

2022-23

CORPORATE PLAN

Strategy to 2026



Australian Government
Indigenous Land and Sea Corporation



The **ILSC GROUP**

PEOPLE. COUNTRY. OPPORTUNITY.

“

Our ancestors successfully managed Country in a sustainable way for thousands of years. In the new era of Tjaltjraak, we are rebuilding our relationship with Country and rekindling practices, and now we have a new home to enable us to do this.

Gail Reynolds-Adamson,
Chair, Esperance Tjaltjraak Native Title Aboriginal Corporation on the corporation's \$759,000 ILSC grant to purchase a building for their business and land management activities

”



Esperance Tjaltjraak rangers on Esperance Nyungar Country WA

Front cover: Diana's Basin, lutruwita (Tas) Tasmanian Land Conservancy and Andy Townsend

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The ILSC Board, as the Accountable Authority of the Indigenous Land and Sea Corporation, present the 2022-23 ILSC Group Corporate Plan, as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The plan was prepared in accordance with the *Public Governance, Performance and Accountability Rule 2014*. It covers the reporting period 2022-23 and anticipates developments to 2025-26.

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In all our activities the ILSC pays respect to the Traditional Owners and Custodians of the lands and waters on which we work. We honour the resilience and continuing connection to Country, culture and community of all Aboriginal and Torres Strait Islander people across Australia. We recognise the decisions we make today will impact the lives of generations to come.

St George ranger base ceremony, Qld

Welcome from the Board

Welcome to the Indigenous Land and Sea Corporation's Corporate Plan 2022-23, Strategy to 2026.

The Corporate Plan, our chief planning document under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), provides more detail on implementing the high-level directions contained in the National Indigenous Land and Sea Strategy 2021-23 (NILSS) and sets out our annual priorities towards achieving our purposes.

Preparation of the 2022-23 Corporate Plan comes under the auspices of a new ILSC Board and a new Australian Government. We extend a warm welcome to the new Minister for Aboriginal Affairs, the Hon Linda Burney MP, and give sincere thanks to her predecessor the Hon Ken Wyatt AM.

We also acknowledge the appointment of Senator the Hon Malarndirri McCarthy as Assistant Minister for Indigenous Australians and Senator Patrick Dodson as Special Envoy for Reconciliation and the Implementation of the Uluru Statement from the Heart.

We look forward to working together in the coming years on progressing the National Agreement on Closing the Gap and in implementing the Uluru Statement From the Heart.

With the new government's commitment to enshrining a First Nations Voice to Parliament and to establishing the Makarrata Commission, we believe there has never been a better time to examine and mature our engagement and partnerships strategy and operations to ensure they genuinely represent the aspirations of Indigenous people and to improve how and where we can better share decision-making. This will be a focus of the year ahead.

The release of this year's Corporate Plan comes as a comprehensive national engagement process is underway to gather insight from Aboriginal and Torres Strait Islander peoples on how – as demand for Indigenous-led products and services grows – we will continue to work together, strengthening our role as facilitators and partners in delivering positive outcomes from Country.

This feedback will inform a full revision of the NILSS – our primary policy document under the *Aboriginal and Torres Strait Islander Act 2005* – providing the strategic and operational direction for our organisation over the five years to 2027.

We anticipate that this process will identify key opportunities on Country for ILSC amplification and investment along with the sectors, roles and mechanisms for our prioritisation in the future years of this Plan. Much of 2022-23 will likely be reviewing and aligning our programs and structures to reflect the new strategy and preparing for its implementation. We can therefore expect the forward years of this Corporate Plan – and its targets – to increasingly be aligned to its implementation.

Meanwhile, consistent with the shift in strategy identified in the current NILSS 2021-23, we are continuing our efforts to exit from our owner-operated businesses. The divestment of the National Centre of Indigenous Excellence in Redfern, Sydney to its new owners, the New South Wales Aboriginal Land Council, was finalised in July 2022. From 2022-23 forward, we will continue to work toward the divestment of the ILSC's remaining subsidiaries and associated landholdings.

From 2 July 2022, the ILSC takes on a role as Agent Prescribed Body Corporate (PBC), under the default PBC provisions of the *Native Title Act 1993* and PBC Regulations. This role, separate from but consistent with our primary and statutory purposes, presents us with the challenges inherent in the implementation of a new and complex function, as well as an opportunity to strategically and practically engage with common law holders to amplify and realise their aspirations for Country.

Finally, we acknowledge the continuing impacts of the COVID-19 pandemic and recent flooding on sectors of our communities and encourage our Indigenous partners and communities to reach out where they are experiencing challenges to their immediate operating environment to see how we might assist.

As a new Board we look forward to continuing our work with all our partners in growing and maximising opportunities across Country.

IAN HAMM,
ILSC Chair, August 2022



What we do and why

Welcome to the Indigenous Land and Sea Corporation where we work towards our long term vision for Indigenous people to enjoy the rightful entitlements, opportunities and benefits that the return of Country and its management brings.

Our key activities

- > Acquiring and returning land and water-related rights and assets to Indigenous people
- > Supporting Indigenous people to preserve and protect cultural and environmental sites and traditional knowledge through reconnection with Country
- > Building the capacity and capability of Indigenous people to sustainably manage and protect Country
- > Partnering with Indigenous people to drive and influence opportunities for their Country

Since our establishment in 1995, \$1.26 billion has been invested through our activities. This includes funding for 1,016 projects managing Country, and the purchase of 281 land interests covering 6.3 million hectares, and four water interests (pipi and southern bluefin tuna quota).

As of June 2022, over three quarters (80 per cent) of our land and water acquisitions were under the care and control of an Indigenous title holder.

