

APPENDIX J:

Proposed Methodology to Prioritise NRM Strategies for Investment

To assist delivery of this Strategy - *Binjareb Boodja Landscapes*, the PHCC will undertake prioritisation exercises at two stages before a program or project can be considered for funding:

1. Investment planning (Stage 1)
2. Project scoping (Stage 2)

The following describes a proposed methodology developed to prioritise Strategies at the investment planning stage (Figure 1). This will be used to prepare a 2015/18 Investment Plan for consideration by the Australian Government and other potential investment bodies.

Your feedback on the proposed prioritisation approach is welcomed.



Figure 1: Strategy Framework

What is Prioritisation at the Investment Planning Stage? (Stage 1)

In simple terms, prioritisation is the assessment and ranking of NRM Strategies using an agreed set of rules or criteria to identify the highest priority Strategies to implement through related programs and projects.

Prioritisation of NRM Strategies is important because there are an infinite number of projects that could be undertaken to deliver the NRM Strategy but finite available resources to allocate to these projects. Prioritisation at Stage 1 helps determine the most cost-effective Strategies to be implemented to achieve the Objectives of the Strategy. These Strategies should allocate resources to address significant threats to key assets through the most cost-effective types of action.

Investment planning occurs after the NRM Strategy has been finalised and allocates resources broadly across all or some of the Strategies over the investment period. There are 35 Strategies and 73 Activities proposed in the Draft *Binjareb Boodja Landscapes*.

Prioritisation to Scope Programs and Projects (Stage 2)

Project scoping is guided by the priorities set through investment planning (Stage 1) and determines the details (type, nature and location) of projects to be delivered within the investment period (e.g. 2015/18). Project scoping directs the operations of the PHCC and project partners and may undergo revision using an adaptive management approach.

Principles of prioritisation

Our proposed approach to prioritisation at both stages aims to be:

- scientifically and technically sound
- target threatening processes to key natural assets
- simple and easy to communicate to the catchment community
- repeatable, but with flexibility to adapt to new circumstances
- intuitive and informative for decision-makers.

Proposed Methodology: Prioritisation to Inform Investment Planning

Prioritisation of Strategies under each of the three Objectives of *Binjareb Boodja Landscapes* will guide where investment can achieve the most cost-effective outcomes to improve asset condition. The following prioritisation methodology is intended to be used together with other considerations to prepare the 2015/18 Investment Plan. Other considerations include maximising synergies and cost-efficiencies that naturally occur between some types of strategies, and understanding the interrelationships between different assets and threats in the Region. This latter consideration may help the Region move to a systems-based approach in the future.

The proposed approach to prioritisation of Strategies is outlined in Figure 1 and described below.

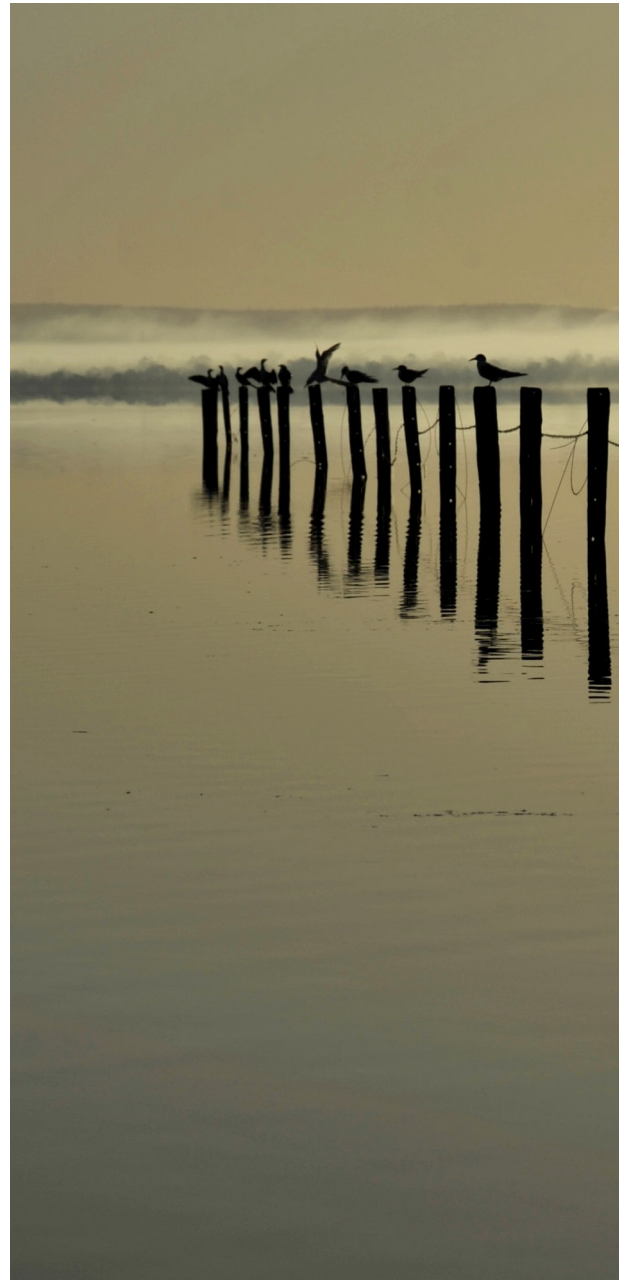
The prioritisation method assigns a High, Medium or Low Priority to Strategies by identifying and assessing the Management Outcomes that the Strategies are aiming to achieve. These are referred to as a Strategy Management Outcome, or SMO. Where possible, the SMOs should relate to a natural asset(s) and threat(s).

