputes in relation to agreements that have been recognised and managed in accordance with clause 7 of the agreement. This is despite the fact that agreements have been in existence since the early 2000s and specific rural leaseholders may have had multiple agreements during this period. As Kellie said, the Access Canberra people work on a referral basis; so if they are asked to go and enforce, they will go and enforce. If they are not asked to, they will not. I think the onus for instituting an enforcement

undertaking would come from the directorate, not from Access Canberra.

**Mr Stanton**: The rural officers and the rural team certainly have a relationship with the rural leaseholders by maybe going there and talking to the rural leaseholders and communicating through different forums and the like. They develop the LMAs with those rural leaseholders. The responsibility for monitoring and enforcement would appear to be with Access Canberra. Clearly, there is a gap there between the two directorates and the two teams.

**Mr Harris**: One explanation is that the directorate people actively resolve disputes with rural leaseholders before any sort of formal enforcement action is necessary. It is a bit difficult to believe that every single proactive resolution of that sort would resolve every dispute to the point where you did not need an intervention of a more significant nature, and there have not been any interventions of a more significant nature.

**MR PETTERSSON**: We are funding Access Canberra to do the compliance, but in this scenario we are assuming that the EPSDD officials are actually doing the compliance?

**Mr Stanton**: The EPSDD officials have that relationship and that opportunity because they are on the ground, but Access Canberra has that responsibility. It would appear that needs to be resolved.

**Mr Harris**: The government response alludes to that role for those people as well.

**THE CHAIR**: Yes.

**MR BRADDOCK**: I have a question about the government's submission to the inquiry and documentation and record keeping. I paraphrase by saying that they suggest that, whilst their record keeping is comprehensive, it may not have been intuitive for the Audit Office and there might have been a misunderstanding there. Can you respond to that?

**Mr Stanton**: I can start off. There are two aspects to that, and that comes through in chapter 3 of our report. In the course of the audit, the first step that we took was to try to engage with the directorate to identify the total population of land management agreements. It was actually quite a cumbersome process to achieve that—to get a definitive listing of the number of LMAs, where they are and what they are related to. We, as an audit office, took a great deal of time to try to get to the bottom of that and get that definitive population. That involved going to two different teams within EPSDD—

**Ms Plummer**: Correct; so leasing services and then the rural services and natural protection team.

**Mr Stanton**: where there were different listings, if you like. We certainly noted that and made comment on that in the report. The other aspect—the more interesting or the more relevant findings and narrative that we have in the report—was the documentation associated with the development of the agreements. We have a key

finding in there at paragraph 3.15. When we looked at the documentation that was provided to us and looked through the information that was provided through object and connect, we did not see in all instances the supporting documentation that went into the development of the agreement. We thought it would be a useful thing if that was all together in an easily accessible place.

**Ms Plummer**: Correct.

**MR BRADDOCK**: Did the directorate raise at any point before this hearing that there might have been a misunderstanding or a technical issue between the systems?

**Mr Stanton**: We provided a draft report to the directorate and the directorate came back and responded to that on this particular issue as to other issues in the draft report. We reflected on comments from the directorate in the final report and amended the report, as we always do in response to comments from auditees and the directorate. I cannot recall with precision the nature of the comments, but comments were received on that section and we amended the report appropriately.

**MR BRADDOCK**: Thank you.

**THE CHAIR**: During your audit, did you come across any rural leaseholder who did not have a land management agreement?

**Ms Plummer**: Not as part of the sample of 63. I think there was one that was pending signature within that sample of 63. From memory, we spoke to five rural leaseholders. They all had an LMA but, again, the time by which those LMAs were executed varied. One leaseholder I spoke to, I think, recalled that he had not had it renewed in the past 15 years. So he questioned, I guess, the purpose of that document and how it would help him in his land management practices.

**THE CHAIR**: Was he worried about the five-year renewal process at all?

**Ms Plummer**: Not really. I think the perspective of the landholders was that these were burdensome documents and they were not practical in terms of assisting them with day-to-day issues that they would face on their land. I guess they thought it was more important to have that discussion and collaboration with the rural services officer rather than having a formalised legal agreement in place per se which was then not monitored for compliance activity or enforcement of any kind.

**THE CHAIR**: Did he go into detail about why it was such a burden to have the agreement?

**Ms Plummer**: From memory, with that particular landholder, it was just the process of going through the legalities of putting together that agreement with the rural services team when nothing in there would, in practice, change his land management practices.

**THE CHAIR**: Is it up to the leaseholder to create the agreement?

**Ms Plummer**: It is co-signed. They would do it on the land management agreement

approved form. My understanding is that it is co-signed by the lessee and then by the Conservator of Flora and Fauna.

**THE CHAIR**: Of course, but are the contents of the agreement developed by the rural leaseholder?

**Mr Harris**: Not solely, no.

**Ms Plummer**: Not solely; in consultation with the rural services team.

**THE CHAIR**: In consultation—

**Mr Harris**: Essentially by the directorate but in consultation. If there were disagreements about what was in there, there would be some negotiation about how that ended up in the final document. I think that is where the notion of burdensome comes from. They are more interested in running their rural leasehold than they are in negotiating a form which, as Kellie said, in their view does not actually help them run their business or their leasehold.

**THE CHAIR**: That is understandable.

**MR PETTERSSON**: Are there any comparable schemes in other jurisdictions where we seek individual agreements—

**Mr Harris**: Not that we know of.

**Mr Stanton**: We did not look, but it was certainly asserted to us by the directorate that there were no comparable schemes in any other jurisdiction.

**THE CHAIR**: Then why do we have one?

**Mr Harris**: Partly because the territory, again, is quite unique in that all land is leasehold land; there is no freehold land in the territory. The relevant legislation, of course, requires that these leaseholders have a land management agreement.

