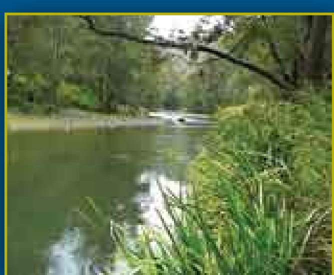
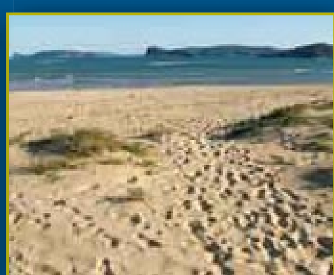
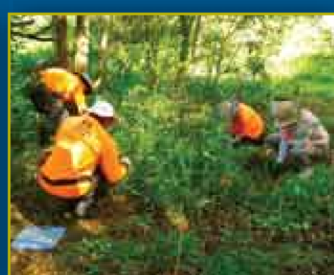
Hunter-Central Rivers
CMA CATCHMENT MANAGEMENT AUTHORITY

2008–09 Annual Report

Hunter–Central Rivers Catchment Management Authority

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Members of the CMA's Upper Hunter team, based at Muswellbrook.

LETTER TO THE MINISTER

Hunter - Central Rivers
CMA CATCHMENT MANAGEMENT AUTHORITY

The Hon. John Robertson, MLC
Minister for Climate Change and the Environment
Level 35
Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister

Re: 2008/09 Annual Report for the Hunter-Central Rivers Catchment Management Authority

We have great pleasure in presenting the Annual Report of the Hunter-Central Rivers Catchment Management Authority for the financial year, 1 July 2008 - 30 June 2009, for submission to Parliament.

This report has been prepared in accordance with section 17 of the Catchment Management Authorities Act 2003, and the Annual Reports (Statutory Bodies) Act 1984, and the Annual Reports (Statutory Bodies) Regulation 2000.

This report details the activities and achievements of our organisation and includes the relevant statutory and financial information for the Hunter-Central Rivers Catchment Management Authority.

Yours faithfully

W.E.J. Paradice   Neil Rose

W.E.J. Paradice (PhD)
Chairman
Hunter-Central Rivers Catchment Management Authority

Neil Rose
Board member

30 October 2009

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LIST OF SHORTENED FORMS

ACEN	Aboriginal Cultural and Environmental Network
ARC	Australian Research Council
Boards	Lower North Coast and Central Coast catchment management boards
CAP	Catchment Action Plan
CBD	central business district
CEM	Coastal, Estuarine and Marine
CFOC	Caring for Our Country
CMA	Hunter–Central Rivers Catchment Management Authority
CSO	Community support officer
DECC	Department of Environment and Climate Change
DNR	Department of Natural Resources (former)
DoL	Department of Lands
DPI	Department of Primary Industries
DWE	Department of Water and Energy (NSW)
EEO	Equal Employment Opportunity
EMS	environmental management system
HCC	Hunter Catchment Contributions
HCRG	Hunter Community Reference Group
HOGI	Hunter On-Ground Initiative
HVFM	Hunter Valley Flood Mitigation
KWRP	Kooragang Wetland Rehabilitation Project
MT	Management Target
NATA	National Association of Testing Authorities
NCIG	Newcastle Coal Infrastructure Group
NHT	Natural Heritage Trust
NLP	National Landcare Program
NRC	Natural Resources Commission
NREMSS	Natural Resources and Environment Management Support System
NRM	natural resource management
ODEOPE	Office of the Director of Equal Opportunity in Public Employment
OH&S	Occupational health and safety
PVP	Property Vegetation Plan
SCaRPA	Site Catchment and Resource Planning and Assessment
SERI	Society of Ecological Restoration International
TIDE	Taree Indigenous Development Employment Ltd
Trust	Hunter Catchment Management Trust
VMP	Vegetation Mapping Program
WRAPP	Waste Reduction and Purchasing Policy

Minister Carmel Tebbutt, CMA Chairman Wej Paradice (right) and General Manager Glenn Evans inspect works at the Maitland Levee, part of the Hunter Valley Flood Mitigation Scheme.

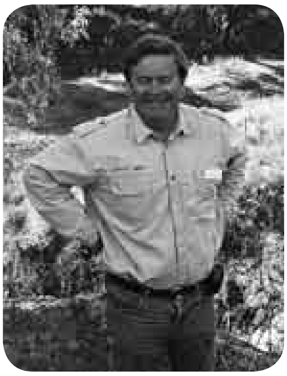
Section 1

The Hunter–Central Rivers CMA Our year in review

Our vision

Healthy and productive catchments through the ecologically sustainable management of our natural resources and environment for the benefit of present and future communities.

MESSAGE FROM THE CHAIRMAN, DR WEJ PARADICE AM



Hunter–Central Rivers CMA Chairman Dr WEJ Paradice AM.

The Hunter–Central Rivers Catchment Management Authority (CMA) continues to move toward achieving its goals and targets as identified through our Catchment Action Plan (CAP). As the regional reflection of the environmental and natural resource targets of the NSW State Plan, the CAP identifies specific mechanisms to achieve the State Plan through its 31 Management Targets. Our progress toward achieving these targets is outlined in this annual report.

Our CMA maintains our vision of achieving healthy and productive catchments, not only for the benefit of this generation, but with a view to the needs of future generations. In our broader society we have seen many examples of poor decisions in the past leaving a legacy which the following generations have to overcome. Some of these poor decisions may have been based on greed but many are the result of lack of information and knowledge, particularly lack of awareness about the consequences of such decisions.

Our CMA has engaged in a process which not only aims to achieve specific resource condition targets but also uses the standard for quality natural resource management (NRM) to ensure that the process of decision making will lead to the best possible outcomes for the catchments of the Hunter–Central Rivers region.

To test this proposition, the Natural Resources Commission undertook their first independent audit of our CMA's systems and found that our CMA had well-structured and transparent systems for ranking investment options, and that CMA projects were well designed. The audit also identified some areas for improvement, including the need for a detailed stakeholder analysis, which the CMA has been working on since the audit was completed.

The Hunter–Central Rivers CMA has many impressive achievements during 2008–09. After decades of planning and community effort the first floodgate at Hexham Swamp was opened in December 2008. As well, we celebrated the fifteenth year of the implementation of the Kooragang Wetland Rehabilitation Project: both projects are critical to the rehabilitation of degraded tidal wetlands. Among other projects, the CMA developed a major partnership with Mid North Coast Weeds Advisory Committee to control environmental weeds along 27 kilometres of priority streams along the Karuah, Manning, Gloucester and Upper Bowman rivers. The CMA also entered a partnership with Gosford City Council and communities on the Central Coast to deliver important environmental outcomes, with bush regeneration being undertaken at Forresters, Wamberal, Copacabana, Putty, Macmasters, Umina and Pearl beaches. The CMA's Hunter Riverworks program was also highlighted as a standout example of 'Adaptive Management in CMAs' in a state-wide audit of CMAs.

NSW Government State Plan

13 State-wide targets for NRM under four themes – Biodiversity, Water, Land and Community

↑

Hunter–Central Rivers CMA Resource Condition Targets

Regional targets for improvements in natural resources.

↑

Hunter–Central Rivers CMA Management Targets

How the CMA will invest in Natural Resource Management activities — 31 Management Targets

Community education and engagement also continued to be a major focus for our CMA, with committees such as the Aboriginal Cultural Environment Network continuing, the Waterwatch program engaging over 10,000 participants and our Flood Education Project continuing to educate the Lower Hunter Community about flood preparedness and the role of the Lower Hunter Flood Mitigation Scheme.

Our CMA continues to manage projects to improve the health and resilience of the Hunter–Central Rivers region. It is only through the dedication of CMA staff working with a dedicated community that we can continue to achieve our goals. I would therefore like to make special mention of the contributions of three CMA staff who have recently retired or announced their retirement. Our General Manager, Glenn Evans, announced his impending retirement after 41 years of public service, while our Program Managers Sharon Vernon and Jeff Palmer retired in July and October 2008 respectively. They all played a critical role in the formation and development of the CMA and leave a lasting legacy through the improved management of natural resources in the Hunter–Central Rivers region.

ABOUT US

OUR FOUNDATION

Decades of planning and community effort precede the formation of the Hunter–Central Rivers Catchment Management Authority (CMA). Founded on the work of the Central Coast and Lower North Coast Catchment Management Boards (the Boards) and the Hunter Catchment Management Trust (the Trust), it is the responsibility of the CMA to work with the community, government and industry to build on these past successes and strive to ensure a sustainable future for our catchments. This CMA is one of 13 established in NSW in January 2004 and is a statutory authority with a Board that reports directly to the Minister for Climate Change and the Environment, through the Chairman.

OUR VALUES

At the CMA we value:

- effective outcomes and positive on-ground change
- innovative and practical solutions
- effective communication and consultation with our communities
- active participation in NRM
- our Board members, staff and community.

OUR FUNCTION

The specific functions of CMAs, as described in Section 15 of the *Catchment Management Authorities Act 2003*, are to:

- develop Catchment Action Plans (CAPs) and ensure their delivery through annual implementation programs
- provide loans, grants, subsidies or other financial assistance for catchment activities
- enter contracts or do any work for the purposes of catchment activities
- assist landholders to achieve the objectives of the CAP
- provide educational and training courses and materials in connection with NRM
- exercise any other function relating to NRM as prescribed by the regulations.

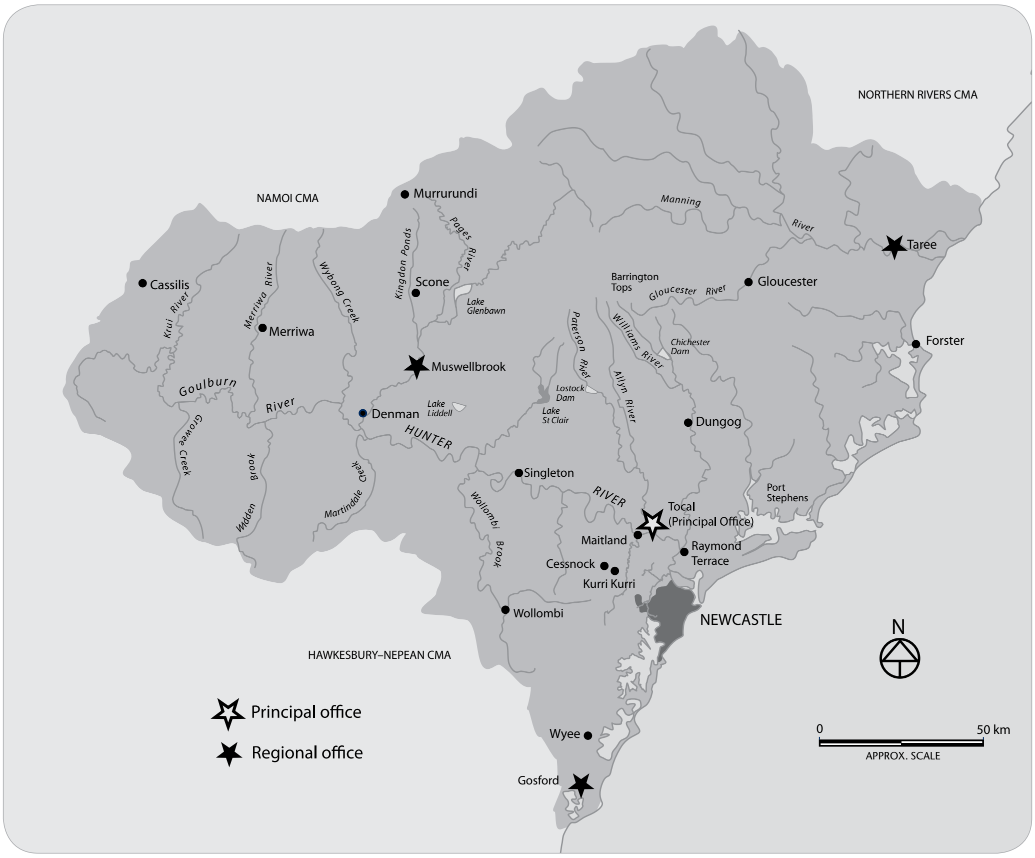
LEGISLATION UNDER WHICH WE OPERATE

- *Annual Reports (Statutory Bodies) Act 1984*
- Annual Reports (Statutory Bodies) Regulation 2000
- *Catchment Management Authorities Act 2003*
- Catchment Management Authorities Savings and Transition Regulation 2004
- Hunter-Central Rivers Catchment Management Authority Regulation 2005
- *Native Vegetation Act 2003*
- Native Vegetation Regulation 2005
- *Occupational Health and Safety Act 2000*
- Occupational Health and Safety Regulation 2001
- *Protection of the Environment Operations Act 1997*
- Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Amendment Regulation 2009
- *Public Finance and Audit Act 1983*
- Public Finance and Audit Regulation 2005
- *Public Sector Employment and Management Act 2002*
- *Soil Conservation Act 1938*
- *Water Management Act 2000*
- Workers Compensation Regulation 2003

OUR PEOPLE

In 2008–09 the CMA operated with seven Board members and a number of staff working across the region to deliver a diverse range of services. Our people included: a Chairman, six Board members, 22 permanent positions (two part-time classified as one full-time-equivalent position) including a General Manager, 35.6 project positions and two people on secondment, one from the Department of Education and Training and one from the Department of Environment and Climate Change (DECC).

OUR REGION



REGION	The catchment covers 37,000 km² on the east coast of NSW. It extends from Taree in the north to Gosford and the coastal waterways of the Central Coast in the south, and from Newcastle in the east to the Merriwa Plateau and Great Dividing Range in the west. The CMA's area of operation also includes a further 1,500 km² of marine area to the NSW state limit, three nautical miles offshore.
COMMUNITY	According to the Australian Bureau of Statistics' population data (2008)[1], approximately 1.2 million people live in the Hunter–Central Rivers region. Our community includes rural and residential landholders, community groups, businesses and government agencies living and operating in the Hunter–Central Rivers catchments.
ELECTORATES	The region has 17 state electorates, 10 federal electorates, 21 local government areas, five Regional Aboriginal Land Councils and 15 Local Aboriginal Land Councils.
CLIMATE AND RAINFALL	The region has a subtropical climate with a mild temperature on the coast. Temperatures are higher inland and the tendency for frost increases with distance from the coast. Snow can fall in winter on the Barrington Tops. Rainfall tends to be highest in coastal areas (1,400 mm) and the Barrington Tops and decreases inland (700 mm).
VEGETATION AND WATERWAYS	The vegetation ranges from estuarine wetlands and mangrove forests, rainforests and freshwater wetlands to open grasslands, woodlands and eucalypt forests. The region encompasses the Manning, Karuah and Hunter rivers and the lakes of Wallis Lakes, Myall Lakes, Port Stephens, Lake Macquarie, Tuggerah Lake, Budgewoi Lake, Lake Munmorah and Brisbane Waters.
CATCHMENT USE	The region supports a range of uses that rely on natural resources, including coal mining, power generation, forestry, fishing, tourism and recreation and a wide range of agricultural industries. Residential and commercial development dominate the coastal fringe.
CULTURE AND HERITAGE	There are many cultural and heritage values in the region significant to both Aboriginal and non-Aboriginal people. These values range from archaeological evidence and historic buildings to landscape features such as mountains and river systems.

1. Australian Bureau of Statistics, *Regional Population Growth, Australia, 2007–08*.

OUR BOARD

The CMA is governed by a Board comprising a chairman and six members. The Board reports directly to the Minister for Climate Change and the Environment through the Chairman. The Board was appointed under the *Catchment Management Authorities Act 2003* and held full Board meetings every even month in 2008–09. Three additional committees have been established as subcommittees of the Board. These are:

- The Strategic Investment Committee, which meets on alternate months to Board meetings, to review and develop procedures for prioritising investment in projects, management of incentive programs and allocation of funds.
- The Systems Audit Committee, which meets at the same time as the Strategic Investment Committee and develops policies and procedures monitoring/audit procedures covering the operation of the CMA.
- The Finance and Audit Committee, which meets on an as-needs basis to review the CMA's financial processes and performance.

Board members reside in the Hunter–Central Rivers CMA region and are appointed by the Minister for up to three years. They are actively involved in community, government and industry activities, and understand the environmental, social and economic issues facing our catchments. The Board sets the CMA's direction for investing in the future of our natural resources.

CMA board members get ready to plant trees at the CMA's principal office at Tocal. From left Glenn Evans (General Manager), John Asquith, Wej Paradice, John Weate, Chris Scott, Neil Rose, Julia Imrie and Arthur Burns.

To ensure the Board performs its role effectively and efficiently, Board members remain in close contact with the Chairman and are able to review and discuss their role and performance on a continual basis. The Board holds a strategic planning workshop in February each year to set the CMA's strategic direction, review performance, and develop improvements to governance and operational policy and procedures. Board members also complete an annual survey that addresses Board responsibilities in the areas of strategic planning, policy development, financial and legal management, human resources, public relations and self-management.

CHAIRMAN, WEJ PARADICE AM

Wej has a Bachelor Degree in Natural Resources together with a Master of Science and a Doctor of Philosophy. He is also a Fellow of the Australian Institute of Company Directors and a member of the Board of the Tom Farrell Institute, the environmental institute of the University of Newcastle. Wej is CEO of the Hunter Valley Research Foundation and served as a Trustee of the Hunter Catchment Management Trust from 1989 until the formation of the Hunter–Central Rivers CMA in 2004. With his breadth of experience, Wej provides a valuable link between past successes and future directions. While encouraging the implementation of on-ground works, Wej is keen for the CMA to develop a reputation as the leading CMA in NRM, using innovative policies and procedures in association with the community. Wej became a member of the Order of Australia in 2008 in recognition of his contribution and leadership of conservation and regional organisations in the Hunter region. In 2009 the University of Newcastle also recognised his contribution to the Hunter region in awarding him an honorary Doctor of Letters.

JOHN ASQUITH

John has a Bachelor Degree in Engineering, a Master of Arts in Management and is a Fellow of the Institute of Engineers. He has 25 years executive experience in energy and water utilities and is Chair of the Community Environment Network. John has also been a member of the National Parks Association for 36 years and is a former Secretary of the Nature Conservation Council of NSW.

ARTHUR BURNS

Arthur has a Diploma in Agriculture and over 30 years experience managing his family dairy farm at Scotts Flat, near Singleton. With his extensive farming background, Arthur has been involved in various rural committees, including the Australian Dairy Farmers Federation, State Water Coastal Valleys Customer Service Committee (Chair), NSW Farmer's Association, NSW Irrigators' Council, DPI NorthCoast/Hunter Regional Extension Stakeholder Reference Group and Hunter Valley Water Users Association (Chair). Arthur is also the CMA delegate to the Floodplain Management Authorities of NSW, Hunter Salinity Trading Scheme Operations Committee and Singleton Flood Plain Risk Management Committee.

JULIA IMRIE

Julia has a Bachelor of Science degree and a Diploma of Education and has worked in the environmental science and land management fields for the past 18 years. She has co-managed her 872 hectare family property in the upper Goulburn River for 25 years and operates an eco-tourism business. Julia is involved in local environmental groups and represents environmental interests on the state-wide Rural Regional Community Consultative Council. She is also a member of the Hunter Region Landcare Network and the Ulan Coal Mine and Moolarben Coal Project Community Consultation Committee, and is co-chair of the Hunter Community Reference Group.

NEIL ROSE

Neil was employed for 30 years in the power generation industry as a unit operator. He was a Director with the Boards of Pacific Power and Delta Electricity and is a Graduate Member of the Australian Institute of Company Directors. Neil also served on the board of Central Coast Health as Treasurer and was Chair of the former Central Coast Catchment Management Board. He is currently a board member of Central Coast Community Care (aged care facilities) and was a councillor of Wyong Shire Council from 1999 to 2008, which included the positions of Mayor and Deputy Mayor.

CHRIS SCOTT

Chris is currently completing a Bachelor of Land Management and has certificates in Landcare and Bushland Regeneration. He has extensive experience in vegetation management and farm forestry. Chris has a long history of working with the community and landholders on vegetation management and is a member of the Natural Resources Advisory Council, NSW Pest Animal Committee, Master Tree Grower Program Steering Committee and Manning Landcare. Chris is the Chair of the CMA's Systems Audit Committee and is also the Chair of the NSW Landcare Committee.

JOHN WEATE

John has a Bachelor of Science degree and a Master of Business Administration and has been a councillor on Great Lakes Shire Council since 1991. He was also a member of the Lower North Coast Catchment Management Board. John is the Executive Officer of Great Lakes Community Resources, a not-for-profit community development association, which develops services and enterprises to create employment and training opportunities for disadvantaged unemployed. John is the Chair of the CMA's Strategic Investment Committee and is also Chair of the Great Lakes Council's Wallis Lake Estuary and Catchment Committees, which won the Theiss National Riverprize in 2004.

BOARD APPOINTMENT AND ATTENDANCE

	Term of appointment (up to three years, may be reappointed)	Board meetings	Future Directions workshop	Strategic Investment Committee	Systems Audit Committee	Finance and Audit Committee
Wej Paradice	3rd term, expires June 2011	Chairman 5/6	1/1	5/5	6/6	3/3
John Asquith	3rd term, expires 20 Apr 2010	6/6	1/1	4/5	5/6	3/3
Arthur Burns	3rd term, expires 30 Oct 2011	6/6	1/1	5/5	6/6	3/3
Julia Imrie	3rd term, expires 30 Oct 2011	6/6	1/1	5/5	6/6	n/a
Neil Rose	3rd term, expires 30 Oct 2011	Deputy Chairman 5/6	1/1	5/5	6/6	Chairman 3/3
Chris Scott	3rd term, expires 13 March 2012	6/6	1/1	Chairman 3/5	4/6	n.a.
John Weate	3rd term, expires 20 Apr 2010	6/6	1/1	5/5	Chairman 6/6	n.a.

FROM THE GENERAL MANAGER — OUR YEAR IN REVIEW

Glenn Evans inspecting Bow Wow Gorge, near Cessnock.

Five years on since its formation in January 2004 the Hunter-Central Rivers CMA now has a well-established presence across our catchments, a scientifically based Catchment Action Plan (CAP), and in 2008–09 — with the help of our many partners — delivered hundreds of vegetation, soil conservation, salinity, river, wetland, marine and community projects.

The CAP sets out Management Targets, which are to be achieved by 2015. Steady progress is being made in most areas, while some targets (including MT03 (treat weeds), MT04 (protect threatened species) and MT08 (treat pests)) have already been reached. Actions supporting a small number of targets, such as MT24 (sewage management systems) and MT29 (Environmental Management Systems), are not proceeding as rapidly as predicted as they cannot be resourced by current funding arrangements, or require longer project development timelines because they involve complex planning, or specific partnerships. These activities will be reviewed in preparation of future investment programs and the upcoming mid-term CAP review to ensure that appropriate resources are allocated to achieve desired outcomes.

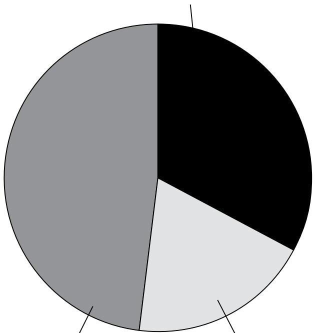
CMAs are responsible for administering the *Native Vegetation Act 2003*, which includes development of Property Vegetation Plans (PVPs). Incentive PVPs are a primary means of achieving our CAP targets, providing landholders with financial incentives, in effect an alternative income from their property, to set aside and manage native vegetation. Last year 11 incentive PVPs were approved protecting 1961 hectares of native vegetation for a minimum of 15 years. In addition six PVPs were approved for clearing native vegetation, subject to provision of scientifically calculated native vegetation offsets. CMA staff also provided detailed technical advice to local councils, agencies and developers to assist them refine development proposals to achieve improved environmental outcomes while maintaining project viability.

Actions to address climate change and reduce its impact on the natural environment are identified in our CAP, and are priorities for current and proposed CMA investment. Many catchment targets contribute towards increasing catchment resilience, for example by establishing vegetation corridors for biodiversity retreat from sea level rise and land temperature increases.

The CMA encourages innovation and continual improvement, and regularly participates in pilot or trial projects. During 2008–09 these included the Kooragang Wetland Rehabilitation Project Performance Story reporting process with the Australian Government; and with the NSW Government the Catchment Report Card monitoring and reporting system, and SCaRPA decision-support tool providing scientific rigour to NRM investment.

An active and involved catchment community is central to achieving CAP targets. Waterwatch continued to deliver outstanding environmental education and community capacity-building programs to over 10,600 school, community group and landholder participants. Groups participating in Quality Assurance trials achieved a creditable 85% accuracy, ensuring that Waterwatch continues to provide reliable base and trend data on the condition of our rivers and streams. In October 2008 the CMA launched the Hunter River Explorer website, a community information resource providing a virtual journey down the Hunter River, and access to local histories, identities and environmental issues. This project was part funded by the Thiess National Riverprize awarded to the Hunter Catchment Management Trust in 2003.

TOTAL EXPENDITURE 2008–09



The CMA's systems and effectiveness in delivering CAP targets were reviewed at several levels during the year. Processes and results are monitored by the CMA's Finance and Audit Committee, and the Systems Audit Committee. Regular internal audits have been undertaken, and reports provided to the relevant board committee. In addition to the annual financial audit by the NSW Audit Office, this year the operations of the CMA were scrutinised by the Natural Resources Commission.

The NSW and Australian governments are the primary sources of funding for CMA activities. This year substantially more staff resources were allocated to developing funding proposals, in an effort to maximise investment opportunities for coming years.