The process includes seven main steps:

1. Identify Core Enabler Strategies
2. Develop Management Outcomes for all other Strategies (SMOs)
3. Score SMOs against prioritisation criteria
4. Prioritise SMOs for each Objective
- 4a. Review Biophysical SMOs
5. Capacity Assessment for all SMOs
6. Rank SMOs and assign priorities
7. Determine High Priority SMOs for investment

It is important to note that the above process prioritises Strategies and is not designed to identify specific programs or projects. Project Scoping (Stage 2) determines the operational programs and projects to be delivered under the Investment Plan.

The process will be undertaken by the PHCC under the guidance of an Investment Planning Working Group, or similar. Input from a selection of experts in biophysical asset classes, delivery of NRM projects and the Peel-Harvey Region will be provided at key stages, including the scoring of Strategy Management Outcomes against the Prioritisation Criteria. It will be important that the people (community members and professionals) involved in the process have a broad range of knowledge and experience and have the trust and respect of the Catchment Community.



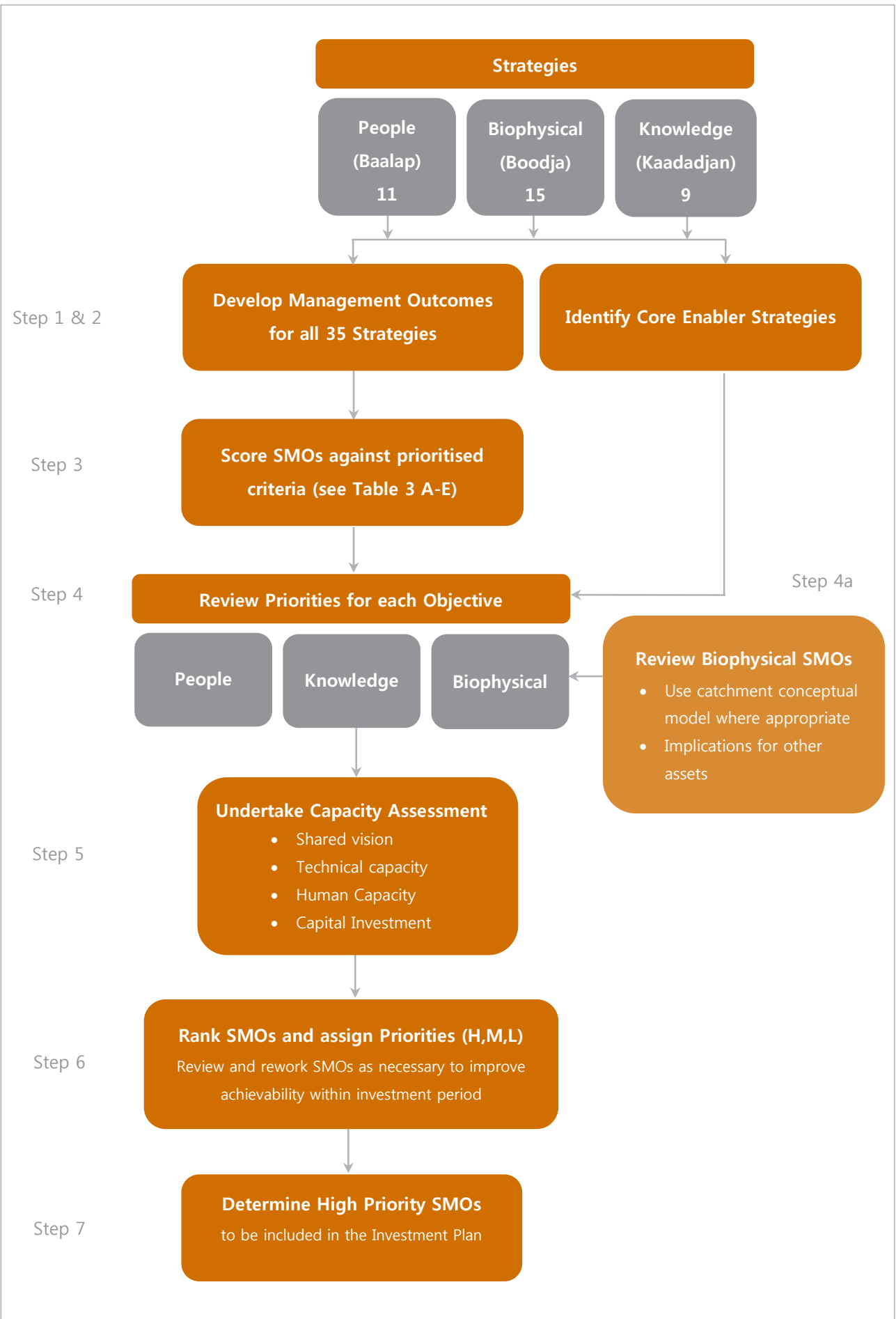


Figure 2: Proposed Methodology to Prioritise Strategies for Investment

Step 1 - Identify Core Enabler Strategies

These are Strategies which are essential to delivery of regional NRM in the Peel-Harvey. These Strategies are assigned 'High Priority' and are a high priority for investment.

Examples of Core Enabler Strategies are provided in Table 1.

Table 1: Strategies which are regarded as sstantial to Regional NRM in the Peel-Harvey - Core Enabler Strategies

Strategy	
P1.1	Operate an effective Regional body
P1.2	Communicate, educate, raise awareness and encourage participation in NRM