We have facilitated and partnered with numerous Indigenous corporations and people across Australia from urban, regional and remote locations and in every Australian state and territory.

We have supported Indigenous people to bring products and services to market including cultural and ecotourism ventures; niche Indigenous products such as bushfoods; and culturally-led ecosystem services such as carbon farming and traditional fire management.

And we have assisted Indigenous people to strengthen knowledge and culture through ventures like the Northern Australian Kakadu Plum Alliance and Kuti Co; through the protection of culturally significant Country such as Cullunghutti Mountain; and through the provision of culturally appropriate services such as the North Australian Legal Justice Agency, Warriparinga aged care facility and Purple House health services.

ILSC projects have enabled thousands of Indigenous training and employment opportunities; improved Indigenous access to Country; and contributed to the protection of culturally significant sites and participation in cultural events.

Our activities are underpinned by a respect for the ILSC's genesis.

We were established to provide for the contemporary and future land needs of Indigenous Australians, particularly those unlikely to benefit from Native Title or Land Rights (see box).

In redressing dispossession, the ILSC's acquisition and management functions provide greater opportunities for a more prosperous and culturally centred future for Indigenous Australians.

Legislative and governance context

The Indigenous Land and Sea Corporation (ILSC) is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) which first commenced as the Indigenous Land Corporation (ILC) on 1 June 1995.

It was established by the *Aboriginal and Torres Strait Islander Act 2005* (ATSIA Act) in response to the Mabo judgement (1992) and as such complements the *Native Title Act 1993* in the recognition of common law native title rights to land.

Sitting within the portfolio of the Department of Prime Minister and Cabinet, the ILSC contributes to the achievement of the Australian Government's priorities in Indigenous Affairs and is accountable to the Parliament through the Minister for Indigenous Australians. The operations of the ILSC directly intersect with the Government priority of economic development on Indigenous-held lands and waters.

The ILSC's primary decision-making body is its seven-member Board appointed by the Minister. Five members including the Chair must be Indigenous Australians.

ILSC Governance

MINISTER FOR INDIGENOUS AUSTRALIANS

Appoints a 7-member Board including the Chair and Deputy Chair. Five members including the Chair must be Indigenous Australians.



BOARD

Accountable Authority

- > Sets strategic direction and determines policy
- > Monitors performance and compliance
- > Appoints Chief Executive Officer (CEO)



CEO

Statutory Officer

Oversees day-to-day operations in accordance with Board directions



ILSC ADMINISTRATION

ILSC SUBSIDIARIES

Discrete governance and management structures



Check out our new publication *Returning and Managing Country* where we showcase how the huge diversity of activities supported by the ILSC's major funding program are leading to positive change for Indigenous people.

Tiwi Islands with early season fire management in the distance, NT

We believe unlocking and growing Country is an important avenue for addressing Indigenous disadvantage, providing new opportunities, a source of economic and cultural renewal, a base for Indigenous influence in national development, and intergenerational wealth and wellbeing for Indigenous Australians.



Roebuck Plains Station,
Yawuru Country WA

Our operating environment: Country*

The chief focus of the ILSC's efforts is to unlock the benefits – or capital – inherent in Country.

By 'Country' we mean the tangible and intangible aspects of Indigenous Australia collectively held by Indigenous Australians.

Physically, this refers to land under the care and control of Indigenous Australians, alongside the fresh and salt-water Country over which there are recognised Indigenous interests.

Less tangibly, it refers to the cultural assets, cultural knowledge and intellectual property collectively held by Indigenous Australians and associated with their Country.

Through our work Indigenous people are generating capital from Country: economic, cultural, social and environmental assets that persist and develop in value over time.

Across Country are vastly diverse landscapes, demographics, regulatory frameworks and opportunities, all positioned within the context of the broader Australian economy and community. Country also exists within an increasingly interconnected landscape with global economic, social and environmental factors – for example, market forces, climate change and global pandemics (see below) – influencing how we operate, as well as the opportunities available to partner with Indigenous Australians.

From cities, to regional and remote areas, to the coast, our challenge is to keep pace with the demands and aspirations of Indigenous people and to work in partnership across this diversity maximising opportunities to unlock and grow Country.

** sometimes referred to as the Indigenous Estate*

Key 2022-23 influences and emerging opportunities

Borders within and outside Australia have largely re-opened but the impacts of the COVID-19 pandemic and its disruption to the global and national economic and social landscape are now being compounded by the war in Ukraine, climate change and an escalating cost of living.

International tourist numbers are significantly down on pre-pandemic levels while labour shortages, rising interest rates and supply chain disruptions are all impacting economic recovery. These are a source of concern across Country and for all Indigenous Australians, impacting consumer and business confidence, investment decisions, and access to capital, as well as putting increased pressure on social service providers.

In 2022-23, the ILSC will continue to work closely with Indigenous enterprises to both recover from and build their preparedness for the ongoing impacts of COVID-19 and extreme weather events. Through our chief funding program – *Our Country Our Future* – we will invest in Indigenous enterprises to build resilience and adaptation to economic and environmental shocks, and partner with Indigenous service providers to enable them to continue to effectively support their clients and communities.

In mitigating climate change, the Australian Government's rekindled focus on a renewable energy economy presents clear opportunities for Indigenous Australian holders of Country. In 2022-23, the ILSC will continue to actively engage with leading Indigenous voices in this sector, ensuring it keeps pace with their aspirations.