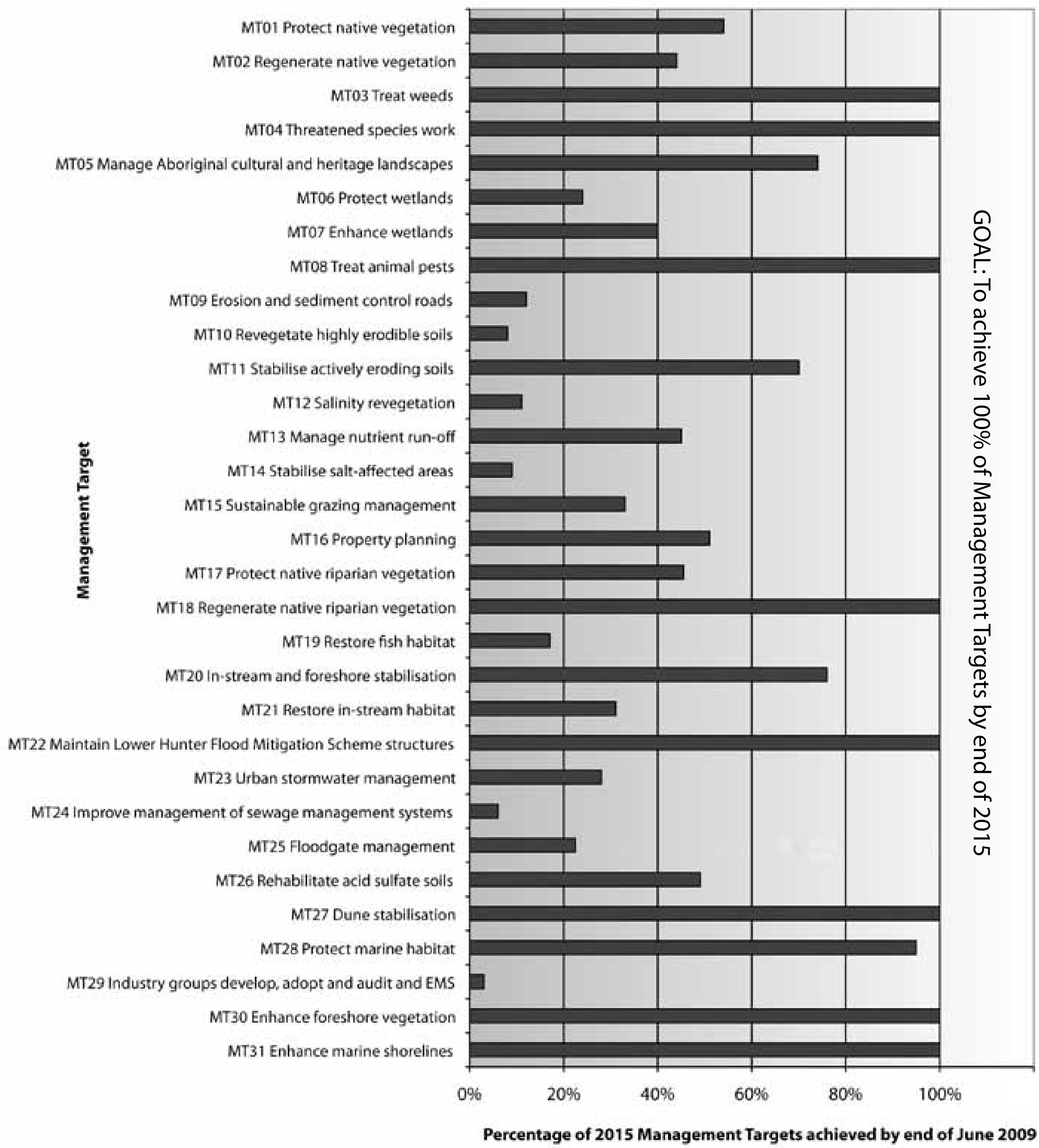
The other major revenue source is Catchment Contributions, which have been collected from Hunter Valley landholders since 1950. They enable more community support and long-term on-ground investment to be provided in the Hunter than elsewhere in the CMA's area. Activities include the Hexham Swamp Rehabilitation Project, which reached a major milestone with opening of the first Ironbark Creek floodgate; the Hunter Valley Flood Mitigation Scheme, which effectively protected Maitland in the June 2007 flood; and enhanced land management programs.

This is my final General Manager's report. It has been a privilege to have served the Hunter Trust and now the CMA for the last 15 years, during this exciting period of the evolution of natural resource management in NSW. I will be commencing retirement confident that the CMA, with its solid foundation of highly skilled and dedicated staff, sound business and financial systems, a visionary Board and many enthusiastic partners is well positioned to deliver a healthy, productive and resilient natural environment for the Hunter–Central Rivers region.

2008–09 PERFORMANCE HIGHLIGHTS

BIODIVERSITY	
	Reduced weeds and animal pest threats to biodiversity by exceeding CMA Management Targets in treating weeds and animals pests. Weeds were controlled on 3,295 hectares and animal pests treated on 224,041 hectares by the end of June 2009.
	Signed 11 PVPs with landholders protecting 1,961 hectares of native vegetation.
	Opened the first floodgate at Ironbark Creek to restore tidal inundation to Hexham Swamp, a 1,946 hectare wetland located just 10 kilometres from Newcastle CBD.
	Biodiversity continued to be enhanced at the Kooragang Wetland Rehabilitation Project, which was selected as one of the Top 25 Australasian ecological restoration projects by the Global Restoration Network. The project saw 5,878 native plants established and 14,525 volunteer hours spent.
	Threatened species managed on 8,204 hectares in 2008–09, taking the CMA Management beyond its CAP Management Target for threatened species.
WATER	
	Native riparian vegetation enhanced with protection works carried out on 174 kilometres and regeneration works carried out on 201 kilometres of riverbank in 2008–09.
	CMA's Hunter Riverworks program highlighted in the Natural Resources Commission state-wide audit of CMAs as a standout example of 'Adaptive management in CMAs'.
	The establishment of groundwater monitoring bores in two priority salinity subcatchments within the Hunter Valley. The bores will help inform the CMA and landholders on local salinity causal processes and evaluate benefits from current and future investment in on-ground salinity management actions.
	In partnership with DECC, DPI and other coastal CMAs, a two-year marine habitat-mapping program was undertaken to map the extent and condition of marine and estuarine habitats. This will provide valuable information to assist in the management of marine habitats and identify areas under pressure from development or climate change.
LAND	
	Actively eroding soils in the region stabilised, with works carried out on 419 hectares.
	CMA Management Target on protecting dune systems exceeded, with stabilisation and regeneration works carried out on 854 hectares.
	A total of $519,967 provided to 77 landholders through the Small Grants Scheme to undertake NRM on-ground projects.
COMMUNITY	
	Improved information delivery to the community, with 65 media releases prepared and distributed across the region, 61 publications developed and 51,102 visits to our website.
	Launched a new website, the 'Hunter River Explorer', about the Hunter River and how we can improve its condition.
	Engaged a local historian to conduct a series of historic flood tours of Maitland to promote flood awareness and preparedness in flood-prone communities.
	Involved 10,617 participants in the Hunter–Central Rivers Waterwatch program, targeting schools, community groups and landholders.
	Distributed $687,249 to non-government community organisations for on-ground works and education activities related to sustainable NRM.
MANAGING OUR BUSINESS	
	Minimised our vehicle use through car pooling and the use of teleconference facilities.
	Introduced a remote-worker system to enhance the safety of staff working in the field.
	Our staff attended 188 training courses and 16 conferences on sustainable natural resource management.

PERCENTAGE OF 2015 MANAGEMENT TARGETS ACHIEVED BY JUNE 2009



CASE STUDY | FIFTEEN YEARS OF ECOSYSTEM REPAIR AND MANAGEMENT IN THE HUNTER RIVER ESTUARY

In early 2009, the Kooragang Wetland Rehabilitation Project (KWRP), a project of the Hunter-Central Rivers Catchment Management Authority, was selected as one of the 'Top 25' Australasian ecological restoration projects by the Society for Ecological Restoration International (SERI).

SERI's aim was to highlight outstanding projects that might inspire and encourage restorationists throughout Australasia and elsewhere across the globe.

CMA General Manager Glenn Evans and Chairman WEJ Paradice plant a red cedar tree with Awabakal elder Sandra Griffin to celebrate 15 years of rehabilitation at Kooragang Wetlands.

Progress to date at the KWRP

Since the project was launched in 1993, KWRP has protected over 350 hectares of fisheries habitat, including mangroves, saltmarsh and open water. Some 32 hectares of ephemeral freshwater/brackish swales have been rehabilitated, largely by managing cattle grazing. In one instance, grazing was used to reduce biomass and increase open water habitat for Latham's snipe. Recovery of mangrove and saltmarsh has been initiated along three creeks which have been opened to tidal flows.

Over 8 kilometres of riverbank have been rehabilitated by removing cattle, excluding motor vehicles, retaining rainwater in wetlands, removing weeds and re-establishing native riparian vegetation. Floodplain rainforest and woodland remnants have also been conserved and extended through planting of more than 155,000 plants of over 80 rainforest and riparian species native to the Hunter estuary floodplain.

Some 30 missing species that historical records show once grew on the island have been re-introduced. This has helped the recovery of the endangered rainforest vine white cynanchum (*Cynanchum elegans*) and establishment of over 12 hectares of new wildlife corridor and over 4 kilometres of revegetated riverbank.

New habitats have been constructed. For example, over 10 hectares of coastal saltmarsh has been created and areas adjacent to saltmarsh at higher elevations have been designated as buffer zones which will likely become saltmarsh in the future given expected sea level rise. Stockton Sandspit has also been reinstated as one of best shorebird roosts in NSW by removing weeds, constructing a tidal lagoon, island and weir, and removing fringing mangroves.

Planning initiatives have seen the rezoning of over 500 hectares of estuarine wetlands and associated floodplain ecosystems from general industrial to environmental conservation. KWRP has provided planning, designing and monitoring support for the opening of floodgates by Department of Environment and Climate Change at the nearby Tomago Wetlands to re-establish coastal saltmarsh as shorebird habitat. KWRP is also working with DECC and its industrial neighbours to secure offsets for threatened species, including the green-and-golden bell frog. Partnerships have been established for ongoing management, with a high level of community involvement and ownership.

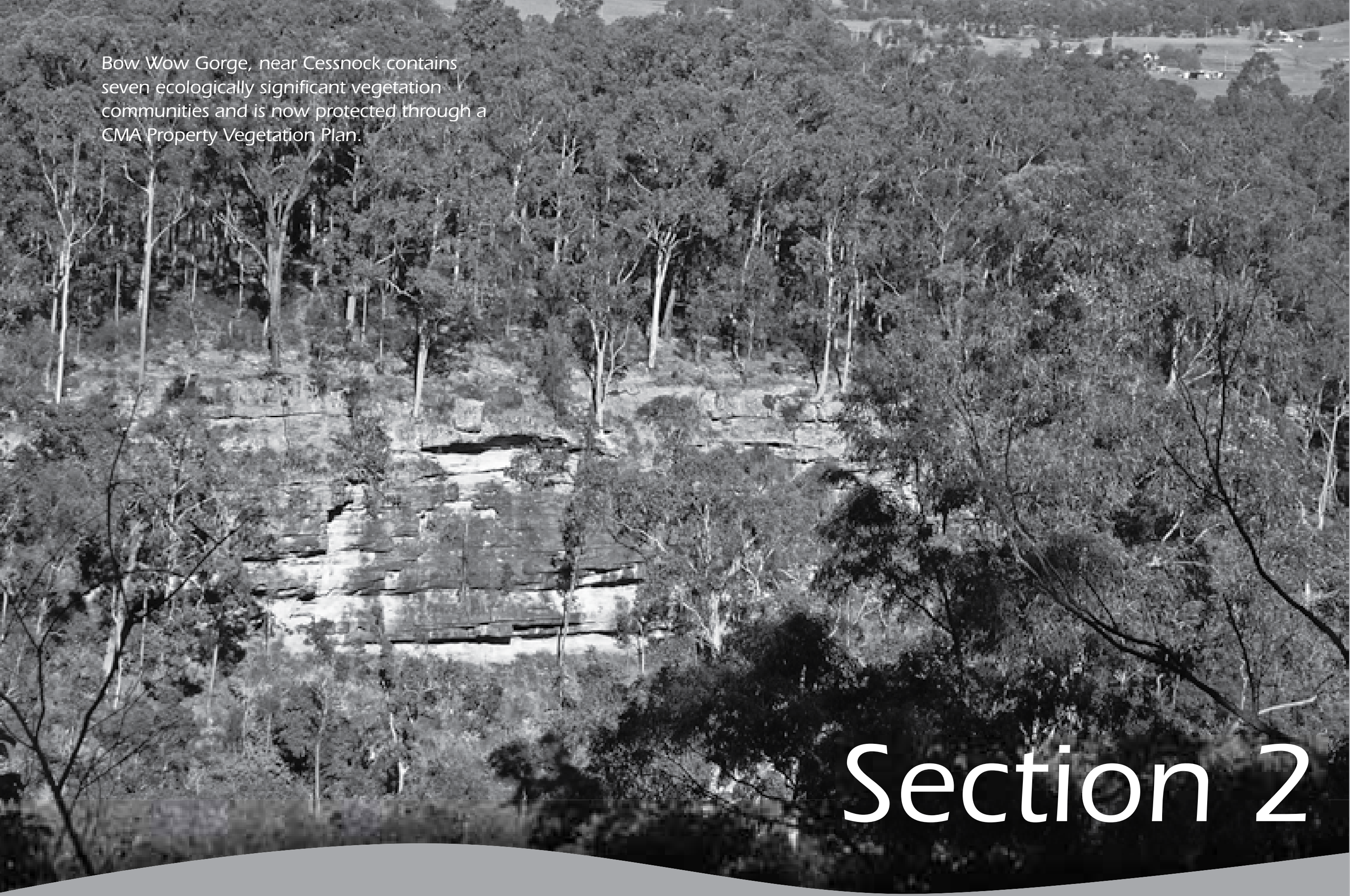
The CMA, in partnership with the Awabakal and Worimi Local Aboriginal Land Councils, has completed an Aboriginal Cultural Heritage Management Plan for KWRP, which will further integrate both traditional and contemporary Aboriginal culture with the project's objectives. Newcastle City Council's ongoing partnership has provided continuing support towards improved recreation facilities for visitors to Kooragang Wetlands to foster greater appreciation and protection of the estuary's natural areas.

Project: Kooragang Wetland Rehabilitation Project.

Relevant Management Targets:
MT 07 Enhance wetlands

Funding:
CMA in partnership with DECC, Newcastle City Council, Port Stephens Council, DPI (Fisheries), Hunter Catchment Contributions, Australian Government and neighbouring industries and utilities.

Activities:
Regenerating wetlands, weeding, planting native vegetation, improving recreational facilities, community education, research and development.



Bow Wow Gorge, near Cessnock contains seven ecologically significant vegetation communities and is now protected through a CMA Property Vegetation Plan.

Section 2

Biodiversity

NSW GOVERNMENT STATE-WIDE TARGETS

- By 2015 there is an increase in native vegetation extent and an improvement in native vegetation condition.
- By 2015 there is an increase in the number of sustainable populations of a range of native fauna species.
- By 2015 there is an increase in the recovery of threatened species, populations and ecological communities.
- By 2015 there is a reduction in the impact of invasive species.

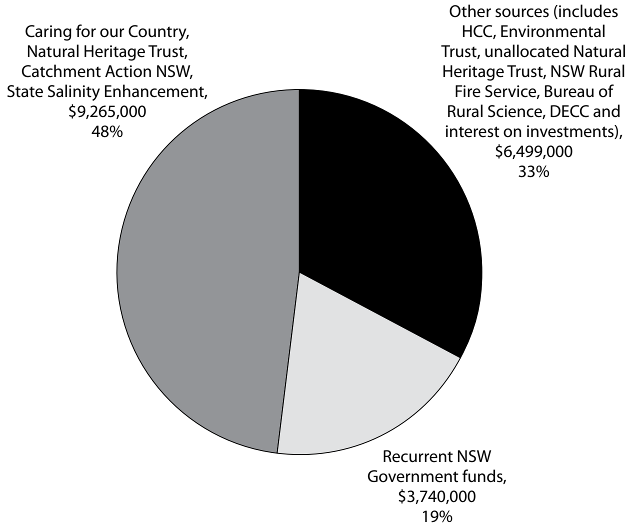
CMA RESOURCE CONDITION TARGET

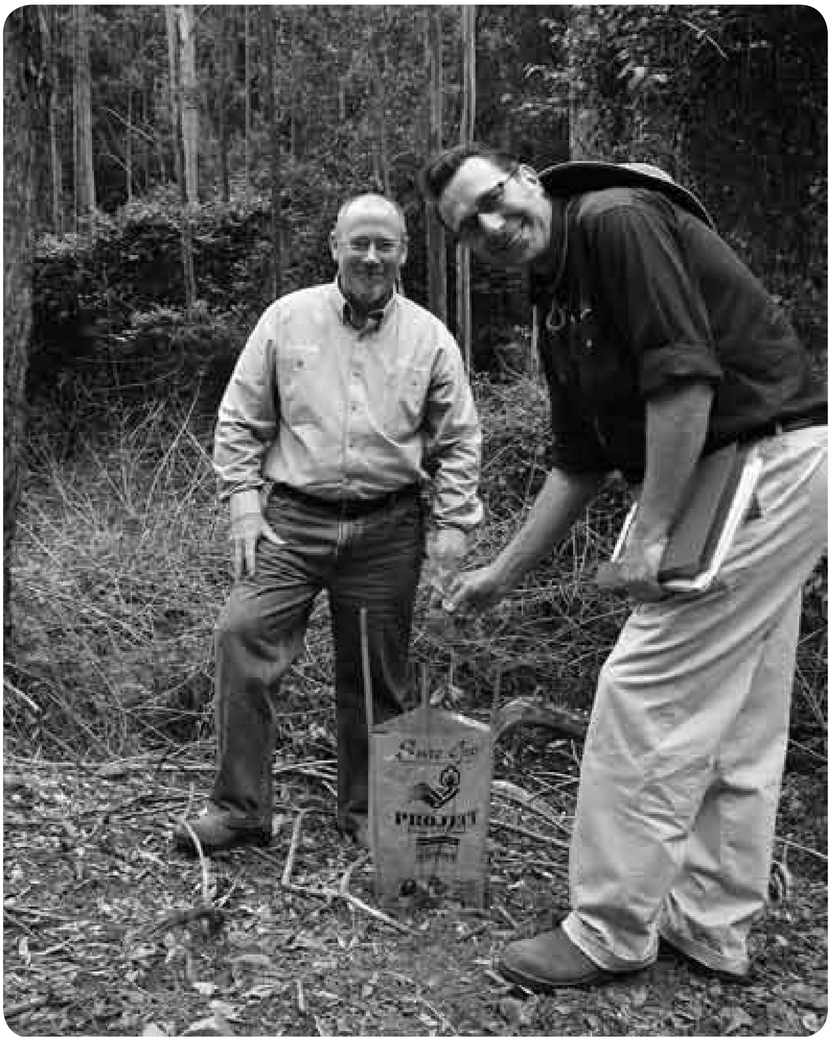
ENHANCING BIODIVERSITY

Biodiversity means the variety of plants, animals, bacteria and fungi living on our planet. Ecosystems that are rich in biodiversity are resilient and healthy, and are better able to recover from external stresses such as drought and degradation.

The unique biodiversity of the Hunter–Central Rivers region is threatened by vegetation clearing, unsustainable land use, uncontrolled pests and weeds, degradation of wetlands, and development pressure. Through the CAP, the CMA will coordinate hundreds of projects aimed at easing these pressures and maintaining and improving biodiversity across the region by 2015. These actions also help improve aquatic health, preserve our soils, or protect and improve our marine and estuarine environments.

CMA expenditure that enhanced biodiversity in 2008–09





The CMA's Trevor Cameron inspecting progress on a Property Vegetation Plan on Peter (left) and Helen Horn's Clarence Town property.

CMA MANAGEMENT TARGETS

Management Targets identify how the CMA will invest in on-ground NRM activities that will contribute to broader Resource Condition Targets. However, it is important to remember that on-ground activities or Management Targets can have multiple benefits across all Resource Condition Targets; for example, protecting riverbank vegetation can improve biodiversity and water quality. As such, Management Targets most directly related to Biodiversity have been listed in this section of the annual report, but it must be recognised that they have positive impacts on other Resource Condition Targets listed in following sections. (A full list of Management Targets is provided in Appendix 1 on page 74.)

ENHANCING BIODIVERSITY

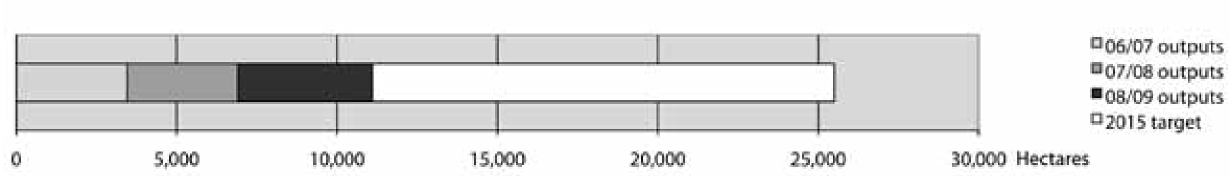
CMA Management Target 01: Protect an additional 31,000 hectares of native vegetation
(54% of MT achieved by end of June 2009)

The outputs for this target were largely achieved through a market-based incentives program and delivered using Property Vegetation Plans (PVPs), to provide long-term investment security. PVPs are for a minimum of 15 years (though some are in perpetuity) and all are registered on title. In addition, partnerships were formed with local government, community and industry groups and philanthropists to acquire land for protection, by either adding it to the national estate or utilising covenants.

Regionally Significant Vegetation in rare and endangered communities, wetlands, over cleared landscapes and key regional habitats and corridors were the key priorities for protection by the CMA.

The CMA also employed technical staff with expertise in vegetation management to assist both private and public landholders with vegetation identification and management. Educational resources and capacity-building activities, including field days and Board visits, were conducted through the year.

CMA Management Target 02: Regenerate 25,500 hectares of native vegetation
(43% of MT achieved by end of June 2009)



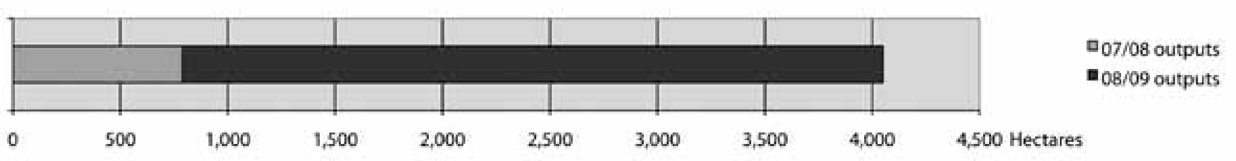
Progress towards this MT was achieved through the market-based incentives program and was delivered through PVPs, Land Management contracts and small grants. For successful bids over $10,000, contracts required protection for a minimum of 15 years and included maintenance and plant survival requirements, while contracts under $10,000 required a five-year commitment.

With good soil moisture conditions in many parts of the region, many landholders were able to take advantage of 2008 spring planting and 2009 autumn planting, although coastal flooding caused some major delays along the coast and in the Lower Hunter. The CMA also provided access to discounted local provenance vegetation stock through partnerships with a variety of local nurseries.

The CMA undertook the next stage of its vegetation mapping program, which included a user-needs analysis, refinement of the vegetation communities classification system and a methodology review. These will be used to implement the next stage of the program.

The CMA also employed technical vegetation staff to assist both private and public landholders with vegetation identification and management. Community Support Officers, either employed by the CMA or in partnership with local government and other non-government organisations, provided educational and capacity-building activities.

CMA Management Target 03: Treat 2,400 hectares of weed-affected lands
(170% of MT achieved by end of June 2009)

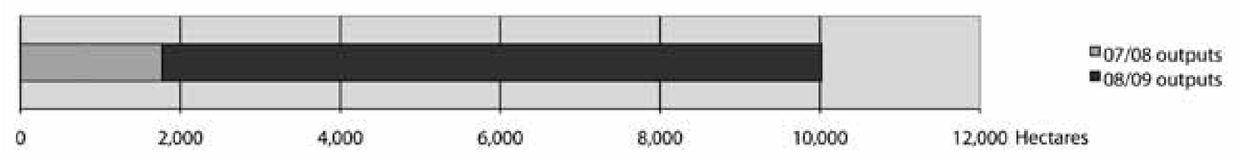


The CMA worked closely with DECC and DPI as part of a state-wide project to identify priority weeds and potential sites that would deliver the greatest biodiversity benefit.

This MT aims to manage and control these identified priority weeds at priority sites. It was largely delivered through the CMA's Partnership Program with local government, non-government organisations and weed groups, as well as through the market-based incentives process as part of vegetation management activities. Key weeds — such as bitou bush in coastal areas, and salvinia in Wollombi Brook and other key riparian areas — were managed through this program. Aboriginal Land Management Teams and community groups assisted with implementation of the on-ground works. Educational resources developed by local weed authorities and DPI were used to promote awareness and improve management.

Students at Merriwa Central Primary School assisting the Upper Hunter Weeds Authority with treatment of Tiger Pear on Merriwa Common as part of their participation in the CMA's VegWatch program.

CMA Management Target 04: Implement priority recovery actions on 800 hectares
(1,248% of MT achieved by end of June 2009)

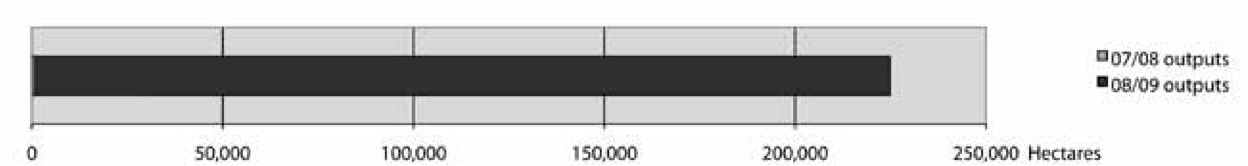


Part of this was delivered in partnership with the Northern Rivers CMA through ongoing implementation of the Bitou Bush and Boneseed Threat Abatement Plan (DECC, July 2006). Further outputs were through the CMA's Partnership and Incentives programs with agencies, local government and non-government organisations. This included on-ground action to enhance habitat for threatened woodland birds at Kearsley and green-and-golden bell frog at Avoca. In addition, pest and weed control was undertaken in protected areas on the Central Coast and Lower North Coast to protect fauna. The CMA, in partnership with the Hunter Bird Observers Club, also initiated an education program on woodland birds of the Cessnock–Kurri Kurri area in 2008.