P2.1	Establish appropriate support structures across the Region, including Landcare Centres
P2.2	Provide mechanism for adaptive management
K1.2	Communicate State of the Catchment and relevant science to decision makers/community
K2.1	Maintain effective information collection, storage and analysis processes
K2.2	Use scientific methods to develop, inform and improve NRM programs
K3.1	Relevant information/knowledge is provided to land managers

Step 2 - Identify Management Outcomes for all Strategies (SMOs)

Using the (a) Strategies and Activities and (b) Assets and Threats Register (Appendix D), the PHCC will identify the Management Outcome(s) that should be sought under each Strategy. These are termed Strategy Management Outcomes (SMO). A Management Outcome is the desired outcome(s) that will lead to the relevant Goal being achieved.

Examples of Management Outcomes are provided in Table 2.

This is a key step in the process, and greatly influences the results of the prioritisation exercise. Essentially, SMOs identify what could potentially be achieved within the next 10 years (to 2025). The wording of the SMO should inform the measurement of outcomes (i.e. targets) in the intermediate to long-term.

Where relevant, the Strategy Management Outcomes should be linked to the asset class and address the threats to those assets. Each Strategy may have one or more SMO. Some Strategies may have numerous Management Outcomes listed because of the complexity of the relevant Strategy or the number of threats to the asset. Conversely, some SMOs will apply to more than one Strategy across one or more Goal(s) or Objective(s). This will be a consideration when reviewing and reworking SMOs in Step 6.

The Strategy Management Outcomes will be independently peer reviewed prior to continuing with the remainder of the prioritisation process.