**THE CHAIR**: Yes, but they also have a lease, a contract or an agreement on its own and then they have the—

**Mr Harris**: They do.

**THE CHAIR**: land management agreement separate.

**Mr Harris**: Yes. It is directly related to the leasehold nature of land in the territory.

**THE CHAIR**: That is correct. You cannot get one without the other is in my understanding.

**Mr Harris**: Yes.

**Mr Stanton**: We are talking about the late 1990s with the genesis of the land

management agreements. In 1997, there was a rural policy task force review of land management policies in the ACT. In April 1997, it produced a discussion paper. That led to the 99-year leases being granted for rural leases in certain areas, as part of that process; there is a corollary to that process. The concept of LMAs was developed, so we are going back 20-plus years to see the genesis of these things.

At that time there were things called property management agreements. This is all in our report, from paragraph 1.14 onwards. The property management agreements were a requirement of new rural leases. At the time they did the discussion paper there were only 25. Because just 25 lessees had completed property management agreements, there was little information available on their suitability or otherwise. So the policy shifted from having property management agreements for new rural leases to having land management agreements for all rural leases. That seems to be the genesis of the LMAs. Certainly, in our overall conclusion we question the value of the LMAs, and it might be useful to revisit that.

**Mr Harris**: They do have a very specific purpose, an objective, and that is spelt out in various pieces of legislation and documentation. There are summaries right at the very beginning on page 9 of the report as to the purpose and the objectives of land management agreements. They essentially come down to cooperative land management with the ACT government and managing non-urban land on behalf of the territory.

Those objectives are fine and quite clear in themselves. That is not what we are questioning when we question the value of these land management agreements. What we are essentially questioning, in a nutshell, is why we have these documents and the bureaucracy surrounding them if nobody pays any attention to them, nobody enforces them and nobody renews them?

**THE CHAIR**: Exactly.

**Mr Harris**: And if that is the case, are they achieving the objectives and the purpose for which they were originally intended? If they are not, you have to question their utility. Essentially, that is the question that we are posing in this report.

**Mr Stanton**: If there was a mechanism by which the ACT government agencies and officials can engage with rural leaseholders and sit down with them on a regular or semi-regular basis over a document which has maps of the rural leasehold and documents on the environmental and cultural nature of the property—if there was value in that as a mechanism that gets the ACT government officials around the table with rural leaseholders—that might be a useful process and it might serve a function in that particular space. In support of what the Auditor-General was saying, they simply have not been taken further than that as a mechanism by which rural leaseholders are held to account through a monitoring, compliance and enforcement framework. If ACT government agencies and the directorate do not want to do that then we can just acknowledge that in the process.

**THE CHAIR**: And do away with it.

**MR BRADDOCK**: You made a recommendation around a minimum level of detail,

and I agree with having an adequate amount of detail in order to be able to fulfil the function. My concern is whether we are creating a standard template or cookie-cutter type of agreement. What is the flexibility to vary that according to the risk or character of the individual property? Can you just clarify that for me?

**Mr Stanton**: There is a template. There was the one in 2016 and there is now a 2020 template. It has a set number of fields that need to be considered and addressed in all of the agreements. Some of those are not going to be relevant to various rural leases. There is a riparian and water management section which is clearly relevant for some, but not for others. We have a template and that forms a basis, but what we were looking for was a risk-based approach to the development of the LMAs. That might also apply to the frequency with which LMAs are reviewed and renewed as well.

In terms of a cookie-cutter approach for a small, apparently low-risk rural leasehold, there may be an opportunity to develop an LMA and a monitoring and compliance regime, if that is what is wanted, on a risk-based approach for that particular rural leasehold and others like it. For larger rural leaseholds with real environmental value and significance, there might need to be a different regime and a different approach to the detail that is in the LMA and the monitoring and compliance process, if that is what is wanted.

**Mr Harris**: For example, if you have a large leasehold right next door to Namadgi National Park and you are raising beef cattle, llamas or whatever, the risk profile of that exercise is vastly different to a small orchid in Pialligo near the airport. The Namadgi example, you would think, would require more detailed documentation, more regular assessment and monitoring, more regular updating and more regular interaction; whereas with the small landholding at Pialligo we might sign a very small document and say, "See you in 20 years; that's fine."

**Mr Stanton**: We understood that and we acknowledged that for the audit. In paragraph 3.38 of our report we acknowledge that not all themes are relevant and applicable. We went on to say:

> … there may be no sites of heritage value or water courses that require water resource and riparian zone management. Some rural leaseholds reviewed were small and located in urban zones—

Pialligo, for example—

> and had no sites of significant environmental value or native vegetation identified. Minimal detail in the Agreement itself and very brief descriptions in the Management Actions section was understandable.

However, we contrasted that with other rural leasehold or land management agreements that we did see. In the next few paragraphs after 3.39 we went on to say that sites with environmental value and native vegetation had been identified. The property was not within the urban envelope; it was further out towards the national parks. It had sites with different environmental significance.

What we saw there, as we articulated in paragraphs 3.40 and 3.41, was very brief detail in terms of what the management actions were for that particular rural leasehold

and that particular LMA. The report highlights that the site assessment of the soil condition component is completed; the desired outcome is to maintain good soil health; the management action is to use fertiliser when required; and a proposed timetable for each action is ongoing. What we are trying to highlight there is: on what basis could the actions of that rural leaseholder be held to account if that is the management action that is identified in the LMA?

**MR BRADDOCK**: Thank you.

**Mr Harris**: Which raises another interesting question about compliance. If the source document does not provide you with effective monitoring and management regimes and measurable outcomes and things of that sort and you come back and want to check that and say, "Are you complying?" then you have no substantial measure against which you can compare. Therefore, compliance might not be a matter that you can pursue, because you can neither prove that they are or are not compliant. This comes back to the initial comment that Kellie made when we were talking to the rural landholders, who see this as burdensome and not helpful. If the thing cannot be monitored and we cannot enforce anything, because nothing is measured, what is the point in having it in the first place?

