



***The Governance Project: Connecting up
Landcare NSW***

Discussion paper - UPDATED



March 2021

We want to know that they have credibility with the public and their key stakeholders. If they want some money to support what they are doing, they do need to care [about good governance].

NSW GOVERNMENT

NOTICE

This report was prepared by THINK: Insight & Advice Pty Ltd for Landcare NSW (LNSW) using information provided by LNSW, its leadership, management, members, and external stakeholders. While all reasonable care and skill has been taken in preparing this paper, THINK does not accept any liability in relation to any loss or damage incurred because of or in relation to reliance on our findings.



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Foreword

By Dr Adrian Zammit
CEO, Landcare NSW Inc.

The Governance Project – Connecting Up Landcare NSW

Landcare NSW has decided it is timely to review our governance structure to ensure the NSW Landcare community is well-supported, equipped to meet future challenges and ready for new opportunities.

Landcare NSW was formed when a group of volunteers decided a new organisation was needed to give Landcarers a voice in an era of declining support and funding. Fourteen years later, Landcare is building in strength and capability, and Landcare NSW is performing the growing range of activities expected of a well-functioning peak body.

'The Governance Project – Connecting up Landcare NSW' encompasses a thorough review of the way Landcare NSW's governance structures are constituted and operating.

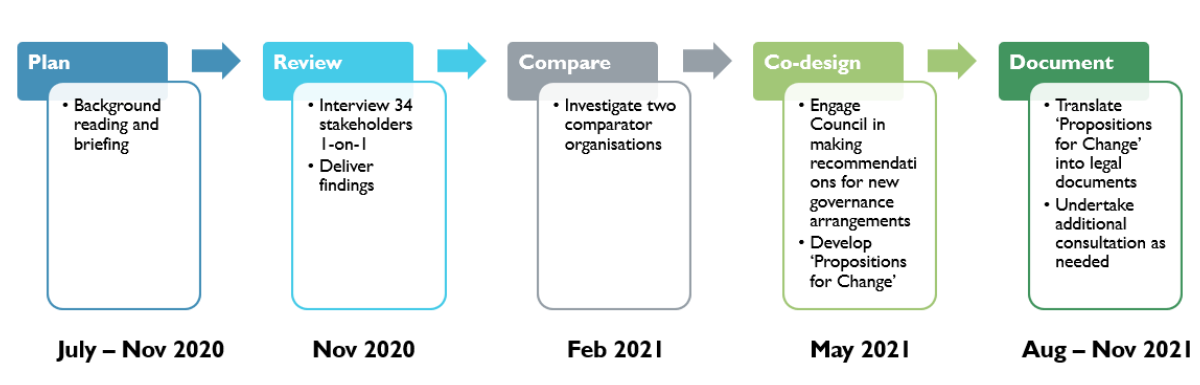
We are assisted by Randall Pearce of *THINK: Insight & Advice* who has undertaken extensive research for this project. Randall has worked with Landcare NSW on several occasions since 2014 and has made a significant contribution to the organisation's development and the growth of Landcare in NSW.

The aims of this 12-month project are:

- Review the representative/governance structure of the Landcare NSW Council
- Consider changes to the Landcare NSW Constitution and the upgrading of existing and creation of new Landcare NSW governance documents and policies
- Discuss the need for the Landcare movement in NSW to act and work in an integrated, collaborative and cooperative fashion and to support the functions of Landcare NSW as its representative body
- Discuss the legitimacy and role of Landcare NSW as a representative peak body with the Landcare NSW membership and wider community of Landcare

Landcare NSW is a member-driven organisation. Therefore, the Governance Project includes engagement at each stage through research, consultation and co-design of new arrangements.

Phases of the Project



What's Next?

March 2021 – Briefings

Online briefings will be held with representatives of regional organisations and the Regional Volunteer Leaders Group.

May 2021 Workshop – Council Meeting

Options will be presented to Council on how we can address the findings. Councillors will be engaged to co-design the new governance arrangements.

June 2021

Discussion paper will be distributed detailing the draft design of the new arrangements developed at the co-design workshop.

July 2021

Parallel consultation with Regional Landcare Organisations.

August 2021 – Council Meeting

Proposed new structure will be presented and legal drafting instructions prepared to develop a new constitution for Landcare NSW.

September – October 2021

Share proposed design and socialise new arrangements with the wider Landcare community.

November 2021 – Special General Meeting

New constitution adopted.

This is an exciting step for our community: changes to our governance structure will ensure Landcare in NSW can act and work in an integrated, collaborative and cooperative fashion and will support the functions of Landcare NSW in its role as a representative body.

I thank you in advance for your cooperation, involvement and continued support as we grow and strengthen Landcare NSW and the Landcare movement in NSW.

You can keep up to date with this project by visiting the Governance Project page in the Members' Section of our website. If you would like to discuss the project or any issues or concerns, please contact me at azammit@landcarensw.org.au.



Introduction

Governance as a system: Best practice governance design in not-for-profit organisations

Governance involves more than a board of directors: it is a system of interconnected bodies which help an organisation enhance performance, manage risk, and comply with the law. According to the Governance Institute of Australia, 'Governance encompasses the system by which an organisation is controlled and operates and the mechanisms by which it and its people are held to account.'¹

While a board of directors sits at the heart of all governance systems, not-for-profit governance systems also include other bodies and processes that help it manage its many stakeholder relationships, including the all-important relationship with its members. The committees and working groups it creates, the member meetings and forums it holds, the consultation mechanisms it uses to keep abreast of member and stakeholder opinion, and the regional organisations it relies upon to implement its decisions on the ground, all need to work together to govern a not-for-profit organisation effectively.



The current governance system of Landcare NSW has five main components: the Executive Committee (or, Committee of Management), the Council (the regional representative forum), the regional organisations (of which there are currently twelve), the local Landcare member groups (of which there are 224 at the moment) and the biennial Muster (which functions as a consultation forum for member and non-member local Landcare groups). *Connecting up Landcare NSW* is about ensuring that all of these bodies work together to govern Landcare NSW effectively and efficiently.

While we are fortunate in Australia to have organisations like the Australian Charities and Not-for-Profit Commission, the Australian Institute of Company Directors and the Governance Institute of Australia that publish and promote best practice guidelines and principles for not-for-profit governance, they focus almost

¹ What is governance?. (2021). Retrieved 20 January 2021, from <https://www.governanceinstitute.com.au/resources/what-is-governance/#:~:text=Governance%20encompasses%20the%20system%20by,are%20all%20elements%20of%20governance>

exclusively on the roles of boards and how they operate.² Comparatively less attention has been paid to the overall design of governance systems.³

The following design specifications build upon the *Not-for-Profit Governance Principles* published by the AICD, but they go a step further and suggest how to design governance *systems* for not-for-profit organisations in Australia. They are used here not as hard and fast rules but as practical benchmarks against which the governance system of Landcare NSW can be evaluated and analysed.

Governance arrangements should be designed to be...

1. Fit for purpose

Governance arrangements should be designed to ‘fit’ the purpose of an organisation and scaled according to its size and complexity. However, governance is a dynamic process and decision-making processes need to be regularly reviewed and updated. As an organisation grows and its purpose evolves, new governance arrangements should be created, and redundant structures discarded, to ensure the continued relevance and effectiveness of the governance system.

2. Clear

Each component of a governance system should play a clear and unmistakable role. Duplication and overlap between the functions of two or more components should be minimised to avoid role conflict and make the best use of volunteer time and organisational resources.

3. Efficient

The job of volunteers should be ‘doable’ and directors should have skills that match the complexity of an organisation and the issues it faces. Governance arrangements should allow the Board to call meetings, achieve quorum and conduct votes to accomplish its work within a reasonable timeframe.

4. Accountable

Under Australian not-for-profit law, members are the owners of a not-for-profit company and have a right to hold the Board and other participants in the governance system to account. Membership is a contract between the members and the directors who represent them around the board table. A good governance system should operate according to democratic principles and regular open elections should be held. The roles of board and management should be kept separate and conflicts of interest should be declared, managed, mitigated or eliminated.

5. Transparent

Stakeholders should have a clear idea of how decisions are made within an organisation and should have access to information about how the governance system operates. People affected by a decision should have an opportunity to be consulted on the decision and a process should be in place to receive

² The Australian Institute of Company Directors. (2019). *Not for Profit Governance Principles*. Sydney: The Australian Institute of Company Directors.

³ Cornforth, C. (2011). Non-profit Governance Research. *Non-profit And Voluntary Sector Quarterly*, 41(6), 1116-1135. doi: 10.1177/0899764011427959



and respond to feedback and complaints. The Board should report to stakeholders about an organisation's performance and financial position regularly.

Like the AICD *Not-for-Profit Governance Principles* themselves, THINK encourages readers to use an 'if not, why not?' approach to applying these specifications to the design of all components of a not-for-profit governance system:⁴

- An independent board of directors
- A system of board sub-committees for key functions such as audit and risk
- A Nominations Committee and election processes
- Member meetings (including annual general and special general meetings) and other membership-wide forums for participatory democracy
- Organisational sub-divisions which have responsibility for delivering programs and member services within a defined geographic region or functional area
- A combined leadership and management forum where the leadership of the organisation and its sub-divisions can coordinate the delivery of programs and member services
- A membership value proposition with clear benefits and (voting) rights

When these bodies and functions are 'connected up', the governance system should operate as a system that helps not-for-profit leaders deliver on their all-important purpose.