With the new Australian Government's commitment to constitutional reform through the Uluru Statement From the Heart, 2022 promises to build on the whole of government focus on outcomes for Indigenous Australians established with the 2020 National Agreement on Closing the Gap. This will lead to a greater role for Indigenous Australians in the decisions that impact them. Combined with the outcomes of our engagement on the National Indigenous Land and Sea Strategy (NILSS) 2022-27, we expect this to lead to new directions and provide renewed momentum and confidence in our own operations and those of our Indigenous proponents.

Despite the significant business disruptions throughout 2021-22 we met or exceeded our key deliverables for the 2021-22 performance year. While our forward years – and corresponding performance measures – for this Plan will be increasingly informed by the NILSS 2022-27, we anticipate continued achievement across the forecast period of this Plan, as we build on the capability and partnership of Indigenous enterprises.

The ILSC looks forward to continued growth in outcomes over the period of this Plan. We hope we will be enabled by increased ability to visit Country, however with infections on the rise again in the winter of 2022, COVID-19 impacts are proving difficult to forecast.

Our purpose

The ILSC's purpose is to assist Aboriginal and Torres Strait Islander peoples to acquire and manage land and water to generate economic, environmental, social and cultural benefits.

Aboriginal and Torres Strait Islander Act 2005, section 191B

Our vision

The ILSC's long term vision is for Indigenous Australians to enjoy the rightful entitlements, opportunities and benefits that the return of Country and its management brings.

Our pathways of change

Aligned with *Our purpose* under the ATSI Act, we have identified a series of medium to long-term outcomes (or changes) that Indigenous Australians are expected to accrue as a result of involvement in our activities.

We call these outcomes our four pathways of change:

1. Indigenous people are maintaining and growing the value and productivity of Country.
2. Indigenous people are owning and managing Country sustainably.
3. Indigenous people are influencing policy and opportunity for Country.
4. Indigenous people are strengthening culture through reconnection to Country.

How we measure our progress

Assessing the extent to which we are achieving our desired long-term outcomes (via *Our pathways* and through our activities) is central to our Performance Framework and its underpinning 'theory of change' (also known as the ILSC Program Logic) and Value for Money evaluation approach. These concepts and methodologies are further articulated in our chief policy document, the National Indigenous Land and Sea Strategy, and in the ILSC Performance Framework.

The targets in our Corporate Plan complement the performance criteria outlined in our contribution to the Portfolio Budget Statements of the Department of Prime Minister and Cabinet for 2022-23 (see page 21). These measures include qualitative aspects, enabling the ILSC to consider the extent to which our activities and investments have generated the anticipated positive change in the lives of Indigenous Australians, and therefore the extent to which we have delivered against *Our pathways*.

Not all of these measures lend themselves to numerical targets and our achievements against them will be assessed through project and program scale evaluations.

In assessing our performance we draw on the following major data sources:

- > corporate databases (HR and training data)
- > data on benefits achieved by ILSC subsidiaries
- > data on benefits achieved by ILSC funding recipients.

The results of our annual performance are independently audited and published in our Annual Performance Statement (within our Annual Report).

¹ Prime Minister, the Hon Paul Keating MP, Second Reading, ATSI Amendment (Indigenous Land Corporation and Land Fund) Bill 1994, House of Representatives Hansard, 3 August 1994.

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The establishment of the ILSC recognised that 'the vast majority of Indigenous Australians have been dispossessed, either in whole or part, of that which is most precious to their sense of history and spirituality... their land'¹.

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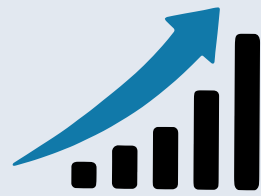
Roebuck Plains Station,
Yawuru Country WA

**For an easy reference guide to
our full Strategic Framework
and Strategic Documents
see pages 22-23**

Pathways of change



For a full description of our outcomes – or Pathways of change – refer to our National Indigenous Land and Sea Strategy 2021-23.



Outcome One

Indigenous people are growing the value and productivity of Country

OBJECTIVES

- > The intrinsic and economic value of Country is increasing. The return and management of Country generates economic activity to contribute to intergenerational wealth for Indigenous Australians while sustaining and growing cultural and environmental benefits.

ACTIVITIES

In 2022-23 and forward years* the ILSC will:

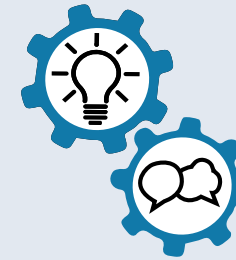
- > prioritise the acquisition of land and water-related interests for immediate divestment to Indigenous corporations, enabling benefits to efficiently and rapidly flow to Indigenous people
- > seek to acquire land and water-related interests that will achieve sustained and growing benefits for property holders, in line with aspirations and priorities identified through the engagement process underpinning the forthcoming National Indigenous Land and Sea Strategy 2022-27
- > proactively seek opportunities across geographies, markets and industry sectors and lead the development of collaborative projects to benefit Indigenous Australians
- > continue to assist Indigenous proponents through facilitation, negotiation and advocacy to maximise opportunities and connections with markets and networks
- > continue to identify third-parties to strategically partner with Indigenous corporations in a commercial setting, maximising employment and enterprise opportunities for Indigenous Australians
- > continue to pursue and grow co-investment from the corporate and private sector, leveraging the value and impact of the ILSC's investment to meet the aspirations of Indigenous Australians.