**MR BRADDOCK**: Thank you.

**MR PETTERSSON**: Just a quick supp on that. Did you find any evidence of there being a back and forth between the leaseholder and the officials where they could not reach an agreement? Was it a tick and flick exercise?

**Ms Plummer**: Nothing that stood out to me. We predominantly looked at completed, signed-off LMAs, rather than the process to go through and have them executed. There was nothing that stood out. It has gone on for so long that there is no resolution in terms of both parties being able to sign that document.

**MR PETTERSSON**: Thank you.

**THE CHAIR**: Just following up on that one: you mentioned earlier that there was just one pending LMA while you were doing your research. Did you get a chance to have a look at the process of the LMAs? Is there any cost to enter an agreement?

**Ms Plummer**: In terms of the cost, you have different technical stakeholders within the directorate who feed into the agreement. There is definitely a cost there in terms of the various business units feeding into those agreements.

**THE CHAIR**: Does a rural leaseholder have to pay a fee?

**Ms Plummer**: Not that I am aware of, no.

**Mr Stanton**: Time costs for both parties involved.

**THE CHAIR**: So it is a long process for the agreement to be confirmed?

**Ms Plummer**: Yes. If there were a heritage issue, the heritage unit would be

contacted to provide comment and input into that particular LMA. So it is not just the rural services team working with the landholder; you have various technical stakeholders in the directorate feeding into it.

**THE CHAIR**: If the process is taking so long then the lease agreement cannot be satisfied without the LMA?

**Ms Plummer**: I think there is a six-month window whereby—

**THE CHAIR**: There is a six-month window?

**Ms Plummer**: you can have the rural lease granted; you have six months to then execute the LMA, because the LMA should technically accompany the rural lease for the property.

**THE CHAIR**: That is good to know. Thank you. I have no further questions.

**MR PETTERSSON**: I have one last one. As part of the audit, you spoke to the leaseholders. What feedback did they provide about the process?

**Ms Plummer**: Predominantly, that it was overly bureaucratic. They could be waiting for a rural services officer to turn up on their land at any given point and come out and have that conversation and strike the agreement. As I said, there was one rural landholder who for 15 years had put it in the bottom of his drawer. It is not something that they use as an active and ongoing tool for their property. They felt that the process was onerous compared to how neighbouring government lands are managed by the directorate.

**Mr Stanton**: This is outlined in paragraph 3.52 and onwards in the report, where we tried to encapsulate the views of the rural leaseholders that we spoke to.

**THE CHAIR**: As there are no further questions, thank you. If witnesses have taken any questions on notice today, could you please get those answers to the committee support office or committee secretary within five working days of the receipt of the uncorrected proof? Thank you, Mr Harris, Mr Stanton and Ms Plummer for coming in today.

**Short suspension.**

**GENTLEMAN, MR MICK**, Manager of Government Business, Minister for Corrections, Minister for Industrial Relations and Workplace Safety, Minister for Planning and Land Management and Minister for Police and Emergency Services

**PHILLIPS, MR BRETT**, Executive Group Manager, Statutory Planning, Environment, Planning and Sustainable Development Directorate

**RUTLEDGE, MR GEOFFREY**, Deputy Director-General, Sustainability and the Built Environment, Environment, Planning and Sustainable Development Directorate

**WALKER, MR IAN**, Executive Group Manager and Conservator of Flora and Fauna, Environment, Heritage and Water, Environment, Planning and Sustainable Development Directorate

**THE CHAIR**: We will now hear from the Minister for Planning and Land Management and officials. Could I confirm that you have read the privilege statement that is on the pink card in front of you and that you understand the privilege implications of the statement?

**Mr Gentleman**: Yes, we have, Chair.

**THE CHAIR**: Minister, I understand that you have a brief opening statement?

**Mr Gentleman**: Yes. Thanks for the opportunity to appear before the committee today to respond to the Auditor-General's report on land management agreements. As the Auditor-General notes in the report, the ACT is unique in its use of land management agreements. No other jurisdiction in Australia has a legal agreement with every rural landholder to deliver substantial management of rural lands, including the conservation of natural and cultural values.

There are 168 land management agreements in place across the ACT. All rural lessees require an LMA, and each LMA consists of a documented plan and map, and includes information on values such as threatened communities and species, riparian areas and wetlands, heritage and risks, including weed and fire. LMAs specify the type and number of stock to be held, as well as the requirements for appropriate environmental management and monitoring of conservation assets, including identification of pest animal and invasive plant management programs.

The main objective of an LMA is to establish appropriate management controls and practices for the subject lease that will achieve the land management goals of both the lessee and the territory. The purpose of an LMA is outlined in the agreement document as follows: the principal objective of the agreement is to establish appropriate, sustainable agricultural management practices and good farm biodiversity and biosecurity for the subject land while maintaining ecological and cultural values present on the land and protecting the environment from harm.

An individual, partnership or business cannot attain a rural lease within the ACT until they have entered into a land management agreement with the territory. LMAs are particularly important for land which is of high conservation value, as these agreements specify how these areas are to be managed and protected.

The ACT government takes its role as a land manager very seriously, and we work in

partnership with rural landholders in land management and especially lately in bushfire response and recovery. We know that living in the bush capital is something that is treasured by many Canberrans, and managing and protecting our bush capital is hugely important for the conservation of the unique flora and fauna in our region. This management includes farm and rural lands, not just our parks and reserves.

The ACT government tabled a response to the Auditor-General's report in the Legislative Assembly earlier this year. We have also provided further information to the committee. I trust that these responses have addressed the issues raised by the Auditor-General, and look forward to answering any further questions you have today.