Randall Pearce

Managing Director

THINK: Insight & Advice

⁴ The Australian Institute of Company Directors. (2019). *Not for Profit Governance Principles*. Sydney: The Australian Institute of Company Directors.

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Fit for purpose

1. It is difficult to ‘connect up’ an organisation that has always resisted efforts to organise

Landcare NSW is unusual among non-for-profit organisations in that it was formed as an umbrella organisation over a pre-existing ecosystem of independent local groups and regional networks. In fact, Landcare NSW effectively took over the organising role played by federal and state governments from the late 1980s to the early noughties.

‘Intrinsic community level autonomy’ is one of Landcare NSW’s greatest strengths and challenges

Landcare NSW’s governance challenges can be traced back to its roots. During the ‘Decade of Landcare’ (1992-2002) the Commonwealth government directly funded coordinators whose job it was to establish local Landcare groups. Initially, groups were encouraged to incorporate so that they could receive funding directly from the government. The fact that the local groups were individually incorporated, and operated largely independent of one another, gave the movement its ‘intrinsic community level autonomy’⁵ that endures to this day. As a result, Landcare NSW has had to overcome resistance to gain acceptance by Landcarers and permission to represent them.

A lot of Landcarers don’t want to be represented. It is difficult because of the individual character of Landcarers and Landcare groups. They don’t want to be involved in politics. So, there is a mismatch between how the movement sees itself and what we need to be to be effective at the State level.

Like other government programs, ‘membership’ has never been a barrier to participation in Landcare. Events like the Muster, the NSW Landcare Awards and Conference have always been open to members and non-members alike. However, as Landcare NSW has grown into a membership-based peak representative body, membership has taken on new importance.

Under Australian not-for-profit company structures, ‘membership’ is the building block of governance. Members *own* not-for-profit companies in the same way that shareholders *own* for-profit corporations. Only the members of a not-for-profit organisation can elect the directors who represent them around the board table and vote to change the constitution of the company or association. In addition, an open and broad-based membership is key to credibility as an advocate and to the long-term sustainability of the organisation.

Landcare NSW’s reluctance to embrace membership helps explain its current governance challenges

The early leaders of Landcare NSW felt that this upstart organisation had to ‘prove its worth’ and ‘demonstrate value’ before it could market membership to local groups. Until the Local Landcare Coordinator Initiative was introduced in 2015, Landcare NSW did not actively promote membership. Not until 2018 did Landcare NSW launch a membership program, but it touted insurance, not

⁵ Macleod, V. (2019). *Caring for Land and People: A History of Landcare NSW 2007 - 2019*. Sydney: Landcare NSW.

representation, as its primary benefit. Before that, the only groups that had to join were those who wished to host a Local Landcare Coordinator because that was a condition of the program.

The messaging around membership has been completely lost. We have said that membership equals insurance. To get the other groups involved for representation is really hard. How do we sell that message of representation? I just get concerned that they are so concerned with providing value that they have lost sight of the representative role.

Some groups need 'value' to buy it. We still have too much focus on 'value'. For me the big idea is the strategic stuff. Where is our power? Who do we represent?

A second membership program is being rolled out that makes the link between membership and representation more explicit. While local group membership is not within the scope of this project, it is mentioned here to place the governance challenges currently facing the Landcare NSW Council and Executive in a broader context.

2. The purpose of Landcare NSW has evolved over time

According to the AICD, 'purpose is the centrepiece of governance in the NFP sector' and 'it is important for an organisation's stakeholders to understand and support its purpose if it is to be successful in pursuing it'.⁶

Like other not-for-profit organisations, the purpose (or mission) of Landcare NSW has evolved over time. However, based on the results of this study, not all stakeholders have kept pace with the changes over the years. Unfortunately, differing ideas about the purpose of the organisation can lead to differing views on what governance arrangements are fit for purpose today.

In the paragraphs which follow, the purpose of Landcare NSW Inc is traced from its inception in 2007 to its current role in supporting Landcare in NSW.

An activist organisation

When the idea of a peak state body was hatched at Myuna Bay in 2007, its purpose was clear - to address a lack of funding by federal and state governments and a lack of respect from some of the 18 Catchment Management Authorities in place at the time. According to Virginia MacLeod's excellent history of Landcare NSW, *Caring for Land and People: A History of Landcare NSW 2007 – 2019*, 'the understanding and value of Landcare and the support it required varied markedly across the regions' with 'the end result' being that 'less and less funding reached the ground and many Landcare groups were...completely disempowered...resulting in a groundswell of dissatisfaction.'⁷

So, it is fair to say that the original purpose of Landcare NSW can be characterised as an *activist organisation* in support of this emerging protest movement. It embraced 'a collaborative approach' and ensured that 'everybody had a right to be heard.'⁸ So, when Landcare NSW was incorporated under

⁶ The Australian Institute of Company Directors. (2019). *Not for Profit Governance Principles*. Sydney: The Australian Institute of Company Directors.

⁷ Macleod, V. (2019). *Caring for Land and People: A History of Landcare NSW 2007 - 2019*. Sydney: Landcare NSW.

⁸ Ibid.



the *NSW Associations Incorporations Act*, it included two representative bodies: a 'Council of representatives from each of the 21 regions, roughly aligned with the Catchment Management Authorities, and a separate eight-member Executive Committee' drawn from the members of the representative council.⁹

From activist organisation to resource advocate

In its early days, 'Council was determined not to organise or control but rather to assist groups to run themselves'.¹⁰ However, the one thing that local groups could not do for themselves was lobby governments for resources, including funding for all-important Landcare coordinators.

In the lead up to the 2011 State election, Landcare NSW Inc was successful in securing a small amount of funding 'that demonstrated the importance of this local level support'¹¹ and, in the process, its purpose evolved from activist organisation to *resource advocate*.

Services organisation: what Landcare NSW is not

In the years immediately following, Landcare NSW applied for government grants to benefit the Landcare community while at the same time keeping itself afloat. It garnered \$4.2 million from the Australian Government's 'Caring for Our Country' program and another \$6 million from partners in support of a 'Communities in Landscape' project that it operated from 2011 to 2012. While there were millions of dollars flowing through the accounts, Landcare NSW soon learned that implementing government programs does not meet the costs of operating a peak body. More importantly, it learned that fulfilling the terms of a government grant is not the same as fulfilling a not-for-profit mission. Former Secretary of the Commonwealth Department of Prime Minister and Cabinet, and CEO of the Centre for Social Impact, Professor Peter Shergold AC, refers to this phenomenon as 'mission creep' - the tendency of non-profit organisations to widen the scope of their activities simply to attract more government funds.¹² As a result of this experience, Landcare NSW concluded that it is not a services organisation and that it should return to its role as *resource advocate*.

Services organisation? No and we kind of went there early with the Communities in Landscapes Project. We got \$4M out of Caring for our Country. We ran a massive project with CSIRO, etc... It almost broke us as an organisation. That is not what we set it up to do.

Return to mission: Landcare NSW as resource advocate

In 2014, Landcare NSW received a grant from the Vincent Fairfax Family Foundation to conduct research and develop a strategic plan for Landcare NSW. Its first strategic plan called for 'Securing the long-term financial viability of Landcare NSW' to 'support local groups in gaining access to private and public funding of NRM projects'.¹³

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.

¹² Saunders, P., & Stewart-Weeks, M. (2009). *Supping with the Devil* (p. 18). St Leonards, N.S.W.: The Centre for Independent Studies.

¹³ THINK: Insight & Advice Pty Ltd. (2014). *Sustaining Landcare: Strategy and Implementation Plan 2014 - 17*. Sydney: Landcare NSW.

In the lead up to the 2015 State election, Landcare NSW engaged with State parliamentarians from across the political spectrum to raise awareness of Landcare. As a result of the representations made by Landcare NSW and local groups, a grant of \$15 million over four years was secured to implement the Local Landcare Coordinator Initiative (LLCI) to increase the number of Local Coordinators and provide services to help groups. At the 2019 election, a further \$22.5 million was secured to extend and expand the renamed NSW Landcare Program which saw 72 local coordinators, 11 regional coordinators and 5 program staff deployed in support of local Landcare groups until 2023. The NSW Landcare Program is co-delivered by Landcare NSW and NSW Local Land Services under the auspices of a Joint-Management Committee.

As part of the initial phase of this project, 36 one-on-one interviews were held with key internal and external stakeholders. Most respondents agreed that the primary purpose of Landcare NSW today is to advocate for funding to support local Landcare groups.

Its primary purpose should be to be our advocate and to do administration so that we can keep working on the ground. It's important to have that big body because we don't have access to government funding. To have someone who can do that advocacy for us is important.