Corporate Plan target	PBS Performance Criteria# and other indicators	Information collected
By 2026, the ILSC will have acquired 308 [†] land or water-based interests since inception, for the benefit of Indigenous corporations	Deliverable 1 Interests acquired	Type of country; location type; RILSS region; purchase price and data; valuation price and date
By 2026, the ILSC will have returned a total of 264 [†] land or water-based interests to Indigenous care and control since inception	Deliverable 2 Interests granted	Valuation price and date
By 2026, the ILSC will have assisted in the establishment and/or improved the productivity, efficiency and/or resilience of 60 businesses per year	KPI 3 Indigenous business development	Type and purpose of improvement (efficiency, productivity, resilience)
	KPI 1a & 1b Indigenous employment	Individual instances of employment: a) by the ILSC Group or b) through ILSC supported activities

* In forward years our activities will be reviewed for alignment with the direction set out in the new National Indigenous Land and Sea Strategy 2022-27.

PBS Deliverable 3 – Number of active projects (relates to all Corporate Plan targets)

† This target reflects the targets set out in the ILSC's contribution to the 2022-23 Portfolio Budget Statements



Outcome Two

Indigenous people are owning and managing Country sustainably

OBJECTIVES

Indigenous property holders:

- > are supported to sustainably manage and own Country
- > have increased knowledge, skills, networks and investment partnerships to sustainably own and manage Country
- > are implementing environmental management and enterprise efficiency measures to mitigate and/or adapt to climate change impacts.


ACTIVITIES

In 2022-23 and forward years* the ILSC will:

- > provide advice on building capability and capacity to successfully meet land and water interest ownership and management objectives
- > conduct commercial standard due diligence on project proposals to ensure success for partners
- > promote informal and formal training and knowledge sharing elements to projects
- > raise awareness of and encourage participation in industry and other networks
- > encourage awareness and adoption of risk measures to mitigate and/or adapt to climate change and other environmental impacts to Country, heritage sites or cultural sites.

Corporate Plan target	PBS Performance Criteria# and other indicators	Information collected
The proportion of ILSC granted assets returned to the ILSC and/or lost to Indigenous care and control is decreasing year on year	Number of granted assets vs returned or lost grants	Valuation price and date; reason for return or loss
80% of all projects meet projected deliverables (relates to all outcomes pathways)	Number of projects with incomplete vs complete projected deliverables	Output and outcome performance ratings
The extent of Indigenous participation in and completion of capability building activities related to ownership and/or management of Country and/or enterprise	Training participation	Training type; course duration; accreditation status
	KPI 2a Trainees hosted/employed	Host name (subsidiary)
	KPI 2b Training completions	Training type; course duration; accreditation status
	Planning participation where Indigenous people engage in structured planning activities to enable enterprise development and/or the management of Country	Type of planning activity

Pathways of change

 For a full description of our outcomes – or Pathways of change – refer to our National Indigenous Land and Sea Strategy 2021-23.



Outcome Three

Indigenous people are driving and influencing policy and opportunity for Country

OBJECTIVES

- > Indigenous people are active and informed participants in relevant policy, research, and decision-making and driving opportunities for Country.

ACTIVITIES

In 2022-23 and forward years* the ILSC will:

- > actively facilitate, negotiate and advocate on behalf of Indigenous Australians to improve Indigenous contribution to, and leadership of, policies affecting Country
- > develop strategic projects that maximise opportunities for Indigenous participation and representation in all relevant sectors
- > collaborate in meaningful research programs relevant to the ILSC's purpose and functions that deliver practical and tangible outcomes to Indigenous land and water management entities
- > develop strategic projects and fora that highlight the contribution of Country to national life (economic, social, environmental and cultural) and position Indigenous peoples as a force in decision-making.

Corporate Plan target	PBS Performance Criteria# and other indicators	Information collected
60% of new projects will involve formal partnerships and informal collaboration	KPI 5 Collaboration	Partner type; contribution type; contribution value
The number of Indigenous people and/or corporations established in decision-making structures across geography, industry or sector leadership bodies assisted by ILSC investment is increasing year on year	KPI 6 ILSC contribution to the Indigenous Estate	Description of sponsorship, policy formation and sector development activities supported by the ILSC
20% of projects will contribute to raising the profile of Indigenous communities and their achievements in the broader community	Identify and describe	No additional information



Outcome Four

Indigenous people are preserving and protecting culture through reconnection with Country

OBJECTIVES

Indigenous people:

- > have opportunity for increased on-Country practice of culture, use of language, sharing and transfer of traditional and conventional knowledge
- > are increasingly able to access culturally-safe social services and activities
- > are increasingly visible and recognised by the broader community.

ACTIVITIES

In 2022-23 and forward years* the ILSC will:

- > continue to support projects which foster and strengthen Indigenous cultural practices, language and traditional knowledge sharing, particularly on Country
- > support the development of culturally-safe services and activities that can holistically meet the needs of a growing Indigenous population
- > identify strategic projects that promote Indigenous knowledge, build cultural and social capital, and increase the profile, visibility and participation of the Indigenous community in the broader community.

Corporate Plan target	PBS Performance Criteria# and other indicators	Information collected
50% of new projects annually will contribute to the maintenance and/or protection of Indigenous culture, heritage, and/or the environment	KPI 4 On-ground management activities	Type of activity; purpose of activity; extent of activity
	Improved access to Country and/or cultural sites	No additional information
	Culturally safe/appropriate services - people accessing	Type of service
	Cultural event participation	Type of activity; accessibility of activity
20% of projects will contribute to raising the profile of Indigenous communities and their achievements in the broader community	Identify and describe	No additional information

* In forward years our activities will be reviewed for alignment with the direction set out in the new National Indigenous Land and Sea Strategy 2022-27.