**THE CHAIR**: I will kick off with the first question. The Auditor-General noted in his report that a land management agreement needs to be renewed every five years, according to the act. You said, Minister, in the submission to the committee's inquiry, that the act does not specify time frames for renewal of land management agreements.

I looked at the act and it says that a review of this agreement will be required every five years, or on the reissuing, variation or transfer of the lease, or on the written request of the lessee or the territory, whichever occurs first. From my reading of the act, you need to review it every five years. Can you explain the difference between your submission and what the act says?

**Mr Gentleman**: Yes, that was advice to me at the time. I will hand over to directorate officials to answer.

**Mr Rutledge**: I acknowledge the privilege statement. The method of renewal became quite a talking point in the audit. With the five-year reference, you read the reference correctly, but I am still not clear on what that level of review is.

With the approach that we have taken we look at it slightly differently, and our review process has looked at it differently. We look at the land as a whole and use it as a more risk-based approach. If there are high conservation values and we have a really good landholder then you do not need to review it that often. If you have overgrazing, we would review it more often. We have not used that five-year review process as a formal re-signing of the land management agreement.

**THE CHAIR**: The act says "will be required". It is not like they "may" do a renewal every five years; it says it will be required to do so. If you are not following the act, what does that mean—that you are not following the law?

**Mr Rutledge**: I think what it means is that when we are operationalising it we are not specifically, every five years, doing it. On your read, your assertion is correct.

**THE CHAIR**: Where does that leave us if you are not doing it every five years and not obeying the law?

**Mr Rutledge**: It shows that possibly the operation of it and the legislation are not lining up with the outcomes that we are trying to achieve. Either we need to change our operations or we need to change the policy setting. I think that is where the Auditor-General got to on this one.

**THE CHAIR**: What will you be doing, since you have had this report for a number of months and you are aware of the recommendations and the content of the report? Will you be changing the legislation to meet the reality of your work or will your work meet the reality of the act?

**Mr Gentleman**: There is still some further work to do with the directorate on whether we go about changing the act or we change what we are doing on the ground with the land management agreements. We have not got to the point of a decision on that yet. We have agreed, of course, to the Auditor-General's recommendations. As soon as we can get to that point we will advise you.

**THE CHAIR**: How does it make you feel, knowing that you have disobeyed the law?

**Mr Gentleman**: I am not sure that—

**THE CHAIR**: The law is the law.

**Mr Gentleman**: you can ask a member how they feel about it.

**THE CHAIR**: What is your opinion?

**Mr Gentleman**: You cannot ask for opinions, either. What I can say is that these sorts of reviews and Auditor-General inquiries always bring up areas where we can improve, and we learn from those and make those changes.

**Mr Rutledge**: Mr Phillips has brought something to my attention. Maybe you can take us through it, Mr Phillips.

**Mr Phillips**: There are two different types of reference to land management in the Planning and Development Act. One is a reference to land management agreements, which is an agreement between the conservator and the rural lessee. There is another series of provisions that relate to the management agreements for the management of public land. From my reading of the relevant provisions in relation to the land management agreements under the Planning and Development Act they do not provide for a specified review period under the act. But section 332A of the Planning and Development Act, relating to the management of public lands, and agreements on public lands, which are not rural leases, relates to a review period of five years.

**THE CHAIR**: The act is referring to the actual land management agreement—

**Mr Phillips**: Yes, the act is referring to—

**THE CHAIR**: To this agreement, which is—

**Mr Phillips**: Not to this agreement; this is referring to a land management plan. I would just—

**THE CHAIR**: What I am reading now is referring to the land action plan?

**Mr Phillips**: What section are you referring to?

**THE CHAIR**: It is page 2 of the act; that is all I have. It refers to "land action plans" and underneath it says that a review of this plan, which is from the land management agreement act—

**Mr Phillips**: There is a provision in the land management form for a review, but that is not a requirement of the Planning and Development Act. That is a requirement of the form.

**THE CHAIR**: Of the form for the agreement?

**Mr Phillips**: Of the form for the agreement.

**THE CHAIR**: Which has to be renewed?

**Mr Phillips**: In relation to the new forms that have been prepared, there is a review provision. That is not a review provision that is contained in the act, but it is in the form.

**THE CHAIR**: Okay, so what I am reading is about the form, not necessarily about the agreement itself?

**Mr Phillips**: That is right.

**THE CHAIR**: I am not reading from a form here; I am reading about a review of this agreement.

**Mr Phillips**: That is a provision contained in the form.

**THE CHAIR**: In the form.

**Mr Phillips**: Not in the act.

**Mr Walker**: Not in the legislation.

**Mr Phillips**: Not in the legislation.

**THE CHAIR**: Perhaps the act needs to be amended so it can be clarified that we are actually talking about the form itself and not the agreement, because those are two different things—an agreement and a form.

**Mr Walker**: Can I also provide a comment? I have read the privilege statement. The act in relation to the land management agreement does not specify the five-year time frame. You are correct; the previous form spoke to a five-year review. However, in working through that on a risk-based assessment you would look at whether the land use and changes to the environment necessitated a need for a review of that piece of work, that land management agreement.

In addition to that, when the lease changes to a different leaseholder that is a trigger

that requires a land management agreement to be updated and changed, because it is a new leaseholder. That is a requirement that we put in place every time a lease changes. As has already been described, every leaseholder needs to have an LMA.

**MR PETTERSSON**: Could you update the committee as to the implementation of the recommendations that were accepted from the Auditor-General's report?

**Mr Walker**: Certainly. Obviously, with the auditor recommendations we have considered all of the information that the Auditor-General has put forward. We have met with rural landholders and the Rural Landholders Association to get insight from them on where opportunities for continuous improvement occur.