We need to have a representative voice that speaks to the federal and state governments for resource allocation so that we can prosecute our ROI and continue providing resources for our community. - LCC

The primary purpose should be to ensure the sustainability of the movement itself – financial and human capacities. The peak group is responsible for stewardship – to ensure an ongoing pipeline of investment and support to volunteers on the ground. – NSW GOVERNMENT

3. Good governance is not a choice for a resource advocate

Good governance is not a choice for a resource advocate. As the residents of Hamelin learned when they sought the help of the Pied Piper to rid their town of rats, 'he who pays the piper calls the tune,' so too must Landcare NSW abide by the conditions set down by funders if it is going to play the role of *resource advocate*.

We want to know that they have credibility with the public and their key stakeholders. If they want some money to support what they are doing, they do need to care [about good governance]. NSW GOVERNMENT

We operate on a governance model, so we [need to] speak the same language. From a risk exposure perspective, it is very important that we are investing in an organisation. If we have greater confidence, we can enter those contracts with fewer concerns. – NSW GOVERNMENT

This reality will force a trade-off between 'the movement's intrinsic community level autonomy' and the need for a more structured and connected up governance system. If Landcare NSW is going to continue to win its share of funding, it will need to ensure that its governance arrangements meet and exceed those of its competitors.

Most of the governance arrangements of Bush Heritage, Greening Australia, Nature Conservation Council are of very high quality and the relationships reflect that. – NSW GOVERNMENT

To do so, Landcare NSW will not just need to address the issues with its Council or Executive (i.e., the Board) of Landcare NSW, it will need to undertake system-wide reform. The entire system, including



regional organisations, will need to embrace good governance as a necessary pre-condition to further funding, be it from government or other sources.

Some of the representatives of regional organisations and local groups who were interviewed for this study complained about the amount of ‘red tape’ required to comply with the conditions of the NSW Landcare Program under which the local coordinators are employed. In particular, they complained about the burden of local wage administration.

When government representatives were asked to respond to the discontent, the response was unambiguous.

INTERVIEWER: *It is a requirement of the government for funding recipients to complete the biennial ‘health check’. At 150 questions it is a little overwhelming for some of the groups to complete.*

RESPONDENT: *It is a dilemma. If they are going to get the money, they need to answer the questions. The answers are the basis of what we do. As transparency increases, it is not going to go the other way. There is a need for capacity and capability building. – NSW GOVERNMENT*

Regrettably, some grassroots members misinterpret the need for more robust governance as corporatisation. However, if Landcare is going to continue to successfully lobby for more funding for local groups, Landcare NSW will need to develop its organisational ‘capacity and capability building’ further.

In terms of representing the vision of Landcarers on the ground, we may have peaked. People on the ground say, ‘It is all really corporate now’.

Hats off to Landcare NSW for diversifying its funding. That needs to continue because it only takes a change of minister for things to change overnight. For the long-term sustainability of the movement, they need to diversify their revenue streams. I would not be banking on any government continuing to invest beyond the most essential core services post Pandemic. – NSW GOVERNMENT

4. The governance system of Landcare NSW is no longer fit for purpose

The governance system of Landcare NSW still largely resembles that which was put in place when the organisation was established 14 years ago as an *activist organisation*. However, now that Landcare NSW has evolved to become a *resource advocate* and grown rapidly and diversified its activities and resource base, its governance system is no longer fit for purpose.

Council is not constituted as a decision-making body

As noted in *Caring for Land and People: A History of Landcare NSW 2007 – 2019*, the founders of the organisation were determined ‘not to organise and control’ the organisation.¹⁴ Hence, Council was set up as a place where everyone could be heard, not where decisions could be made. However, that was not clear to many of the people who participated in this study.

There are three key reasons why Council cannot function as a decision-making body. First, although Council has decreased in size as the number of regions has shrunk from 21 to 12, it is still too big to

¹⁴ Macleod, V. (2019). *Caring for Land and People: A History of Landcare NSW 2007 - 2019*. Sydney: Landcare NSW.

function as an effective decision-making body. As AICD advises, meetings of governing bodies need to 'provide opportunity for all directors to contribute'.¹⁵ Second, while many of the Councillors are highly skilled, there are no skill requirements to qualify for the job: a councillor is simply 'endorsed' by one of Landcare NSW's twelve regions. The organisation has only recently amended its constitution to permit three skills-based directors to be appointed independently. Third, because Councillors are 'endorsed' by the regional committee rather than elected by the member groups in that region, they have a weak mandate to make decisions. They have two alternatives: they can either hope that their constituents will abide by the decision, or they can take it back to them for further consultation. Like other representative councils, the Landcare NSW Council has found itself tied up in 'feedback loops' from time to time.

Council is too big, and it's not qualified to be a decision-making body. It doesn't have the skills it needs.

Today, its decision-making role is limited to 'ratifying' or 'socialising' decisions which have been taken by the Executive.

The Council brings the ideas together, but the Executive makes the decision following the consultation.

Council ratifies decisions made by the Executive. They don't always understand the intricacies but that's how it actually works. – LCC

The Executive Committee lacks the independence needed to act as a board

The people who drafted the Landcare NSW Inc Constitution understood that Council was too big to make decisions effectively and efficiently. Hence, they provided for an eight-member Executive Committee.

When you have 30-plus people in the room and you are trying to understand the issues that they bring, it can be a big job. So, what tends to happen is that a smaller group of people make the decisions.

However, the Executive Committee was not given the independence needed to function effectively as a board. The Executive Committee itself is representative because the members of the Executive Committee are elected from among the members of Council. From a governance point of view, it is important that boards be independent because directors are required to 'act in the best interests of the organisation (rather than their own personal interests/or that of a specific stakeholder group)' and 'apply an independent mind to their responsibilities', according to the AICD.¹⁶ The people who have served on the Executive Committee over the years have scrupulously managed the inherent conflict between their State and regional roles, but it is important to plan for directors who might not be so ethical and conscientious.

The Exec Committee acts on behalf of Council. Exec Committee members are elected from among Council. They are set up as a sub-committee of Council.

¹⁵ The Australian Institute of Company Directors. (2019). *Not for Profit Governance Principles*. Sydney: The Australian Institute of Company Directors.

¹⁶ Ibid.



5. Growth has necessitated changes in the way that Landcare NSW is managed and governed

Over the past three years, Landcare NSW has grown rapidly. In FY2021, Landcare NSW's budget is projected to top \$4 million. However, its budget understates its impact. When combined with the three-year NSW Landcare Program (valued at \$22.5 million over four years), which Landcare NSW jointly manages with NSW Local Land Services, the financial size of the organisation approaches \$10 million per year. The number of partners has grown from two to nine in just two years. This unprecedented growth has necessitated changes in the way that Landcare NSW is managed and governed.

Once you start handling a lot of money, you have to look to see if you have the right structure. The way Landcare NSW is heading with various projects, it has moved from being a small organisation to a multi-million-dollar business. It requires a look. However, you can't lose the 'fingers in the ground' from Landcare.

The size of the organisation means that we have to work like a board, regardless of our form of incorporation.

The appointment of a professional CEO and staff has changed the governance dynamics

Until 2018, the Executive Committee ran the operations of Landcare NSW with the assistance of a small group of paid staff. However, the demands of the organisation became too much for a group of volunteers and a CEO was hired to run the organisation. He, in turn, hired more staff and professionalised the organisation.

Under the current constitution the Executive Committee remains a Committee of Management¹⁷ even though it is increasingly functioning as a policy governance board.¹⁸ Given that strategic planning is a key function of a board, the Executive Committee took over responsibility for strategy formulation from Council. According to some of the people interviewed for this study, that has left Council 'a little lost'. The constitution has not yet been updated to reflect this change in practice.

The dynamic has changed. The Executive Committee was acting as CEO of Landcare NSW previously. It has been a big change since Rob left and Adrian arrived. The Executive Committee has been transitioning to a board like mode. Council used to influence strategic planning whereas the Executive was more involved in operations. With the Executive moving to more strategic role, the Council is a little lost.

¹⁷ A Committee of Management is the term used to refer to the governing body of incorporated associations at the State level.

¹⁸ The policy governance board model, informally known as the Carver model, is a system of organisational governance that provides a clear differentiation between the governance responsibilities of the board and the operational responsibilities of management.

➤ **FOR DISCUSSION:**

At the February Workshop, the twenty-one participants (in-person and online) were divided up into four breakout groups, named after famous figures in Landcare's history. Each group was asked to consider the questions 'FOR DISCUSSION' at the end of the first chapter, 'Fit for purpose' and one other chapter allocated to them as follows:

- **Clear** – Rick Farley
- **Efficient** – Joan Kirner
- **Accountable** – Phillip Toyne
- **Transparent** – Heather Mitchell

➤ **The mission of Landcare NSW is 'to provide leadership, skills and resources to empower Landcarers in NSW to have all that they need to care for our land, environment and communities'. By 'resources and all that they need' do you understand the purpose of Landcare NSW to serve as a resource advocate for regional organisations and local groups?**

This question troubled all four discussion groups. They struggled with the narrow definition of Landcare NSW as a 'funding advocate' (NOTE: the terminology has subsequently been changed to 'resource advocate') because they said that the term did not capture all the functions Landcare NSW performs as a peak representative body.