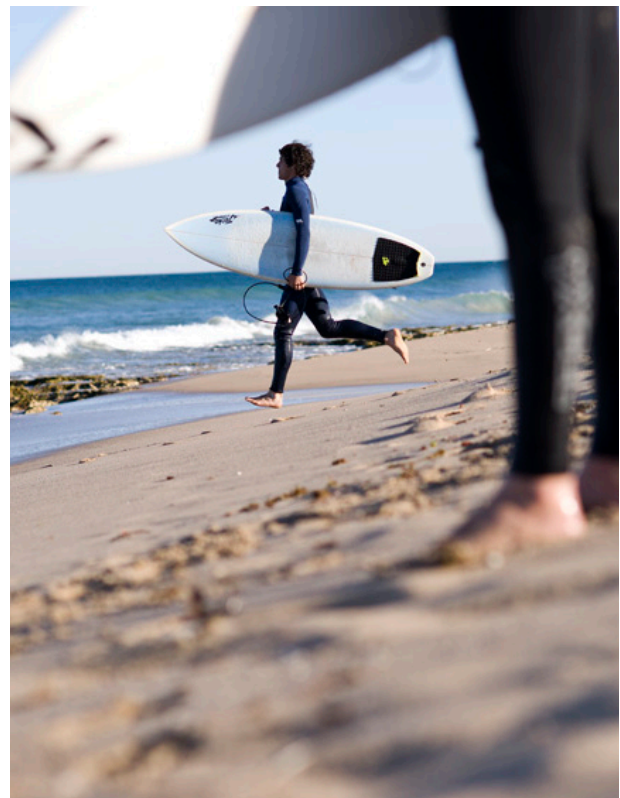


Table 2: Examples of Strategy Management Outcomes

Objective and Goal	Strategy and Activity	Assets and threats	Strategy Management Outcome
Biophysical B2: Soils are Healthy and Productive.	B2.2 Support land managers to match land uses and management practices to soil type and land capability. Activity B2.2.1 Support change of land management practices in vulnerable areas	Assets: soils of the Hotham-Williams Catchments and Coastal Plain Threats: Acidification, salinisation, erosion, water repellence	Land managers with vulnerable areas in the Hotham-Williams Catchments and Coastal Plain (e.g. salt-affected areas) are assisted to change land management practices
Biophysical B4. Biodiversity is conserved	B4.2 Manage and reduce threats. Activity B4.2.2 Implement and support threat reduction activities in priority areas	Assets: As identified in Assets Register and community feedback Threats: Feral animals	Threat reduction plans are developed and implemented to reduce threats to biodiversity in selected priority natural areas across the Region
Knowledge K2 Increase the Effectiveness of Natural Resource Management	K2.1 Maintain effective information collection, storage and analysis processes. K2.1.1 Establish and maintain an effective information collection process.	Assets: all classes Threats: priority threats as identified through this program.	Community members and professionals can access key information for NRM decision-making on all assets classes for all four subsystems in the Region.

Step 3 - Score SMOs using Prioritisation Criteria

In this step, the Strategy Management Outcomes for all non-core enabler Strategies are scored using the Prioritisation Criteria. The proposed criteria reflect the considerations that will influence the cost-effectiveness of potential programs and projects:

- Value of asset related to the SMO
- Achievability and feasibility of implementing the relevant SMO
- Stakeholder’s readiness to be involved in implementing the SMO
- Cost relative to other SMOs
- Consequence to asset condition of not implementing the relevant SMO

These criteria have been selected to provide the widest possible range of considerations with the least number of criteria.

It is proposed that the prioritisation of each Strategy Management Outcome will occur through numeric scoring of each criterion to give a total sum of scores for each Strategy Management Outcome.

The total score provides a relative measure of value for money to achieve that SMO for the given Strategy.

Table 3 provides an example of how Strategy Management Outcomes would be scored against criteria. The scoring of each criteria in Table 3 may use a simple 1 to 5 range (1 = low score, 5 = high score). Alternatively, weighting of criteria may be used if results are skewed to a particular asset class.

Table 3: Proposed Prioritisation Criteria

Prioritisation Criteria		High Score	Medium Score	Low Score
A	Value of asset related to the Strategy Management Outcome	<ul style="list-style-type: none"> Asset has recognised value at the international, national or regional level. Asset has a broad extent across Region Asset is of high economic value 	<ul style="list-style-type: none"> Asset is locally important Asset has a moderate extent across Region Asset is of moderate economic value 	<ul style="list-style-type: none"> All others
B	Achievability and feasibility of implementing the relevant SMO to achieve the relevant Goal/s	<ul style="list-style-type: none"> Highly feasible, technically sound and achievable 	<ul style="list-style-type: none"> Moderately feasible and achievable, only minor outstanding implementation issues 	<ul style="list-style-type: none"> Moderately feasible and achievable, with some yet to be resolved implementation issues
C	Stakeholder readiness	<ul style="list-style-type: none"> Stakeholders are ready, or have been recently engaged 	<ul style="list-style-type: none"> Stakeholders engaged, but some issues require resolution 	<ul style="list-style-type: none"> Stakeholders are not engaged
D	Cost relative to other Strategy Management Outcomes	<ul style="list-style-type: none"> Low cost 	<ul style="list-style-type: none"> Moderate cost 	<ul style="list-style-type: none"> High cost
E	Consequence to natural assets of not implementing the Strategy Management Outcome in the current Investment Plan period (i.e. rate and extent of change to asset condition)	<ul style="list-style-type: none"> High consequence of not acting 	<ul style="list-style-type: none"> Moderate consequence of not acting 	<ul style="list-style-type: none"> Low consequence of not acting