Through the University of Newcastle the CMA contributed funds towards a Masters research project investigating habitat use, roost selection and diet of a poorly known threatened micro-bat (*Mormopterus norfolkensis*) occurring in the region.

The DECC secondee staff member located at the CMA's Paterson office provided key links between DECC and the CMA's threatened species activities and assisted with identifying priority species and areas for action.

CMA Management Target 08: Treat animal pests over 31,000 hectares
(725% of MT achieved by end of June 2009)



This was delivered through the CMA's Partnership Program in cooperation with DECC and the Mid Coast Livestock Health and Pest Authority. It included aerial pest-animal control and baiting programs for deer, wild dogs, goats and pigs in and adjacent to national parks in the Upper Hunter. A small percentage was delivered by private landholders through the market-based incentives scheme, where they were implementing rabbit, fox and wild dog control activities as part of a larger riparian or vegetation management project.

RESEARCH AND DEVELOPMENT PROJECTS

The CMA uses a database referred to as NREMSS (Natural Resources and Environment Management Support System) to document all projects and report monitoring and evaluation outcomes. Many projects have a research and development component; however, projects with a focus on Research and Development are listed below.

PROJECT	DESCRIPTION	2008–09 EXPENDITURE
Vegetation Mapping Program (VMP) – Stage 3	The VMP has operated since 2005 and is a partnership project with Hunter Councils supported by a steering committee. Stage 3 has focused on tasks which inform the future direction of the program including: - stakeholder needs analysis - mapping methods review - implementing the NSW Vegetation Classification and Assessment Scheme in the Hunter–Central Rivers region.	$103,640
Ecology of the Threatened East Coast Freetail Bat in the Hunter Region	Financial support was provided to a postgraduate student to research habitat use, roost selection and diet of a threatened insectivorous bat in the Hunter region. Knowledge generated by the research will assist CMA operational activities.	$5,950
Hexham Swamp Rehabilitation Project Monitoring	The monitoring program complies with approval conditions under the *Environmental Planning and Assessment Act 1979*. The program covers pre-opening of the floodgates and post-staged opening of the floodgates and included: - inundation extent - wetland hydaulics - water quality - groundwater - creekbank condition - vegetation - fauna (fish, crustaceans, macrobenthic invertebrates, frogs and birds) - mosquitoes.	$257,681
Kooragang fish and crustaceans	The CMA has consolidated 15 years of fish and crustacean monitoring which was completed in 2008–09. Final data was taken in 2008–09 and the report will be finalised by February 2010.	$15,000

ADDITIONAL ACTIVITIES IN THE HUNTER FUNDED THROUGH CATCHMENT CONTRIBUTIONS

(Other contributors: NSW, Australian and local government, industry sponsorship, community groups and individuals.) Projects contributing to MT 1, 2, 3, 4, 6, 7, 8, 18, 19 and 20 (see Appendix 1 for a full list of MTs).

WETLAND AND THREATENED SPECIES PROTECTION/ENHANCEMENT PROGRAM	
Kooragang Wetland Rehabilitation Project	Linkages to national and international wetland restoration projects ▮ KWRP was selected as one of the 'Top 25' Australasian ecological restoration projects by the Society for Ecological Restoration International. ▮ Continued affiliation with Kushiro Wetlands and Kushiro International Wetlands Centre.
	Environmental and community awards ▮ Newcastle City Council Community Award. Acknowledgement of KooraGang Landcare volunteer effort on Ash Island. ▮ Champions of the Catchment Awards ceremony, May 2009. KooraGang Landcare volunteers were awarded the Landcare Community Group award and Bea Brooks received the Landcare Legend award.
	Mass plantings and plant propagation results ▮ Propagated native plants from locally collected seed and planted 5,878 plants in 2008–09. ▮ Total of plants over lifetime of project estimated to be 155,000.
	Enhanced volunteer involvement ▮ 14,754 volunteer hours in 2008–09, valued at $442,609. ▮ Eleven monthly planting days conducted.
	Habitat improvements ▮ Shorebird habitat — maintenance of saltmarsh in key areas by Hunter Bird Observers Club volunteers. ▮ Green-and-golden bell frog habitat enhancement — ongoing maintenance of Scotts Point ponds and offset planning progressed with DECC and NCIG.
	Kooragang City Farm ▮ Continued to manage wetland and pasture areas for specific biological objectives. ▮ Managed grazing of up to 108 head of cattle to reduce kikuyu biomass. ▮ City Farm used as a demonstration site for sustainable agriculture techniques.
	Events ▮ Anniversary event — KWRP celebrated 15 years of achievements in November 2008, since the project's inception in 1993. ▮ World Wetlands Day Family Festival — inaugural community festival held on Ash Island in February 2009.
	Heritage ▮ Kooragang Wetlands has two items that are listed on the heritage register: 131 Radar Igloo and the Schoolmaster's House. Both items are in excellent condition and are maintained and used as visitor facilities.
Hexham Swamp	▮ Received approval from the NSW Department of Planning to proceed with stage one opening of Ironbark Creek Floodgate, subject to 57 conditions of consent.
	▮ First floodgate on Ironbark Creek opened on 19 December 2008, and has been managed since to control inundation levels during summer high tides and during flood events in the Hunter River. Ongoing monitoring conducted since floodgate opening in preparation for the second gate to be opened and managed.
	▮ All construction works at Hexham Swamp completed and are operating within design parameters.
	▮ Compulsory acquisition of seven easements to inundate is proceeding under the *Land Acquisition (Just Terms Compensation) Act 1991*.
VEGETATION MANAGEMENT	
Coordinated weeds management	▮ Two major weeds projects were completed in 2008–09 in conjunction with Cessnock City Council and the Upper Hunter Weeds Authority. The project with Cessnock City Council treated 8.7 hectares infested with salvinia in the Wollombi Catchment, and the project with the Upper Hunter Weeds Authority targeted African Olive through surveys to map the extent of infestations and the development of a containment strategy.

CASE STUDY | VIP CHECKS OUT PVP

Minister Carmel Tebbutt and members of th CMA Board and staff inspect Glenning Valley on the Central Coast where a Property Vegetation Plan has been developed.

The Hunter–Central Rivers region received a visit from the Deputy Premier and Minister for Climate Change and the Environment, the Honourable Carmel Tebbutt MP in February 2009. The Deputy Premier was keen to learn about current CMA initiatives and travelled to the Central Coast to the site of a Property Vegetation Plan (PVP) at Glenning Valley.

Wyong Shire Council worked with the CMA to develop the PVP in 2007 to protect 294 hectares of bushland on 10 sites in the Glenning Valley (west of Berkeley Vale), with funding from the Australian Government. As part of the PVP agreement, lantana and other invasive weeds have been removed from 210 hectares, which has allowed the local native species to recover. Wyong Shire Council is now maintaining the sites in their improved condition so that they can continue to provide much needed habitat for vulnerable species such as the wallum froglet, yellow-bellied glider and little bent-wing bat.

Project: Glenning Valley Property Vegetation Plan

Relevant Management Targets:

MT 01 Protect native vegetation
MT 02 Regenerate native vegetation
MT 03 Treat weeds
MT 04 Threatened species work
MT 05 Manage Aboriginal cultural and heritage landscapes
MT 06 Protect wetlands
MT 07 Enhance wetlands
MT 17 Protect native riparian vegetation
MT 18 Regenerate native riparian vegetation

Funding:

CMA, Wyong Shire Council, Australian Government

Activities:

Establishing Property Vegetation Plan, weeding, bush regeneration

Protecting water quality by planting and protecting riparian vegetation continues to be a major priority for the CMA.

Water

NSW GOVERNMENT STATE-WIDE TARGETS

- By 2015 there is an improvement in the condition of riverine ecosystems.
- By 2015 there is an improvement in the ability of groundwater systems to support groundwater-dependent ecosystems and designated beneficial uses.
- By 2015 there is no decline in the condition of marine waters and ecosystems.
- By 2015 there is an improvement in the condition of important wetlands, and the extent of those wetlands maintained.
- By 2015 there is an improvement in the condition of estuaries and coastal lake ecosystems.

CMA RESOURCE CONDITION TARGETS

IMPROVING AQUATIC HEALTH

Rivers and creeks are vital living ecosystems that carry water from catchments into estuaries and oceans. They support thousands of species of fish, frogs, aquatic plants and insects, while yielding water for drinking, agriculture, industry and recreation.

Many of our region's rivers, creeks and wetlands are seriously degraded by human activities, including clearing of vegetation, removal of large woody debris, construction of in-stream barriers such as culverts, fords and floodgates, and river and groundwater extraction and regulation.

Actions coordinated by the CMA, through the CAP, will focus on improving water quality and fish passage, increasing riparian vegetation, and improving aquatic habitat. The benefits of these actions will flow on to help improve biodiversity, preserve soils and protect and improve marine and estuarine environments.

ENHANCING ESTUARIES

Estuaries are places of transition where water from the land meets and mixes with the open sea. They are generally found at the end of rivers and may be large systems, like the Myall Lakes, or small systems, like Belmont Lagoon. Estuaries are often referred to as the 'nurseries of the sea' because they are the breeding grounds for many fish, crustaceans, and other marine life. They contain diverse ecosystems that support vegetation, wildlife, and the coastal food chain. The estuaries of the Hunter–Central Rivers region are under threat from urban development, loss of foreshore vegetation, boating, flood mitigation and climate change.

Through the CAP, the CMA aims to improve the health of our estuaries by protecting and enhancing wetlands, better managing stormwater and nutrient run-off, improving foreshore and riparian vegetation and increasing tidal flushing.

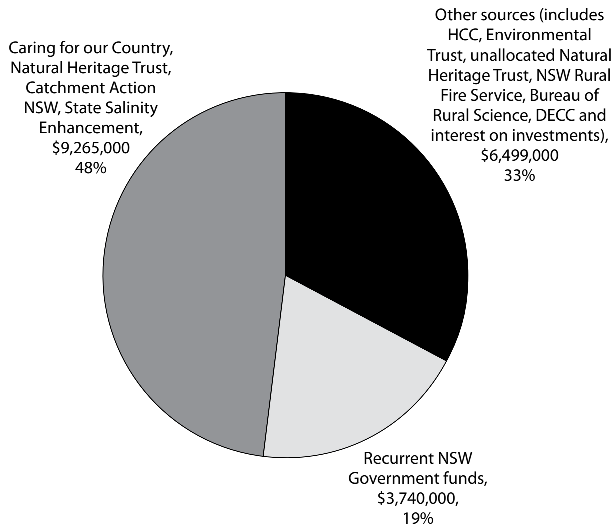
PROTECTING MARINE AREAS

Our coasts and oceans are of vital importance to our community and economy. The region's 150,000 hectares of marine waters and 354 kilometres of ocean shorelines support a vast array of biodiversity, and are a focal point for recreation and tourism.

With 85 per cent of the region's population living on the coastal fringe, the pressure on these marine resources is enormous. Urban development, over-fishing, habitat degradation and the introduction of aquatic pests have taken their toll on the marine environments of the Hunter–Central Rivers region.

Through the CAP, the CMA aims to relieve these pressures by protecting marine habitats, protecting and enhancing wetlands, improving stormwater run-off and better managing floodgates.

CMA expenditure that improved water quality and management in 2008–09



Learning about marine environments was a major focus of the Marine Discovery Series, which continues to be supported by the CMA.

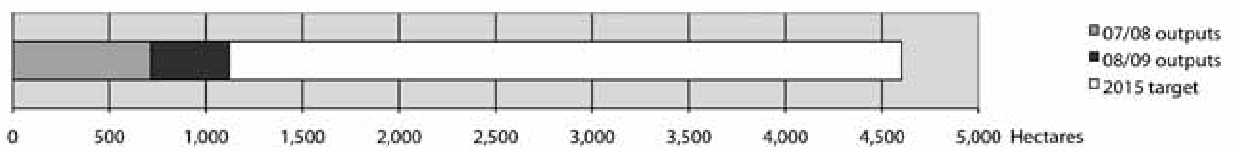
Repairs to the Maitland levee, damaged after the June 2007 floods, were completed in 2009.

CMA MANAGEMENT TARGETS

Management Targets identify how the CMA will invest in on-ground natural resource management activities that will contribute to broader Resource Condition Targets. However, it is important to remember that on-ground activities or Management Targets can have multiple benefits across all Resource Condition Targets; for example, protecting water quality can improve aquatic vegetation and biodiversity. As such, Management Targets most directly related to Water have been listed in this section of the annual report, but it must be recognised that they have positive impacts on other Resource Conditions listed in following sections. (A full list of Management Targets is provided in Appendix 1, page 74.)

IMPROVING AQUATIC HEALTH

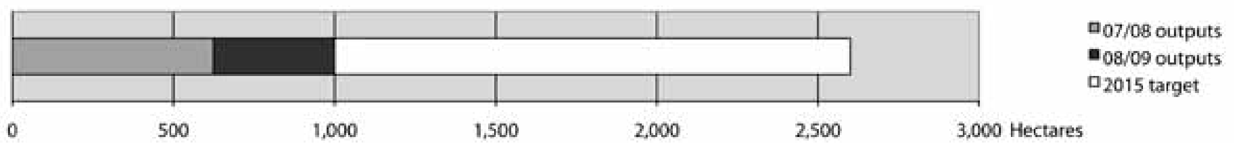
CMA Management Target 06: Protect an additional 4,600 hectares of wetlands
(24% of MT achieved by end of June 2009)



Outputs towards this MT were delivered through the market-based incentives program and the CMA's Partnership Program. This targeted priority coastal wetlands in particular, which were either protected through a PVP or added to the reserve system, ensuring a high level of protection. Partnerships were entered into with local government and private landholders to ensure protection, some being achieved through land acquisition. This included acquisition and protection of wetlands at Minimbah on the Lower North Coast.

Vegetation and riparian technical staff employed by the CMA provided advice to landholders on relevant aspects of rehabilitation and protection.

CMA Management Target 07: Enhance 2,600 hectares of wetlands
(39% of MT achieved by end of June 2009)

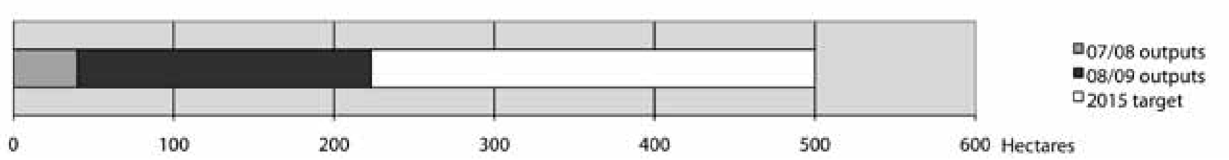


The market-based incentives program and the CMA's Partnership Program with both private and public landholders delivered outputs towards this MT. Works included fencing, weeding, pest control, revegetation, improved grazing management or grazing exclusion, and managing water flows. Fifteen-year contracts were entered into with landholders to implement and maintain the works.

CMA Management Target 09: Manage 200 kilometres of roads that affect sensitive areas using current best practice erosion and sediment control (12% of MT achieved by end of June 2009)

The on-ground outputs delivered in 2008–09 were through the CMA's Partnership Program and involved contracts with state agencies and local government. Works funded included closing and revegetating tracks in areas protected as part of the state reserve system, and major roadside and drainage works adjacent to critical aquatic habitat areas. Fifteen-year contracts were entered into with proponents to implement and maintain the works.

CMA Management Target 13: Improve nutrient management on 500 hectares of land
(45% of MT achieved by end of June 2009)



Outputs from this MT were delivered through the CMA's Sustainable Agriculture Grants and market-based incentives programs.

In partnership with the Mid Coast Dairy Advancement Group, the CMA provided subsidised training in nutrient management and property planning to dairy farmers in the Great Lakes catchment area.

Dairy farmers who completed the training were then eligible to access funds to implement on-ground works on their properties. Activities funded through these programs — for example, excluding stock from waterways, implementation of soil erosion works and the improvement of sewage management facilities — all contributed to a reduction in nutrient runoff.

Negotiations have also commenced with other industry groups — such as vignerons and chicken farmers — to identify future nutrient management or property planning projects.

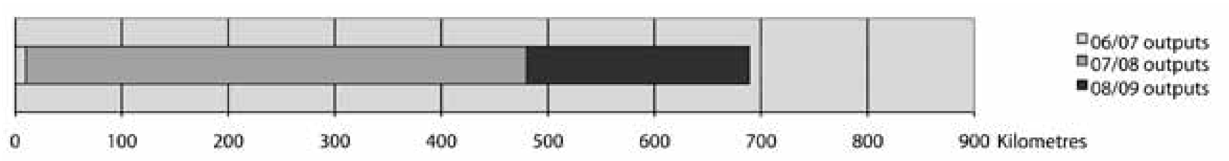
CMA Management Target 17: Protect an additional 1,100 kilometres of native riparian vegetation
(46% of MT achieved by end of June 2009)

Work towards this target was largely achieved through a market-based incentives program and delivered using Property Vegetation Plans to provide long-term security of investment. This target protects riparian vegetation on third-order streams and above.

A team of riparian technical staff employed by the CMA provided advice on vegetation identification and management in the riparian zone.

CMA offier Rod Hardwick tests the water quality at a local vineyard in the Hunter Valley.

CMA Management Target 18: Regenerate 550 kilometres of degraded native riparian vegetation
(124% of MT achieved by end of June 2009)



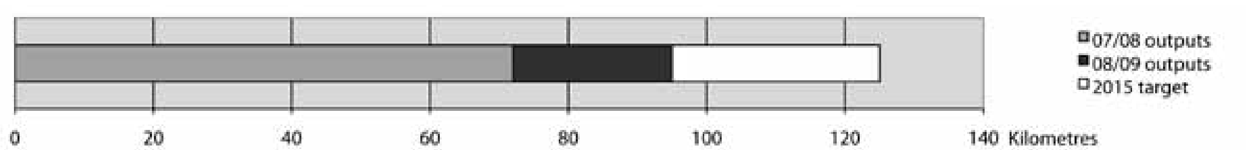
Work towards this target was largely achieved through the market-based incentives, as well as the CMA's Partnership Program, and was delivered through PVPs and Land Management contracts (a minimum of 15 years duration) or small-grant agreements (a minimum of five years duration). The types of activities included fencing to exclude stock, weed management and revegetation.

A team of riparian technical staff employed by the CMA provided advice on vegetation identification and management in the riparian zone.

CMA Management Target 19: Restore native fish passage to 60 in-stream barriers
(17% of MT achieved by end of June 2009)

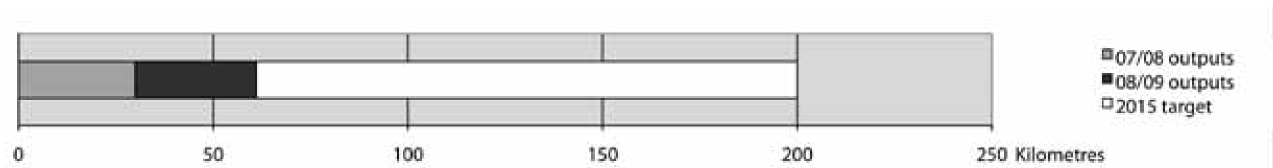
The CMA has worked closely with DPI (Fisheries) to deliver this MT through a partnership arrangement. High-priority in-stream barriers in the region have been targeted for modification to improve fish passage. Barriers include weirs, floodgates and road crossings. These sites were identified by DPI through a number of studies undertaken including weir reviews, floodgate audits and road-crossing assessments. As funds become available, the next site on the priority list can be addressed. The contract with DPI Fisheries also delivers against other MTs, including restoring in-stream habitat and in stream stabilisation.

CMA Management Target 20: Stabilise 125 kilometres of unstable or degraded stream channels and estuarine shorelines (76% of MT achieved by end of June 2009)



Work towards this MT was achieved through the market-based incentives process with 15-year contracts entered into with private landholders and local government. In-stream and foreshore works included rock toe-protection along channels, streambank stabilisation works and bed controls to reduce erosion. Works were conducted in both urban and rural streams. Works on estuarine foreshores included revegetation and rock protection works.

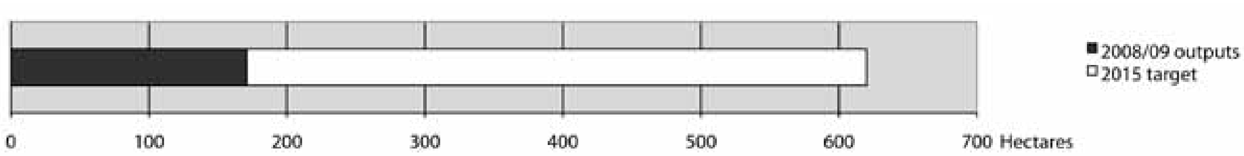
CMA Management Target 21: Improve habitat to 200 kilometres of stream channels
(31% of MT achieved by end of June 2009)



The CMA has worked closely with DPI Fisheries to deliver this MT through a partnership arrangement. The types of activities undertaken include the installation of large woody debris, rehabilitation of channel beds and banks and revegetation activities. In partnership with Anglo Coal (Dartbrook Mine) and DPI, fish habitat structures and re-snagging structures were installed in the Hunter River between Muswellbrook and Aberdeen.

ENHANCING ESTUARIES

CMA Management Target 23: Retrofit 620 hectares of existing urban developed areas with current best practice urban stormwater management (28% of MT achieved by end of June 2009)



The CMA's Partnership Program engaged Lake Macquarie City Council, Port Stephens Council and Great Lakes Council to install stormwater works to reduce the run-off of nutrients and sediment into nearby waterways. The type of works installed included a stormwater treatment device in a commercial centre to protect nearby waterways, a gross pollutant trap to reduce sediment input to Lake Macquarie, and a series of bio-retention trenches to remove nutrients from urban stormwater.

CMA Management Target 24: Improve the management of 120 sewage management systems
(6% of MT achieved by end of June 2009)

Through the Partnership Program the CMA has entered into a contract with Forests NSW to improve existing sewage systems and install a new system in the upper catchments of the Allyn River and in the Watagan Mountains.

CMA Management Target 25: Manage 75 estuarine f oodgates to increase tidal movement
(23% of MT achieved by end of June 2009)

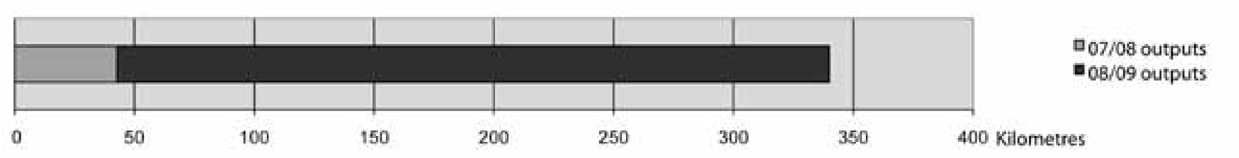
As part of the Hexham Swamp Rehabilitation Project, the first floodgate on Ironbark Creek was opened in December 2008. Ongoing monitoring of water quality, ecology and mosquitoes has commenced in preparation for the second gate opening.

This target was largely delivered in partnership with DPI (Fisheries) and included modification of three floodgates to improve tidal flow and aquatic health.

CMA Management Target 26: Treat an additional 5000 hectares of acid sulfate soils
(49% of MT achieved by end of June 2009)

This target was delivered in partnership with Great Lakes Council through land acquisition of part of Minimbah wetlands. Works included fencing and rehabilitation and enhancement of 142 hectares of the wetlands. Similarly, the CMA partnered with Greater Taree City Council to acquire two land parcels (31 hectares and 16 hectares) within the Cattai wetlands system. The CMA also provided funding to DPI, working with Port Stephens Council and the Anna Bay Drainage Union, to conduct community consultation, produce public awareness brochures, carry out investigative survey work, install tidal flow floodgates, install drop-board culverts and implement some rehabilitation works (including stock exclusion of wetlands and riparian vegetation and establishing riparian native vegetation) in the Tilligerry Peninsula.

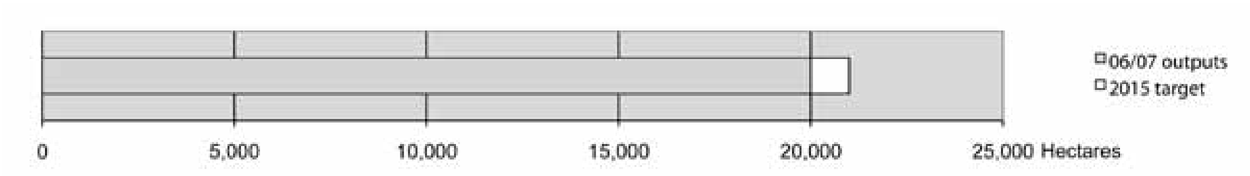
CMA Management Target 30: Enhance 130 kilometres of vegetation along coastal lake shorelines
(262% of MT achieved by end of June 2009)



Outputs are being delivered through the market-based incentives process and through the local government coastal engagement and capacity building program in partnership with local government and private landholders. The types of activities included revegetation and rehabilitation of vegetation along coastal foreshores, wrack management and educational activities to promote the values of these areas.