Randall Pearce explained that in governance work it is important to distil the purpose of an organisation down to its essence and that while Landcare NSW *does* many things, it primarily *is* a resource advocate, 'When all else is stripped away, the reason the organisation was created and continues to exist is to argue (i.e., advocate) for additional funding for local Landcare Groups'.

- The Rick Farley and Heather Mitchell Groups said that there is a disconnect between the role Landcare NSW plays and the role it is perceived to play by local member groups. They said that many local Landcarers don't know or care about Landcare NSW and don't know where their resources come from.

➤ **Do you accept that if the purpose of Landcare NSW has evolved from *activist organisation* to *resource advocate* that the governance arrangements should evolve too?**

Two of the four groups noted that the operating environment and the needs of local Landcare groups have changed and that it is necessary for governance arrangements to evolve too.

- The Rick Farley Group said that the governance system needs to evolve to enable and empower Landcare NSW to 'go to the next level'.
- The Joan Kirner Group said that it did not believe that Landcare NSW had progressed beyond being an 'activist organisation' and questioned the term 'resource advocate'. Randall Pearce explained that the term resource advocate was chosen specifically to differentiate it from a policy advocate since Landcarers have long eschewed engaging in environmental and resource management policy debates such as land clearing debates.

➤ **Is Landcare NSW's governance system still fit for purpose and aligned with its mission?**

On this question, all of the groups were unanimous – change is needed. Some said that the current governance system is not fit for purpose at the present time. Others said it is not fit for purpose 'as we grow'.



- The Rick Farley Group said that minimum governance standards need to be introduced, possibly through a Governance Charter. They also said that not all regional groups are strong and that Landcare NSW might be able to relieve regional and local groups of administrative tasks such as payroll and human resources.
- The Joan Kirner Group suggested that it is time to transition from an incorporated association under State legislation to a company limited by guarantee under the Commonwealth Corporations Act.
- The Heather Mitchell suggested that it is time to move to a board structure (from a Committee of Management structure). However, they advised that the grassroots should be involved in any changes and that closer links and better communication be established between local groups, regional bodies, the Council and Board (or, Executive Committee).

➤ **What might be the consequences (in terms of government funding) of not taking action to improve the governance of Landcare NSW?**

There was consensus that there could be profound consequences if Landcare NSW does not take action to improve its system of governance.

- The Joan Kirner Group said that if action is not taken Landcare NSW will lose its standing, reputation, and ability to grow.
- The Phillip Toyne Group said that if Landcare NSW does not improve its governance, it will not receive funding in future. They also said that if Landcare NSW did not take action it would not be able to talk and operate at the same level it does today.



Clear

6. Landcarers are unclear about which body is in charge: Council or Executive

While the Executive Committee has the constitutional authority to make decisions, its role is not clear to many of the people interviewed for this study. Neither is the role of Council. To some, the very name 'Executive Committee' begs the question, 'Committee of what?'. To others, the Council is clearly the responsible body because they believe it needs to 'ratify' decisions taken by Executive (when it does not).

A recent briefing from our lawyers confirmed that within our constitution there are some mixed responsibilities between the Executive and Council. For example, it's not at all clear that the Executive Committee is responsible for the business operations of the organisation and the Council should function mainly an advisory/communication body.

I would have thought that the Executive Committee was part of the Council.

A large part of Council's agenda is taken up with the process of 'socialising' decisions taken by the Executive. The ensuing discussion often duplicates the discussion at the Executive Committee yet produces the same result.

The Executive Committee and the CEO have taken over the strategic management of Landcare NSW. By the time it gets to Council, it doesn't change much. It is called consultation, but it is really just socialising.

The Executive is really in charge. We have the meetings and what is resolved goes to Council. It is the staff that leads because they prepare the papers. We make the decision, and it goes to Council and they are asked to support the decision. I don't see that Council is making any decisions on their own really.

More clarity is needed to distinguish between the respective roles of the Council and the Executive Committee. When asked, 'Who is in charge: Council or the Executive?' opinion was almost evenly divided.

Council

The Council is in charge because the Executive Committee is accountable to the Council. However, not everybody on Council can understand the intricacies of the relationships with our partners. Therefore, you need a board.

The Council should be in charge. They should have a veto on all decisions of the Executive. The Council elects the Executive, and the Executive implements the decisions of Council. They all have to report to the AGM.

The Council is in charge. The Exec Committee acts on behalf of Council. Exec Committee members are elected from among Council. They are set up as a sub-committee of Council.

Executive

The Council brings the ideas together, but the Executive makes the decision following the consultation.

I would say the Executive Committee is in charge. However, I would have thought that the Executive Committee was part of the Council.

Everyone knows that the Exec meets the night before and the decisions are made and presented back to Council. People who see that the first time can be surprised by the fact that there are no decisions to be made. It's a fait accompli.



Others admitted complete bewilderment.

I've got no idea. I don't know a great deal about it.

There is no clear signal about who is in charge.

However, as some people suggested, clarifying the role of Council would also help clarify the role of the Executive.

The Executive Committee is responsible at the operational level. It acts in the interest of the organisation. The Council is an advisory structure and operates in the interest of its own regions. Make Council an Advisory Council? It would clarify matters. It would also help to clarify the role of the Executive Committee.

7. Councillors favour an unambiguous information-sharing role for Council but it is poorly structured for that purpose at present

As the organisation has grown, the volume of information to be shared - among the regions and between the regions and the State organisation - has also grown. As agendas have become more crowded, the quality of the conversation has deteriorated, resulting in frustration.

Council is about sharing information. The Councillors are given three minutes to talk but the partners are given at least fifteen minutes (e.g., Save our Species, DPIE – they give the same report each time). That takes up nearly half the meeting. It seems to be a bit of a waste of time. When the representatives give their reports, they are cut off by the chair.

Council wants to really contribute and not just be talked at (like at the moment). We want to provide feedback and give back. We don't want a one-way street. Otherwise, what is the point?

I have seen a gradual eroding of the Council's role in making decisions, providing feedback. Those regional councillors were really critical in terms of their input. Now, all we get is an update from the region. Previously, they were much more involved. It was also really good for partners to hear the updates. Now, I question why are they there? What role do they serve? It should not stay as is. Something needs to change. – LLC

Clarifying the role of Council could help clarify the role of the Muster

Just as clarifying the role of Council could help clarify the role of the Executive Committee, clarifying the role of Council could also help clarify the role of the Muster since both serve as information-sharing and consultative forums.

The biennial Muster has never been tightly structured. It was designed 'to get people together and talk and we use semi-structured processes, to recap what's been happening, and then to get their feedback into some state-level initiatives, issues and processes'¹⁹ It has served as a forum for information sharing among the regions and as a channel to distribute information resources. More recently, it has been used as a forum for strategic planning. Some people said that the Muster rivals Council in terms of the information that is gathered.

¹⁹ Ibid.

The Muster is about collecting ideas on how Landcare should go in the future. There is more time to have an in-depth conversation about what is going on. Because it is held in conjunction with the Awards, you get the people involved in best practice, so it is more than a representative voice.

The Muster is the most important thing that we do. That is the opportunity to listen. We get lots of information out of that. The weakness of the Muster is that we do not get enough of our grassroots people because of time constraints. Coordinators and managers come which is good, but I don't see many farmers, young people or aboriginal people. It's probably more valuable than Council.

To clarify the role of the Muster would not require constitutional change so much as making the distinction clearer between the respective consultative roles of the Muster and Council.

To begin, the two bodies could be distinguished in terms of the audiences they attract. Council would bring together regional representatives and the Muster would be the gathering place for local Landcare groups.

[The Council is] a group who informs the Executive about what happens on the ground. That's not the only way the Executive collects information. We also have the Muster. It has been used really well to identify the core issues. The Muster is not a conference. It is part of a State Conference. It doesn't involve keynote speakers. It's not about telling Landcarers what they want, it is about Landcarers telling the Council and the Executive what the main issues troubling Landcare are.

Council's information-sharing role could be expanded to include a coordinating function. It could become a forum where regional representatives meet to deal with the practicalities of implementing State-wide programs.

By contrast, the Muster could focus its limited time on only those issues which impact local Landcare groups on the ground. It would not be a decision-making or consultative body: it would have a sole focus on information sharing between groups. For example, award winners could demonstrate how best practice Landcare can be delivered on the ground.

The Muster is about collecting ideas on how Landcare should go in the future. There is more time to have an in-depth conversation about what is going on. Because it is held in conjunction with the Awards, you get the people involved in best practice so it is more than a representative voice.

While the membership proposition could be strengthened if attendance at the Muster were limited to member groups, it may not be possible if the Muster remains part of the State Conference and funded by government.

8. The critically important role of regional organisations within Landcare NSW is unclear, inconsistent and underdeveloped

Since its inception, the State Council of Landcare NSW has been composed of the 'endorsed individual members' 'who have formal written endorsement from the peak Landcare representative or decision-making body in their region.'²⁰ However, nowhere in the Landcare NSW Inc constitution are these bodies defined or named. The total number of regions or 'endorsed representatives' is not set. Nor

²⁰ Landcare NSW Inc. THE CONSTITUTION OF LANDCARE NSW INCORPORATED amended October 2020 (2020). Sydney.



are the names of regions who are able to send ‘endorsed representatives’ listed. The lack of a clear definition of regional bodies has profound consequences for the governance of the organisation (see Accountable). However, there are other, more practical, consequences as well.