We have updated our forms. We now have a more appropriate form for the rural landholders and a mechanism that is easier to be utilised by rural landholders. They are the primary steps that we have put in place. Clearly, these reviews provide us with the opportunity to sharpen our pencil, so to speak, and improve our administrative arrangements.

One of the things that has come through in this audit is that a lot of the work that we have done exists. What we have not been able to show and present to the auditor is documented evidence that this exists. The Auditor-General made some comments about risk assessment. We do undertake risk assessments on the development of LMAs. As with every parcel of land, there is a degree of variation to that parcel of land and that use by a rural landholder. It could be for sheep or cattle, as a simple example. The environmental values could be very high or very low. Every rural land agreement is risk based, by its very nature. We will improve our documentation, and we are working through that process now, to make it more explicit, and so that it better describes how we make those determinations about land values and protection of environmental and cultural values in the landscape. They are the primary steps that we have taken at this point in time.

**MR PETTERSSON**: Specifically on some of the recommendations in regard to the minimum level of detail for LMAs to be effective, is that fully captured in updating the form or are there policies and guidelines that need to go along with it?

**Mr Walker**: It is updated in the form. We will continue to work on that. What I was trying to explain in that earlier discussion was that there will be significant variation from one landholder and one agreement to another agreement. We do have a minimum standard, but it is elevated; it relates to, as I said, that risk-based approach. If there are high values on that land, the LMA will go into more detail. If there is greater risk on that land—for example, weeds or particular environmental threats—that will be elevated in the LMA agreements as well.

All of those elements are part of the negotiation and discussion with the rural leaseholder in the development of the LMAs. That is an important part of the work that we do. Of the 168 LMAs that we have in play, on every one of those there is a discussion and an ongoing engagement with the rural landholder about the delivery of their farm practices, their agricultural pursuits, as well as the conservation of the natural and cultural environment here in the territory.

**MR PETTERSSON**: There was one thing that I put to the Auditor-General earlier where he did not necessarily go into detail in trying to answer it. How much back-and-forth is there between the leaseholder and the officials in trying to formulate an LMA? Is it a long process where they put positions back and forth or is it quite agreeable from the get-go?

**Mr Walker**: I will step you through the process and how it unfolds. You have become a new rural leaseholder. The directorate is contacted when that occurs through the change in the rural lease through Mr Phillips. The rural services team go out and meet with the rural landholder and look at the property. In doing so, they identify particular values where they might need some ecological expertise or some cultural expertise. We facilitate other staff within the directorate to go and work with the rural landholder on those particular assets or values that exist on his or her property.

That forms the basis of the development of the LMA. If, during that process, weeds or other threats are identified, our specialists in the areas of weeds, invasive species, are engaged in that, and they provide advice about the best methods of control, while also acknowledging that rural landholders sit beside another rural landholder or a piece of public land, and synergies across the landscapes start to build. That information is shared between the directorate and the rural landholder, so that they can do cooperative and collaborative projects across larger areas.

**MR PETTERSSON**: So that is how an LMA is formed, which makes a lot of sense; thanks for explaining it. I am also curious about how compliance is enforced. What is the process for determining that there is an issue and what is the process for rectifying an issue?

**Mr Walker**: With the LMA I am the conservator, so I sign on behalf of the territory with the rural leaseholder. Once that LMA is in place, the rural services team within the directorate continue to work with rural landholders across the territory. Compliance activities extend to education, information and sharing knowledge about, as a simple example, controlling weeds. The government also resources rural landholders through a range of grants programs and through the delivery of our Natural Resource Management program.

There is a range of education, information and investment that government makes with rural landholders to improve environmental outcomes and agricultural productivity. That is the mechanism by which we empower and support our rural landholders. That is part of our compliance regime.

When it gets to the pointy end of a rural landholder having not complied or not undertaken action to reduce risks there are a number of options that we can instigate. In the instance of not controlling some weeds, the weeds legislation, the pest legislation, has enforcement options within that. We can issue mechanisms by which that rural landholder would need to control said weeds. It is unusual that we would ever need to get to that point because, in the main, rural landholders and the directorate see some common value in controlling things that impact their agricultural productivity. In the main that work is done cooperatively and more broadly across the landscape.

We will always be challenged by weeds. As a good example, during the last year with significantly more rain than we have had through the drought we have seen a lot of weed growth. Those sorts of issues will continue to come on to us quickly, and both rural landholders and ourselves respond to that collectively. At recent meetings with rural landholders we have spoken about how we manage the interface between some of our road reserves and our public land and the agricultural and rural lease properties. It is a compliance regime that works hand in hand, and it is not one that is driven by a punitive enforcement approach.

**MR PETTERSSON**: I understand leaseholders coming forward when there are issues that affect their productivity. How do you manage compliance on issues where they might not be so forthcoming in wanting to identify that there is an issue?

**Mr Walker**: The primary approach is through education. We are very fortunate in the ACT in that our rural leaseholders hold the environment and the values of the ACT highly, so they have a high regard for the values that we see as important from an environmental conservation point of view. Our leaseholders engage with that process well and, where we see the need to undertake activity, we look at what options we have. We have some very experienced people in the management of pest-related activities and there is a collaborative approach to working through them.

The challenge is when we have those broader, much more persistent species across the landscape, and we have to build good strategies that enable us to do that holistically across the landscape. There are numerous examples that we could talk about in terms of particular species, but I will leave that for another time.

**MR PETTERSSON**: Thank you; that was very thorough.

**Mr Rutledge**: As Mr Walker said, we are often the land custodian of the neighbour, or the neighbour of another rural lessee, who all have an interest in managing weeds. Weeds is the easiest one; bushfire and weeds are probably the easiest ones to imagine. If we are the neighbour and we can see weeds generating next door, we would want to have that addressed. Similarly, if a rural lessee saw poor performance next door, they would work with us as well. Whilst the onus is on the rural lessee to do some of that weeding, we sometimes directly fund it ourselves, we directly do it ourselves or we give access to grants for the rural lessees to do it.