PBS Deliverable 3 – Number of active projects (relates to all Corporate Plan targets)

Our funding and program structure

The ILSC is funded through the Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF), established (initially as the Aboriginal and Torres Strait Islander Land Account) to support the purpose of the ILSC. Revenue from the Fund supports our operations, with the ILSC receiving \$45 million (in 2010 values) annually.

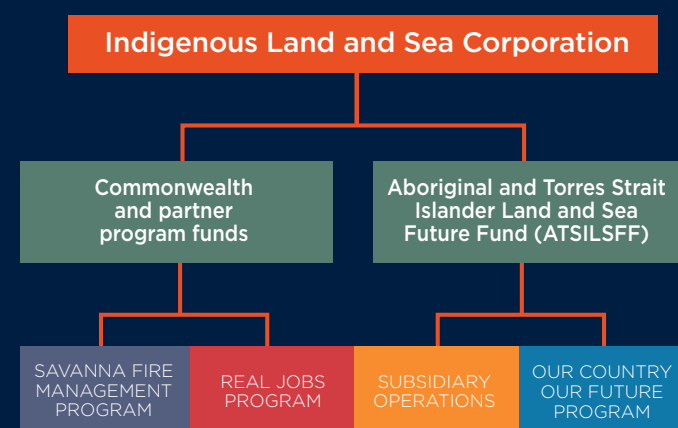
We achieve *Our purpose* through:

- > our principle funding program – *Our Country Our Future* – delivered from our three Divisional offices: Western (Perth), Central (Adelaide) and Eastern (Brisbane) where we develop and deliver new land and water acquisition and management projects with Indigenous groups
- > our subsidiaries, which are specifically structured and geared to generate outcomes through operating commercially in industry sectors in which Indigenous peoples hold a competitive advantage:
 - Voyages Indigenous Tourism Australia
 - Primary Partners
- > the delivery of funded programs – Real Jobs Program and Savanna Fire Management – aligned to our mandate where our specific skills, scope and scale make us a partner of choice for both Government and our Indigenous partners.

Our transition from owner-operator to facilitator of opportunities for Country will see the ILSC continue to divest key ILSC properties in the period to 2026. This is likely to continue to impact our structure through a further reduction in the number of our subsidiaries.

Additionally, as we shift to implementing the new National Indigenous Land and Sea Strategy 2022-27 changes may occur in forward years to our programs and structures.

The ILSC program structure



Gunbalanya Station on Kunwinjku Country, West Arnhem Land NT
Pam Daniell

Our subsidiary operations

The ILSC operates two wholly-owned subsidiary businesses in the tourism and agribusiness sectors. These entities are established to operate in response to commercial and social drivers, delivering outcomes aligned to *Our pathways* through the advantage held by Indigenous Australians in these sectors.

The profile of ILSC subsidiary operations is changing as we prioritise the divestment of held assets and transition from acting as an owner-operator of enterprises.

Our processes and decision-making structures will ensure that divestment of these assets sustain at least the existing level of benefits to Indigenous Australians in the immediate term.

Over time, we expect these assets to generate increased economic, environmental, social and/or cultural capital for Indigenous people, including building their active control over Country.



Description	> Primary Partners serves as an employment vehicle in the operations of agricultural businesses on ILSC owned and Indigenous held pastoral assets.
Activities	> Primary Partners currently oversees pastoral operations on a number of ILSC owned properties, performing a training and employment function for Indigenous Australians, and assisting the ILSC to get assets divestment ready. Primary Partners also operates agribusinesses on Indigenous held properties providing opportunities for training, jobs and support.
Contribution to <i>Our pathways</i>	> Primary Partners contributes to <i>Our pathways</i> by delivering training and employment outcomes to Indigenous Australians and maximising the productivity of Indigenous-held land and water. > The impact of COVID-19 on the ILSC's agribusiness operations continues to be minimal, resulting in no reduction in predicted employment (KPI 1a) or training outcomes (KPI 2a).



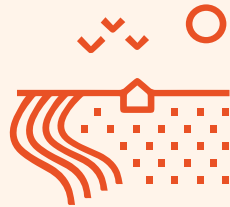
Description	> Voyages offers experience-based holidays on Indigenous-held land across Australia including Ayers Rock Resort in Yulara, Northern Territory, and tourism facilities at Mossman Gorge, Queensland. > Voyages leverages the assets of Country to provide guests with enriching, memorable experiences, showcasing Indigenous cultures. > All profits from Voyages business activities go towards building the guest experience and supporting Indigenous training and employment across Australia.
Activities	> In addition to their commercial activities, Voyages operates the National Indigenous Training Academy (NITA). NITA provides work-based traineeships for Indigenous Australians in hospitality and related vocational fields, enabling them to secure employment in the hospitality industry across Australia.
Contribution to <i>Our pathways</i>	> Voyages directly contribute to <i>Our pathways</i> , through delivering employment and training outcomes as set out in our Portfolio Budget Statement targets. > The impact of COVID-19 on the tourism sector has seen the ILSC adjust its performance targets for Indigenous employment (KPI 1a) and training (KPI 2a) reflecting the contribution of Voyages to <i>Our pathways</i> . While it is difficult to predict COVID-19 impact, the ILSC has adjusted these targets in the 2022-23 period to reflect a staged return to full operations.