Regional bodies are indistinguishable from district or local groups within the Schedule to the Constitution which describes the current regional or district membership categories

From a membership perspective, *regional* bodies are indistinguishable from *group members* in the Schedule to the Constitution.

It is not even clear if all regional organisations currently qualify as *group members*. There are two criteria for this membership category: they must employ staff and they must have income of or greater than \$25,000 per annum (averaging over the preceding three years)²¹. According to the people interviewed for this study, not all regional organisations would qualify.

The region has no formal structure. We are a collective. It’s about sharing information.

Our regional network is pretty loose at the moment. They didn’t see the importance of sending an independent representative to Council. So, I give an update at every regional meeting. - LCC

I sit on the [our] Regional Committee – It is a loose body and just an AGM. In our partnership with LLS, [our region] runs a Community of Practice – We have an annual two-day workshop to share information. The Community of Practice is the more functional group in [our region]. The whole thing is run on a shoestring.

By contrast, there are other regions which are highly capable and provide important services. According to local group representatives, high performing regions produce high performing local groups.

Our region is incorporated as an Incorporated Association. There is a delegate from each of the 11 local networks that joins the Executive. The 11 members vote at AGMs and are named in the Constitution. We have Exec meeting of officers plus three ordinary members – we meet every 2 months.

Regional organisations are seen as the ‘weak link’ in the system, yet they should be the human face of Landcare NSW

According to several of the people who participated in this study, the regions are the ‘weak link’ in the system. However, stronger regional organisations could form a critical link between local groups and the State organisation.

The regions are the weak link in the chain because their role is not well-defined and not well supported. They are not set up to do project work. They are unincorporated collectives. Some are teetering on the edge at the moment. We could find them funding for secretariat support. The organisation could help to make them be more effective. Even if they were to be created as branches.

Supporting regional organisations to represent Landcare NSW locally would simplify matters greatly and be welcomed by the legions of Landcarers who say they are not ‘not interested in politics’. Creating stronger regional bodies would simply recognise the reality that local groups already see their regional organisations as ‘their peak’.

The local groups look to the regional groups as their peak.

²¹ Ibid.

Many national and state-wide organisations rely upon a network of regional branches or divisions for their success (see the presentation on Surf Life Saving NSW). According to the UK National Council of Voluntary Organisations there are many benefits of having an active branch system:²²

- a way of achieving organisational aims at the local level and across regions
- responsiveness to need, regional branches are closer to local groups
- fresh opinions and ideas, reflecting experience on the ground
- a useful structure for local involvement by service users and volunteers - local ownership can increase loyalty
- a pool of potential partners for local groups keen to do joint projects who already understand the work and are culturally compatible
- a strong campaigning voice based on local feedback - evidence gathered state-wide is likely to be more powerful
- a way of mobilising local support for state-wide campaigns
- influence on decision-making on funding at all levels from local to state, eg. lobbying MPs in their own constituencies
- clear, co-ordinated image with one well-known brand name
- consistency across a wide area, eg. in the range of services offered, quality standards

Unfortunately, these benefits are only realised in a handful of Landcare NSW's regions. If the role of regional organisations was strengthened and made more consistent from region-to-region, Landcare in NSW could provide much stronger support for local groups.

Working through the links between the State and the Regions is the right one to follow. – NSW GOVERNMENT

Yes. The regions and their role should be mentioned [in the governing documents].

The Region's role should be to:

- *Identify specific needs*
- *Identify resources*
- *Negotiate insurance*
- *Procedures policies and systems*
- *Support groups with answers to questions*

Regionalising it would be a better outcome for Landcare. It would allow Landcare to operate as a proper social enterprise. – LCC

9. Clearer boundaries for regional organisations could help Landcare NSW deliver on its purpose as a resource advocate

Part of the reason for not defining regions in the Landcare NSW constitution is that the boundaries of the regions have been contentious. They have evolved and changed over the years. While many of the regions did evolve with the boundary changes, others did not.

When Landcare NSW was formed, there were 21 regions that roughly corresponded to the 18 Catchment Management Authorities in place at the time. This made intuitive sense since Landcare was

²² Adapted from - National organisations with local groups — NCVO Knowhow. (2021). Retrieved 1 February 2021, from <https://knowhow.ncvo.org.uk/organisation/collaboration/working-collaboratively/national-organisations-with-local-groups#>



focused on rejuvenating river catchments. Some believe that as a natural resource management organisation, Landcare regions should be organised around landscapes and ecological features, like river catchments.

I would urge you to think back to CMA boundaries and they were aligned to catchments. LNSW should align its regions to river catchments. So, that what we are doing as Landcarers is rejuvenating the catchments we are working in.

Others said that the Landcare regional boundaries should be focused solely on the purpose of the organisation – resource advocacy – and were always intended to mirror the boundaries of the main funders, catchment management authorities and later NSW Local Land Services. They might best be referred to as ‘representative boundaries’.

When we were formed, the objective was to have one organisation to deal with the CMAs.

When NSW Local Land Services was formed in 2014, the number of regions was reduced from 18 to 11. Most Landcare regional boundaries were realigned to correspond to LLS boundaries except for LachLandcare, one of the original Landcare NSW regions, bringing the total to 12 Landcare NSW regions.

LachLandcare has borne the cost of being the ‘twelfth region’

Unfortunately, LachLandcare has borne the cost of being the ‘twelfth region’ and one of only three (the others being Mid-Coast to Tops and Southeast) that does not correspond closely to a single LLS region. Originally comprising eleven groups, LachLandcare has reportedly lost two group members to other regions that have stronger LLS relationships.

[The LachLandcare boundaries] came from the old CMA model around the Lachlan River when they were divided into LLS regions. So, the Lachlan Valley is now split amongst five LLSs. LachLandcare was formed with some remaining funds from the CMA. We had 11 Landcare groups and now we have lost two. LachLandcare is treading water at the moment.

The current state of the LLS relationships in Mid-Coast to Tops and Southeast are not as well known.

There is a strong consensus building around aligning Landcare NSW regional boundaries with LLS regions across the State

It is clear from the fieldwork conducted for this study that there is a strong consensus building around aligning Landcare NSW regional boundaries with LLS boundaries and defining the representative regions in the Landcare NSW constitution.

[Aligning with LLS boundaries] makes communication and collaboration easier. There is one person on each side makes it simple and easy. Funding is more streamlined. Funding bids. – NSW GOVERNMENT

It’s important for us to have a region-to-region network with LLS. The LLSs are little kingdoms. They get money from the feds and states directly.

Given LLS is our major deliver partner, we would have much clearer distinction. We would not waste our time debating boundaries. This stupid ridiculous issue keeps holding us back. Embarrassingly, this comes up in important meetings with LLS. – LCC

Yes [the regional boundaries] should be defined in a loose way in a schedule to the Constitution.

This rationale has only been strengthened through the joint management of the NSW Landcare Program by LLS and Landcare NSW.



Considering that LLS is jointly running the LLC Program, I believe that the regions should be based on LLS boundaries.

Practically, one is best for regional support and the relationship with LLS. The groups get to appoint the RLF. The need to work with LLS is paramount. Landcare needs to manage the LLS relationship with care and attention. It is done at the State level but there are still some tensions there.

Also, by aligning with LLS boundaries, relationships can be clarified, and communication simplified.

[One half is within one LLS and half in another] We tend to go [one more than the other] at the moment. We double up on our communication and representation. It would be beautiful if we would only have to deal with one of them. We have to be very careful that we are not double dipping.

Yes, we should have common boundaries. It would make it clearer. Relationships would be messy if you didn't have common boundaries. Matched boundaries are always easier. LLS boundaries were created based on catchments, industry and social groupings. – LLS

A final decision on aligning the boundaries would be welcomed by LLS.

I would like to see the boundaries aligned to LLS. LLS and Landcare are working together more at the local and state level so there is already that close connection. Having them aligned would help strengthen that link into the region. – LLS

The other positive of aligning with LLS Boundaries would be Community Advisory Groups. These are LLS Board-driven groups but one of the bonuses would be to get Landcare Members onto these bodies so that they can put their perspective across. The Board will call on these groups to advise and consult. – LLS

It makes sense if you're trying to coordinate something. If they want to tidy that up, it is up to them. If they were the same, that would suit us even better. Yeah, it makes sense to align to the funder's boundaries. – LLS

Some people interviewed for this study naturally asked, 'What if LLS boundaries change again?' If Landcare NSW keeps a clear focus on its primary purpose as resource advocate, the answer is straightforward: Landcare NSW's representative boundaries would evolve as they have in the past. No governance system should be cast in stone and Landcare NSW should be prepared to make changes as and when circumstances dictate. However, representatives of NSW Local Land Services consulted for this study, have confirmed that they have 'no plans' to change the boundaries at present. The most important priority for the moment is to ensure that the current system is coherent and that any changes address its most glaring shortcomings.