IMPROVING MARINE HEALTH

CMA Management Target 28: Protect an additional 21,000 hectares of priority marine habitat
(95% of MT achieved by end of June 2009)



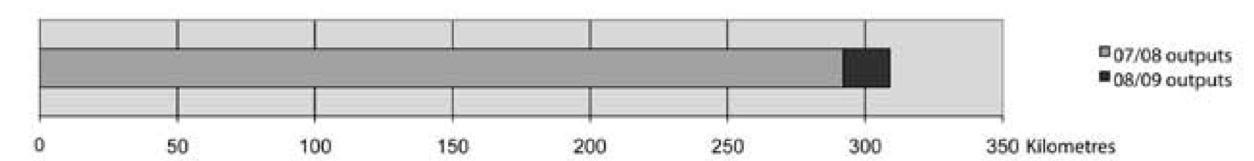
The Port Stephens – Great Lakes Marine Park Authority, protecting 20,000 hectares was established in 2006–07. The CMA has been working closely with DPI (Fisheries) and the Marine Park Authority to install and trial seagrass-friendly moorings in the protected area, with the intent of promoting their uptake across the boating community.

In partnership with DECC, DPI and other coastal CMAs a marine habitat mapping program was completed to map the extent and condition of marine and estuarine habitats. The information acquired during the project has already assisted with prioritising investment in seagrass-friendly moorings, mapping urchin barrens, and conducting baseline monitoring around the sinking of the decommissioned HMAS *Adelaide*, off the coast of Terrigal. In future, it will provide valuable information to assist in the management of marine habitats and identify areas under pressure from development or climate change.

A series of workshops, as part of the Marine Discovery series, were run across the Hunter–Central Rivers region to present research findings to marine scientists and also to help the community understand more about our marine environments and how to care for them. Almost 1,000 people attended these workshops in 2008–09.

The CMA employs a coastal technical officer who provides valuable support to community groups, volunteers and local government in managing the coastal and marine environment.

CMA Management Target 31: Enhance 250 kilometres of marine shorelines
(124% of MT achieved by end of June 2009)



OceanWatch Australia — in collaboration with the CMA, DPI, the fishing industry and private landholders — implemented on-ground works to improve estuarine and marine habitat and water quality to finalise their three-year project under the National Landcare Program.

University of Newcastle researchers continued assessment and prioritisation of intertidal rocky shores, identifying sites of high conservation value on the Lower North Coast and assessing human-use impacts at high-priority sites on the Central Coast. Rocky Shore Planning Guidelines have been developed for local government with further consultation currently taking place.

The CMA continued its successful engagement of coastal communities in the management of marine shorelines by supporting four local government authorities to implement projects under its coastal zone Local Government Engagement and Capacity Building Program. These projects delivered two Project Aware on the Coast courses and one Project Aware on the Rocks course, in addition to a series of Marine Discovery Series talks and interpretive signage that complemented on-ground coastal enhancement projects by the local community.

The CMA has established a Rocky Shores Working Group to facilitate communication between stakeholders and encourage further enhancement of marine shorelines.

RESEARCH AND DEVELOPMENT PROJECTS

The CMA uses a database referred to as NREMSS (Natural Resources and Environment Management Support System) to document all projects and report monitoring and evaluation outcomes. Many projects have a research and development component; however, projects with a focus on research and development are listed below.

PROJECT	DESCRIPTION	2008–09 EXPENDITURE
Marine Habitat Mapping	A collaboration between coastal CMAs, DECC and DPI (Fisheries), the NSW Marine Habitat Mapping Project has mapped marine habitats from deepwater sponge gardens found out to the 3 nautical mile limit off the NSW coast to the mangroves, seagrass and saltmarsh growing in the tidal waters of NSW estuaries. Not only has the project produced a complete set of maps of NSW waters, it provides spectacular images of the seafloor. A review of Underwater Volunteer Groups in NSW was undertaken and made recommendations for future volunteer involvement in data collection.	$1,070,000 Statewide and Regional Investments Activity
Groundwater Monitoring	Groundwater monitoring bores were established in the Glendon Brook and Glennies Creek catchments. A total of 17 monitoring bores were drilled and will have monitoring equipment installed in 2010. Bores have been strategically placed within existing on-ground salinity works to gain an understanding of salinity processes and to evaluate potential long-term changes in groundwater in response to salinity management actions.	$51,000 through NSW State Salinity Enhancement Fund.
Hydrogeology Study in the Black Creek Catchment	A desktop hydrogeology study was undertaken in the Black Creek Catchment. The Community Salinity Monitoring Project in Black Creek indicated a relationship between stream salinity and groundwater in the catchment. This study attempted to collate existing information on groundwater in the catchment, including geology, geological structures and groundwater monitoring. Groundwater characteristics such as flow direction were detailed and relationships between salinity and groundwater, information gaps and further studies were discussed.	$23,000 through NSW State Salinity Enhancement Fund.
Biodiversity assessment of intertidal and near-shore subtidal reefs	A biodiversity assessment of intertidal rocky shores was undertaken for the Lower North Coast, and human-use impacts on high-priority Central Coast sites were also assessed. A biodiversity assessment of near-shore subtidal reefs was completed by the University of Newcastle at three sites across the region, with volunteers from Great Lakes and the Central Coast trained during the project and actively involved in undertaking surveys. This project was integrated into baseline monitoring around the sinking of the decommissioned HMAS *Adelaide*, off the coast of Terrigal. The CMA also facilitated corporate sponsorship by the Crowne Plaza Hotel in Terrigal to purchase an underwater camera, which the University of Newcastle is using to monitor the impacts of climate change on local fish species.	$60,000 through the HCRCMA CEM Partnerships Program, a Statewide and Regional Investments Activity.
Urchin Barrens Research	Urchin barrens are areas of rocky reef habitats that are dominated by the grazing sea urchin *Centrostephanus rodgersii*, populations of which may have increased following declines of predatory fishes. These features are devoid of macro-algae and were mapped by the University of Newcastle at deep and shallow sites in sanctuary and habitat protection zones in the Port Stephens – Great Lakes Marine Park. Marine protected areas in other parts of the world have been responsible for a shift back to macro-algae-dominated habitats as fish abundance increases and urchin numbers reduce. This project refined the methodology for the use of urchin barrens as an indicator of marine condition by monitoring changes in their extent and distribution. Future monitoring will be able to be compared with this baseline information on urchin barrens, and other indicators such as fish assemblages, to help determine if any changes in marine condition have occurred over time.	$30,000

ADDITIONAL ACTIVITIES IN THE HUNTER FUNDED THROUGH CATCHMENT CONTRIBUTIONS

(Other contributors: NSW, Australian and local government, industry partners, community groups and individuals.)

Projects contributing to MT 17,18, 19, 20, 21 and 22 (see Appendix 1, page 74, for a full list of MTs).

FLOOD MITIGATION AND RIPARIAN MANAGEMENT PROGRAM	
Hunter Riverworks	Department of Lands (DoL) engaged to implement the Riverworks program. The program involved stabilising and revegetating degraded or unstable rivers and streams in the Upper Hunter, with works undertaken upstream of Jerrys Plains at Dartbrook and Murrurundi.
Hunter Valley Flood Mitigation maintenance	The HVFM scheme maintained infrastructure in partnership with DECC, as required under the *Water Management Act 2000*, to reduce flood risks to people, property and infrastructure.
	In 2008–09 all 420 structures were maintained by DECC with activities such as slashing, weed spraying and routine maintenance taking place.
	Repairs to damaged assets resulting from the June 2007 Hunter Valley flood received funding from the Natural Disaster Relief program, with works completed in the 2008–09 year targeting 24 projects to repair riverbanks.
HUNTER VALLEY FLOOD MITIGATION CONSTRUCTION	
Hunter Asset Management System	Development of an asset management system for Hunter Riverworks and HVFM continued, in conjunction with DECC and DoL.
PRIORITY SUB-CATCHMENT PROJECTS	
Newcastle Catchment Management Forum and activities	Worked with Lake Macquarie City Council to improve around 2 hectares of valuable bushland in Raspberry Gully.
	Assisted Maitland City Council to complete a stormwater study in Woodberry Swamp catchment.
	Worked with Newcastle City Council to deliver creek works, including the installation of bed-control structures and revegetation.
	Provided incentives for works at the Hunter Wetlands Centre Australia.
	Provided incentives to the Blackbutt Reserve Support Group to undertake revegetation activities after the 2007 storm and flood.
Community Salinity Monitoring Project	Community salinity monitoring commenced in the Goorangoola Creek Catchment, with over 200 water quality samples collected at 22 sites by eight landholders and the CMA. This is in addition to groundwater, wet weather and snapshot sampling and macroinvertebrate and fish surveys collected by the CMA. Threatened freshwater fish the southern purple-spotted gudgeon was discovered as part of the study, the first record of this species in the region.
	Monitoring also continued in the Glendon Brook and Black Creek catchments, with 12 landholders and the CMA collecting over 300 water quality samples at more than 25 sites. Data obtained has identified sites in both catchments for on-ground salinity works.

CASE STUDY | DISCOVERING THE DEPTHS OF OUR MARINE HABITATS

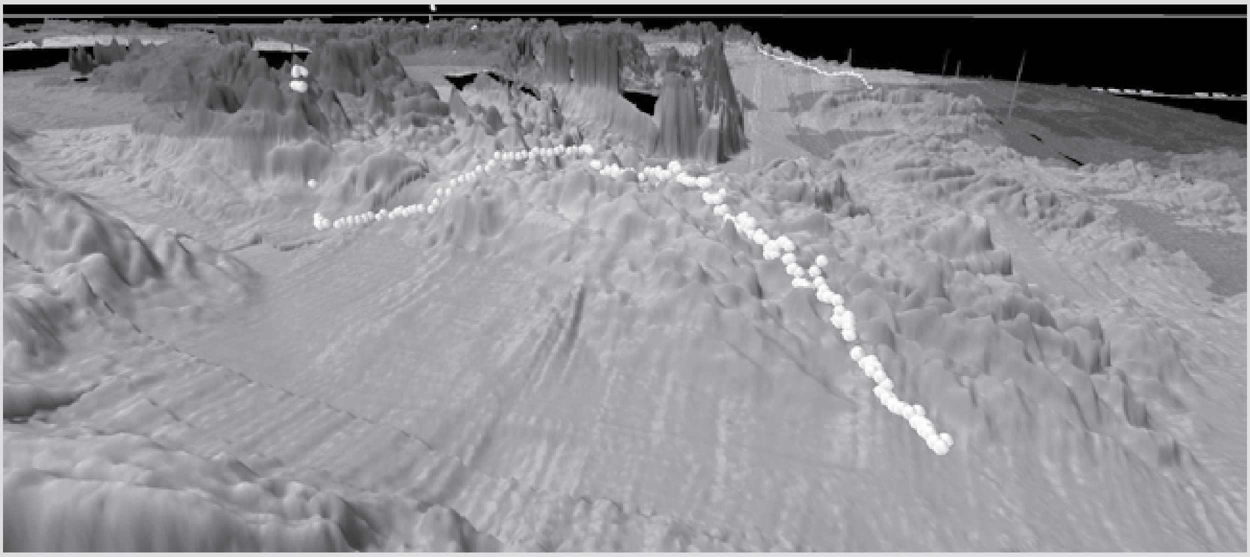


Photo of seafloor at Broughton Island (courtesy Department of Environment and Climate Change).

A collaboration between the coastal Catchment Management Authorities, the Department of Environment and Climate Change and the Department of Primary Industries (Fisheries) is helping to uncover the mysteries of marine life along the NSW coast.

The NSW Marine Habitat Mapping Project, which is being coordinated by the Hunter–Central Rivers CMA, with funding from both the NSW and Australian governments, has enabled extensive mapping to be undertaken of marine habitats along the coast of NSW — from deepwater sponge gardens found 3 nautical miles out to sea to the mangroves, seagrass and saltmarsh in the tidal waters of our estuaries. Not only has the project produced a complete set of maps of NSW waters, it provides spectacular images of the seafloor, shedding new light on marine habitats that have never been seen before.

Project: Marine Mapping Project

Relevant Management Targets:
MT 28 Protect marine habitat
MT 31 Enhance marine shorelines

Funding:
CMA, NSW Department of Environment and Climate Change, NSW Department of Primary Industries, Australian Government.

Activities:
Research, mapping, community education.

Various techniques and technologies have been employed to create a picture of the varied marine habitats. This has been comibined with information collated from earlier projects to produce a comprehensive set of digital maps of marine habitats along our coast.

Shallow-water habitats, such as near-shore reefs and seagrass meadows, have been captured with aerial photography and hydro-acoustic echo sounders. These echo sounders measure the time it takes for a SONAR pulse or 'ping' to bounce off the seafloor, creating a three-dimensional image of the seabed.

The project aims to fill a substantial gap in the current knowledge of marine habitats and the biodiversity they support. Products of the project include a complete set of digital maps of NSW waters and a spectacular series of images of the seafloor, which shed light on marine habitats that have never been seen before.

The maps are already proving to be useful to marine scientists and agencies in prioritising the introduction of seagrass-friendly moorings in our estuaries, and conducting baseline monitoring around the sinking of the decommissioned HMAS *Adelaide* off the coast of Terrigal.

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A saline seep at Muscle Creek near Muswellbrook, where the CMA is working with landholders to remediate saline areas.

Section 4

Land

NSW GOVERNMENT STATE-WIDE TARGETS

- By 2015 there is an improvement in soil condition.
- By 2015 there is an increase in the area of land that is managed within its capability.

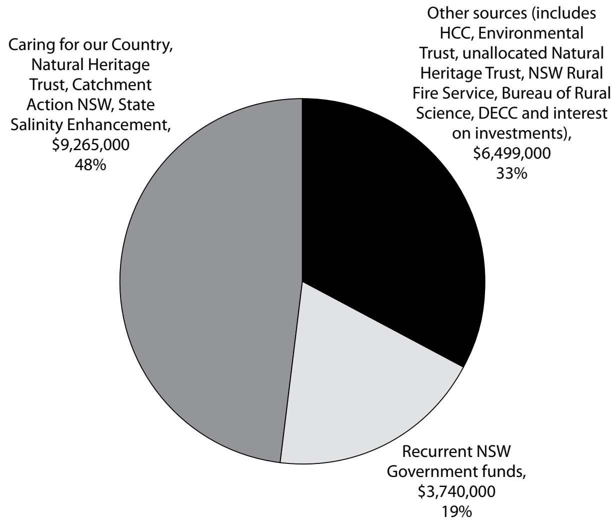
CMA RESOURCE CONDITION TARGET

PRESERVING SOILS

Healthy soils are fundamental to the production of our water, food and timber resources. They also deliver vital services such as filtering pollutants, absorbing water to reduce flooding, and degrading organic waste. The fragile soils of the Hunter–Central Rivers region are easily degraded. They are under increasing pressure from vegetation clearing and loss of groundcover, dryland salinity, poor road maintenance, extractive industries and extended periods of drought.

Through the CAP, the CMA aims to maintain and improve the condition of the region's soils over the next decade by investing in actions that improve soil health, minimise erosion, and better manage areas of acid sulfate soils and dryland salinity. Many of these actions are also designed to improve aquatic health, safeguard biodiversity and protect and improve our marine and estuarine environments.

CMA expenditure that improved land in 2008–09

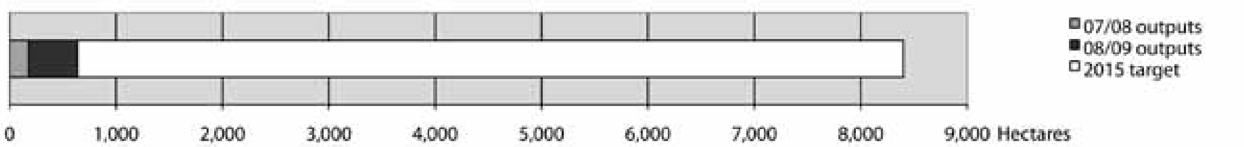


CMA MANAGEMENT TARGETS

Management Targets identify how the CMA will invest in on-ground natural resource management activities that will contribute to broader Resource Condition Targets. However, it is important to remember that on-ground activities or Management Targets can have multiple benefits across all Resource Condition Targets; for example, minimising soil erosion can also increase vegetation cover and biodiversity. As such, Management Targets most directly related to Land have been listed in this section of the annual report, but it must be recognised that they have positive impacts on other Resource Condition Targets listed in following sections. (A full list of Management Targets is provided in Appendix 1, page 74.)

IMPROVING SOILS

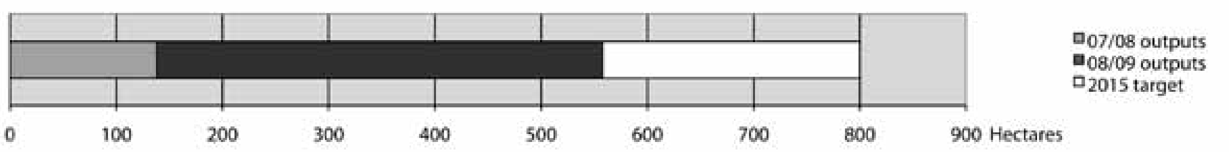
CMA Management Target 10: Revegetate 8,400 hectares of highly erodible soils
(8% of MT achieved by end of June 2009)



This was delivered through the market-based incentives program. It included the revegetation of severely eroded sites that were treated with structural works and had stock excluded from them, as well as the fencing off or protection of steep highly erodible soils through Property Vegetation Plans. Rehabilitation and revegetation works on coastal dunes also delivered against this target.

The CMA employs technical soils and vegetation officers to provide advice on management of vegetation on fragile soils areas.

CMA Management Target 11: Stabilise 800 hectares of actively eroding soils
(70% of MT achieved by end of June 2009)



This was delivered through a competitive cost-sharing soils/salinity incentives program in partnership with private landholders and the Soil Conservation Service. Severely eroded sites affecting major watercourses, such as through sedimentation and elevated turbidity, were targeted. The types of works included stock exclusion, gully control structures, gully shaping, diversion banks and the construction of flumes, where necessary, to control erosion where run-off flowed back into watercourses.

Many of these soil rehabilitation projects in the Hunter used recycled organics products (organic mulch and soil conditioner) to assist in groundcover establishment for erosion control.

The CMA employs technical soils officers to provide advice on management of fragile soils and assistance in project development and implementation, including design of works.

CMA Management Target 12: Revegetate 1,200 hectares of salinity recharge areas with deep-rooted vegetation (11% of MT achieved by end of June 2009)

Work towards this MT is being delivered through the competitive cost-sharing soils/salinity incentives program in partnership with private landholders. Works include revegetation of stabilised sites, changed grazing management and revegetation of recharge areas. Salinity investigations are also undertaken in conjunction with both salinity recharge and discharge works to determine the effect and impact of some of these works.

CMA Management Target 14: Stabilise 150 hectares of salt-affected areas
(9% of MT achieved by end of June 2009)

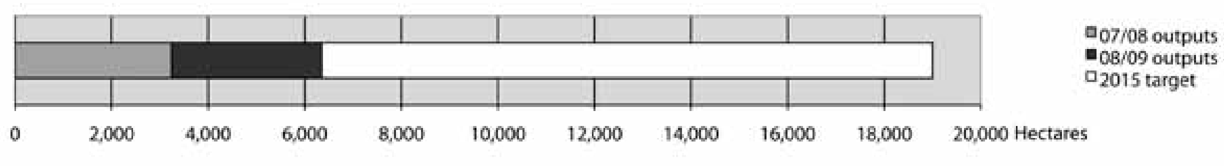
This is being delivered through the competitive cost-sharing soils/salinity incentives program, with 15-year contracts entered into with private landholders. Most sites involve major earthworks design and implementation in partnership with the Soil Conservation Service.

These projects have a significant monitoring component in order to inform adaptive management at these sites and respond to local salinity processes and the influence on these of climate variability.

Salinity electromagnetic induction surveys, soil testing and surface and groundwater data collection and interpretation were undertaken to inform selection of appropriate on-ground salinity management actions based on salinity processes.

The CMA employs a salinity technical officer to assist landholders with project development, design and implementation, and a water quality project officer who helps landholders monitor salinity levels.

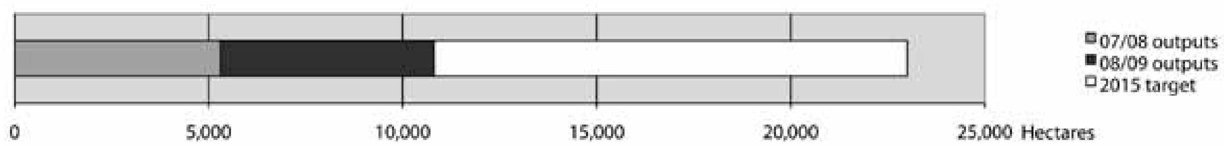
CMA Management Target 15: Implement sustainable grazing management practices on an additional 19,000 hectares of grazing land (33% of MT achieved by end of June 2009)



The CMA provided private landholders with access to subsidised training through DPI with courses on grazing management and property planning through its Integrated Land Management program. Landholders who had completed training, either in 2008–09 or in previous years, were then eligible to apply for small grants through the sustainable agriculture program or the market-based incentives program to implement improved grazing management.

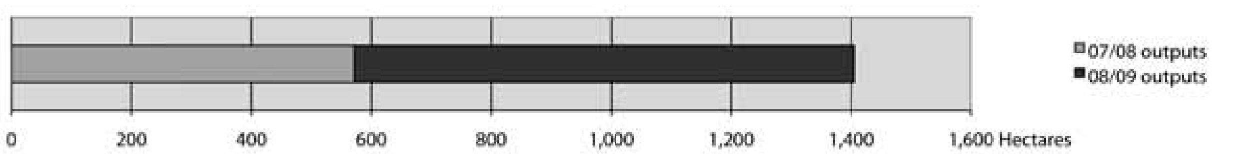
Non-government organisations have continued to run awareness raising, training and improved grazing management activities through a Caring for our Country Landcare program, particularly on the Lower North Coast. The types of on-ground works implemented include additional stock watering points and subdivision fencing to allow rotational grazing.

CMA Management Target 16: Develop and implement property plans for an additional 25,000 hectares (51% of MT achieved by end of June 2009)



The CMA provided private landholders with access to subsidised training through DPI with courses on grazing management and property planning through its Integrated Land Management program. In particular the dairy, beef and grazing industries were targeted. Landholders who had completed training, either in 2008–09 or in previous years, were then eligible to apply for small grants through the sustainable agriculture program or the market-based incentives program to implement improved property planning and natural resource management works. The types of works undertaken included nutrient management, fencing and revegetation of watercourses, improved grazing management and water supply.

CMA Management Target 27: Revegetate 240 hectares of degraded dune systems (585% of MT achieved by end of June 2009)



Outputs towards this MT were delivered through the competitive partnership program, with 15-year contracts entered into with Wyong Shire Council and DECC National Parks and Wildlife Service. The types of works included erosion and sediment control, revegetation and weed control. Aboriginal land management teams were enagaged to implement some of the works on the project site at Yacaaba headland, which enabled members of the team to gain a certificate two in Conservation and Land Management.

Bare patches of vegetation or bare ground are often an indicator of salinity.

RESEARCH AND DEVELOPMENT PROJECTS

The CMA uses a database referred to as NREMSS (Natural Resources and Environment Management Support System) to document all projects and report monitoring and evaluation outcomes. Many projects have a research and development component; however, projects with a focus on Research and Development have been listed below.

PROJECT	DESCRIPTION	2008–09 EXPENDITURE
Ground and surface water interactions in Wollombi and Wybong catchments, Upper Hunter	In 2008–09 the CMA continued to provide funds to the Australian Research Council (ARC) linkage project investigating ground and surface water interactions in the Upper Hunter. Students from the Australian National University undertook studies in the Goulburn River, Wybong Creek, Widden Brook and Wollombi Brook that included developing models to predict groundwater levels and stream flows, salt-store studies to evaluate the origins of salinity, and studies to investigate groundwater–stream interactions and salinity dynamics.	$8800

ADDITIONAL ACTIVITIES IN THE HUNTER FUNDED THROUGH CATCHMENT CONTRIBUTIONS

(Other contributors: NSW and local government, industry, community groups and landholders.)

Contributing to MT 1, 2, 3, 4, 6, 7, 8, 10, 11, 12, 13, 14, 17, 18 and 20 (see Appendix 1, page 74, for a full list of MTs).

ON-GROUND WORKS INCENTIVES PROGRAMS	
Hunter Partnerships Program	▪ Projects included partnerships with the Upper Hunter Weeds Authority on galenia control trials, Maitland and Singleton councils for control of coolatai grass and African olive, and development of Aboriginal heritage management plans for Kooragang Wetland and Hexham Swamp in partnership with Awabakal Aboriginal Land Council.
Hunter On-ground Initiative (HOGI)	▪ The HOGI scheme provided assistance to landholders to address priorities of the CAP, and native terrestrial vegetation and riparian management through PVPs under the *Native Vegetation Act 2003*, through competitive tenders or partnerships programs.
Hunter technical staff (working on above and technical projects)	▪ Suitably qualified and experienced staff employed by the CMA provide technical advice to landholders in the development of Hunter-funded and externally-funded projects.

CASE STUDY | **MANAGING SALINITY FOR THE LONG TERM**

For Bruce Mitchelhill, who runs a family prime-beef-fattening enterprise on around 809 hectares on Muscle Creek near Muswellbrook, a little knowledge, a lot of hard work and attention to detail goes a long way.

With a degree in Rural Science (Hons), a postgraduate diploma in Agricultural Economics and a long history with Muscle Creek Landcare, Bruce has a great deal of knowledge about his land and its capacity for production.

With highly erodible saline soils characteristic of the southern part of the Muscle Creek catchment, salinity and gully erosion issues have been par for the course, but Bruce has taken advantage of local expertise and funding from the CMA and other agencies to help him manage these issues for the long term.

Back in 2003, Bruce obtained support from the Hunter Catchment Management Trust to plant 900 trees along an 800 metre saline-affected eroding gully. A wide range of species were planted, including casuarina, melaleuca, acacia, callistemon and eucalyptus species to lower or intercept the watertable and improve biodiversity. An impressive 90 per cent survival rate was achieved.

Following on from the success of this project, and through his involvement in the development of the Muscle Creek Catchment Plan, Bruce hosted a series of field days to share his experience with local landholders and demonstrate how salinity in recharge and discharge areas can be managed.