It is quite collaborative because even if it is not brought to the attention of the rural lessee themselves, or they are in hard times and find the land management difficult, there will be assistance from government, assistance from Parks and Conservation or assistance from their rural lessee neighbour, because it is in their interest. It is not the case that you could have a whole series of rural lessees where they all did not manage their land well.

**Mr Gentleman**: That also feeds into our emergency services agencies. A number of rural lessees are either on the Bushfire Council or are rural firefighters, and assist us in the management of fuel loads, for example, and bushfire risk. We work with them to understand the knowledge they already have, and to ensure that their properties are safe, as we move into bushfire season.

**MR BRADDOCK**: I am trying to delve into this question about the form. Can I please clarify the number of the form that is currently in use by the directorate for land management agreements?

**Mr Walker**: Previously it was a form notified under legislation. That has recently changed, so that form is no longer notifiable. Therefore we have a standard form and document used by the directorate. Each time we engage with the rural leaseholder, we provide them with that information. That has been a change through the process with the Auditor-General.

**Mr Rutledge**: The previous approval form, which was a 2016 form, has been rescinded. If you want a guide as to what the new form looks like, the 2016 form looks a lot like that. It is, I suppose, an interface thing; we have a smart form system. If you have used Canberra Connect or a government form, we call it a smart form,

**THE CHAIR**: Are we talking about the new form now, not the old form?

**Mr Rutledge**: Yes, the new form, which we have updated as a result of the Auditor-General's report. The guidance material that you saw in the previous 2016 rescinded form is pretty much the same. However, the interface with the rural lessee and our rural services team is easier.

**MR BRADDOCK**: Does that 2020 form fulfil the obligations under the act where it refers to an approved form under section 425?

**Mr Rutledge**: This is interesting but not unique to this legislation. There is a trend or a view within the Parliamentary Counsel's Office that the approved form status does not actually add a lot of assistance, and there is almost a pulling away from the use of approved forms in legislation, and the use of online forms is both easier and does not clutter up the statute book as much. So we have rescinded the previous approved form rather than doing a new approved form, for interface reasons and because of advice that we have received from PCO that the use of approved forms is not really contemporary lawmaking.

**THE CHAIR**: So it is not compliant with the act.

**MR BRADDOCK**: I will add to this point, because I read section 425, and subparagraph (3) says that "an approved form is a notifiable instrument". Is it a case of the PCO saying that we should change the act?

**Mr Rutledge**: You can use an approved form through the legislation and you can notify it; that is what you can do. But I think we need to—

**THE CHAIR**: What is "notify"?

**Mr Rutledge**: Notified on the legislation register.

**THE CHAIR**: Do you just note it?

**Mr Gentleman**: It is on the legislation register as a notifiable instrument. It has a

statutory provision as an NI.

**THE CHAIR**: Thank you for clarifying that.

**Mr Rutledge**: The question is: do you need an approved form or can you use another type of form? Our advice is that you do not need to make it an approved form for it to be used.

**MR BRADDOCK**: You said you have received Parliamentary Counsel advice on that?

**Mr Rutledge**: Yes.

**MR BRADDOCK**: I would be interested in obtaining a copy of that advice, if possible.

**Mr Rutledge**: Yes, we are happy to share that with you. As I say, this is not unique to this; there is a view that is held that approved forms might not be better practice in a modern statute book.

**MR BRADDOCK**: As a legislator, I will be very interested in understanding that.

**Mr Rutledge**: Both this question and the previous question show that the complexity around the legislation is not meeting the outcomes that we want, and the Auditor-General has done a good job of pointing that out to us. We are trying to modernise the way that we are doing it, while working out how we can be more user friendly for the rural lessee, and equally accountable. Asking the rural lessees to engage in the Planning and Development Act is probably not helpful for them. The use of approved forms is, again, we would say, not the easiest thing to do. But as a legislator you would look for an approved form.

**MR BRADDOCK**: Or change the act to reflect best practice.

**Mr Rutledge**: Yes.

**THE CHAIR**: In terms of having a not approved form, you are actually not going with what the act says. The legislation specifically says that an approved form needs to be registered. You are saying that you do not have to have an approved form because you are modernising.

**Mr Rutledge**: Correct. I think that a change in that is actually a change to the way the statute works. We are trying to reflect the need to modernise the way we deal with rural lessees.

**THE CHAIR**: Does that mean that the unapproved form is not valid?

**Mr Rutledge**: No.

**THE CHAIR**: It is not valid?

**Mr Rutledge**: It means it is not notified.

**THE CHAIR**: It is not notified?

**Mr Rutledge**: Yes.

**Mr Gentleman**: If you go to the legislation register, at legislation.act.gov.au, you can search for notifiable instruments. I have it open now, and there are pages and pages of NIs, and you will see "Land management agreement".

**Mr Walker**: It is the agreement that is signed that forms the basis of the agreement with the rural leaseholder, which is based on the guidance material that was produced in 2016 and updated in 2020, and it will continue to be updated. The way the lease agreement, LMA agreement, is written is that what is signed by the leaseholder and the conservator is the formal agreement. It is the agreement.

**MR BRADDOCK**: I want to go back to the government's submission to the inquiry. Under "documentation and record-keeping" you suggest that the Auditor-General might have been confused and did not fully understand the breadth of documentation that exists within the directorate. Can you please elaborate on that?

**Mr Rutledge**: There are two different parts of the directorate in that the conservator signs a land management agreement with the lessee; then that is attached to the leasing agreement, which is why we have the conservator here as well, as the head of leasing. I think that what the Auditor-General was seeking was a single place—in simple terms, a single spreadsheet of every LMA, easily searchable. It does not exist in that form. However, there is an LMA attached to each lease.