10. Districts may help regional organisations deal with distance and diversity

While aligning Landcare NSW's regional boundaries with NSW LLS boundaries will strengthen Landcare NSW as a resource advocate and fill some of the gaps in its governance arrangements, it will not fix the problems faced by some regions in bridging vast distance and accommodating the needs of diverse groups. Creating formal districts might be helpful in those areas.

As some regional representatives explained, there are currently tensions within some regions. Some are currently looking at creating sub-regions to ease communication and service delivery within smaller geographic areas within regions.



You're assuming that there is only one regional organisation. Within our region, we probably have 5 or 6 key networks so you will not directly connect with all of it. Some have tried to bring regional networks together; some are pulling apart.

There is a lot of confusion about the Regional Network and what they are doing for us. We were even talking about having a sub-region.

A one-size fits all approach will not work: some regions will require bespoke solutions

Districts (also known as networks) could be used in places where a unitary regional model won't work. For example, in places where distance is a challenge, two or more districts could take the place of one regional body. They would join forces for only essential functions, such as liaising with the corresponding LLS regional body.

Clearly, the Western and the Mid-Coast to Tops regions will require a bespoke solution to address their specific circumstances. So, while it would be good to seek as much consistency region-to-region as possible, it would be wrong to suggest a one-size fits all solution will work everywhere. Increasingly, governance systems need to have flexibility to accommodate diverse needs.

FOR DISCUSSION:

The Rick Farley Group discussed the Clear questions.

- **Do you think that it is time to clarify that the primary role of Council is to serve as an information-sharing and consultative forum with regions?**

Yes.

- **Do you think that Council's role should be expanded to include coordination of state-wide programs?**

Not under the current structure but possibly in future if the structure were changed.

At this point, Randall Pearce gave an example of a national association which has instituted a 'Leadership Forum' which is attended by the chairs of all the State/Territory branches and the leadership of the national body (chair and CEO). He said that this group was not a decision-making body but that it fulfilled a key role in coordinating the roll-out of programs nationally. He said a similar structure could be put in place at the State level if the regional organisations functions like branches or divisions.

- **Would you favour clearly defining the role of the Muster as an information-sharing forum between local Landcare groups?**

The group enthusiastically backed an information-sharing role for the Muster, without specifying if it was to be limited to local Landcare groups. They said that it needed to be improved in order to be more effective.

- **Would you like to see the role of regional organisations strengthened?**

Yes.



➤ **What sort of support should Landcare NSW provide regional organisations to develop?**

There was general agreement that support to regional organisations should be strengthened. However, there was some variation in opinion as to what degree of support. Some members said that Landcare NSW needed to be flexible in the way that it supported regions and needed to respect the capacity and capability that currently exists in some regions of the State.

➤ **Do you think that the regional boundaries of Landcare NSW should align with the boundaries of NSW Local Land Services?**

The group recognised that this is a sensitive issue that requires further discussion before a final decision can be made.

➤ **Do you think that the creation of districts within a region might be a better alternative to creating additional regions in those parts of the State that are difficult to serve through a single regional organisation?**

While Districts might be more appropriate for on-ground support and networking, regional bodies should provide region-wide support in the form of human resource management, financial management, payroll, industrial relations and administration.



Efficient

11. The role of regional councillors is onerous and time consuming because the role is ill-defined, and expectations vary

According to the people who participated in this study, the job of a Regional Councillor for Landcare NSW is difficult and time-consuming. Newer Councillors say that the job is different from what they expected and it is not enjoyable. This is a serious issue for an organisation that has always prided itself on its connections to the grassroots. There are several issues.

This role is completely different to what I have expected it to be and I haven't enjoyed it. Reconfigure Council? Yeah, that would be a positive move in terms of getting the issues heard from the regions.

First, there are practical difficulties. In a state the size of New South Wales, travel can be time-consuming. Timing can also be an issue for farmers who need to be on the land at critical points each year.

Being a representative involves travel and time away from the farm. The November and February meetings clash with farming schedules.

In our region, there is not a hope in hell that you would get our current or previous chair to go to Landcare NSW Council. There should be always a back-up/alternate for every Councillor – a member of your Executive - to get around planting/harvest.

As the Covid-19 Pandemic has shown, there are alternatives to in-person meetings. Given the long distances that some Councillors have to travel, electronic meetings might be better attended. If the quarterly meetings are too long to be held online, shorter meetings could be held more frequently. If the consultation needs of the organisation were fully examined, it might be possible to invent new consultative forums, while simplifying the role and purpose of Council.

Since Covid-19, we have had more consultation. Given how difficult it is to travel, we should use more video calls. It would save a lot of time and money.

A direct connection to the regional committee is critical to collecting and disseminating information

Second, there is the challenge of collecting information to take to the meeting and disseminating the information coming out of the meeting. This was the most common complaint of the Councillors interviewed for this study.

Gathering Information - that is something I have a serious issue with. I have to try to be a rep for [our region] v. [my district]. That needs a better methodology. I'm really struggling with it. Our Regional Community of Practice would be better than [our regional] Committee. Trying to gauge what goes on is really difficult.

Before Steph came on as chair, most things were done by volunteers. That was tricky as a regional rep when you don't have the time or energy to pass on the information. To do that well, took a lot of time. I think that is one reason there was a divide between grassroots and Landcare NSW. Volunteers couldn't hold up that gap. – LCC

In an ideal world, the reps will speak to their regional landcare groups to gather ideas. It's not easy to gather the info. You have to be talking to the five landcare groups in [our region]. I wasn't good at it but [the new person] is. She is good because she has good communication skills and a personality.

Landcare NSW has relied heavily on volunteers to carry these messages back and forth, but there has been no way of knowing if the messages have been delivered. While it is always good to put a human face on the message, Landcare NSW might have to look at more efficient means of sending messages up and down the governance system in future.

Our two council members travel to Council meetings. We don't know what they do. They do not have a charter. There are no direct communications channels with them. The communication that comes out of those meetings is particularly poor.

I can think of people like that who are disconnected. There is no way of finding out if they have reported back or not. It should be someone from the Regional Network. Could it be the chair? it would be the preference, but you will have to be flexible.

If you wanted to ensure the practical input, you could require volunteers to call their local coordinators. If you built a different structure for communication with the RLCs and the LLCs it might work. – LCC

Third, it is critical for Councillors to have a direct connection to their regional organisations. Without a region-wide perspective, Councillors are only able to report on their local areas, leaving gaps in the information chain. At present, some Councillors have no formal links to their regional organisations, making the job very difficult indeed.

Councillors fail to represent their entire region. Councillors could be the Regional Chairs – you could say that it the Members of Council should be the Regional Chairs – At present, they are very disjointed and disconnected.

Volunteer recruitment efforts should be redoubled and supported

Unfortunately, it is difficult to recruit volunteers. As a result, the volunteers that do come forward to serve on regional committees or on the State Council already have responsibilities closer to home as the chair of the local district, network or group. To make the job of these volunteers 'doable' more work will need to be done to recruit new talent to backfill the local positions. Landcare NSW could better support regional organisations in volunteer recruitment. In turn, stronger regional organisations could help districts and local groups find new talent. Some say it is harder to find volunteers in some of the more remote parts of the State but others say that Landcare should not accept that there is no talent and that more effort needs be put into volunteer recruitment instead.

In Western regions, we really struggle to find volunteers. Landcare groups on the coast and in larger places, they have it easier to get volunteers.

We shouldn't accept that there is no new talent.

In recent years, some regions have appointed Regional or Local Landcare Coordinators as Councillors or to other positions in the regional or State governance system. However, this sets a very dangerous precedent because it will always be easier to ask a staff member to attend a meeting (even on their own time) than it will be to recruit new volunteers.

We don't need them to send their coordinators or CEOs, we need the Councillors.

Coordinators could take over the Council if there is not a rule.



12. For a governing 'board' to perform effectively and efficiently, it requires a diverse set of skills

For boards to function effectively and efficiently, they need a broad range of skills. There are two main categories. The first are the generic skills that are required by boards of all kinds: financial acumen, risk management expertise and an understanding of not-for-profit governance. The second group are the specific skills an organisation requires because of the business that it is in or because of a strategic project it is undertaking.

The board skill base is very important. Ensuring that they have the necessary diverse set of skills on the board is essential:

- *An understanding of the sectors you are working with*
- *Someone who understands government*
- *Someone who understands agriculture*
- *Human Resource expertise because that's what government is investing in – knowing that the NFP is recruiting and building the skillset of their staff*
- *Awareness of risk management, particularly in terms of volunteers working on ground*
- *They need credibility within the community. They need to have an eye to the social outcomes*

Boards need these skills so that they can understand and manage the issues they are presented with. If they do not have the skills themselves, they need to be wise consumers of advisory services from external professionals. Otherwise, the board is unable to spend its resources effectively or weigh up the options put in front of it.

While Landcare NSW has been fortunate to have highly skilled people serve on its Executive Committee over the years, their skills were incidental to their appointment (since they were all drawn from the representative State Council). Some of the people interviewed for this study feel that Landcare NSW needs to be more deliberate about the skills it recruits to its board given that it is now a multi-million-dollar organisation.