In 2005 Bruce applied to the CMA for funding to carry out further remediation works on salinity discharge zones on his property to protect sensitive tributaries of Muscle Creek and to establish a vegetation corridor. He was successful in obtaining $36,000 of Australian Government funding, through the CMA's Land Management program, for a five-year agreement.

Throughout the project Bruce has installed fencing, planted riparian and saline areas with salt-tolerant trees, grasses and shrubs, treated the soil with lime and fertiliser, established groundcover along drainage lines, and controlled weeds and feral animals.

TOP: This photo shows the severity of the salinity issues Bruce Mitchelhill was faced with on his Muscle Creek property back in February 2002

BOTTOM: This photo, taken in March 2009, shows the results of work carried out by Bruce, with support from various agencies, to remediate eroding saline gullies on his property.

Bruce's careful observation and documentation of his actions have provided some valuable insights into what works and what doesn't: the mature long-stem plants were more successful than regular tubestock; a range of groundcover species were trialled to determine the most suitable ones to use extensively, and to achieve good biodiversity; and a consistent soil testing regime allowed Bruce to vary his use of fertilisers according to the nutrients required.

The benefits of this approach are evident in the outcomes of the project, which include a 90–95 per cent survival rate for the 850 new plants — a fantastic result for an area so affected by salinity. A further 450 trees were established in the vegetation corridor between two areas of remnant vegetation.

The results indicate that Bruce is on the right track. Thanks to his efforts and careful planning, the denuded salt-scalded and eroding gullies of five years ago are being gradually transformed into a productive, healthy landscape.

Project: Salinity — Bruce Mitchelhill

Relevant Management Targets:

MT 02	Regenerate native vegetation
MT 03	Treat weeds
MT 08	Treat animal pests
MT 12	Revegetate salinity recharge areas
MT 14	Stabilise salt-affected areas
MT 15	Sustainable grazing management
MT 18	Regenerate native riparian vegetation

Funding:
CMA, Australian Government

Activities:
Fencing, rotational grazing, planting, weeding, controlling feral animals, treating soils, community education

The Hunter Community Reference Group continues to advise the CMA on projects being carried out in the Hunter catchment.

Section 5

Community

NSW GOVERNMENT STATE-WIDE TARGETS

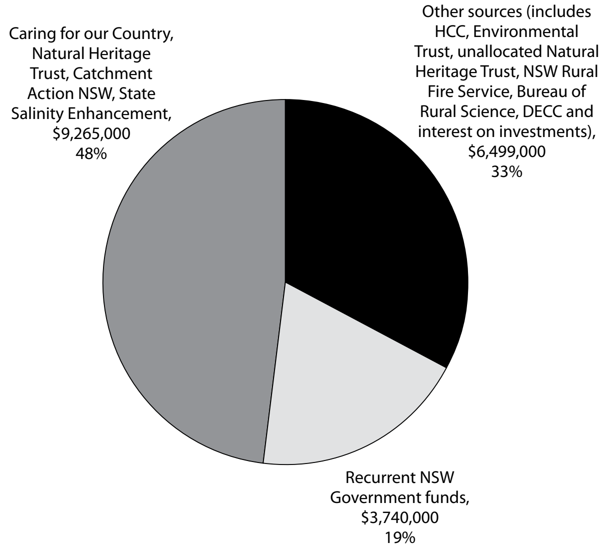
- Natural resource decisions contribute to improving or maintaining economic sustainability and wellbeing.
- There is an increase in the capacity of natural resource managers to contribute to regionally relevant natural resource management.

PARTNERS WITH OUR COMMUNITY

Without the support and involvement of the community it will not be possible to fulfil the aims of the CMA's Catchment Action Plan. Community involvement and partnerships are integrated into all CMA Management Targets; thus, the CMA has not developed a dedicated Management Target related to community, but has developed a guiding principle related to Community Capacity Building and Education. To ensure this guiding principle is integrated into all CMA activities, various strategic plans have been developed, including an Education and Awareness Strategy and Community Support Strategy.

Funding for community education and capacity-building activities is provided through the NSW and Australian governments, as well as additional activities in the Hunter funded through Catchment Contributions. Some of these additional activities include the Hunter Community Reference Group, sponsorship of Tocal Field Days, employment of community support staff, various flood awareness activities and the Champions of the Catchment Awards

CMA community expenditure in 2008–09



INFORMING AND INVOLVING OUR COMMUNITY

CMA Vegetation Officer Paul Melehan helps students identify vegetation as part of the CMA's new education program 'VegWatch'.

In 2006 the CMA developed an Education and Awareness Strategy to provide a guide for investing in NRM education and capacity-building activities. The strategy supports the CAP and identifies three main objectives:

1. Support landholders, community groups and staff to undertake on-ground natural resource management improvements.
2. Strengthen the links between natural resource managers.
3. Increase the awareness and understanding of natural resource issues in the catchment and develop skills and capacity within the community to manage them.

The tables on the following pages showcase activities implemented in 2008–09 to achieve the objectives of the Education and Awareness Strategy. Activities implemented in previous years have also been included to demonstrate how activities have been implemented over time. In addition to these activities, the CMA's education team has implemented the following projects:

1. Developed and launched a new website called the 'Hunter River Explorer' about our community's relationships with the Hunter River and how we can improve its health.
2. Undertaken a redevelopment of a new website for the CMA, with improved navigation and information for the community.
3. Continued the implementation of the Flood Education Strategy, launched a book about floods in Maitland and conducted a series of guided walks with a local historian.
4. Continued to support the pilot of the CMA's education program VegWatch with schools in the Upper Hunter
5. Provided new opportunities for community initiatives to access CMA sponsorship, with increased funding and an improved application process.
6. Coordinated the 2009 Hunter–Central Rivers Champions of the Catchment Awards, in partnership with the Hunter Region Landcare Network, using a new digital storytelling program 'PlaceStories' for people to nominate and share their projects.

OBJECTIVE 1

Support landholders, community groups and staff to undertake on-ground natural resource management improvements.

2005–06 activities	2006–07 activities	2007–08 activities	2008–09 activities
Prepared *Where Land Meets Water Resource Kit*.	*Where Land Meets Water Resource Kit* published.	*Where Land Meets Water Resource Kit* launched at Tocal Field Days and distributed by CMA staff.	Local supplement for the Central Coast landscape produced, providing more localised riparian information.
CMA intranet developed to improve internal communication and knowledge sharing.	CMA intranet upgraded to include staff profiles, policies and procedures.	CMA intranet maintained and regularly updated with new policies and information relevant to staff.	Informal review of intranet completed, with a redevelopment planned for late 2009.

OBJECTIVE 2

Strengthen the links between natural resource managers.

2005–06 activities	2006–07 activities	2007–08 activities	2008–09 activities
Coordinated the 2005 Coal Industry Environmental Awards.	Sponsored newly developed NSW Minerals Council Environmental Awards.	Coordinated a new awards program – Champions of the Catchment Awards – to recognise excellence in NRM and environment. These awards will be held every two years.	Held the 2009 Hunter–Central Rivers Champions of the Catchment Awards in partnership with the Hunter Region Landcare Network. Received 33 nominations via a new digital story telling program, PlaceStories.
Developed 17 case studies to showcase projects being carried out.	Case study posters developed and displayed at local environmental events and expos.	Case studies continued to be developed, but promoted more widely through local media and the CMA's *Catchment News*.	Case studies continue to be developed and shown at local field days. PlaceStories also used to display case studies digitally.

OBJECTIVE 3

Increase the awareness and understanding of natural resource issues in the catchment, and develop skills and capacity within the community to manage them.

2005–06 activities	2006–07 activities	2007–08 activities	2008–09 activities
Developed guidelines and assessment process for newly developed education incentives.	Allocated $394,000 of NHT funds to 21 groups for education and awareness projects.	Allocated $484,406 of NHT funds to 28 groups for education and awareness projects.	Allocated $26,561 of Australian Government funds to six groups for education and awareness projects through the CMA's Small Grants, Partnerships and Incentives programs.
Produced 60 publications.	Produced 54 publications and maintained a community database for the distribution of information.	Produced 35 publications and replaced the printed *Catchment News* with an electronic version, allowing timely information to be distributed monthly rather than quarterly.	Produced 61 publications and information products, to provide information to the community on sustainable NRM.
Prepared and distributed 37 media releases.	Prepared and distributed 28 media releases.	Prepared and distributed 53 media releases and strengthened relationships with journalists on the Lower North Coast.	Prepared and distributed 65 media releases across the CMA region.

2005–06 activities	2006–07 activities	2007–08 activities	2008–09 activities
Attended nine community events, including Tocal Field Days.	Attended five community events, including Tocal Field Days, where the CMA was awarded the best exhibit in the Land Management section.	Attended seven major regional events, including Tocal Field Days, Floodplain Management Conference and the 2007 Coastal Volunteers Forum. Increased sponsorship of Tocal Field Days (funded through Hunter Catchment Contributions) to allow more not-for-profit community NRM groups to participate.	Provided greater assistance to CMA staff coordinating field days, events and educational activities and supported major events such as Tocal Field Days (won best exhibit in the Land Management Section for 2008), the Marine Discovery Series and Hunter Region Landcare Forum's annual forum.
Commenced the Flood Education Project by appointing an advisory committee with representatives from community, business and government.	Developed a Lower Hunter Flood Education Strategy with support from the NSW and Australian governments' Natural Disaster Mitigation Program.	Implemented the Flood Education Strategy and developed a *Flood Education Toolkit*, with a DVD and floodsafe information (funded through Hunter Catchment Contributions). Commenced 'flood stories' project, due for completion in late 2008.	Continued implementation of the Flood Education Strategy and launched the *Maitland Flood Stories* book and developed guided flood tours led by local historians.  Local historian Peter Bogan shows the height of the flood waters during the 1949 and 1955 Maitland floods.
Responded to more than 1,000 requests for information from the community.	Responded to more than 1,200 requests for information from the community. Developed a complaints register to help monitor and improve customer service.	Responded to more than 1,200 requests for information from the community. Recorded 16 compliments and two complaints on the complaints register. These related to the CMA's volunteer support and the flood education kit and both were anonymous. Six of the compliments received related to the *Flood Education Kit*, with others referring to the CMA's assistance and education activities.	Responded to more than 1,600 requests for information from the community on topics such as Property Vegetation Plans and incentive programs. Recorded 29 compliments and three complaints. The complaints related to the delays associated with the Hexham Swamp Rehabilitation Project and the 2009 Champions of the Catchment Awards.
The CMA is responsible for coordinating consultation on the state's water-sharing plans, being developed by the Department of Water and Energy (DWE). The CMA held 17 meetings across three catchments, with 297 participants.	Continued coordinating community consultation on DWE's water-sharing plans by holding six meetings across three catchment areas, with 190 participants.	Continued coordinating community consultation on the Hunter Macro Water-Sharing Plan in April 2008 by holding seven community meetings, with 247 participants.	Continued coordinating community consultation on water-sharing plans, with two meetings held regarding public exhibition of the Central Coast Water-Sharing Plan.
Website received 38,000 visits	Visits not available.	Website received 51,155 visits	A total of 51,102 visits to our website.

SUPPORTING OUR COMMUNITY

The CMA recognises that the delivery of programs and projects to support and improve sustainable NRM must consider social and economic factors as well as environmental factors. To be successful in achieving improvements in NRM, the CMA needs to engage with and support people in all parts of the community. These people require support to acquire knowledge and to develop the capacity and skills to enable them to contribute to sustainable NRM outcomes.

To improve the capacity of the community to undertake natural resource improvement activities, the CMA has developed a Community Support Strategy with the following objectives.

1. To facilitate the delivery of the Catchment Action Plan.
2. To encourage community aspirations in natural resource management.
3. To ensure that the delivery of community support is consistent with the CMA's 12 factors for successful community engagement.

Implementation of this strategy was supported through the employment of a Regional NRM Facilitator (based at Tocal) and CMA support for community support staff employed across the region to assist community groups and individuals in planning on-ground projects. These positions were funded through Caring for Our County, Hunter Catchment Contributions (Hunter positions only), NSW Catchment Action funding and partnerships with host organisations. In 2008–09 the CMA continued partnerships with Wyong, Lake Macquarie, Dungog, Singleton, Upper Hunter (Merriwa), Port Stephens, Greater Taree and Great Lakes councils, MidCoast Water, and with community organisations such as the Community Environment Network and Manning Landcare Management Committee.

In 2008–09 the CMA introduced the Community Network Support program to provide financial support for administrative, capacity-building and education activities that contribute towards CAP targets. Through this program $90,000 was provided to community networks on a competitive basis, complemented by a further $40,000 investment of HCC funds within the Hunter Catchment.

Major achievements of the CMA's community support program for 2008–09 are listed below under each objective of the Community Support Strategy.

Entrants in the 2009 Hunter–Central Rivers Champions of the Catchment Awards.

OBJECTIVE 1

To facilitate the delivery of the CAP.

Throughout the year, the CMA community support team:

- provided advice to landholders and community groups on the CMA incentives programs
- assisted community groups and individual landholders to apply for financial support from the CMA to implement activities that contribute to the CMA's CAP targets
- coordinated field days on a range of natural resource management issues, including native vegetation, soil erosion and sustainable agriculture
- developed understanding of catchment management issues in schools and community groups through Catchment Crawls and water-quality monitoring activities under the Waterwatch Program.

OBJECTIVE 2

To encourage community aspirations in NRM.

- Introduced an electronic storytelling software called PlaceStories as the entry format for Champions of the Catchment Awards held in 2008–09. PlaceStories provides landcarers with a simple tool to record, share and promote their achievements.
- Supported community Landcare networks and environmental education groups, local Landcare groups and individual landholders to design, implement and report against projects.

OBJECTIVE 3

To ensure that the delivery of community support is consistent with the 12 factors for successful community engagement.

- Managed community support contracts with councils and community organisations.
- Regularly attended community meetings and community support staff advisory group meetings to give updates on the CMA and government programs.
- Supported the employment of three community Landcare coordinators, funded from the National Landcare Program. These staff work specifically on providing extension advice and support to rural landholders, both large and small, to enable them to develop and implement more sustainable agricultural land management practices.
- Provided $90,000 for community network support

Additional activities were also implemented in the Hunter, due to funding available through Hunter Catchment Contributions.

- The CMA continued to support the Hunter Community Reference Group (HCRG), a subcommittee of the CMA Board. The HCRG provides advice and recommendations to the CMA Board in relation to local and regional NRM issues, allocation of Hunter Catchment Contributions and community concerns within the Hunter. The HCRG plays an important role as a two-way conduit of information between the CMA and the Hunter community. Eight new members were appointed to the HCRG in November 2008, to fill vacancies created by resignation and retirement of some members.
- Provided $10,000 funding to the Hunter Region Landcare Network for community network support.

INVOLVING ABORIGINAL COMMUNITIES

The understanding and appreciation of Aboriginal culture and heritage has changed in recent times from the limited scientific definition of archaeological sites to a much broader understanding that Aboriginal people have a commitment to care for country and therefore should be responsible for the co-management of natural resources. Aboriginal people view their environment as a holistic landscape rather than individual ecologies. Landscapes represent collections of natural resource issues with many values (vegetation, habitat, water resources, places, knowledge, stories, landscapes, objects, flora, fauna, water) that together provide a single coherent value, with particular meaning for Aboriginal people.

Our association with Aboriginal culture and heritage should be maintained and practised so that all people in the Hunter–Central Rivers region can respect and understand Aboriginal cultural heritage values. Knowledge of the past, and connecting values with Aboriginal people in the region, can also teach us about what we can provide for our future. Therefore, it is essential to maintain and improve Aboriginal culturally significant landscapes so that they are maintained for use by present and future generations.

The CMA acknowledges that traditional and contemporary Aboriginal culture and heritage will exist together with other natural resource assets that will be managed by the CMA. This means that other natural resource work will overlap with areas of significant culture and heritage. For example, improvement in the condition and health of the catchment will be beneficial to the preservation/conservation of Aboriginal culture and heritage. In turn, works that seek to conserve or preserve Aboriginal culture and heritage will have a beneficial impact on the condition and health of the natural resources in the catchment. Sites that have survived many decades of agriculture generally will not be further disturbed by continuing land practices. In many cases, sound land management practices have helped preserve Aboriginal sites.

In 2008–09, the CMA Board approved 11 projects with a total allocation of $98,469 to deliver both educational and on-ground outcomes for this Management Target. Projects were assessed by the Hunter–Central Rivers Aboriginal Cultural & Environmental Network (ACEN) – CMA Partnership Committee applying the following criteria:

- general ACEN support for the project
- whether the project addresses the priorities in our Catchment Action Plan (CAP)
- whether the project will be fully completed by June 2009.

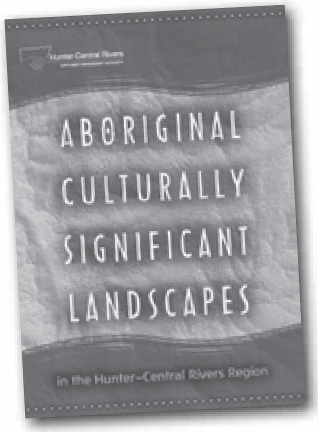
The projects in the table below were subsequently approved under the CMA's 'Culturally Significant Landscapes Program' in 2008–09.

In 2008–09 the ACEN Committee held four meetings at Cessnock, Newcastle, Lake Macquarie and Singleton.

The major achievements for the ACEN Committee include:

- assessment and overseeing of the 2008–09 Culturally Significant Landscapes Grants Program
- development of an informative publication for all CMA staff, clients and landholders titled *Culturally Significant Landscapes of the Hunter–Central Rivers CMA Region*
- conducted a review of the Terms of Reference and Protocols for the ACEN Committee.

As a result of the review of the Terms of Reference, the ACEN Committee resolved to create a new category of membership status (known as 'Associate Member') which recognises that some Aboriginal people have valuable knowledge and experience to contribute to CMA and ACEN business but are unable to attend most meetings due to a range of valid reasons. The need for this new membership status has evolved since the initial formation of the ACEN Committee in September 2005 and allows for greater active attendance at meetings. Associate members will possess a 'right of return' to attend ACEN meetings at any time in the future and will be included in all ACEN communication and correspondence so they can maintain an awareness and involvement in CMA and ACEN business specifically, and NRM generally.



The ACEN committee in partnership with the CMA has produced a new publication to help land managers understand the importance of cultural sites and landscapes.

Proponent	Project Description
Warada Aboriginal Landcare Group	Workshops/excursion/field days/cultural awareness days
Koorana Aboriginal Landcare Group	Native planting/bush tucker 'Outdoor classroom' activities at Toronto High School
Darkinjung Local Aboriginal Land Council	Recording Aboriginal landscape values in Gosford and Wyong areas
Bahtabah Local Aboriginal Land Council	Weed removal and native planting/bush tucker species Engagement of Aboriginal Elders
Karong Aboriginal Corporation	Treat Weeds and mulch green waste
Koompahtoo Local Aboriginal Land Council	Nursery support and capacity building
Biraban Public School	Weed removal and native planting 'Outdoor classroom' activities
Tinonee Public School	Native Planting 'Outdoor classroom' activities
Worimi Local Aboriginal Land Council	Native planting/Bush Tucker Waterwatch activities
Taree Indigenous Development Employment Ltd (TIDE)	Recording Aboriginal landscape values in Greater Taree area and the effects of climate change on foredune areas with Aboriginal sites

COMMUNITIES CARING FOR CATCHMENTS THROUGH WATERWATCH

Waterwatch is a national water quality and education program involving schools, community groups and landholders, and is delivered across the Hunter–Central Rivers CMA region. A partnership between the CMA, government agencies and industry, Waterwatch aims to improve the community's capacity to help protect the health of local waterways.

Waterwatch educates participants on appropriate catchment management strategies, and enables participants to take an active role in monitoring the health of their local catchment. Groups monitor water quality and survey aquatic macroinvertebrates, and also have the opportunity to assess riparian areas, monitor estuaries and take part in property planning. The data collected by Waterwatch groups is uploaded to the NSW Waterwatch website at <www.waterwatch.nsw.gov.au>. This data can then be used to highlight catchment issues for future action.

In the Hunter–Central Rivers region Waterwatch is delivered across three landscapes:

Central Coast Includes Wyong and Gosford local government areas and is managed by a coordinator at the Community Environment Network. Waterwatch on the Central Coast is funded by the Australian Government's Caring for our Country program through a contract with the CMA and with sponsorship from the Gosford–Wyong Joint Water Authority.

Hunter–Central Rivers Encompasses the Hunter, Lake Macquarie, Port Stephens and Karuah catchments, and is managed by two coordinators, based at the CMA Tocal office. Sponsors of HCR Waterwatch are the CMA, Hunter Water Corporation, NSW Department of Education & Training, and NSW Waterwatch (through DECC).

Manning–Great Lakes Includes Greater Taree, Great Lakes and Gloucester local government areas, and is managed by a coordinator located at MidCoast Water, who also hosts the position, supported by the CMA.

Highlights from the Waterwatch program for the 2008–09 year include:

- Waterwatch coordinators interacted directly with over 10,617 participants in the CMA region.
- A total of 102 water quality training workshops were conducted, with 43 of these being new groups.

Waterwatch coordinators Amanda Gregory (left) and Ingrid Berthold

- Thirty-six groups took part in Water Bug Surveys and uploaded their results to the NSW Water Bug Survey website at <www.bugsurvey.nsw.gov.au>.
- Over 70 presentations and displays were conducted where coordinators discussed water quality and catchment issues with the community, and interacted with over 4,280 individuals at these events.
- A total of 165 groups uploaded 1,963 sample data sets for 337 sites, collecting valuable data for recording catchment health across the CMA region.
- Catchment Crawls were held in the following catchments to gain a 'snap-shot' of catchment conditions with schools and community members: Winding Creek, Tilligerry Creek, Ironbark Creek, Gosford Lagoons, Piles Creek, Wetland and Jilliby Creek catchments. Two Stormwater Scampers were held in the Throsby Creek catchment and the Great Lakes area at Forster.
- Fifty groups took part and monitored 159 sites for Phosphorus Awareness Week. Fifty-one per cent of results were on or under the recommended trigger value guidelines of 0.06mg/L for soluble phosphorus.
- Sixty-four Waterwatch groups participated in the NSW Waterwatch Quality Assurance Trials (QA) in 2009. Of the seven water quality tests that were conducted, HCRCMA Waterwatch groups achieved an 85% accuracy compared with National Association of Testing Authorities (NATA) accredited laboratory results.

In 2008–09 Waterwatch has seen an increase in the number of landholders who have joined the program through their participation in water and macroinvertebrate testing demonstrations at CMA workshops and field days and other events.

Waterwatch has also designed and implemented new environmental education projects with schools in subcatchment areas through educational stormwater brochure competitions in the Flaggy Creek Catchment, and a Service Learning Project in the Throsby Creek catchment. These two projects have provided examples for implementation in other subcatchments of the CMA.

Waterwatch continues to be an important tool for the CMA to achieve environmental education and capacity building throughout our community, as Waterwatch is an adaptable and successful program that engages the community through hands-on learning and encourages behavioural change to improve the health of our catchments.

The Waterwatch program will continue its delivery across the CMA region into the future with our new initiatives designed to assist the CMA to achieve Management Targets continuing in 2009–10. Waterwatch will continue to undertake projects within priority areas, as listed in the CAP, in collaboration with other CMA staff, and create opportunities for partnerships with landholders, government agencies and industry within the CMA region.

CASE STUDY | ***GROWING TOGETHER FOR THE FUTURE OF OUR REGION***

Volunteers installing a fence to protect regeneration areas (photo courtesy K2 Bush Enterprises).

Five years ago, Koompahtoo Local Aboriginal Land Council, with the help of Eraring Energy, established a nursery near the Eraring Power Station on the shores of Lake Macquarie.

With support and advice from the CMA and Lake Macquarie Landcare, staff learnt how to collect seed in a way that would protect the genetic integrity of plant species indigenous to the area. Since that time, K2 Bush Enterprises has transformed the landscape around the nursery site, planting an amazing 100,000 plants, all propagated and planted by the K2 team under contract to Eraring Energy.

The team has extended its efforts to other parts of Lake Macquarie, removing rubbish from the western foreshore through the Clean Up the Lake project, and offering their services to local schools to enhance and rehabilitate their school grounds and gardens.

K2 offers an important avenue for local Aboriginal people to reconnect traditional bonds with country, while gaining new skills and employment. Over the past five years they've trained a number of local people in bush regeneration, weed control and fencing, providing a quality work force for natural resource projects around the region.

As a CMA-preferred supplier of provenance native tubestock, K2 provide native plants at discounted rates to CMA partners, including landholders, community groups and local government, for on-ground revegetation projects funded through CMA programs.

Project: K2 Bush Enterprises

Relevant Management Targets:
MT 02 Regenerate native vegetation
MT 03 Treat weeds
MT 04 Threatened species work
MT 05 Manage Aboriginal cultural and heritage landscapes
MT 07 Enhance wetlands
MT 18 Regenerate native riparian vegetation
MT 30 Enhance Foreshore Vegetation
MT 31 Enhance marine shorelines

Funding:
CMA, Lake Macquarie City Council, Lake Macquarie Landcare Resource Office, Eraring Energy, Koompahtoo Local Aboriginal Land Council, Australian Government.

Activities:
Collecting seed, commercial nursery operations, bush regeneration, fencing, weeding, community education, litter removal.

CMA staff participating in fire extinguisher training.

Section 6

Managing our business

The CMA is committed to providing organisational and service efficiency to the regional community, the environment and government. Regular and effective communication with all levels of government and the community is integral to the effective functioning of CMA operations.

The CMA is accountable under NSW legislation, and the financial report is audited by the Office of the Auditor General. In the last financial year the CMA met all of its financial targets, and with overall expenditure was close to the revised forecast. The Natural Resources Commission also audited our CMA in 2008–09, with their key recommendations being implemented to improve our service delivery in the future.