Our partners



Indigenous Australians

The primary stakeholders for the ILSC, Indigenous Australians are 'holders' of the cultural, environmental, economic and social assets that make up Country; they are both partners in, and beneficiaries of, our core business in delivering projects across Country. Our work sees us partner with Indigenous Australians in all their diversity including **Traditional Owners, land councils, Indigenous corporations, Indigenous businesses and enterprises and service providers.**



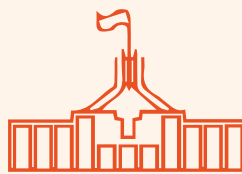
The Indigenous land and water management sector

We share our land and water management agenda with a range of other organisations with whom we partner on project delivery, funding, and in ensuring Indigenous perspectives are central to the development of policy and activities. Examples include **Land Councils, Ranger Groups, Indigenous Protected Areas, natural resources management bodies** as well as regional or jurisdictional groups like the **North Australian Indigenous Land and Sea Management Alliance, 10 Deserts Project, Indigenous Desert Alliance, the Indigenous Carbon Industry Network** and large conservation NGOs including **The Nature Conservancy and Bush Heritage.**



Indigenous land rights sector

Our partners in policy and agenda setting, since the ILSC's inception we have worked closely with Native Title bodies supporting the generation of economic, environmental, cultural and social outcomes from Country. As we move into a post-determination era, we will continue this work with peak bodies – **National Native Title Council and National Native Title Tribunal** – and the various **Native Title representative bodies and Prescribed Bodies Corporate** operating across Country.



Government

The ILSC works across government agencies at a federal, state and local level consulting on policy, regulatory and operational matters. Nationally, we are accountable to the **Minister for Indigenous Affairs (ATSI Act)** and the **Department of Prime Minister and Cabinet (PGPA Act)**. We maintain a close working relationship with the **National Indigenous Australians Agency**, the chief Commonwealth organisation overseeing Aboriginal and Torres Strait Islander affairs across the Australian Government, and with **Indigenous Business Australia, CSIRO** and other government agencies and bodies. Increasingly, we are involved in inter-agency collaborations supporting Indigenous infrastructure development in northern Australia, including through the **Northern Australia Infrastructure Facility.**



Co-funders and investment partners

The ILSC can play a critical role in connecting Indigenous land and water projects with additional sources of non-government finance – particularly for projects with a commercial or trading dimension – with opportunities existing in philanthropy, the private sector, conservation finance, impact investment, as well as mainstream finance and banking products. We will continue to build relationships with new partners and strengthen our relationships with our existing partners including **First Australians Capital, Westpac, Commonwealth Bank of Australia, National Australia Bank, Social Ventures Australia, Impact Investing, Impact Investment Group, Tiverton Agricultural Fund, Odonota, Cassinia, Social Enterprise Finance Australia, The Nature Conservancy, Pollination Foundation, Trust for Nature, Bush Heritage, Northern Australia Infrastructure Fund, Clean Energy Finance Corporation** and the **Australian Renewable Energy Agency.** The ILSC is also investing in supporting the capacity of Indigenous groups to directly access investment and non-government funding.



Commercial partnerships

Commercial, or business, partners can be critical in assisting Indigenous Australians to realise benefits from their rights/interests in land or waters. Since 2019 the ILSC has supported several major opportunities where a commercial partnership (or joint venture) between Indigenous and commercial entities has been central. We will use our recently developed commercial partnerships framework and guide to build our capacity – and that of our partners – to develop and implement strong and effective commercial partnerships that deliver lasting benefits.



Bush Balm Social Enterprise products
Purple House

Our 2022-23 priorities

Over this period our priority is to 're-set' our relationship with Indigenous Australians. We will:

- > continue to develop strategic partnerships between the private sector, other funding organisations and Indigenous corporations to help realise lasting benefits for Indigenous people and the land and sea they manage
- > integrate results of comprehensive consultation on the development of a new National Indigenous Land and Sea Strategy 2022-27
- > align the ILSC's partnership strategy with the strategic direction set out in the National Indigenous Land and Sea Strategy 2022-27
- > continue our contribution to the broader Indigenous affairs agenda, including to the new National Agreement on Closing the Gap
- > evaluate the effectiveness of current partnerships and where necessary, build new partnerships to support the development of investment focus areas identified by the National Indigenous Land and Sea Strategy 2022-27
- > seek to deepen our understanding, operational capability and relationships with the Indigenous land rights sector as it seeks to discharge its obligations as a default Prescribed Bodies Corporate
- > continue to work with our partners to ensure our Performance Framework methodologies and tools are embedded into our operations and project delivery.

OUR VALUES

Responsibility

Respect

Courage

Teamwork

Trust



Queensland Murray Darling Basin Catchment Limited rangers William and Peter celebrate their new home base in St George Qld

Our people and capability

The ILSC is a relatively small entity with a broad remit - and we are unashamedly ambitious for Indigenous Australians. We strive for a future where generations of Indigenous people enjoy the rightful entitlements, opportunities and benefits that the return of Country and its management brings. We are proud of our achievements and partnerships with Indigenous groups where we work together to build a prosperous Country.

To realise Indigenous Australians' aspirations, we must continue to employ the right people, fully engaged with *Our vision* and *Our values*, and with the skills, confidence and tools to drive our agenda.

In return, we provide meaningful learning and development opportunities; maximise the diverse experiences and skills our people bring through opportunities for collaboration; and offer a reward and recognition program, which recognises staff who live *Our values* and demonstrate a commitment to our purpose.

In the period to 2026, we will continue to build the capability of our people, processes, technology, relationships and culture to support client outcomes.

Our 2022-23 priorities

- > Implement the ILSC Reconciliation Action Plan
- > Launch the ILSC's Indigenous Engagement Strategy
- > Workforce planning to support the implementation of the new National Indigenous Land and Sea Strategy 2022-27
- > Embed the ILSC's new learning management system for improved individual and organisational capability
- > Continue to embed flexible ways of working, maximising productivity through workplace flexibility
- > Continue to support the transition of subsidiaries and properties
- > Continue the roll out of the ILSC's digital transformation program with 2022-23 priorities including the automation of the ILSC contract system and full migration of records to SharePoint.