We had an unfortunate situation, in that, during the process of doing the audit, either we did not understand the request correctly or there was confusion. When we saw the end point, the Auditor-General said, "This information doesn't exist." If we had known that there was that level of confusion, we would have been able to clarify that during the audit work.

Was it easily accessible for the auditor? No, it was not. Is it easily accessible for our rural services team to look up LMAs? Yes, it is. Is it easily accessible for our leasing team to look at the leases? Yes, it is. But we did not have a single folder, with all of them in one place.

**Mr Gentleman**: We have a platform called "Objective" onto which all of these official documents are loaded. They are easily accessible, as Geoffrey said, between us as a government, but I think the Auditor-General found it difficult to access.

**MR BRADDOCK**: If I were to ask for a copy of all current LMAs, you would be able to provide them?

**Mr Rutledge**: It would take some time, but we could do that.

**THE CHAIR**: Can we go back to the approved form? In the act, section 283(3) says:

> An agreement between a person and the Territory complies with this section if it is—
>
> (a) in accordance with a form approved by the Planning and Land Authority under section 425 (Approved forms) for this section …

Help me to understand here, because you are going down the pathway of not having an approved form, which, according to the act, is not in compliance with it. Therefore it is not valid.

**Mr Gentleman**: No, it says it is an approved form if the Planning and Land Authority says it is an approved form.

**THE CHAIR**: But you are saying to me that it is not an approved form.

**Mr Gentleman**: If the authority says it is an approved form, that is the form that they are using—

**THE CHAIR**: Mr Rutledge just said it is not an approved form. He is modernising it.

**Mr Rutledge**: I think we are getting confused. There is an approved form that is a notifiable instrument or there is a form that is approved by the planning and land authority. It could be the same thing, but they need not be the same thing. That is our current advice.

**THE CHAIR**: So with the approved form, your version, and modernising it, it just has to be notified?

**Mr Rutledge**: If we thought there was value in notifying the form then we could notify on the legislation register.

**THE CHAIR**: Is the form notified now or not?

**Mr Rutledge**: No.

**THE CHAIR**: It is therefore not approved?

**Mr Gentleman**: It is approved by the Planning and Land Authority.

**THE CHAIR**: It is approved now?

**Mr Gentleman**: That is what the act calls for.

**THE CHAIR**: Yes, but where is the form? If it is approved, you just said that it is not approved. You are saying, Minister, that it is an approved form, but he is saying it is not an approved form. He is modernising it. I am confused.

**Mr Rutledge**: I do not think you are alone, Mrs Kikkert, in that part. It goes to the same question Mr Braddock raised, which was whether or not you needed an approved form notified on the legislation register to exist—

**THE CHAIR**: According to the legislation, it does. You need a form approved by the Planning and Land Authority under section 425; so you do need an approved form. Minister, you are saying it is approved, but Mr Rutledge is saying it is not approved—

**Mr Rutledge**: Mrs Kikkert, I have already endeavoured to provide some further advice on that. The best thing would be to take it on notice and try to make it clear for the committee.

**Mr Gentleman**: We will take that on notice, and we will set out in the answer how these forms actually update—

**Mr Rutledge**: How we ended up where we are. As to the content, the previous notifiable instrument of 2016 is a good guide for the content of that smart form.

**MR BRADDOCK**: I have a question on enforcement. How many referrals has the directorate made to Access Canberra for enforcement actions?

**Mr Walker**: I am not aware of any referrals to Access Canberra on enforcement matters in relation to LMAs. It goes to my answer previously. There are other mechanisms by which enforcement would be undertaken for breaches of lease or parts of other legislation. We would generally pursue it through those areas. I cannot give you any further information on that.

**MR BRADDOCK**: Why would you pursue it through those areas and not under this piece of legislation?

**Mr Walker**: Because it would be more relevant under the lease arrangements rather than through the LMA process and it may be a higher order instrument that can be utilised.

**MR BRADDOCK**: What do you mean by "higher order"?

**Mr Walker**: That is probably a poor choice of words, Mr Braddock. We have a lease agreement that the leasing part of the directorate provides to the rural landholder. It is that mechanism that would provide the best mechanism for engagement with the rural landholder on any compliance or enforcement activities.

**MR BRADDOCK**: What is the value of the LMAs if you are not utilising them for compliance actions?

**Mr Walker**: As I said to Mr Pettersson, the purpose of compliance is an educative one and an information one, building a collaborative partnership. That is how we work on compliance. We utilise that. That is giving us the best possible result. We are preferring the carrot and support method of compliance rather than the stick of enforcement.

**MR BRADDOCK**: I fully support carrot-based compliance, but to achieve 100 per cent success from the carrot is quite incredible. I would congratulate you if that has actually been achieved.

**Mr Gentleman**: I am not sure that we are growing carrots in the ACT, but if we could get our rural landholders on board, we might be able to do both!

**MR BRADDOCK**: I am sceptical as to whether we can achieve 100 per cent compliance based just on carrots.

**Mr Walker**: In the context of managing things like invasive species, as I alluded to earlier, it is always going to be an ongoing piece of work that we need to undertake. Getting into enforcement with people around not controlling weeds is a never-ending spiral. We are better off in a situation where the community, rural leaseholders, the Parks and Conservation Service and our other natural resource management teams are engaging in and responding to issues to get the best possible outcome for the environment.

**MR BRADDOCK**: Minister, I am not sure if you are in a position to respond to this, but is Access Canberra funded to undertake compliance actions under this act?

**Mr Rutledge**: I do not think there would be specific funding.

**Mr Gentleman**: No.

**Mr Rutledge**: They get general funding, and they respond as required. I am not sure that there would be specific funding for this. If it got to a point where we needed a compliance action, as with other areas with leasing, we would refer them to Access Canberra. They, too, do education first and then enforcement at the end.