The CMA's Business Unit is responsible for three key areas of CMA management: staff, or 'our team'; minimising our impact; and minimising our risk. The unit is also working towards the priorities listed in the NSW Government's State Plan, with particular reference to Priority S8: Increased customer satisfaction with Government Services. In response the CMA has developed a Guarantee of Service (Appendix 6), and continually reviews and improves its policies and procedures as required.

OUR TEAM

CMA staff are key to the success of the CMA implementing the CAP. We aim to provide a stimulating work environment where safety is assured and innovation and ongoing learning and development are encouraged. In 2008–09 our staff attended 188 training courses and 16 conferences covering a range of topics such as vegetation management and community engagement. All training courses and conferences attended were within Australia, with no travel outside Australia incurred.

In 2008–09 the CMA operated with 63 staff (some part-time) working across the region to deliver a diverse range of services. Our staff included 22 permanent positions (two part-time classified as one full-time-equivalent position) including a general manager, 36.6 project positions and two people on secondment, one from the Department of Education and Training and one from the Department of Environment and Climate Change.

SENIOR STAFF

Senior staff (details below) managed the various programs of the CMA and met monthly to plan CMA activities. A detailed organisational chart is provided in Appendix 5.

Minister for Climate Change and the Environment

Chairman and Board

General Manager

Glenn Evans
Qualifications: Bachelor of Engineering, Master of Business Administration
Located: Tocal

Program Manager (Coastal Lakes and Rivers)

Jeff Palmer (until Oct 2008)
Qualifications: Graduate Certificate in Public Sector Management, Diploma of Applied Science (agriculture), Master of Applied Science (Agriculture)
Glenn Lyons
Qualifications: Bachelor of Natural Resources (Hons)
Located: Tocal

Program Manager (Hunter)

Sharon Vernon (until July 2008)
Qualifications: Bachelor of Arts (Geography)
Dean Chapman
Qualifications: Bachelor Science (Botany) postgraduate Diploma of Natural Resource Management
Located: Tocal

Business Manager Finance

David Fryer
Qualifications: Bachelor of Arts (Economics), Chartered Accountant
Located: Tocal

Business Manager Investment

Fiona Marshall
Qualifications: Bachelor of Arts (Physical Geography) Hons
Located: Muswellbrook

Community Education Manager

Liane Corocher
Qualifications: Bachelor of Applied Science (Systems Agriculture) and Masters of Environmental Education
Located: Tocal

PERSONNEL POLICIES AND PRACTICES

As the Department of Environment and Climate Change (DECC) is the host employer of the CMA, DECC's personnel policies and practices have been adopted by the CMA.

The CMA also follows DECC's guidelines in relation to the *Privacy and Personal Protection Act 1998* and the *Freedom of Information Act 1989*, ensuring, for example, that all client and staff details are kept confidential and permission is sought to use photographs of community members.

Examples of how the CMA has adhered to DECC's personnel policies and practices are detailed below.

Equal employment opportunity

In 2008–09 the CMA continued to address EEO principles in the staff recruitment process and ensured all CMA subcommittees have appropriate gender and cultural composition. The CMA employed three Aboriginal staff (5% of total staff) and provided learning and development opportunities for all staff members.

The staff of the Tocal office celebrated safety on 'Fluro Friday' in October 2008.

Classification of CMA staff (head count)

	2008–09				2007–08				2006–07			
	Male	Female	Aboriginal	Disabled	Male	Female	Aboriginal	Disabled	Male	Female	Aboriginal	Disabled
Senior of cer	1				1				1			
Clerk Gr 12	2				1	1			1	1		
Clerk Gr 10/11	1	1			1	1			1	1		
Clerk Gr 9/10	4	1			5				5			
Clerk Gr 7/8	11	4	1		10	3	1		10	3	1	
Clerk Gr 6/7	11	6			12	6			13	7		
Clerk Gr 4/5	5	7	2		5	11	2		4	12	2	
Clerk Gr 3/4		1				1				1		
Clerk Gr 2/3		2				2				2		
Other	2	1			2	1			3			
Total	**37**	**23**	**3**		**37**	**26**	**3**	**0**	**38**	**27**	**3**	

Table A: Trends in the representation of EEO groups

EEO group	NSW Government benchmark or target	% of total CMA staff			
		2008–09	2007–08	2006–07	2005–06
Women	50%	41%	45%	42%	38%
Aboriginal people and Torres Strait Islanders	2%	5%	8.2%	5%	6%
People whose first language was not English	20%	0	8%	0	0
People with a disability	12%	5%	5%	0	0
People with a disability requiring work-related adjustment	7%	0	0	0	0

Table B: Trends in the distribution of EEO groups

EEO group	NSW Government benchmark or target	% of total CMA staff			
		2008–09	2007–08	2006–07	2005–06
Women	100	90	88	88	Not available
Aboriginal people and Torres Strait Islanders	100	Not available	Not available	Not available	Not available
People whose first language is not English	100	Not available	Not available	Not available	Not available
People with a disability	100	Not available	Not available	Not available	Not available
People with a disability requiring work-related adjustment	100	Not available	Not available	Not available	Not available

NOTES:

- These tables are provided by the Of ce of the Director of Equal Opportunity in Public Employment (ODEOPE).
- Staff members are as at 30 June 2008.
- Excludes casual staff.
- Table B: A distribution index of 100 indicates that the centre of the distribution of the EEO group across salary levels if equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced the tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels. The distribution index is automatically calculated by the software provided by ODEOPE.
- The distribution index is not calculated where EEO group or non-EEO group numbers are less than 20.

Disability plans

Our staff and visitors have access to disabled toilets and parking at all offices except Muswellbrook. Our principal office at Tocal has wheelchair access to all areas.

Ethnic Affairs Priorities Statement

The CMA is committed to ensuring the needs of a culturally diverse community are reflected in all aspects of its operation, particularly community engagement activities. The CMA undertakes the following strategies to ensure these needs are met through:

- merit-based recruitment practices
- provision of interpreter services (via DECC) to clients from a non-English speaking background
- provision of working arrangements that respect and accommodate cultural and religious differences.

Maximising employee health and safety

The CMA is committed to providing healthy and safe workplaces for all Board members, employees, volunteers, visitors and contractors. The CMA has appointed an OH&S Committee comprising five employee-elected representatives and a nominated management representative. The committee is critical in identifying and controlling factors affecting health and safety in the workplace, conducting regular safety inspections and responding to staff with safety concerns.

In 2008–09 the committee has:

- formalised a series of 'safety walks' in each CMA office every six months to identify potential hazards and minimise risks
- introduced a remote-worker system, to monitor staff safety when working in the field
- conducted staff training in 4WDs, using fire extinguishers, office ergonomics and reptile awareness
- assisted in the development of appropriate risk assessments to be incorporated into the CMA's Field Day Checklist.

The CMA recorded nil lost-time injury in 2008–09.

NSW Government Action Plan for Women

The CMA actively supports women in the workplace and provided flexible working conditions for all staff, including paid maternity leave, working from home and teleconference arrangements. During 2008–09 the CMA employed 25 women, of whom one accessed paid maternity leave. One female has been appointed to the Board and two females are represented on the CMA's senior staff.

MINIMISING OUR IMPACT

The CMA demonstrates and maintains its commitment to environmental sustainability by implementing practices to minimise our impact on the environment.

An environmental committee, referred to as the 'Footprint Committee', was established in March 2008. Ideas were generated to help implement the NSW Government's Waste Reduction and Purchasing Policy and sustainability targets. Initiatives have been introduced, including minimising the use of vehicles through car pooling and teleconference links with other offices for meetings, monitoring the amount of waste generated, purchasing recycled products where practicable and educating staff on minimising our impact at monthly staff meetings.

ENERGY MANAGEMENT PLAN

The CMA's principal office at Tocal was designed to be passively heated and cooled through the management of louvre windows and window shades. An energy management audit was conducted at the Tocal office in 2007 and it received a five-star rating, which is the highest environmental rating on the scale. The CMA continues to implement measures to reduce its energy consumption relating to office and fieldwork activities.

WRAPP

Part of minimising our impact involves implementing the NSW Government's Waste Reduction and Purchasing Policy (1997), which relates to paper products, office consumables, vegetation and landscaping material and construction and demolition material.

The WRAPP requires agencies to reduce the generation of waste, resource recovery or waste re-use and recycling, and using recycled materials. Key results areas for the CMA which have continued in 2008–09 are listed below under these three areas.

1. Reducing the generation of waste (waste avoidance and minimisation)

- Providing signage in the office reminding staff of recycling procedures.
- Providing duplex (two-sided) printing on printers to reduce paper use.
- Making notepads from recycled paper for use by staff.

2. Resource recovery (waste re-use and recycling)

- Returning all toner cartridges to the manufacturers for recycling.
- Providing discarded packaging and small containers to local schoolchildren for craft activities.
- A recycling service for plastic and glass is not available at the CMA's principal office, so staff volunteer to take this material home for recycling.
- Installing a compost bin to recycle organic waste.

3. The use of recycled material (purchase of recycled-content materials)

- Purchasing 100% recycled paper and using soy-based inks for publications (where possible).

MINIMISING OUR RISK

The CMA has developed a risk management plan to identify risks that could affect the implementation of the CAP, and has developed procedures to reduce these risks. This risk management plan drew on information from a detailed risk management plan developed in 2006. This framework is continually updated to ensure that risks are identified, prioritised and managed in a coordinated manner.

Business processes have been developed to deal with the highest priority risks in the six key areas of 'Organisation', 'CAP', 'Investment Strategy', 'Annual Implementation Program', 'Catchment Activities' and 'Contracts and Agreements'.

Managers are responsible for applying risk management strategies in their areas of responsibility to ensure risk management is considered at all levels of the CMA's operations. Also, Internal Audit reviews are undertaken to ensure the CMA is complying with its risk management policies.

Management of the CMA business also includes the maintenance of appropriate risk management and insurance strategies. The CMA participates in the NSW Treasury Managed Fund government self-insurance scheme which provides workers compensation, legal liability, motor vehicles, property and miscellaneous cover. A condition of this insurance cover is that a high priority be placed on sound risk management practices.

Ocean Beach, Umina, looking south
towards Lion Island and Barrenjoey Head

Section 7

Looking at the year ahead

MAJOR ACTIVITIES PLANNED FOR 2009–10

The Catchment Action Plan (CAP) provides the overall direction for the CMA's investment. During 2009–10 the CMA will invest $15 million in programs contributing to the NSW Government State Plan's four natural resource management themes of Biodiversity, Water, Land and Community. Funding will be provided by the NSW Government's Catchment Action NSW Program and State Floodplain Management Program; the Australian Government's Caring for our Country Baseline funding and the Caring for our Country Contestable funding; and for Hunter activities, Catchment Contributions — with in-kind contributions from local government, industry, non-government organisations, community groups and individuals.

The major areas of investment for the CMA in 2009–10 will be:

- Core operational activities, including our responsibilities in administering the *Native Vegetation Act*, funded by the NSW Government with a recurrent budget of $3.4 million.
- A range of NRM actions supported by $3.3 million from the Australian Government's Caring for our Country program and $2.3 million from the NSW Government's Catchment Action NSW program. The CMA was also successful through the Caring for our Country Contestable program, with $1.4 million over two years to deliver activities with partners in the Lower Hunter coastal hot spot. In partnership with the Northern Rivers CMA and other partners, the Hunter–Central Rivers CMA will invest $390,000 in 2009–10 in on-ground coastal works with coastal community groups, local government and relevant agencies.
- A range of NRM actions funded from other sources, including interest from investments, sponsorships and Hunter Catchment Contributions. In 2009–10, $3.4 million will be raised in Catchment Contributions from Hunter landholders to fund or augment activities in the Hunter only. The CMA's Hunter Community Reference Group will continue to advise the Board on the allocation of these funds.

The CMA will continue to invest in programs to provide financial incentives to landholders to improve the condition of our catchments. Over the next year we aim to protect 103 hectares of wetlands through conservation agreements, and enhance a further 143 hectares; revegetate and stabilise over 40 hectares of eroding soils; implement sustainable management practices on 470 hectares of grazing land; and regenerate over 120 hectares of native vegetation. The CMA will continue to work with and support our community partners by funding community NRM networks and groups. We will employ one Community Engagement Facilitator. We will make visiting the CMA easier by relocating our Central Coast office to a more central location and providing visitor parking.

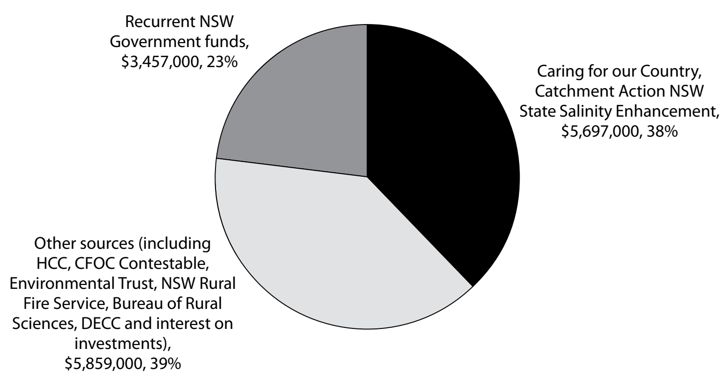
In addition to partnering with DECC in funding and managing the Hunter Valley Flood Mitigation Scheme, the CMA will continue to implement its Flood Education Strategy to raise community awareness in preparing for future flood events.

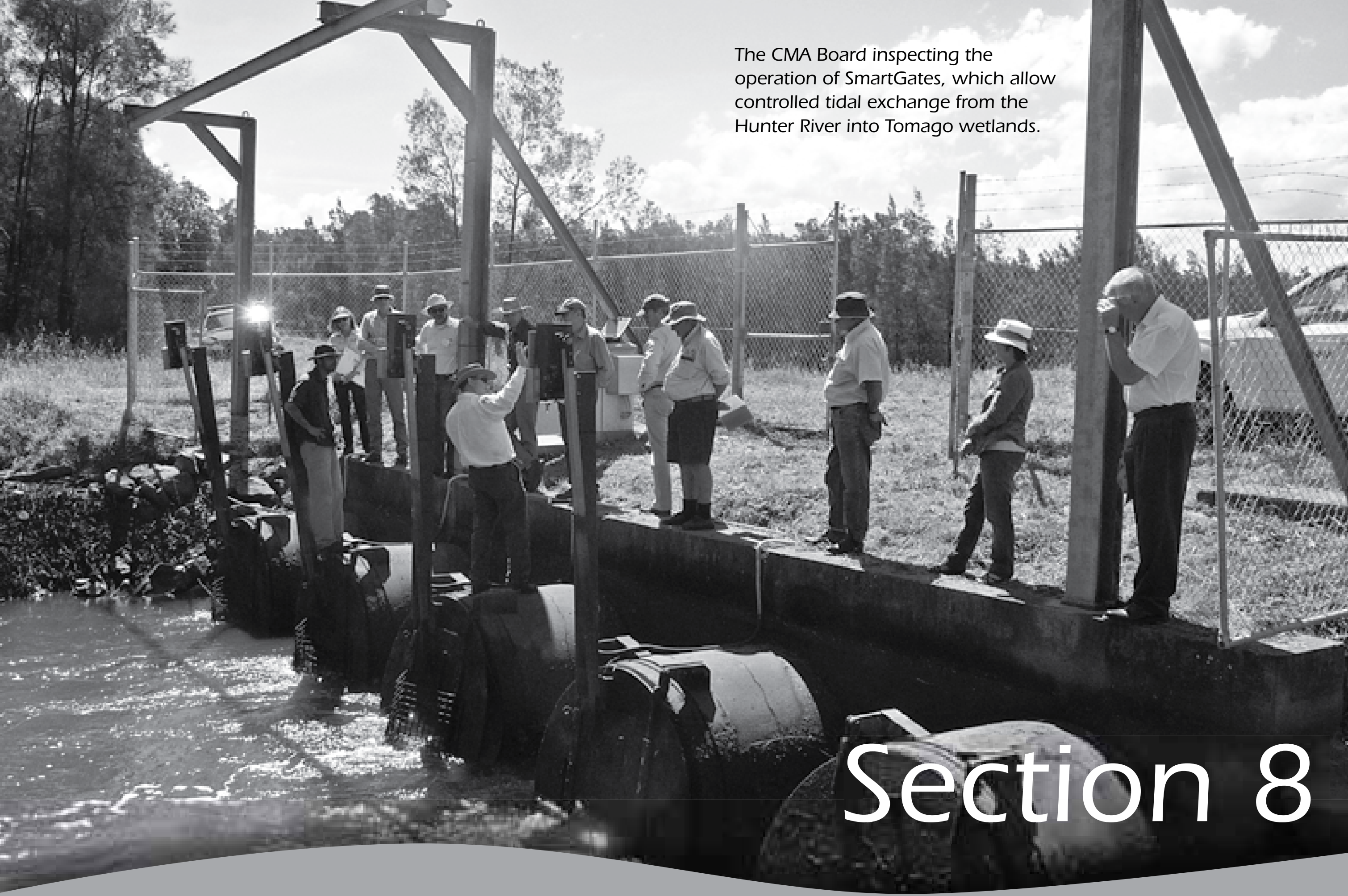
During 2008–09, the CMA has continued to monitor the environmental changes associated with active management of the Ironbark Creek floodgates to restore tidal inundation to Hexham Swamp. The CMA will present the findings of the monitoring program to the Department of Planning in November 2009, and seek approval to move to stage two of the project which will involve managing a second floodgate to restore tidal inundation to approximately 300 hectares of former estuarine wetlands.

The *Native Vegetation Act* will remain a key responsibility of the CMA. In 2008–09, staff managed in excess of 150 enquiries (very similar to 2007–08) from landholders about the *Native Vegetation Act* and property vegetation plans (PVPs), and conducted approximately 120 site visits and approved 18 PVPs (for incentives, clearing, regrowth and continuous use). Demand for PVPs is expected to be at a similar level in 2009–10; however, the number of incentive PVPs approved is expected to be lower due to a reduced level of available funding. PVPs will continue to be the delivery vehicle for our native vegetation–focused incentive programs.

This annual report demonstrates that the CMA is making significant on-ground progress. With the continued support of the NSW and Australian governments and our many business and private partners, we can confidently work towards achieving our 2015 CAP targets, and our vision of healthy and productive catchments through the ecologically sustainable management of our natural resources and the environment, for the benefit of present and future communities.

EXPENDITURE BUDGET 2009–10





The CMA Board inspecting the operation of SmartGates, which allow controlled tidal exchange from the Hunter River into Tomago wetlands.

Section 8

Financial statements

FINANCIAL REPORT CONTENTS

STATEMENT BY BOARD MEMBERS

Hunter-Central Rivers
Catchment Management Authority

STATEMENT BY BOARD MEMBERS

Certificate under Section 41 C (1B) and (1C) of the
Public Finance and Audit Act 1983

Pursuant to the Public Finance and Audit Act 1983, we declare that in our opinion:

(a) The accompanying financial report exhibits a true and fair view of the financial position of the Hunter-Central Rivers Catchment Management Authority as at 30 June 2009, and transactions for the year ended.

(b) The financial report has been prepared in accordance with:

- The applicable Australian Accounting Standards, which include Australian Accounting Interpretations; and
- The requirements of the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2005 and the Treasurer's Directions.

(c) There are no circumstances which would render any particulars included in the financial report to be misleading or inaccurate.

For and on behalf of the Board

W.E.J. Paradice
Chairman

Arthur Burns
Board Member

Dated: **19 October 2009**

INDEPENDENT AUDITOR'S REPORT 1 OF 2

AUDITOR-GENERAL
NEW SOUTH WALES

GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Hunter-Central Rivers Catchment Management Authority

To Members of the New South Wales Parliament

I have audited the accompanying financial report of Hunter-Central Rivers Catchment Management Authority (the Authority), which comprises the balance sheet as at 30 June 2009, the income statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Authority as at 30 June 2009, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

My opinion should be read in conjunction with the rest of this report.

The Board's Responsibility for the Financial Report

The members of the Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Authority's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Authority, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

INDEPENDENT AUDITOR'S REPORT 2 OF 2

My opinion does *not* provide assurance:

- about the future viability of the Authority,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.

Maria Spriggins

MT Spriggins
Director, Financial Audit Services

20 October 2009
SYDNEY

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	ACTUAL 2009 $'000	ACTUAL 2008 $'000
Revenue			
Revenue	3	17,381	15,574
Other income	4	1,254	1,419
Total revenue		**18,635**	**16,993**
Expenses			
Personnel services expenses	5	5,839	5,401
Other operating expenses	5	6,343	9,923
Depreciation	5	140	143
Grants and subsidies	5	7,182	8,292
Total expenses		**19,504**	**23,759**
DEFICIT FOR THE YEAR		**(869)**	**(6,766)**

The above income statement is to be read in conjunction with the attached notes.

STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	ACTUAL 2009 $'000	ACTUAL 2008 $'000
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY		–	–
Deficit for the year	13	(869)	(6,766)
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR		**(869)**	**(6,766)**

The above statement of recognised income and expense is to be read in conjunction with the attached notes.

BALANCE SHEET
AS AT 30 JUNE 2009

	NOTE	ACTUAL 2009 $'000	ACTUAL 2008 $'000
ASSETS			
Current assets			
Cash and cash equivalents	6	7,896	11,161
Receivables	7	1,497	1,427
Biological assets	8	87	76
Total current assets		**9,480**	**12,664**
Non-current assets			
Property, plant and equipment			
Land and buildings	9	4,256	4,336
Motor vehicles	9	20	63
Plant and equipment	9	133	144
Intangibles	10	781	306
Total non-current assets		**5,190**	**4,849**
Total assets		**14,670**	**17,513**
LIABILITIES			
Current liabilities			
Payables	11	4,215	6,186
Provisions	12	792	738
Total current liabilities		**5,007**	**6,924**
Non-current liabilities			
Provisions	12	8	6
Total non-current liabilities		**8**	**6**
Total liabilities		**5,015**	**6,930**
Net assets		**9,655**	**10,583**
EQUITY			
Retained surplus	13	9,415	10,284
Asset revaluation reserve	13	240	299
Total equity		**9,655**	**10,583**

The above balance sheet is to be read in conjunction with the attached notes.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	NOTE	ACTUAL 2009 $'000	ACTUAL 2008 $'000
Cash flows from operating activities			
Receipts from customers and government		18,756	16,832
Payments to suppliers		(14,655)	(22,534)
		4,101	(5,702)
Grants and subsidies paid		(7,405)	(1,333)
Interest received		581	947
Net cash flows from operating activities	14	**(2,723)**	**(6,088)**
Cash flows from investing activities			
Purchases of property, plant and equipment and intangibles		(543)	(15)
Proceeds from sale of plant and equipment		1	–
Net cash flows from investing activities		**(542)**	**(15)**
Net (decrease) in cash and cash equivalents		**(3,265)**	**(6,103)**
Opening cash and cash equivalents		11,161	17,264
Closing cash and cash equivalents	6	**7,896**	**11,161**

The above cash flow statement is to be read in conjunction with the attached notes.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1. REPORTING ENTITY

The Hunter–Central Rivers Catchment Management Authority (the Authority) was established pursuant to the *Catchment Management Authorities Act 2003*. The objects of the Act are to:

(a) establish Authorities for the purpose of devolving operational, investment and decision-making natural resource functions to catchment levels
(b) provide for proper natural resource planning at a catchment level
(c) ensure that decisions about natural resources take into account appropriate catchment issues
(d) require decisions taken at a catchment level to take into account state-wide standards and to involve the Natural Resources Commission in catchment planning where appropriate
(e) involve communities in each catchment in decision making and to make best use of catchment knowledge and expertise
(f) ensure the proper management of natural resources in the social, economic and environmental interests of the state
(g) apply sound scientific knowledge to achieve a fully functioning and productive landscape
(h) provide a framework for financial assistance and incentives to landholders in connection with natural resource management.

The Authority is a Statutory Body and a separate reporting entity. There are no other entities under its control. The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

The Authority is a not-for-profit entity (as profit is not its principal objective) and it has no cash-generating units.

This financial report has been authorised for issue by the Board of the Authority on 19 October 2009.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant policies have been adopted in the preparation and presentation of the financial report:

(a) Basis of preparation

The Authority's financial report is a general purpose financial report which has been prepared in accordance with:

- the applicable Australian Accounting Standards, which include Australian Accounting Interpretations
- the requirements of the *Public Finance and Audit Act 1983*, the Public Finance and Audit Regulation 2005 and the Treasurer's Directions.

Property, plant and equipment, assets (or disposal groups) held for sale and financial assets at 'fair value through profit or loss' and available for sale are measured at fair value. Other financial report items are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(b) Statement of compliance

The financial report and notes comply with the Australian Accounting Standards, which include Australian Accounting Interpretations.

(c) Significant accounting judgements, estimates and assumptions

(i) Significant accounting judgement

In the preparation of the financial statements, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may vary from these estimates.

Key judgements are disclosed as part of accounting policies notes.

(ii) Significant accounting estimates and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Judgements made by management in the application of the Australian Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of revenue are discussed below:

(i) Contributions from Government and other bodies are generally recognised as income when the agency obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.
(ii) Catchment Contributions are based on land values and the rateable value attached to that land. Revenue for the year is recognised based on the rate notices for the applicable financial year's contributions.
(iii) Sale of Goods: Revenue from the sale of goods is recognised as revenue when the agency transfers the significant risks and rewards of ownership of the assets.
(iv) Rendering of Services: Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).
(v) Investment Income: Interest revenue is recognised using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

(e) Insurance

The Authority's activities are insured through the NSW Treasury Managed Fund scheme of self-insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience and the insurance coverage is reviewed periodically to ensure that it is adequate.

(f) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except that:

- The amount of GST incurred by the Authority as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables and payables.

Cash flows are included in the cash flow statement on a gross basis. However, the GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

(g) Acquisition of assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Authority. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to the asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent; i.e. deferred payment amount is effectively discounted at an asset-specific rate.

(h) Capitalisation thresholds

Property, plant and equipment and intangible assets costing $5,000 and above individually (or forming part of a network costing more than $5,000) are capitalised. All amounts below $5,000 are expensed to profit and loss as incurred.