The ILSC prioritises the employment of Indigenous Australians, both through our own operations and those of our subsidiaries. As at 30 June 2022, we employed 356 Indigenous people, making up 34.2% of our total workforce. We report on our Indigenous employment achievements in our Annual Performance Statement.

Our approach to risk

The landscape in which the ILSC (and our subsidiaries) operates is complex, multi-layered and susceptible to impacts from external drivers (e.g. economic, political, environmental) which may bring strategic, reputational, financial, legal and/or operational risks.

However, to deliver on *Our purpose* we engage with risk, setting tolerances and determining acceptable thresholds and mitigation strategies. We enable a culture of safety and security that promotes sound judgement, innovation, improvement and, ultimately, the achievement of outcomes for Indigenous people.

Our overall risk appetite is therefore *moderate*, ensuring we can engage with risk in order to pursue opportunities when working with key stakeholders. However, we have a *low* risk tolerance in relation to the health, safety and wellbeing of our employees, the unauthorised disclosure of official information and fraudulent conduct.

At the ILSC we:

- > believe that everyone is responsible for risk management
- > integrate risk management strategies and procedures into all ILSC policies and projects
- > train and involve staff in risk management, including awareness identification and monitoring
- > develop and share risk management knowledge and skills and utilise tools
- > conduct risk analysis on all operations, programs and projects
- > are practical and balanced in reporting risks, using what we find to inform decision-making and continuous improvement.

Aligned with the requirements of the PGPA Act and the Commonwealth Risk Management Policy, our Enterprise Risk Management (ERM) Framework articulates the principles for designing, implementing, monitoring, reviewing and continually improving our risk management processes and activities. It identifies nine areas of strategic and operational risks for the ILSC Group along with mitigating actions (see table, next page). The ERM Framework is reviewed annually while the ILSC's Audit and Risk Committee and internal audit functions provide independent assurance and advice to the Board.

STRATEGIC RISK: Risk events that reflect the ILSC Board's strategic intent and <i>Our purpose</i>		
<p>Statutory Risk</p> <p>Internal process, decision and/or systems failure resulting in a breach and/or non-compliance of statutory and/or legal obligations</p>	<p>Performance Risk</p> <p>Delivery of a process and/or service and/or project that is not fit-for-purpose and/or doesn't achieve ILSC Group¹ mandate and/or performance objectives</p>	<p>Stability Risk</p> <p>The risk of market fluctuations and/or trade relationships affecting financial and/or organisational stability</p>
<p>Mitigation and management</p> <ul style="list-style-type: none"> > All Board Members, Executives and staff are responsible for oversight and management of risk > Engaging in proactive and consistent risk identification, management and monitoring > Integrating risk management framework methodology and Board approved risk appetite thresholds to support the Board and Executive in pursuit of its strategic activities > Integrating risk appetite into key risk management practices and processes > Reporting application of risk appetite to key stakeholders for informed decision-making > Independent assurance over both operations and management's day-to-day risk activities; review and challenge functions including the setting and adherence to policies and procedures <p>¹ ILSC Group refers to the ILSC and its subsidiaries.</p>		
OPERATIONAL RISK: Risk events that arise while delivering the ILSC's strategic objectives		
<p>Stakeholder Engagement Risk</p> <p>Incorrect, incomplete or untimely information or service provided to a critical internal and/or external stakeholder</p>	<p>Health & Safety Risk</p> <p>Incident occurs that threatens health and/or safety of workers, visitors, the public and/or livestock</p>	<p>Fraud Risk</p> <p>Fraudulent/corrupt behaviour by a worker and/or third party</p>
<p>Heritage & Environmental Risk</p> <p>A project and/or incident occurs that 1) threatens the environment and/or heritage and/or 2) impacts or is impacted by climate change</p>	<p>Confidentiality Risk</p> <p>Unauthorised release of/amendment to/use of and/or loss of corporate, confidential or sacred information</p>	<p>Business Disruption</p> <p>Disruption to critical business function for a period in excess of specific Maximum Acceptable Outage</p>
<p>Mitigation and management</p> <ul style="list-style-type: none"> > Provision of risk management awareness across the Group i.e. training and involving all staff in risk identification, evaluation and management and providing risk reporting and monitoring avenues > Integrating risk management objectives into all Group operational activities to support better decision making and engaging methodology to inform the opportunities to pursue > Considering causes, sources and events to engage in proactive and consistent risk identification, management and monitoring > Improving risk governance through adherence to risk management procedures which are embedded within everyday practice > Ensuring that all stakeholders, including those involved in the implementation and those impacted by the treatment strategy are well informed and consulted > Requiring reporting and escalation avenues for risk appetite settings outside of tolerance 		

Cullunghutti Mountain in the distance,
Jerrinja Country NSW

Portfolio Budget Statement

In 2022-23, the ILSC will focus on:

- > finalising and publishing the National Indigenous Land and Sea Strategy 2022-27
- > continuing to mature our measurement of performance, employing the principles of the Indigenous Evaluation Framework to establish an annual 'Year in Review' document to complement the ILSC's Annual Performance Statement
- > continuing to work closely with Aboriginal and Torres Strait Islander holders of Country to respond to COVID-19
- > supporting Aboriginal and Torres Strait Islander holders of Country to respond to and recover from the 2022 extreme weather events in the eastern states.

Performance Criteria and Targets 2022-23 to 2026

The performance criteria in the following table are indicators from the ILSC's 2022-23 Portfolio Budget Statements and are aligned to the key elements of *Our pathways*.