I suppose this works better than other areas of compliance because of the shared need. Weeds and bushfires are easier to imagine. There is a shared need for the community, neighbours and other landholders. Generally, because of that shared interest, you get a fairly high level of compliance so there is not a need to go to an enforcement model at this stage.

Going to the educative nature of it, whilst weeds and bushfires are the easiest ones to imagine, the other educative bit is that where there are high conservation values or high cultural values, rural lessees may not have the knowledge base. Again, that is where we put in a bit of effort and additional work up-front. Again, an educative piece of work is what is required in that space.

**Mr Gentleman**: Going back to Access Canberra, they are funded to provide compliance on leases right across the ACT. Whether they are rural landholders or individual household lessees, they are funded generally by government in a budget sense.

**THE CHAIR**: The report says:

> Access Canberra has delegated powers under the Planning and Development Act … more specifically the Planning and Development (Inspectors) Appointment … to appoint inspectors to all urban and rural land areas, but does not proactively monitor rural leaseholders' compliance with Land Management Agreements.

Is there an inspector?

**Mr Gentleman**: In Access Canberra?

**Mr Rutledge**: I think it goes to your point, Minister, that it would come under the general compliance duties, but a lot of the work is done by our rural services team and our parks and conservation team. Mr Walker cannot think of a time when we have referred an LMA issue to Access Canberra.

**THE CHAIR**: So there is no inspector even though they could appoint one?

**Mr Phillips**: Access Canberra have proactively been involved in compliance activity on rural leases. I can think of at least one that has been in the tribunal recently, and there have been others.

**Mr Rutledge**: Not on LMAs but on rural leases.

**Mr Phillips**: On rural leases in relation to alleged breaches of the lease purpose clause.

**MR BRADDOCK**: What is the plan to get back to conducting reviews in a timely fashion? Do you have sufficient resourcing to do that or is it just a reality that the directorate is not able to keep up with the number of agreements?

**Mr Rutledge**: Notwithstanding whether or not we need to update them on a specific time line, the Auditor-General has highlighted the need for us to get our documentation better and more visible. I think we have done that. As Mr Walker said, we have worked on making more apparent our risk management approach so that that becomes more apparent. We have got some more work to do.

I do not think it is a resourcing question. It is just that the Auditor-General took a particular view of how we should be doing the business. We had a risk-based view of how we are running the business. I think we are delivering the outcome correctly. We do have a bit of tidying up to do. Today's hearing shows that we still have some tidying up to do. The Auditor-General has made some good observations around that.

**MR BRADDOCK**: Can you please be more specific about the work that you have to do?

**Mr Rutledge**: Making more publicly accessible and available some of our risk-based approach. Making sure our forms and our guidelines are easily accessible to rural lessees and to the community more generally. I do not think we have been that explicit about some of the work that we do in helping rural lessees through natural resource management and the bushfire work that Minister Gentleman talked about. We have seen those as things we do to manage the landscape; I do not think we have made the direct link between that activity that we are doing and the undertakings required under a land management agreement. We have seen the land management agreement as one tool, and then there are these other tools.

I do not think we have made it clear to the community, and we certainly have not made it clear to the Auditor-General, that all of these come together and create a

package of works to ensure that our rural land is managed well. We have to tell that story a bit better. We are delivering on the outcome, but there has been confusion, from the Auditor-General's report. That has been my learning today.

**Mr Gentleman**: The tabled response we have given shows where we have agreed and the actions that we are following up on.

**Mr Walker**: Mr Rutledge has highlighted that the outcomes are being achieved. We have an LMA with every leaseholder. We have used an approach where, if we have a new leaseholder, we enter into a new lease agreement quickly and promptly. That is occurring.

It is the lower value areas, from an environmental point of view, or areas that will take time for restoration to occur, that will influence the timing of the updating of LMAs. As you would appreciate, restoring a landscape takes many decades. It is not a five, two or one-year fix. The processes that we have put in place look at how we measure and see changes in the environment over time.

We have referred to our Conservation Effectiveness Monitoring Program, which measures the effectiveness of our management activities across the landscape so that we can see improvements in our grassy woodlands and our grasslands and we can measure those over one year, five years or multiple years into the future. The intention is to provide guidance around whether, for the investment we make, we are seeing an improvement in the environmental condition of the landscape. That relates to all land across the territory but, obviously, is particularly focused on areas that have higher conservation value.

**MR BRADDOCK**: I am glad you mentioned measurables, because in his report the Auditor-General spoke about the lack of measurable actions being incorporated into the LMA agreements. Is that something you are going to be working to improve on, noting you have just put "Noted" in your submission?

**Mr Walker**: Certainly. It is noted in the context of what I have just explained. Mr Rutledge highlighted opportunities to better integrate things like our grants programs and the delivery of LMAs, making it more explicit that, if we have asked for something to occur in a LMA, we can marry that to grant opportunities and tie that back to specific grant funding opportunities.

That is relatively straightforward because we are dealing with lots of the same sorts of restoration activities. We keep using the example of weeds, because it is an easy descriptor, but restoration of land, improvement of gully erosion and those sorts of things are in LMAs. Through better targeting of our grants programs, we can start to utilise funding from government to achieve the broader outcomes for the environment.

**THE CHAIR**: The committee's hearing for today is now adjourned. On behalf of the committee I would like to thank the Auditor-General, Minister Gentleman and all the officials who have appeared today.

The secretary will provide you with a copy of the proof transcript of today's hearing when it is available. If witnesses have taken any questions on notice today, could they

please get answers to the committee support office or committee secretary within five working days of receipt of the uncorrected proof. If members wish to lodge questions on notice, please get those to the committee support office or committee secretary within five working days of the hearing, day 1 being the next working day after the hearing.

**The committee adjourned at 1.20 pm.**