(j) Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with the 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper (TPP 07-01). This policy adopts fair value in accordance with AASB 116 Property, Plant and Equipment and AASB 140 Investment Property.

Property, plant and equipment is measured on an existing-use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their higher and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling price for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Authority revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The last revaluation of land and buildings was completed on 30 June 2009 and was based on an independent valuation.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net assets accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus/deficit, the increment is recognised immediately as revenue in the surplus/deficit.

Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of asset, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(j) Impairment of property, plant and equipment

As a not-for-profit entity with no cash-generating units, the Authority is effectively exempt for AASB 136 Impairment of Assets and Impairment Testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(k) Depreciation of property, plant and equipment

Depreciation is provided for on a straight-line basis for all depreciable assets, as detailed below, so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Authority.

All material, separately identifiable components of assets are depreciated over their shorter useful lives. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items.

Land is not a depreciable asset.

The following depreciation rates were applied in 2008–09 and 2007–08:

Buildings	3.03%
Leasehold improvements	9%
Motor vehicles	14%–25%
Plant and equipment:	
Computer equipment	25%
Other plant and equipment	6.67%–25%

(l) Major inspection costs

When each major inspection is performed, the labour cost of performing inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

(m) Restoration costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(n) Maintenance

The day-to-day servicing or maintenance costs are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(o) Intangibles

Easements acquired by the Authority from landholders are capitalised on acquisition at cost. As the easements are a perpetual right, the easements are not amortised. The Authority assesses whether the easements are impaired at least annually. If the recoverable amount is less than its carrying amount the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

(p) Investments

Investments are initially recognised at fair value plus (in the case of investments not at fair value through profit or loss), transactions costs. The Authority determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

Fair value through profit or loss: The Hour-Glass Investment Facilities are designated at fair value through profit or loss using the second leg of the fair value option; i.e. these financial assets are managed and their performance is evaluated on a fair value basis. In accordance with the Authority's risk management strategy, information about these assets is provided internally on that basis to the Authority's key management personnel.

Designation at fair value through profit or loss is consistent with the Authority's risk management policy.

The movement in the fair value of the Hour-Glass Investment Facilities incorporates distributions received as well as unrealised movements in fair value and is reported in the line item 'investment revenue'.

(q) Impairment of financial assets

All financial assets are measured at fair value through profit or loss and are not subject to an annual review for impairment.

(r) Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Authority transfers the financial asset:

- where substantially all the risks and rewards have been transferred
- where the Authority has not transferred substantially all the risks and rewards, but has not retained control.

Where the Authority has neither transferred nor retained substantially all the risks and rewards of ownership or transferred control the asset is recognised to the extent of the Authority's continuing involvement in the asset and an associated liability for amounts it may have to pay.

(s) Other assets

Other assets are recognised on a cost basis.

(t) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the Income Statement when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(u) Biological assets

Biological assets are measured on initial recognition and at each reporting date at fair value less estimated point-of-sale costs, or reasonable estimates of the fair value less estimated point-of-sale costs.

A gain or loss arising on initial recognition of a biological asset at fair value less estimated point-of-sale costs and from a change in fair value less estimated point-of-sale costs of a biological asset is included in profit or loss for the period in which it arises.

(v) Liabilities

(i) Payables

These amounts represent liabilities for goods and services provided to the Authority and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Personnel Services

(a) Personnel services

The Authority does not employ staff but utilises the personnel services of the Department of Environment and Climate Change (DECC). The costs of personnel services in respect of wages and salaries, superannuation, annual leave, long service leave, and for sick leave are recognised when it is probable that settlement will be required and they are capable of being measured reliably.

Provision made in respect of benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to settle within 12 months are measured at the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

The outstanding amounts of payroll tax, workers compensation insurance premium and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses when the benefits to which they relate have been recognised.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater that the benefits accrued in the future.

(b) Defined contribution plans

Contribution to a defined contribution fund, such as Basic Benefit and First State Super, are expensed when incurred. It is calculated as a percentage of the employees' salary. In 2007–08 and 2008–09, 9% was contributed.

(c) Long service leave and defined benefits superannuation

The Authority has no liability for long service leave and defined benefit superannuation. Personnel services are acquired from the Department of Environment and Climate Change and the liability of these items has been assumed by the Crown Entity.

(iii) Provision for restoration of leased premises
A provision for restoring leased premises has not been recognised as the amount is not significant.

(w) In-kind contributions
In-kind contributions are recorded as revenue and expense in the Income Statement at fair value.

(x) Assistance provided by other organisations free of charge
The maintenance of the Authority's accounting records and provision of corporate services (excluding IT services) were provided by the Department of Commerce and the Department of Environment and Climate Change free of charge under the provisions of the Corporate Services Service Level Agreement. IT services were provided by 'Servicefirst' on a cost-recovery basis. In addition, other organisations — including community groups — provide in-kind assistance free of charge. It is not possible to reliably estimate the fair value of these services.

(y) Comparative information
Except where an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(z) New Australian accounting standards issue
In the current year the Authority has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the operations and effective for the current reporting period. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policies notes in the financial report.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting period. In accordance with the NSW Treasury mandate (TC 09/03), the Authority did not early adopt any of these accounting standards and interpretations that are not yet effective:

- AASB 3 (March 2008), AASB 127 and AASB 2008-3 regarding business combinations
- AASB 8 and AASB 2007-3 regarding operating segments
- AASB 101 (Sept 2007), AASB 2007-8 and AASB 2007-10 regarding presentation of financial statements
- AASB 123 (June 2007) and AASB 2007-6 regarding borrowing costs
- AASB 1039 regarding concise financial reports
- AASB 2008-1 regarding share-based payments
- AASB 2008-2 regarding puttable financial instruments
- AASB 2008-5 and AASB 2008-6 regarding amendments to Australian Accounting Standards arising from the Annual Improvements Project
- AASB 2008-7 regarding costs of an investment in a subsidiary, jointly controlled entity, or an associate
- AASB 2008-8 regarding eligible hedged items
- AASB 2008-9 regarding AASB 1049 amendments consistent with AASB 101
- AASB 2008-11 regarding business combinations with not-for-profit entities
- AASB 2009-1 regarding borrowing costs of not for profit public sector entities
- AASB 2009-2 regarding financial instrument disclosures
- Interpretation 15 on construction of real estate
- Interpretation 16 on hedges of a net investment in a foreign operation
- Interpretation 17 and AASB 2008-13 on distribution of non-cash assets to owners
- Interpretation 18 on transfers of assets from customers.

It is considered that the impact of these new standards and interpretations in future years will have no material impact on the financial statements of the Authority

NOTE 3. REVENUE

	2009 $'000	2008 $'000
Contributions received from		
Joint State/Commonwealth contributions (i)	9,947	7,911
Operating grant funding	3,083	3,113
Other contributions (ii)	1,073	1,399
Catchment Contributions (iii)	3,278	3,151
	17,381	**15,574**

(i) Contributions were received from the Department of Environment and Climate Change towards achieving pre-negotiated natural resources management outcomes.
(ii) Other contributions were received for specific agreed works towards achieving natural resources management outcomes.
(iii) Landholders within the Hunter catchment are levied in accordance with Section 33 and Schedule 4 of the *Catchment Management Authorities Act 2003* for natural resource management activities within the Hunter catchment.

NOTE 4. OTHER INCOME

Interest	571	947
In-kind contributions made to the Authority	–	1
Gain/(loss) on disposal for consideration of property, plant and equipment	1	(125)
Gain on fair value of biological assets	15	22
Liability assumed by the Crown	392	324
Other	275	250
	1,254	**1,419**

NOTE 5. EXPENSES

Personnel services expenses		
Salaries and wages (including recreation leave)	4,725	4,467
Staff on-costs	1,114	934
	5,839	5,401
Other operating expenses		
Auditor's remuneration (i)	13	16
Board members' remuneration (ii)	164	165
Board members' and committees' costs	50	57
Contractors	17	137
Fees for services-incentive expenditure	4,348	7,816
In-kind work by other organisations	–	1
Insurance	12	15
Accommodation and related expenses	432	352
Stores, materials and minor equipment	639	636
Plant/vehicle expenses	359	293
Travel	83	78
Bad debts	–	1
Other	226	356
	6,343	**9,923**
Depreciation	140	143
Grants and subsidies	7,182	8,292
Total	**19,504**	**23,759**

(i) Audit fee to The Audit Office of New South Wales for audit of financial report. The auditors received no other benefits.
(ii) Board members received no other benefits.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

NOTE 6. CURRENT ASSETS — CASH AND CASH EQUIVALENTS

Current assets — Cash and cash equivalents	2009 $'000	2008 $'000
Cash at bank and on hand	816	1,022
NSW Treasury Corporation — HourGlass cash facility	6,161	9,220
Bank term deposits	919	919
	7,896	**11,161**

Included in the cash and cash equivalents is $6.869 million (2008 – $9.651 million) which is a 'restricted asset'. These funds are required to be spent to achieve specific natural resource outcomes under funding agreements and arrangements.
Also refer to Note 17.

NOTE 7. CURRENT ASSETS — RECEIVABLES

Accounts receivable	77	109
Less: allowance for impairment	–	(1)
Goods & Services Tax recoverable	391	718
Accrued income	1,027	600
Other amounts receivable	2	1
	1,497	**1,427**
Impairment allowance		
Opening balance	–	–
Increase in allowance	–	1
Closing balance	–	1

Also refer to Note 17.

NOTE 8. CURRENT ASSETS — BIOLOGICAL ASSETS

Cattle – 108 head (2008 – 104 head) – at fair value, less estimated point-of-sale expenses	87	76
Reconciliation of biological assets		
Balance at 1 July 2008	76	48
Cattle purchases	9	6
Cattle sales	(13)	–
Gains arising from change in fair value, less estimated point-of-sale expenses	15	22
Balance at 30 June 2009	**87**	**76**

NOTE 9. NON-CURRENT ASSETS — PROPERTY, PLANT AND EQUIPMENT

	Land and buildings $'000	Motor vehicles $'000	Plant and equipment $'000	Total $'000
At 1 July 2008				
Gross carrying amount	4,709	296	442	5,447
Accumulated depreciation	(373)	(233)	(298)	(904)
Net carrying amount	4,336	63	144	4,543
At 30 June 2009				
Gross carrying amount	4,378	296	464	5,138
Accumulated depreciation	(122)	(276)	(331)	(729)
Net carrying amount	**4,256**	**20**	**133**	**4,409**

Reconciliation

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

Year ended 30 June 2009	Land and buildings $'000	Motor vehicles $'000	Plant and equipment $'000	Total $'000
Net carrying amount at start of year	4,336	63	144	4,543
Additions	50	–	18	68
Disposals	(62)	–	–	(62)
Depreciation expense	(68)	(43)	(29)	(140)
Net carrying amount at end of year	**4,256**	**20**	**133**	**4,409**
Year ended 30 June 2008				
Net carrying amount at start of year	4,503	130	163	4,796
Additions	4	–	11	15
Disposals	(111)	(14)	–	(125)
Depreciation expense	(60)	(53)	(30)	(143)
Net carrying amount at end of year	**4,336**	**63**	**144**	**4,543**

NOTE 10. INTANGIBLES

	Total $'000
At 1 July 2008	
Gross carrying amount	306
Accumulated amortisation — Refer to Note 2(p)	–
Net carrying amount	306
At 30 June 2009	
Gross carrying amount	781
Accumulated amortisation — Refer to Note 2(p)	–
Net carrying amount	781

Reconciliation

Year ended 30 June 2009	Total $'000
Net carrying amount at start of year	306
Additions	475
Net carrying amount at end of year	**781**
Year ended 30 June 2008	
Net carrying amount at start of year	306
Additions	–
Net carrying amount at end of year	**306**

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

NOTE 11. CURRENT LIABILITIES — PAYABLES

	2009 $'000	2008 $'000
Accrued personnel services	52	35
Creditors	(7)	864
Accruals	3,343	4,557
Other	827	730
	4,215	**6,186**

Also refer to Note 17.
All payables are expected to be paid in the next 12 months.

NOTE 12. CURRENT/NON-CURRENT LIABILITIES — PROVISIONS

Personnel services and related on-costs		
Personnel services provision	582	562
On-costs	218	182
Aggregate personnel services and related on-costs	**800**	**744**
Provisions: current	792	738
Provisions: non-current	8	6
	800	**744**

All current provisions are expected to be settled within the next 12 months.

NOTE 13. CHANGES IN EQUITY

	Retained surplus		Asset revaluation reserve		Total equity	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Balance at the beginning of the financial year	**10,284**	**17,050**	**299**	**299**	**10,583**	**17,349**
(Deficit) for the year	(869)	(6,766)	(59)	–	(928)	(6,766)
Balance at the end of the financial year	**9,415**	**10,284**	**240**	**299**	**9,655**	**10,583**

NOTE 14. NOTES TO THE CASH FLOW STATEMENT

Cash

For the purpose of the Cash Flow Statement, cash includes cash on hand, in banks and investments in NSW Treasury Corporation Hour-Glass Investment Facilities.

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the Balance Sheet in Note 6.

Reconciliation of (deficit) for the year to net cash flows from operating activities.

	2009 $'000	2008 $'000
Deficit for the year	(869)	(6,766)
Depreciation	140	143
Net loss on sale of non-current assets	1	125
Gain on fair value of biological assets	(15)	(22)
(Increase) in receivables	(70)	(284)
Decrease / (increase) in biological assets	4	(6)
Decrease / (increase) in payables and provisions	(1,914)	722
Net cash flows from operating activities	**(2,723)**	**(6,088)**

NOTE 15. COMMITMENTS FOR EXPENDITURE

(a) Operating lease commitments	2009 $'000	2008 $'000
Aggregate operating lease commitments for office accommodation, motor vehicles and computer equipment. Contracted but not provided for at balance date, payable:		
Not later than one year	307	275
Later than one year and not later than five years	510	494
Later than five years	–	–
Total	**817**	**769**

The Authority has a 25-year lease, which expires on 18 July 2022, with the CB Alexander Foundation at a peppercorn rental for land on which the administrative building is constructed.

The Authority also has an ongoing licence at no rental over Ash Island from the State Property Authority to facilitate the Kooragang Wetland Rehabilitation Project.

The commitments above include GST of $74,240 (2007 – $69,909) expected to be recoverable from the Australian Taxation Office.

(b) Natural resources investment projects commitments		
Aggregate commitments under contract for projects to deliver agreed natural resource outcomes. Contracted but not provided for at balance date, payable:		
Not later than one year	3,528	5,420
Later than one year and not later than five years	–	–
Later than five years	–	–
Total	**3,528**	**5,420**

The commitments above include GST of $188,436 (2008 – $301,673), expected to be recoverable from the Australian Taxation Office.

(c) Finance lease payable commitments

The Authority did not have any finance lease payable commitments at balance date.

NOTE 16. CONTINGENT LIABILITIES/ASSETS

The Authority is in litigation regarding the valuation of an easement in the compulsory acquisition of easements at Hexham Swamp. At this stage the extent of contingent liability is not known (2008 – $nil). Apart from the amounts disclosed in Note 15, there are no known contingent assets at balance date.

NOTE 17. FINANCIAL INSTRUMENTS

The Authority's principal financial instruments are outlined below. These financial instruments arise directly from the Authority's operations or are required to finance the Authority's operations. The Authority does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Authority's main risks arising from financial instruments are outlined below, together with the Authority's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout this financial report.

The Authority's Board has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Authority, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Authority's Board on a continuous basis.

(a) Financial instrument categories

Financial assets	Note	Category	Carrying amount	Carrying amount
Class			**2009 $'000**	**2008 $'000**
Cash and cash equivalents	6	n.a.	7,896	11,161
Receivables (i)	7	Loans and receivables (at amortised cost)	1,104	709
Financial liabilities	**Note**	**Category**	**Carrying amount**	**Carrying amount**
Class			**2009 $'000**	**2008 $'000**
Payables (ii)	11	Financial liabilities measured at amortised cost	4,215	6,186

Notes
(i) Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
(ii) Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

(b) Credit risk

Credit risk arises when there is the possibility of the Authority's debtors defaulting on their contractual obligations, resulting in a financial loss to the Authority. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Authority, including cash, receivables and Authority deposits. No collateral is held by the Authority. The Authority has not granted any financial guarantees.

Credit risk associated with the Authority's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards. Authority's deposits held with NSW TCorp are guaranteed by the state.

(i) Cash and cash equivalents

Cash comprises cash on hand, in banks and investment with the NSW Treasury Corporation Hour-Glass Investment Facilities. The TCorp Hour-Glass cash facility is discussed in para (f) below.

(ii) Receivables — trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectibility of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors.

The Authority is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2009 – $76,767; 2008 – $106,186) and not less than one month past due (2009 – $225; 2008 – $1,465) are not considered impaired and together these represent 100% of the total trade debtors (2008 – 99%). Most of the Authority's debtors have a good credit rating. There are no debtors which are currently not past due or impaired whose terms have been renegotiated.

The credit risk is the carrying amount (net of any allowance for impairment). The carrying amount approximates net fair value. Sales are made on 30-day terms. No interest is earned on trade debtors.

	Total[1,2] ($'000)	Past due but not impaired[1,2] ($'000)	Considered impaired[1,2] ($'000)
2009			
Less than three months overdue	–	–	–
Three to six months overdue	–	–	–
More than six months overdue	–	–	–
2008			
Less than three months overdue	2	2	–
Three to six months overdue	–	–	–
More than six months overdue	1	–	1

1. Each column in the table reports 'gross receivables'.
2. The ageing analysis excludes statutory receivables, as these are not within the scope of AASB 7 and excludes receivables that are not past due and not 'impaired'. Therefore, the total will not reconcile to the receivables total recognised in the balance sheet.

(iii) Other financial assets

Deposits at 30 June 2009 were earning an average interest rate of 3.03% (2007–08 – 7.41%), while over the period the average interest rate was 4.57% (2007–08 – 6.90%).

(c) Liquidity risk

Liquidity risk is the risk that the Authority will be unable to meet its payment obligations when they fall due. The Authority continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high-quality liquid assets. The objective is to maintain a balance between continuity of funding and expenditure.

During the current and prior years, there were no defaults or breaches on any payables. No assets have been pledged as collateral. The Authority's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. The rate of interest applied during the year was Nil% (2008 – Nil%).

The table below summarises the maturity profile of the Authority's financial liabilities, together with the interest rate exposure.

	Weighted average effective interest rate	Nominal amount	Interest rate exposure		Maturity dates		
			Fixed interest rate	Variable interest rate	<1 year	1–5 years	>5 years
		$'000	$'000	$'000	$'000	$'000	$'000
2009 Payables							
Accrued salaries, wages and on-costs	n.a.	52	–	–	52	–	–
Creditors	n.a.	(7)	–	–	(7)	–	–
		45	–	–	45	–	–
2008 Payables							
Accrued salaries, wages and on-costs	n.a.	35	–	–	35	–	–
Creditors	n.a.	864	–	–	864	–	–
		899	–	–	899	–	–

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Authority's exposures to market risk are primarily through price risks associated with the movement in the unit price of the Hour-Glass Investment Facilities. The Authority does not have any borrowings. The Authority has no exposure to foreign currency risk and does not enter into commodity contracts.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Authority operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the balance sheet date. The analysis is performed on the same basis for 2008. The analysis assumes that all other variables remain constant.

(e) Interest rate risk

As the Authority has no interest bearing liabilities its exposure to interest rate risk is minimal. The Authority does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore, for these financial instruments a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Authority's exposure to interest rate risk is set out below.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2009 CONTINUED

	$'000				
		-1%		+1%	
	Carrying amount	Profit	Equity	Profit	Equity
2009					
Financial assets					
Cash and cash equivalents	7,896	(79)	(79)	79	79
Receivables	1,106	(11)	(11)	11	11
Financial liabilities					
Payables	4,215	42	42	(42)	(42)
2008					
Financial assets					
Cash and cash equivalents	11,161	(112)	(112)	112	112
Receivables	709	(7)	(7)	7	7
Financial liabilities					
Payables	6,186	62	62	(62)	(62)

(f) Other price risk

Exposure to 'other price risk' primarily arises through the investment in the TCorp Hour-Glass Investment Facilities, which are held for strategic rather than trading purposes.

The Authority has no direct equity investments. The Authority holds units in the following Hour-Glass Investment trusts.

Facility	Investment sectors	Investment horizon	2009 $'000	2008 $'000
Cash facility	Cash, money market instruments	Up to two years	6,161	9,220

The unit price of each facility is equal to the total fair value of net assets held by the facility divided by the total number of units on issue for that facility. Unit prices are calculated and published daily.

NSW TCorp, as trustee for each of the above facilities, is required to act in the best interest of the unitholders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. However, TCorp, acts as manager for part of the Cash Facility. A significant portion of the administration of the facilities is outsourced to an external custodian.

Investment in the Hour-Glass Facilities limits Authority's exposure to risk as it allows diversification across a pool of funds, with different investment horizons and a mix of investments.

NSW TCorp provides sensitivity analysis information for each of the facilities, using historically based volatility information collected over a 10-year period, quoted at two standard deviations (i.e. 95% probability). The TCorp Hour-Glass Investment Facilities are designated at fair value through profit or loss and therefore any change in unit price impacts directly on profit (rather than equity). A reasonably possible change is based on the percentage change in unit price (as advised by TCorp) multiplied by the redemption value as at 30 June each year for each facility (balance from Hour-Glass statement).

	Impact on profit/loss		
	Change in unit price	2009 $'000	2008 $'000
Hour-Glass Investment Cash Facility	+1%	61	92
	-1%	(61)	(92)

(g) Fair value

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour-Glass Investment Facilities, which are measured at fair value. As discussed, the value of the Hour-Glass investments is based on Authority's share of the value of the underlying assets of the facility, based on the market value. All of the Hour-Glass Investment Facilities are valued using 'redemption' pricing.

The amortised cost of financial instruments recognised in the balance sheet approximates the fair value, because of the short-term nature of many of the financial instruments.

NOTE 18. AFTER BALANCE DATE EVENTS

There are no significant events subsequent to Balance Sheet date.

The township of Forster, in the north of the Hunter–Central Rivers region.