For a representative organisation like Landcare NSW, it would be a mistake to appoint the entire board based on skills alone

However, for a representative organisation like Landcare NSW it would be a mistake to appoint its entire board based on skills alone. This led some of the people interviewed to suggest a mixed representative/skills-based board composition.

The Executive Committee should not just be representative. It should be representative, and skills based.

You would want to ensure that they have a long-term strategic view of Landcare. The only unique one would be to value Landcare. The greatest risk is a disconnect. It would be better to tolerate the inefficiency and duplication. That's a cost you can bear but you can't bear the cost of a disconnect.

To function as a cohesive leadership group, the directors should share a common set of ethics and values.



If we accepted 50:50 representation/skilled for a revamped LAL, we should do it for Landcare NSW. I would not expect the skilled directors to sit on Council. It would be good if they had some Landcare Ethic or values.

I have been on diverse boards, but it is hard to agree if the values and ethics don't align. You want these special skills, but you still need to have Landcare values and ethics.

To get the balance right is a challenge. Boards that have mixed representative/skills-based boards often use a Nominations Committee to monitor the skills mix. The job of a Nominations Committee in this context is not simply to 'call for and receive nominations' but to actively recruit the skills and experience that is required.

A Nominations Committee can manage the skills mix and the regular renewal of talent on the board

Unmanaged turnover on a board can detract from business continuity and strategic focus. Under the current Constitution, the term of all members of the Executive Committee is one year. Fortunately, good sense has prevailed, and members have been willing to serve multiple terms. However, at the 2020 Annual General Meeting, Landcare NSW Executive Committee replaced half of its membership. While new talent is always welcomed, there is a risk that the Executive Committee will need to re-prosecute old debates or lose strategic focus.

We are having big turnover this year. We probably need a timeframe on our time on the Executive. Not as short as three-years but not a lot longer. At the moment, we have one-year terms but there is no term limit. Two three-year terms would work but if you want someone to pick up the chair role, they need to have had experience as a director. You want to keep that knowledge.

Individuals need to be there for more than one or two years to be effective contributors and to join sub-committee. Otherwise, the Board is completely reliant upon the information provided by staff. This year half the Exec is going to turn over and I think that is too many.

Instead of one-year terms, we should have longer terms. With only 4 meetings a year, it takes people a long time to feel comfortable to contribute.

They are about to go through a generational change. They have a lot of older people, so they need to make a generational shift. – NSW GOVERNMENT

To avoid a repeat of this situation recurring in future, staggered terms for directors is recommended. The Nominations Committee can take responsibility for managing the orderly turnover of the board.

FOR DISCUSSION:

The Joan Kirner Group discussed the Efficient questions.

- **Should all NSW Landcare Councillors be members of their regional committee?**

Yes.

- **Do you think that all or some Council meetings should be held virtually?**

The group favoured a mix of virtual and face-to-face meetings.



➤ **Should Council meetings be shorter but held more frequently if they are online?**

The group said that shorter virtual meetings could be used to convey information while longer face-to-face meetings should be held to discuss and support decisions. In general, the group did not favour more meetings, even if they were shorter. However, they suggested that small, targeted events could be held online for specific issues and offered as an option for groups who would not normally attend in-person Council meetings.

➤ **How can Landcare NSW better support volunteer recruitment across the State?**

The group said that Landcare NSW needed to simplify its message first and foremost. Then, it needs to clearly set out what is involved in terms of commitment to participate in Council (and other governance forums).

The group also advanced several other ideas for improving volunteer recruitment. For recruiting volunteer Councillors, the group recommended the approach used to recruit the new skills-based directors through AICD. For regional roles, they suggested building specific resources into the Landcare NSW Program to support volunteer recruitment by regional and local Landcare coordinators and local groups.

➤ **Would you support a mixed representative/skills-based board for Landcare NSW?**

Landcare NSW has instituted a mixed representative/skills-based board in October 2020.

➤ **If Landcare NSW were to adopt a Nominations Committee, who should sit on it?**

The group suggested that a Nominations Committee should be composed of the Chair, CEO and independent directors with networks in the industry areas from which skills are being sought. Finally, they suggested that the Committee co-opt a non-Board director who might assist for a specific period and then leave.



Accountable

13. It is not clear to whom the members of the Landcare NSW Council are accountable

According to the AICD, 'it is important there is clarity about who is accountable to whom and how' within a not-for-profit organisation. The 'primary accountability of boards is to their members', who are the 'owners' of the organisation.²³

While it is clear that the members of the Executive Committee are directly elected by the group members at the annual general meeting, it is less clear who Council represents. Council is composed of the 'endorsed individual members' appointed by the eleven peak regional bodies but nowhere in the Constitution is a 'peak regional body' defined. Nor are the eleven regions themselves listed.

Too little is known about the governance arrangements of the regional bodies at present, but it would appear from the evidence of this study that some regions have members (even if they don't charge a fee) and hold elections and others do not. This makes it difficult to trace a line of accountability from the Council to the group members.

From a technical point of view, this is not a huge issue because Council is not constituted as a decision-making body. However, from a practical perspective it is because a large number of Landcarers believe that 'Council is in charge' and that decisions made by the Executive Committee need to be 'ratified' by Council.

Hopefully, the relationship between regional bodies and Council can be simplified, clarified and 'connected up' in future.

Appointing multiple Councillors from a single region further weakens accountability

While many not-for-profit constitutions allow for the appointment of an 'alternate' representative in case the primary director or councillor is unable to attend a meeting, Landcare NSW is unusual in that it also allows a single region to appoint more than one Councillor. While votes are rarely taken, it could allow a region to double its influence or to split its vote. Either way, not an ideal situation from a governance perspective.

We once had three reps from [our region]. Each region should have one Council Representative and a spare.

You should have one [Councillor], not two, per region.

There is also a rule that says that if there is already a member from a region, you can appoint a second one. For that reason, there is not a fixed number. You have to have a pretty good case to have two reps from a region. There wasn't an upper limit on the numbers. That is a glitch but I'm not sure how you get around it.

²³ The Australian Institute of Company Directors. (2019). *Not for Profit Governance Principles*. Sydney: The Australian Institute of Company Directors.



14. Conflicts of interest seriously impair accountability and undermine credibility

Conflicts of interest raise questions about where a representative's loyalty lies. Risks can be declared, managed or mitigated. Some conflicts are so serious that they must be eliminated.

Participation by coordinators in the Landcare NSW governance system puts them in an untenable position

Unfortunately, the fieldwork process for this study brought a number of conflicts of interest to light. Interviewees talked about situations where Regional or Local Landcare Coordinators are serving in decision-making governance positions at various levels within the organisation, including on the Executive Committee. While they were careful to point out that the individuals involved are only motivated by a desire to help the movement, and that they do so in their own time and at their own expense, participation in the Landcare NSW governance system inescapably puts them in an untenable position.

Local Landcare Coordinators are nominally employed by host local Landcare Groups, which are members of Landcare NSW. Regional Landcare Coordinators and program staff have two employers – Landcare NSW and NSW Local Land Services - due to the joint-management of the NSW Landcare Program. For any of these people, a governing role in Landcare NSW represents a conflict of interest because they could potentially be participating in decisions about the Program under which they are employed.

We have a number of Local and Regional Landcare Coordinators are taking up Council positions. It is such a conflict of interest. The LNSW Program employs them and then they are on our board.

It's like having an employee board member. Those potential conflicts are well known but those individuals provide a significant amount of practical information.

Once you get to that board level, I would agree that you should not have Landcare Coordinators. We need to be much stricter at the Exec than at the Council Level. Credibility is what we are trying to achieve.

Employees of NSW Local Land Services are prohibited from participating in the governance systems of organisations which receive funding from LLS. Hence, coordinators would be in violation of their employment agreement with LLS if they were to serve in a governance role in any part of Landcare NSW. Either way, the conflict needed to be eliminated.

To my view, that is a big conflict of interest. In LLS, we don't allow that. If you were a staff person, you would need to stand down from your role to stand as a board member. That is a major conflict of interest because you need to identify risk and mitigate it effectively. - LSS

Yes, I do see [coordinators in the governance system of Landcare NSW] as a conflict of interest. When you have paid employees doing that your drivers and perspectives will be different than the volunteers. They have a vested interest in sustaining themselves. - LLS

Yes, I would see a big problem with LLCs in the governance system of Landcare NSW. We don't like that sort of thing. The LLCs have enough to do. We would be annoyed if Landcare NSW were using the coordinators for its own benefit. They should not be directed by Landcare NSW or LLS – it is a program that is co-hosted. - LLS



Subsequent to the fieldwork period of this study, Landcare NSW agreed to eliminate all conflicts by November 2021.

A troubling trend has been detected at the local level as well

Conflicts of interest with Coordinators are not limited to the State organisation. A troubling trend has been detected at the local level as well.

We call our coordinator our CEO because she makes the decisions. Our CEO can say this is what we are doing. It will be discussed either before or after.

