

The Hon Niall Blair MLC

Minister for Primary Industries Minister for Lands and Water

OM16 2655

Mr Tim de Mestre Chair, Local Land Services PO Box 2105 DUBBO NSW 2830

Dear Mr de Mestre

When Local Land Services (LLS) commenced on 1 January 2014, it represented the most fundamental change to regional service delivery in NSW since the 1940s.

LLS has a critical role to play in delivering its core functions of agricultural advice, biosecurity and natural resource management, and emergency assessment and response, as well as other services that are valued by customers, ratepayers and communities.

The NSW Government's vision for LLS is that it will deliver services which lead to resilient communities in productive, healthy landscapes, with improved primary production and better management of natural resources.

I have seen firsthand the on-ground successes that have already been borne out of the model, for customers, communities and ratepayers, and I particularly commend the highly trained, hard-working and experienced staff that make up LLS.

I reiterate the NSW Government's strong and ongoing commitment to LLS and to supporting the NSW primary industries sector and regional communities. The 2016-17 NSW Budget includes an investment of \$159 million for LLS, as part of a total investment in the Primary Industries, Lands and Water portfolios of more than \$1.4 billion.

Given it has now been more than two years since LLS commenced operations, a number of scheduled audits and reviews have been conducted, specifically into governance, communications and the rating framework.

In response to these audits and reviews, necessary changes are required to refine the organisation's ability to deliver core services, and other services that are valued by ratepayers and customers, while remaining consistent with the original principles and intent of the model, and requirements under the *Local Land Services Act 2013* and other relevant legislation.

These changes include improvements to LLS's governance, rating system, business processes and customer service, stakeholder engagement and communications, and ongoing financial sustainability.

To give effect to these important changes, and clearly state the NSW Government's expectations, I am issuing a direction under Section 11(1) of the *Local Land Services Act* 2013. I request that LLS address the following priorities:

- Delivering the LLS State Strategic Plan 2016-26 and 11 Local Strategic Plans 2016-21
- Implementing the NSW Government's response to the Independent Pricing and Regulatory Tribunal's *Review of Funding Framework for Local Land Services NSW*, and ensuring that clear and professional communication is undertaken with ratepayers to ensure they are aware of and fully understand what the changes to the rating system will mean for them
- Assisting with implementation of the NSW Government's biodiversity reforms, in line with Land Management and Biodiversity Conservation Reforms regarding LLS' ongoing role
- Working with the Natural Resources Commission (NRC) to implement the NSW Government's responses to the NRC's Governance and Communications Audits
- Ensuring that LLS is financially sustainable for the future, which includes identifying
 and fostering new investors, partners and sources of revenue, and developing a new
 fee-for-service growth strategy
- Working with the NSW Audit Office to ensure that financial auditing is undertaken at the local level in the most efficient manner possible, while remaining consistent with requirements of relevant legislation, and previous NSW Government commitments
- Working with customers and key stakeholders to achieve the goals set out in the Expenditure and Management Plan for the \$35 million 'Future Fund'
- Working with customers, local boards and key stakeholders to develop and implement the Accommodation Strategy which will be considered by the NSW Government in early 2017
- Working with customers, local boards and key stakeholders to develop and implement strategic principles to guide LLS's delivery of agricultural advisory services
- Implementing policies and processes that ensure ongoing delivery of the principles and intent of the reform, particularly localised decision-making which is responsive to local needs and priorities
- Ongoing consistency with the Local Land Services and Department of Primary Industries Partnership Principles
- Working with the Department of Primary Industries to implement the *Biosecurity Act* 2015, and supporting legislative instruments
- Working with the Department of Primary Industries to implement the NSW
 Government's response to the NRC's Review of Weeds Management, and also its
 response to the NRC Pest Animal Management Review, once this has been finalised
- Implementing the NSW Government's 2015-19 Local Landcare Coordinators Initiative
- Working with the Department of Industry Lands to conduct a comprehensive review
 of the State's Travelling Stock Reserves (TSRs), with broad consultation with
 customers, ratepayers and key stakeholders. Pending the outcomes of the review,
 TSRs should be managed as required under the Local Land Services Act 2013, and
 in accordance with the NSW TSR State Planning Framework 2016-21, noting the
 multiple values and uses of TSRs
- Consider future funding arrangements for investment in natural resource management activities
- Developing and implementing a Customer Service Delivery Model to deliver effective and efficient services based on customer needs and expectations
- Implementing necessary changes to election processes, to ensure they are simple, fair and equitable, and structured in such a way as to encourage the greatest levels of enrolment and participation from ratepayers.
- Engaging with the Office of Environment and Heritage on the state-wide review of Travelling Stock Reserves, amendments to the *Local Land Services Act 2013*, pest and weeds management, and other relevant natural resource management issues.

Additional proposals

While LLS will be required to deliver on these important priorities, I welcome any further proposals that LLS may have to support improved delivery of services, particularly in regional NSW.

Governance and accountability

To ensure full and effective implementation of these priorities, I ask that you take responsibility for providing me with quarterly progress updates.

I further request that you use this Charter Letter as the basis of performance agreements between you and each of the 11 regional chairs. This Charter Letter will remain in place under Section 11(1) of the *Local Land Services Act 2013* until it is superseded by any further directive.

I am confident that effectively addressing the priorities outlined in this Charter Letter will ensure LLS is sustainable into the future, and able to continue to deliver a superior level of regional services that are valued by customers, ratepayers and communities.

Yours sincerely,

19 DEC 2016

The Hon Niall Blair MLC Minister for Primary Industries Minister for Lands and Water