Section 9

Appendices

APPENDIX 1 | CMA CAP MANAGEMENT TARGETS TO BE ACHIEVED BY END OF 2015

1	Protect an additional 31,000 hectares of native vegetation
2	Regenerate 25,500 hectares of native vegetation
3	Treat 2,400 hectares of weed-affected lands
4	Implement priority recovery actions on 800 hectares
5	Manage an additional 52,000 hectares of landscapes having physical, cultural or spiritual significance to Aboriginal people
6	Protect an additional 4,600 hectares of wetlands
7	Enhance 2,600 hectares of wetlands
8	Treat animal pests over 31,000 hectares
9	Manage 200 kilometres of roads that affect sensitive areas using current best practice erosion and sediment control
10	Revegetate 8,400 hectares of highly erodible soils
11	Stabilise 800 hectares of actively eroding soils
12	Revegetate 1,200 hectares of salinity recharge areas with deep-rooted vegetation
13	Improve nutrient management on 500 hectares of land
14	Stabilise 150 hectares of salt-affected areas
15	Implement sustainable grazing management practices on an additional 19,000 hectares of grazing land
16	Develop and implement property plans for an additional 25,000 hectares
17	Protect an additional 1,100 kilometres of native riparian vegetation
18	Regenerate 550 kilometres of degraded native riparian vegetation
19	Restore fish passage to 60 in-stream barriers
20	Stabilise 125 kilometres of unstable or degraded stream channels and estuarine shorelines
21	Improve habitat to 200 km of stream channels
22	Maintain 420 Lower Hunter Valley Flood Mitigation Scheme structures
23	Retrofit 620 hectares of existing developed areas with current best practice urban stormwater management
24	Improve the management of 120 sewage management systems
25	Manage 75 estuarine floodgates to increase tidal movement
26	Treat an additional 5,000 hectares of acid sulfate soils
27	Revegetate 240 hectares of degraded dune systems
28	Protect an additional 21,000 hectares of priority marine habitat
29	60 industry groups develop, adopt and audit an Environmental Management System
30	Enhance 130 kilometres of vegetation along coastal lake shorelines
31	Enhance 250 kilometres of marine shorelines

APPENDIX 2 | FUNDS INVESTED IN NON-GOVERNMENT COMMUNITY ORGANISATIONS

Name of group	Amount	Project and outcomes	Outlook
Community Environment Network Inc.	$10,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed
Mid North Coast Dairy Advancement Group Inc.	$4,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed
The Gloucester Project Inc.	$2,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed
Hunter Region Landcare Network Inc.	$10,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed
Karuah–Great Lakes Landcare Management Committee	$10,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed
Lake Macquarie Landcare Network Inc.	$10,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed
Manning Coastcare Group	$4,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed
Manning Landcare Coordinators Management Committee Inc.	$10,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed
The Hunter Wetlands Centre, Australia	$10,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed
Trees in Newcastle	$10,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed
WyCare Inc.	$10,000	Network support payments provided through a competitive application process to enable NRM networks to support and improve the capacity of their constituent groups and individuals to assist with implementation of the CMA's Catchment Action Plan	Completed

Appendix 2 continued

Name of group	Amount	Project and outcomes	Outlook
The Hunter Wetlands Centre, Australia	$10,000	Additional project payment to Hunter Network from HCC funds to implement the Catchment Management Targets nominated in its network support proposal	Weeds removed and riparian vegetation established
Trees in Newcastle	$10,000	Additional project payment to Hunter Network from HCC funds to implement the Catchment Management Targets nominated in its network support proposal	Weeds removed and riparian vegetation established
Hunter Region Landcare Network Inc.	$9,026	Additional project payment to Hunter Network from HCC funds to implement the Catchment Management Targets nominated in its network support proposal	Nursery for aquatic plants established
Singleton Shire Landcare Network Inc.	$10,000	Additional project payment to Hunter Network from HCC funds to implement the Catchment Management Targets nominated in its network support proposal	Preparatory earthworks undertaken for major riparian revegetation project
Awakabal Local Aboriginal Land Council	$60,000	Aboriginal heritage management plans for Kooragang Wetlands and Hexham swamps	Completed
Mid Coast Dairy Advancement Group	$15,620	Conduct training sessions in Nutrient Management with dairy farmers in the Great Lakes Council area.	Enable landholders to implement appropriate nutrient-control works through relevant CMA programs
Earthcare Park	$6,930	Revegetation of Lower Hunter Endangered Ecological Community – Spotted Gum Ironbark Forest	Five year contract in place to maintain works
Avondale College	$9,614	Fencing out and management of riparian zone	Five-year contract in place to maintain works
Gresford Community Group	$2,664	Riparian weed control and revegetation	Five-year contract in place to maintain works
Williams River Care Association	$728	Trial of in-stream and riparian planting to prevent erosion	Five-year contract in place to maintain works
Girl Guides NSW ACT	$3,000	Riparian weed control and revegetation	Five-year contract in place to maintain works
McMasters Beach Bushcare Group	$7,500	Revegetation and stormwater control	Five-year contract in place to maintain works
Trees in Newcastle	$10,000	Coastal bush regeneration across several sites	Five-year contract in place to maintain works
The Hunter Wetlands Centre, Australia	$43,210	Establishment of nursery, revegetation and weed control on wetlands site	Fifteen-year contract in place to maintain works
Forster Aboriginal Land Council	$9,827	Revegetation, weed management and rubbish removal in native bushland	Five-year contract in place to maintain works
Forster Aboriginal Land Council	$9,990	Riparian zone managed	Five-year contract in place to maintain works
Friends of the Lansdowne Nature Reserve & DECC	$9,990	Weed control and regeneration of endangered ecological community	Five-year contract in place to maintain works
WetlandCare Australia	$80,000	Wetland rehabilitation works in Lower Hunter wetlands and promotion of sustainable wetland management	Fifteen-year contract in place to maintain works
Warada Aboriginal Landcare	$10,000	Workshops, excursions, field days, cultural awareness days	Completed
Koorana Aboriginal Landcare	$10,000	Native planting/bush tucker 'Outdoor classroom' activities at Toronto High School	Completed

Appendix 2 continued

Name of group	Amount	Project and outcomes	Outlook
Darkinjung Local Aboriginal Land Council	$10,000	Recording Aboriginal landscape values in Gosford and Wyong areas	Completed
Bahtabah Local Aboriginal Land Council	$5,519	Weed removal and native planting/bush tucker species	Completed
Karong Aboriginal Corporation	$5,950	Treating weeds and mulching green waste	Completed
Koompahtoo Local Aboriginal Land Council	$10,000	Nursery support and capacity building	Completed
Taree Indigenous Development Employment Ltd (TIDE)	$10,000	Recording Aboriginal landscape values in Greater Taree area and the effects of climate change on foredune areas with Aboriginal sites	Completed
Worimi Local Aboriginal Land Council	$10,000	Native planting/Bush Tucker	Completed
WetlandCare Australia	$50,000	Weed and pest management activities on wetlands in the Hunter estuary and Great Lakes region	Fifteen-year contract in place to maintain works
Manning Landcare Coordinators Management Committee Inc.	$53,321	Implementation of Rivercare Plans in the mid Manning and Lower Wallamba River	Fifteen-year contract in place to maintain works
Manning Landcare Coordinators Management Committee Inc.	$35,000	Community support, capacity building and education activities in the lower Manning	Network of groups and individuals working on NRM maintained and supported
Community Environment Network Inc.	$79,360	Delivery of the Waterwatch program in the Gosford and Wyong LGAs	Completed
TOTAL	**$687,249**		

THROUGH HUNTER–CENTRAL RIVERS CMA SPONSORSHIP OR EDUCATION FUNDS

Name of group	Amount	Project and outcomes	Outlook
Grasslands Society	$300	Sponsoring the society's annual conference	Agreement only for 2008–09
Hunter Bird Observers Club	$2000	Sponsoring the clubs *Whistler* publication	Agreement only for 2008–09
Hunter Region Landcare Network	$1000	Sponsoring the Landcare Network's annual forum	Agreement only for 2008–09
Hunter Bird Observers Club	$4000	Funds to develop information and photos for a publication *Threatened and Declining Woodland Birds of the Cessnock–Kurri Kurri Area*, and conducting a local bird walk	Information (including photos) being used to develop a publication in 2009–10
TOTAL	**$7,300**		

APPENDIX 3 | **PUBLICATIONS AND INFORMATION**

Publication type	Produced in 2008–09
Fact sheets/flyers/educational worksheets/display posters/ fridge magnets/stickers	Annual Report 2007/08 Annual Report summary 2007/08 Exploring Kooragang Wetlands 2009 Hunter–Central Rivers Champions of the Catchment Awards brochure 2009 Hunter–Central Rivers Champions of the Catchment Awards application form Marine Discovery Series CMA Granting Sponsorship Application Form How can the CMA help you? Vegetation and Biodiversity Targets Soil and Salinity Targets Aquatic Health Targets Sustainable Farming Practices Targets Wetland Targets Registration of Interest form Congewai field day Goorangoola Creek field day Horse management workshops About the Hunter River Explorer website Upper Pages River Community Day Seagrass friendly moorings Open Project Scheme Merriwa bug survey Carbon accounting field day Upper Allyn River field day VegWatch Vineyard field day Hexham Swamp Rehabilitation Project
Books	*Maitland, City on the Hunter — Fighting Floods or Living With Them*
Joint publications	*Marine Discovery Series* flyers *Walk and Talk for Woodland Birds*
Newsletters	*Catchment News* (electronic version): 12 editions *The Waterwatcher*: four editions
Displays	*Central Coast* banners *Marine Discovery Series* banner *Timeline for the Hexham Swamp Rehabilitation Project*
Resources and reference guides	Field Day Checklist Guidelines for Communities Caring for Catchments in 2009–10 Guidelines for Partnerships Program in 2009–10 Proposal form for Partnerships Program in 2009–10 Guidelines for Incentives in 2009–10
PlaceStories (digital stories)	The Hexham Swamp Rehabilitation Project CMA and the Community Working Together to Protect the Catchment
Websites	The Hunter River Explorer
Signs	Visitor interpretive shelter and map at the KWRP Installed two timber visitor-information signs at the KWRP
Total	**61**

APPENDIX 4 | CMA SUBCOMMITTEE MEMBERS

Hunter Community Reference Group

Arthur Burns (Co-chair)	CMA Board member
Julia Imrie (Co-chair)	CMA Board member
Patricia Bestic	(appointed November 2008)
George Betts	(appointed November 2008)
Norma Brooks	
Paul Collins	(retired November 2008)
Peter Dixon-Hughes	
John Drinan	
Linda Gant	
Tony Hegarty	(appointed November 2008)
Peter Horn	(appointed November 2008)
Arch Humphery	(appointed May 2009)
Geoff Hyde	
Ray Jacobsen	(retired November 2008)
Noel Jupp	(appointed November 2008)
John Kennedy	(retired June 2009)
Jennifer Lecky	(appointed May 2009)
Eric Line	(appointed November 2008)
Geoff Marschke	(retired November 2008)
Andrew Martin	
Margaret McMahon	
Susan Moore	(retired November 2008)
Nuatali Nelmes	(appointed May 2009)
David Newham	(retired November 2008)
Ted Sorby	(retired November 2008)
Stephen Thatcher	

Aboriginal Cultural Environment Network – CMA Partnership Committee

John Weate (Co-Chairperson)
Mick Leon (Co-Chairperson)
John Clark (Associate member)
Noel Dates (Associate member)
Mick Green
Cheryl Kitchener (Associate member)
Aleshia Lonsdale
Beverley Manton (Associate member)
Tom Miller
Zelma Moran (Associate member)
Lillian Moseley (Associate member)
Warranha Ngumbaay
Carol Ridgeway (Associate member)
Deborah Swan
Steve Talbot
John Thorpe (Resigned July 2009)
Lois Towney
Rhonda Ward

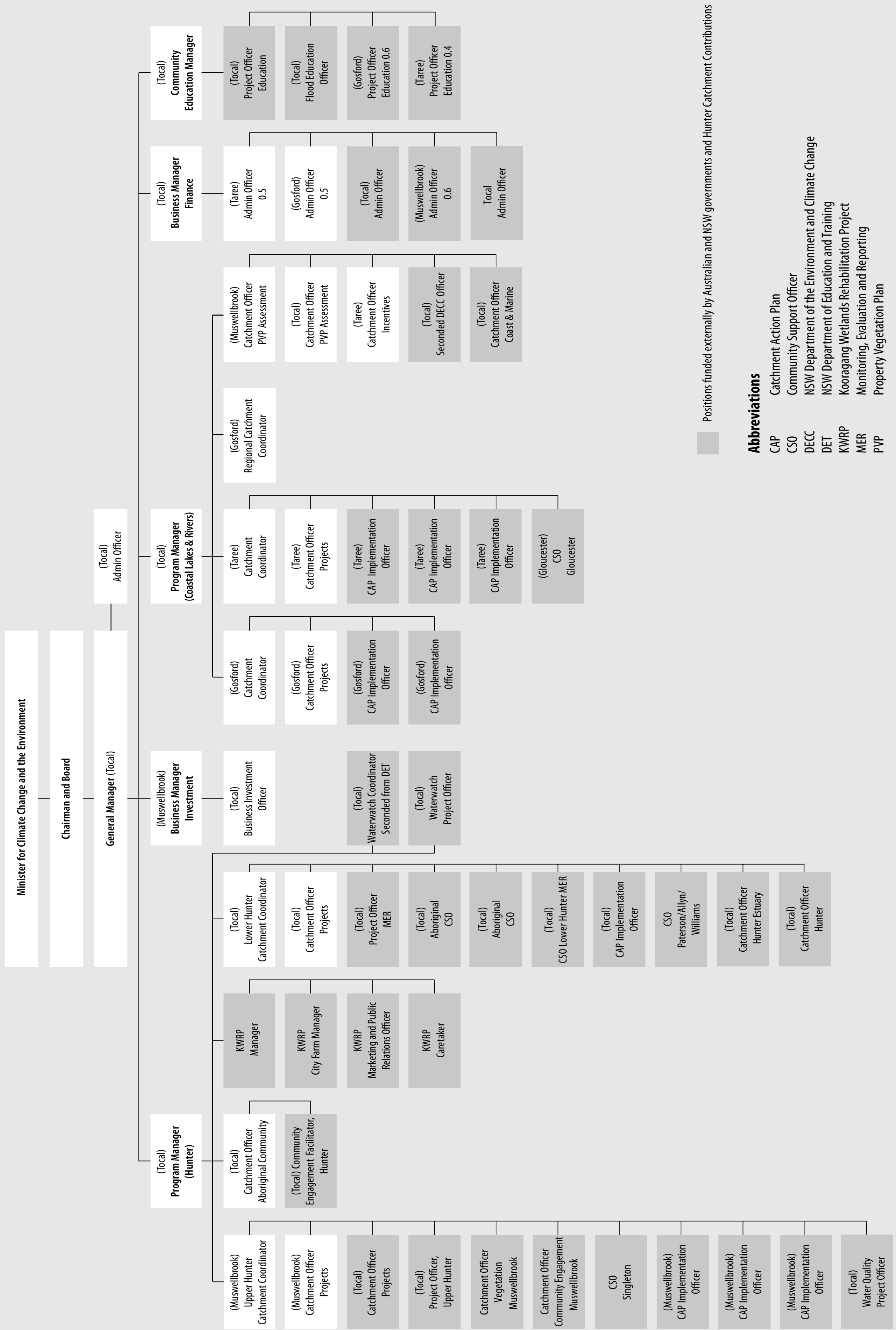
Hexham Swamp and Kooragang Wetland Rehabilitation Projects Committee

Wej Paradice (Chair)	CMA Board Chairman
Helen Brown	Port Stephens Council
Boyd Carney	Hunter Wetlands Centre Australia
Scott Carter	NSW Fisheries
Jenny Castles	Community member
Bob Cooke	Newcastle City Council
Craig Copeland	Department of Primary Industries
Garry DeRedder	Community member
Glenn Evans	Hunter–Central Rivers CMA
John Fitter	Community member
Dennis Hirst	Community member
Rob Henderson	Hunter–Central Rivers CMA
Ann Lindsey	Community member
Eric Line	Community member
Sharon Molloy	Department of Primary Industries
Michael Murphy	NSW National Parks and Wildlife Service
Michael Osbourne	Newcastle City Council
Bruce Peterson	Port Stephens Council
Brett Peterkin	Community member
Brian Purdue	Community member
John Simpson	Hunter Water Corporation
Ric Slatter	Department of Environment and Climate Change
Nick Staheyeff	Hunter–Central Rivers CMA
Kathleen Straw	NSW National Parks and Wildlife Service
Peggy Svoboda	Hunter–Central Rivers CMA
John Tate	Newcastle City Council

Newcastle Catchment Management Forum

Dean Chapman (Chair)	Hunter–Central Rivers CMA
Callaghan Cotter	Hunter–Central Rivers CMA
Boyd Carney	Hunter Wetlands Centre Australia
Jenny Castles	Community member
Garry DeRedder	Community member
John Fitter	Community member
Karenne Jurd	Newcastle City Council
Eric Line	Community member
Robert Lutton	Community member
John McLeod	Community member
Stuart Horvarth	Hunter Water Corporation
David Ralston-Smith	Community member
Paul Smith	Community member

APPENDIX 5 | **ORGANISATION CHART**



APPENDIX 6 | CONSULTANTS ENGAGED

No consultants were engaged in 2008–09.

APPENDIX 7 | INVESTMENT PERFORMANCE

The Hunter–Central Rivers CMA had $919,401 invested in bank and building society term deposits (average interest rate of 5.4% for year) and $6,159,959 invested in Treasury Corporation – Hourglass Facility (average interest rate of 5.35% for year) at 30 June 2009. The CMA carefully considers security, diversification and the interest rate prior to each investment.

APPENDIX 8 | PAYMENT OF ACCOUNTS

Quarterly schedule of accounts payable: Aged analysis at the end of each quarter.

Quarter	Current (i.e. within due date) $	Less than 30 days overdue $	Between 30 and 60 days overdue $	Between 60 and 90 days overdue $	More than 90 days overdue $
September	201,079	0	8,069	0	68,430
December	43,881	0	0	0	77,148
March	15,144	1,621	0	37	78,274
June	5,505	7,547	0	0	0

Accounts paid on time within each quarter.

Quarter	Total accounts paid on time			Total amount paid
	Target %	Actual %	$	$
September	90	84	3,880,303	5,168,191
December	90	86	2,181,460	2,962,023
March	90	75	2,902,780	3,718,375
June	90	87	4,673,967	5,234,092

Notes on above tables:

- Percentage of accounts paid on time is based on SAP Payment Analysis Report, which compares vendor masterfile payment terms, invoice document date and payment document date to determine if payment was made on time and, if not, how many days it was late. The dollar value is the actual dollar value of the documents in each column (i.e. paid on time, not paid on time), so the percentage is based on documents, not dollar value.

Comments

Initiatives to improve payment performance include:

- Tightened controls to ensure correct data entry of payment terms and invoice dates in SAP.
- Prioritise vouchers as they are received in Financial Operations so invoices due for payment first get processed first.
- Use of extra resources to ensure smooth workflow during peak periods.
- Improved compliance with the tax system by vendors and departmental staff.

Procure-to-Pay was established in Accounts Payable in November 2006. This is an across-government initiative to streamline payment of accounts.

Penalty Interest Paid

There was no penalty interest paid during financial year 2008–09.

Payment by Corporate Card

Subject to meeting departmental requirements, eligible staff members are issued with corporate cards to facilitate travel, accommodation and limited purchases.

The department's corporate card policies represent best practice in accordance with Treasury and the Auditor General's guidelines. The Corporate Card Guidelines/Procedures satisfy the requirements of the Revised Treasurer's Directions TD 205.01–205.08 and was based on the NSW Treasury Review of Credit Card Use Best Practice Guide (TPP 99-2). Corporate card expenditures are monitored for compliance with guidelines on a transaction basis and usage was considered to comply with best practice guidelines.

The department incurred no late payment fees as a result of corporate card usage.

APPENDIX 9 | **CREDIT CARD CERTIFICATION**

The Hunter–Central Rivers CMA has two corporate credit cards, one issued to the Chairman and one to the General Manager. Subject to meeting Corporate Shared Services and Department of Commerce requirements, corporate credit cards have been issued to facilitate travel, accommodation and limited purchases. Corporate card policies represent best practice in accordance with Treasury and the Auditor General's guidelines. Corporate-card expenditures are monitored for compliance with the guidelines on a transaction basis. Corporate credit card usage was considered to comply with best practice guidelines.

APPENDIX 10 | **GUARANTEE OF SERVICE**

Purpose

The purpose of this Guarantee of Service is to provide service standards for the Hunter–Central Rivers Catchment Management Authority (CMA) when dealing with its community. The standards allow the CMA to review its performance and improve in the future.

Scope

This Guarantee of Service applies to Treasury's requirements of Statutory Authorities. This needs to be reported each year in the CMA's annual report.

Responsibilities and authorities

- Chair and Board: Set vision and principles for the Guarantee of Service.
- General Manager: Approve service standards and improvement measures.
- Business Manager and Community Education Manager: Document Guarantee of Service and develop service standards. Assess CMA's performance against standards annually and develop two improvement measures for the following year.
- Customer Service staff: Answer telephone calls and respond to enquires via telephone, over the counter and email. Record enquiries on the enquiry and compliments/complaints register.
- CMA staff: Adhere to the Guarantee of Service principles and implement performance standards.

Timing

- Record enquiries on a daily basis.
- Analyse enquiries register in July each year and implement two improvement measures to improve performance in service standards.

Background information

The CMA has been established to engage regional communities in key natural resource management issues facing the Hunter–Central Rivers catchments. One of 13 CMAs established in NSW, CMAs are the primary vehicle for the delivery of incentive programs funded by the NSW and Australian governments to implement natural resource outcomes. CMAs also have a primary role in the management of native vegetation in NSW and administer the *Native Vegetation Act 2003*.

Our vision:	Healthy and productive catchments through the ecologically sustainable management of our natural resources and environment for the benefit of present and future communities.
Our mission:	Working together to better understand and manage our catchments.
Our community:	Rural and residential landholders, community groups, businesses and government agencies (including schools) living and operating in the Hunter–Central Rivers catchments. The CMA also works with the media to disseminate information about catchment activities.

Principles

When dealing with the community, the CMA will adhere to the following principles:

- Our business with the community is always conducted with respect, efficiency, integrity and honesty.
- The CMA aims to involve the community in activities to protect and improve the health of the Hunter–Central Rivers catchments.
- The CMA values feedback from the community and will continually improve its services.
- The CMA is more than just a funding agency. Our aim is to help and support the community with advice, information, incentives and education activities.

Service standards

Telephone calls

The CMA will promptly respond to telephone calls within business hours. Staff answering the call will identify their name and organisation. Calls outside business hours will be diverted to a message bank, which will be checked daily.

Staff also have voicemail and direct phone numbers so that the community can contact staff directly. All staff will check and respond to their voicemail daily. When staff members are on extended periods of leave, they will change their voicemail message or divert phone calls to a staff member who can respond during their absence.

Verbal advice should be followed up with an offer to post further information where applicable.

Emails
All staff must treat emails as normal written correspondence ensuring information contained in emails is accurate, free from errors and well presented for viewing by a public audience. During extended periods of leave, staff will redirect their emails to a staff member who can respond during their absence.

Email enquiries to the CMA email account (hcr@cma.nsw.gov.au) will be checked daily and a response given within five working days. A contact name and telephone number will be provided in all correspondence, including emails. Email enquiries to the CMA email account will be recorded in an enquiry register to monitor the number and type of enquiries received via email.

General correspondence
The CMA will aim to reply to correspondence within 20 working days of receiving it, or within the requested timeframe in the case of submissions. A contact name and telephone number will be provided in all written correspondence.

All correspondence should adhere to CMA policies and style guide on the format of correspondence and delegation for signatories.

Over-the-counter enquiries
CMA offices are open to the community during normal business hours; however, smaller offices may be temporarily unattended. In instances where an office is unattended, a contact phone number will be clearly displayed. If staff are unavailable to answer a counter enquiry, the person's name, phone number and enquiry will be recorded in the enquiry register and a response given within five working days.

If the information required is not publicly available, people can apply for it under the *Freedom of Information Act 1989*.

Field enquiries
CMA staff assisting the community in the field will conduct themselves professionally at all times. Meeting times will be adhered to or, when rescheduling of a meeting is required, every effort will be made to contact the person and arrange an alternative time. Contact staff will provide accurate advice and, in the event of not being familiar with the situation or knowing the answer to a question, will refer to another staff member.

Information
The CMA aims to provide the community with a range of information resources to help implement natural resource management projects. Education staff remain in close contact with other CMA staff to determine the community's information needs and respond accordingly. All electronic publications will be available on the CMA's website.

Educational activities
CMA staff will attend field days, agricultural shows and education events, where there is an identified need and available resources. Staff attending field days will ensure they are abreast of information being displayed and will respond to enquiries from the community during the event.

Referral service

The CMA will update its agency and staff contact list quarterly to ensure that people are directed to the most appropriate staff member. When the enquiry is outside the role of the CMA, staff will endeavour to refer the person to the most appropriate organisation.

Consultation
Staff will plan all consultation activities to ensure they match the needs of the community. By 2010 the CMA will develop a set of protocols for consultation and communication activities with the various communities in the Hunter–Central Rivers Region (including non–English-speaking, Aboriginal and disadvantaged communities).

School enquiries
When students contact the CMA for information, CMA staff will record the name of the teacher and school and forward an information pack directly to the school as well. The CMA will also aim to keep teachers informed of CMA educational activities through its Waterwatch program and participating in targeted teacher workshops.

Media enquiries
Enquiries from the media or journalists should be handled as soon as possible due to news deadlines. All media enquiries must be transferred to the Community Education Manager, or a senior manager in their absence.

Assessing standards
The following activities will be implemented to assess the CMA's performance against the standards.
- Compliments and complaints will be recorded and referred to the Board bi-monthly. Any actions arising from this will be noted in the Board's action list.
- The CMA's performance when answering enquiries via telephone, over the counter and email will be tested annually by a 'mystery shopper'. This may be a student or volunteer. Feedback will then be given to the Business Manager and Community Education Manager to help improve performance.

- The Guarantee of Service will be a topic at annual staff workshops to gain feedback on issues and problems facing the community.
- Feedback on the CMA's service will also be encouraged from the community via workshops, verbal discussions and a community survey available on the CMA website. Feedback will be reviewed annually to improve performance.

Feedback on our service

The CMA welcomes comments about the programs and services provided. Feedback will help us to address concerns, resolve any problems, develop CMA programs and improve service delivery.

A community survey will be developed and made available on the CMA website to encourage feedback from the community (including complaints). People are also invited to provide feedback verbally, in writing, or at annual community workshops. Constructive feedback is welcome as it helps to identify problems and measures to improve the situation in the future.

Compliments also help the CMA identify when it is doing a good job, enabling it to replicate these actions and support these initiatives in the future.

APPENDIX 11 | **PERFORMANCE OF SENIOR OFFICER**

Performance review completed by CMA Chairman Wej Paradice.

PERFORMANCE OF SENIOR OFFICER (NOT CLASSIFIED AS SES 1 PAY OR SOC)

Name:	Glenn Evans
Position:	General Manager
Period in position:	From 23 July 2004
Remuneration package:	$134,598

No female has been previously appointed as General Manager.

RESULTS

Key result area 1: Business management

- 2009–10 Investment Program prepared and approved by the Minister.
- Hunter Catchment Contribution program developed, approved and order published in Government Gazette.
- Policies and/or decisions have been implemented in accordance with Board directions.
- Income and expenditure effectively monitored.

Key result area 2: Partnerships

- Existing partnerships have been maintained and improved.
- New organisational partnerships have been pursued consistent with CAP targets and guiding principles.
- Opportunities for community partnerships have been maximised.
- Positive professional relationships with government, clients, non-government organisations and community have been maintained.

Key result area 3: Investment

- Investment is achieving management targets identified in the CAP.
- Investment proposals/tenders have been appropriately reviewed, prioritised and recommended to the Board.

Key results area 4: Accountability

- Operations maintained within the legal framework.
- Ethical business procedures have been maintained.
- The government and community have been informed of CMA's strategies, programs and projects.

Key result area 5: Governance

- The Board has received reports that are regular, timely and in sufficient details to facilitate decision making.
- The Board has been alerted to actual or anticipated departures from expected outcomes.
- Appropriate information and advice has been provided to the Board on all relevant statutory requirements.
- Appropriate organisational arrangements exist to ensure the efficient and effective handling of reasonable requests from the Board.
- A climate or trust exists between the Board and General Manager

Key result area 6: Human resources

- Change has been managed effectively.
- Any conflict has been managed and resolved effectively.
- The achievement of excellence has been promoted.
- Our professional surroundings and safe working environment have been maintained

Mangroves reshooting in Hexham Swamp in the Hunter River Estuary.

About this report

One hundred and fifty copies of this report were produced at a cost of $9 per copy. The CMA engaged consultant Bruderlin MacLean Publishing Services to design the annual report at a cost of $4,770.
The CMA is committed to reducing costs and paper use by making the annual report available on our website (www.hcr.cma.nsw.gov.au) and limiting the production.

Credits

Compiled by HCRCMA
Production by Bruderlin MacLean Publishing Services
Map by Christine Bruderlin
Photography by HCRCMA

Main front cover picture:
The Hunter River winding its way through the historic Belltrees Station at the foothills of the Barrington Tops in the Upper Hunter.

Front cover bottom right photo courtesy of John Baker and the Department of Environment, Water, Heritage and the Arts.

Hunter-Central Rivers
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