Step 4 - Prioritise SMOs for each Objective

The Strategy Management Outcomes are now listed from highest total score to lowest total score. At this stage, separate prioritised lists of Strategy Management Outcomes are kept for each of the three Objectives (People, Biophysical and Knowledge). These lists are used to guide the prioritisation of each Strategy Management Outcome as High, Medium or Low Priority relative to all others for a given Objective. Core Enabler Strategies are placed at the top of each list as the highest priorities for investment.

Step 4a - Review Biophysical SMOs using Catchment Conceptual Model

For each Strategy Management Outcome under the Biophysical Objective, review the assigned priority using a simple Catchment Conceptual Model. A conceptual model shows the relationships between the natural assets, threats, stresses and flows within the catchment.

The purpose of the review is to identify where there may be strategic benefits in implementing certain Strategies over others because of the way in which

the given Strategy will have broader or systemic benefits across the Catchment. For example, a Strategy to improve soil structure on farms may have additional benefits for waterway health and biodiversity, and therefore may be considered a higher priority than a Strategy that simply focuses on improving waterway health.

This review may change the prioritisation of some Biophysical Strategies. Where the prioritisation of an SMO is changed in this step, it will be important to document the rationale for such a change.

Step 5 - Carry out Capacity Assessment for all SMOs

In this step, a Capacity Assessment is carried out for each Strategy-Management Outcome. The Capacity Assessment assesses the capacity to achieve the Strategy Management Outcome in terms of a Shared Vision, Technical Capacity, Human Capacity and Capital Investment:

- A Shared Vision – allowing everybody to work together to achieve common goals and aspirations.

- Technical Capacity – an agreed scientific understanding of what needs to be done to achieve goals and objectives.
- Human Capacity - the skills and people-power required to achieve the shared vision(s) through applying scientific knowledge and appropriate land management practice.
- Capital Investment - the financial capacity to implement change essential to achieving the stated Objectives and Goals.

Achieving significant and lasting outcomes in NRM requires the above four fundamentals to be in place.

The information collected during the Capacity Assessment is used in both prioritisation for investment (Stage 1) and project scoping (Stage 2). At the Investment Planning stage, the Assessment helps identify what is required, in general terms, to achieve the desired outcome and if capital investment is a limiting factor. During project scoping, the Assessment guides the type of operational program or project that is required.

Step 6 - Rank SMOs and assign Priorities (H,M,L)

Combine the listings of all Strategy Management Outcomes across all Objectives in order of High, Medium and Low. The combined list is reviewed to identify any anomalies or discrepancies. Adjustments to the list can be made if necessary, and the rationale for any adjustments documented.

Strategy Management Outcomes may be re-worked at this stage to improve their prioritisation by making the Outcome more achievable or by combining or splitting Outcomes for the particular Strategy or Goal.

Consideration should be given to increasing the priority of SMOs which apply to more than one Strategy and across one or more Goals or Objectives.

Step 7 - Determine High Priority SMOs for Investment Plan

This is the final step and leads to the selection of SMOs that are to be included in the Investment Plan.

In this step, the timeframes to implement each SMO need to be determined (e.g. categories of 1 – 3 years, 3 – 5 years, over 5 years may be used).

Consideration of timeframes, local knowledge and other information is used to determine the:

1. feasibility of achieving each selected High Priority SMO in the given investment period
2. compatibility of delivering the selected mix of High Priority SMOs within the given Investment Plan period

Where there may be benefits (e.g. cost efficiencies and improved logistics) of including selected Medium Priority SMOs in place of other selected High Priority SMOs in the relevant Investment Plan, then consideration may be given to this option. The rationale for any adjustments must be clarified and documented.

Using the above proposed process, the final list of priorities for investment will:

- Ensure that there is the capacity to deliver coordinated natural resource management in the Peel-Harvey Region
- Address the highest priority natural assets and threats in the Region
- Clarify the SMOs to be sought within the Investment Plan period
- Identify suitable measures to assess achievement of outcomes