It's not overly clear to anybody. Some think that they work for LLS. Some think [our region]. Or, Landcare NSW. It needs a good clean out to make it clearer and simpler. Whoever called an LLC a CEO would be very confused. They would not know where the decision-making sits. – LLS

Once you let that happen once, you will find that it gets replicated elsewhere. Then you have given up. We will just accept whatever. Not that that individual is not a good person it is just that the role that they hold is not compatible with their employment. - LCC

Given that all Landcare Coordinators are part-time and that most of them were Landcare volunteers prior to taking the position, a policy which allows reasonable participation as a volunteer, not a leader, of a Landcare group is needed.

A real strength of Landcare at the local level is how integrated the staff and the volunteers are. Almost all of the coordinators do volunteer work as well. That dialogue and interchangeability is a strength.

It's really hard to draw the line. If they want to be Landcarers in their spare time, they are free to do so. However, if they are doing things for Landcare NSW, then it would be an issue. That is definitely a conflict. - LLS

The issue has been referred to the Joint Management Committee of the NSW Landcare Program for resolution.

FOR DISCUSSION:

The Phillip Toyne Group discussed the Accountable questions:

- **What could be the consequences of not clarifying the lines of accountability within Landcare NSW?**

Poor or ill-informed decision-making. People may become confused in their roles and with the process.

- **Please list the advantages/disadvantages of limiting each region to one Councillor and one alternate?**

Advantages

- Fewer people needed to make a decision
- Lower travel and meeting costs
- Issues may need to be discussed at a regional level in addition

Disadvantages

- Less representation and diversity
- Fewer people engaged in the process
- A single councillor may need to engage more at the regional level



- **What is the danger of appointing a local coordinator as a CEO of a group, district or regional body, even in their off-hours?**

It is a conflict of interest and outside the terms of the LLS funding deed, which could lead to their termination. Beyond that, a coordinator's capacity is operational, not strategic and so it they could be the wrong person for the job.

- **What policy should govern the volunteer participation of coordinators in Local Landcare groups?**

Coordinators should not be an office bearer of their host organisation. Whatever limitations are imposed should be included in the coordinator's job description and ensure that it does not involve a conflict of interest, violates the LLS funding deed and should meet Fair Work requirements.



Transparent

15. More transparency is required to improve accountability within Landcare NSW

According to AICD, 'transparency enables accountability'.²⁴ The best way to increase transparency is to increase democracy.

Building a paid membership base is an important building block of democracy and the current membership marketing program will certainly help in that regard.

The moves that we have made with membership and insurance, even though they still need some work, it makes the connection with Landcare NSW stronger. - LCC

However more can be done, particularly with regard to the way that Councillors are 'endorsed'. Landcare NSW publishes an 'Endorsement Guide' to assist regions in making Councillor appointments that states, 'your regional body will need to vote to select your representative at your next regional body meeting' but some of the people interviewed for this study said that that advice is rarely followed.

There was no nomination process and no open elections. [Our previous Councillor] called me and said, 'I need somebody to step up'. People know me because I attend the Regional Community of Practice. I guess if you were to ask [a local] Landcare Group and ask who the Councillor is, they wouldn't know. If somebody asked me, 'Why are you the rep?' saying someone tapped me on the shoulder is not particularly positive.

Some Councillors would struggle to be recognised in a room of Landcarers

Some said that elections aren't needed because the same person would be appointed anyway. However, others argued that elections are needed to increase the awareness of Landcare NSW, particularly awareness of its representative role. As it stands, some Councillors say that they would struggle to be recognised in a room of Landcarers because their role is so low-profile.

The process of endorsement is not that much different than election. The same person would be chosen.

You need voting because you need brand awareness. You will get the same person, but you get the legitimacy and marketing. By voting, you will not necessarily get the best candidate, it will be about broadcasting that it is an elected position. Voting is a cheap way of socialising among the regions that they have a person. There are no structures or processes for Councillors to go back to community and report on LNSW. It's all been one-way. If we are not given anything to take back either.

²⁴ Ibid.



16. Greater clarity and transparency could make Landcare more accessible to more people and partners

'The muddle' makes it difficult to attract volunteers to governance roles

As a result of its origins as a government program and its evolution as a peak representative body, Landcare NSW has a complex structure and set of governance arrangements: many would say too complex. Unless someone has a long history or insider knowledge, it is quite difficult to understand how the organisation represents community Landcare in NSW.

It's a difficult thing to explain things. They expect to see a nice, neat organisation chart. They look at it and say it is so messy.

I struggle to match up how all the pieces fit together. Landcare is a very loose bottom-up organisation. It is a loose affiliation around a common purpose. You go to a State or National Conference, but it is a meeting of the Jig-Saw Puzzle Society. The big issue with Landcare is that it is a Coke bottle, and no one knows what's inside it.

Landcare looks one way from the inside and another from the outside.

Some of the people interviewed for this study said that if Landcare were simpler and easier to understand, it would be easier for people to join and support the organisation. In particular, they say that 'the muddle' makes it difficult to recruit people to serve in governance positions: people want to know what they are joining when they join.

There are all these layers and layers of complications for no benefit. I just don't have time to engage at multiple levels. I think that there is way too many complicated layers to it all.

The discussion between Landcare NSW, NLN and LAL – It all gets muddled. People don't like muddles. They don't want to support a muddle, fund a muddle or have anything to do with a muddle. I will stick to my patch. I will get funding from whenever I can. The Insurance has made a bit of a difference. We need to continually remind people that we are responsible for funding of LLCs. It tends to be a bit shaky. It is done better in some places rather than others.

It's the look of it. Maybe if people understood the process it would be better.

There is a lack of understanding of who is who in the zoo and who will take overall responsibility. - LLS

With generational change underway, now is the time to build a new governance system for Landcare NSW

As the findings of this study suggest, there is considerable scope to simplify, clarify and strengthen the governance of this young organisation atop an old movement. Some say that the 'softly, softly' approach may have been justified in the past.

The softly, softly approach to date is probably well-justified. If you spend time with Landcarers on the ground (particularly inland), you are spending time with landholders. They are fiercely independent. I will talk to others when I want to but no one from Sydney is going to come and tell me what to do. You need to appreciate the parochialism of landholders and to respect that and to take it slowly. Things that come from Sydney are met with disdain or hostility. Many landholders would look at Adrian and 'Say, bugger off mate'. That's really difficult. You have got to pace your change to the willingness/readiness of that base. They are stuck in their ways and you need to build bridges with them. A bridge in one place will be a minefield in another.
– NSW GOVERNMENT

However, it is also clear from this study that there is considerable support for reform and renewal. With generational change underway, now is the time to build a governance system that is fit-for-purpose, clear, efficient, accountable and transparent.

FOR DISCUSSION:

The Heather Mitchell Group discussed the Transparent questions.

➤ **Please consider the advantages and disadvantages of holding elections for regional Councillors.**

Advantages

- Best people elected to the role
- Proof that Landcare NSW is an open and democratic organisation
- Increased visibility of Councillors
- Increased transparency of operation

Disadvantages

- Landcarer apathy resulting in no candidates and low voter turnout
- An absence of 'challengers' keeps incumbents in roles too long
- Same people are selected regardless
- Cost of elections
- Potential candidates who are shy do not come forward

➤ **Who should elect the Executive Committee (or board), in future: State council or the members?**

There was active debate on this question. However, at the end of the discussion, the general feeling was that either Council or a Nominations Committee should guide the members in making their democratic choice, given that not all groups will have a knowledge of the candidates who stand for office.

➤ **Do you think that Landcare in NSW should have a single integrated membership that links membership in the local, district, regional and state level organisations?**

Yes! In particular, the group favours a single membership fee to cover an integrated membership.

➤ **To make Landcare easier to understand for prospective volunteers and partners, should more consistent terminology and names be used at the district and regional levels?**

Yes. And some suggested more consistent branding.

➤ **Do you think that it is time that the Executive Committee transition to a board of directors structure?**

Yes, but care must be taken not to lose connection at the local level. Some noted that the Executive Committee already functions in a board-like way.



Conclusions



1. There is considerable scope to strengthen the governance arrangements of Landcare NSW

- The governance arrangements can be updated to reflect the current state of the organisation and to prepare for future growth
- The purpose and roles of governance bodies can be clarified and simplified
- The mandate of representatives can be strengthened
- There is an opportunity to further democratise the governance of Landcare NSW
- The job of volunteers can be made more 'doable'

2. There is a high degree of consensus developing around several previously contentious issues

- Representative boundaries of Regional Organisations can be aligned with the boundaries of NSW Local Land Services
- Conflicts of interest of Regional and Local Coordinators can be eliminated

3. A new role for Regional Organisations will be critical to the future of Landcare NSW

- Direct links to the main funding body – NSW Local Land Services – can ensure that Landcare NSW fulfills its purpose as a *resource advocate*
- The needs of large and diverse regions can be met through flexible and bespoke arrangements

4. Membership development will require leadership at the local and State levels

- The organisation can confidently promote representation as the key member benefit with other 'value added' services as features of a revamped membership offer
- Regional bodies can be strengthened and 'connect up' with districts and local groups more directly





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