Where relevant, the performance measures relate to the ILSC including our subsidiaries. In forward planning targets, we consider how we can make the best use of our available capital and resources to achieve our strategic goals. While we - the ILSC and our Board - continue to pursue a growth agenda, our targets for 2022-23 and forward years reflect the projected divestment of subsidiary landholdings and enterprises.

In particular, the ILSC anticipates that the 2022 divestment of the National Centre of Indigenous Excellence will result in a reduction in the number of Indigenous employees across the ILSC and its subsidiaries as well as a reduction in the number of businesses assisted by the ILSC's programs.

Reporting

The results of our performance against the PBS performance criteria, Corporate Plan targets and our outcomes/pathways for 2022-23 will be published in our Annual Performance Statement (within our 2022-23 Annual Report).

Portfolio Budget Statement Performance Criteria and Targets 2022 to 2026

ILSC's PBS Outcome: Enhanced socio-economic development, maintenance of cultural identity and protection of the environment by Indigenous Australians through the acquisition and management of land, water and water related rights.

ILSC PBS PERFORMANCE CRITERIA	ILSC Outcomes/ Pathway alignment	Corporate Plan target 2022-23	Corporate Plan target Forward estimates 2023-26
Deliverable 1 Interests in land and water/waters acquired	1	9	9
Deliverable 2 Interests granted (Divested)	1	8	8
Deliverable 3 Number of active acquisition and management projects	All	80	80
KPI 1a - Indigenous employment Number of Indigenous staff directly employed across the ILSC Group ¹	1	440	440
KPI 1b - Indigenous employment Number of Indigenous employment outcomes enabled by ILSC funded projects active in the financial year	1	300	300
KPI 2a - Indigenous training Number of Indigenous trainees hosted / employed across the ILSC Group	2	180	180
KPI 2b - Indigenous training Number of Indigenous training completions enabled by active projects	2	1000	1000
KPI 3 Indigenous business development - number of Indigenous enterprises assisted by ILSC Group projects	1	50	50
KPI 4 Protection of Indigenous culture, heritage and the environment - proportion of ILSC Group projects commenced in the reporting period that maintained or protected Indigenous culture, heritage and/or the environment.	3	50%	50%
KPI 5 Collaboration - Proportion ILSC Group projects commenced in the reporting period that involved contributions from third parties (beyond immediate beneficiary group)	4	60%	60%
KPI 6 ILSC Group contribution to the Indigenous Estate (qualitative)	4	Qualitative measures	

¹ ILSC Group refers to the ILSC and its subsidiaries.

Our Strategic Framework

ILSC purpose

ATSI Act

To assist Indigenous people to acquire land and water rights and to manage land and water so as to provide economic, environmental, social or cultural benefits

ILSC vision

Indigenous people enjoy the rightful entitlements, opportunities and benefits that the return of Country and its management brings

What the ILSC does

- > We acquire and divest land and water-related rights to Indigenous people
- > We support Indigenous people to preserve and protect culture through reconnection with Country
- > We build the capacity and capability of Indigenous people to sustainably manage and protect Country
- > We partner with Indigenous people to drive and influence opportunities for their Country

ILSC pathways of change

(The long-term outcomes we hope to achieve)

INDIGENOUS PEOPLE ARE:

- > maintaining and growing the value and productivity of Country
- > owning and managing Country sustainably
- > influencing policy and opportunity for Country
- > strengthening culture through reconnection to Country

Enabled by

- > Aboriginal and Torres Strait Islander Land and Sea Future Fund
- > Social and human capital, staff, stakeholders, expertise, partnerships, relationships and knowledge

Legislated Performance Standards

PGPA ACT

Guides the ILSC's governance, planning, accountability and reporting

Strategic documents

Statutory strategies, plans, reports and frameworks for achieving our purposes and measuring our success

- > NILSS, RILSS, Corporate Plan, Portfolio Budget Statement, Performance Framework, Annual Report (Annual Performance Statement)

Our Strategic Documents

National Indigenous Land and Sea Strategy

ATSI Act

Our broad strategic focus areas (5 years)

- > Chief policy document setting the ILSC's strategic direction and guiding our performance and functions
- > Defines focus areas for ILSC investment which present Indigenous Australians with opportunities and/or competitive advantage

Regional Indigenous Land and Sea Strategy

ATSI Act

Our regional strategic focus areas (5 years)

- > Highlight regional opportunities aligned with the focus areas outlined in the NILSS

Corporate Plan

PGPA Act

What we will do, where, why and how

- > Primary planning document providing more detail on implementing the NILSS direction
- > Includes operating context, key activities, performance measures, subsidiary operations, partnerships, funding and program structure, people and capability, and risk management

Performance Framework

PGPA Act

Our monitoring and evaluation approach

- > A combination of plans, measures, methods and reporting
- > Enables assessment of the extent to which we are achieving *Our purpose*

Portfolio Budget Statements (Prime Minister and Cabinet)

PGPA Act

What targets we expect to achieve with our funding

- > Annual statement setting out how the ILSC's funding will be expended over four years and how the impact of that expenditure will be measured

Annual Report

PGPA Act

What we did and how we went

- > Summary of actual performance against planned performance forecast in the Corporate Plan and Portfolio Budget Statement
- > Summary of performance against ILSC pathways of change (long-term outcomes)
- > Financial and non-financial performance statements and reports

PGPA Act - Public Governance, Performance and Accountability Act 2013

ATSI Act - Aboriginal and Torres Strait Islander Act 2005



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Indigenous Land and Sea Corporation



The **ILSC GROUP**



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