

Wilcannia Weir Refurbishment Project

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule																
Parties	Commonwealth New South Wales															
Duration	This Schedule is expected to expire on or before 30 June 2023.															
Purpose	<p>This Schedule will support the refurbishment of Wilcannia Weir, which will:</p> <ul style="list-style-type: none"> - improve water security and contribute to better Basin Plan outcomes for the Indigenous community of Wilcannia - enhance opportunities for cultural gatherings - provide for low impact water recreation activities <p>Stage 2 of this project will provide further project funding to New South Wales to expand on the planning work undertaken in Stage 1. Further detail on the Wilcannia Weir project including Stage 2 works is at Attachment A.</p>															
Estimated financial contributions	<p>The Commonwealth will provide an estimated total financial contribution to New South Wales of up to a maximum amount of \$2,400,121 (GST exclusive) in respect of this Schedule.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3">Table 1</th> </tr> <tr> <th>(\$ million)</th> <th>2021-22</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td style="text-align: right;">4.8</td> <td style="text-align: right;">4.8</td> </tr> <tr> <td>Less estimated National Partnership Payments</td> <td style="text-align: right;">2.4</td> <td style="text-align: right;">2.4</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td style="text-align: right;">2.4</td> <td style="text-align: right;">2.4</td> </tr> </tbody> </table>	Table 1			(\$ million)	2021-22	Total	Estimated total budget	4.8	4.8	Less estimated National Partnership Payments	2.4	2.4	Balance of non-Commonwealth contributions	2.4	2.4
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Additional terms	<ol style="list-style-type: none"> 1. For the purposes of this Schedule, "Funds or Funding" means the amount payable by the Commonwealth to New South Wales to complete the Project, and includes any interest the State earns on that amount. 2. Project funds must not, unless agreed by the Commonwealth in writing, be used to cover the cost of any activities commenced but not yet completed prior to the execution of this Schedule. 															

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| | <ol style="list-style-type: none">3. Any unspent project funds from the activities outlined in Table 2 will be carried forward to later stages of the Wilcannia Weir project.4. To reflect the joint funding arrangements for the Project, representatives of the Australian and New South Wales governments will be members of the project management steering committee (or other such group) for this Project. This group will monitor and provide strategic direction on the implementation of the Project, and the delivery of specified activities and requirements of this Schedule. New South Wales will ensure that regular meetings of the project management steering committee are held starting once this Schedule has been agreed.5. Reporting to the Australian government on project milestones should include information on the costs associated with delivery of the milestone activities. |
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Table 2: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment
<p>1. Establishment activities</p>	<p>Evidence submitted to the Commonwealth that details progress against:</p> <ul style="list-style-type: none"> - Establishment of the project management team, including details of any arrangements with WaterNSW - Establishment of an appropriate governance structure for the Project including details of the Terms of Reference and proposed meeting schedule - Installation and operationalization of the new gauge - Stakeholder engagement and communications activities - Other project establishment activities. <p>Submission to the Commonwealth of the Stakeholder Engagement and Communications Plan for the Project.</p> <ul style="list-style-type: none"> - This plan should include details of local community stakeholder engagement related to the on-ground works including those related to environmental approvals processes, as well as media liaison and other promotional work. 	<p>Within ten business days of executing this schedule</p>	<p>Up to \$1,000,000</p>
<p>2. Scoping studies reports for potential sub-projects</p>	<p>Submission to the Commonwealth of the scoping studies for potential works at Lake Woytchugga and Christmas Rocks.</p> <ul style="list-style-type: none"> - Each of these studies will include detailed costings (and proposed funding sources if the projects were to proceed) for implementation of all elements of the sub-projects, including presentation of the relative costs and benefits if the works were implemented at a range of scales. (Refer Attachment A). 	<p>By July 2021</p>	<p>Up to \$100,000</p>
<p>3. Capital Project Plan</p>	<p>Submission of New South Wales' final draft Capital Project Plan (see Attachment B) that enables:</p> <ul style="list-style-type: none"> - The completion by the Commonwealth of their due diligence assessment for the Project, including the requisite value for money assessment - consideration of project risks and proposed mitigation activities - fully-informed decision making for any future implementation funding. 	<p>By 16 September 2021</p>	<p>Up to \$1,300,121</p>

The Parties have confirmed their commitment to this schedule as follows:

Signed for and on behalf of the Commonwealth of Australia by

Handwritten signature of Keith Pitt in black ink, consisting of a stylized 'K' followed by a horizontal line and a small flourish.

The Honourable Keith Pitt MP
Minister for Resources, Water and Northern Australia

28/6/2021

Signed for and on behalf of the State of New South Wales by

Handwritten signature of Melinda Pavey in blue ink, featuring a large, flowing 'M' and 'P'.

The Honourable Melinda Pavey MP
Minister Water, Property and Housing

9/8/2021

Context for the Wilcannia Weir Refurbishment Project

1. The New South Wales and Australian governments announced joint funding for the Wilcannia Weir Refurbishment Project (the Project) on 12 November 2018.
2. The Commonwealth contribution for this Project is a maximum of 50% of the project costs up to \$15 million (GST exclusive). This funding has been made available to improve the outcomes for indigenous Basin communities and address the social and economic impacts of the Murray-Darling Basin Plan.
3. In 2019, New South Wales received \$75,000 (GST exclusive) in Commonwealth funding for the development of an addendum to an existing business case which had been prepared by New South Wales in 2016. As such, a maximum of \$14.925 million of the Australian Government commitment remains available for these works.
4. In May 2020, New South Wales advised that the Project would be subject to an environmental impact assessment under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*, and that these environmental approval processes (and any approval conditions) were requisite to the finalisation of detailed project costings (P90) for the Project.
5. This schedule enables further project funding (to be known as Stage 2) to be provided to New South Wales primarily to progress the detailed planning (inclusive of final project costings) for all elements of the Project, obtain relevant environmental approvals, and undertake scoping activities for two culturally-sensitive sub-projects of significance to the local Wilcannia community.
6. Once New South Wales has submitted the final draft Capital Project Plan under this Schedule, the Commonwealth will be able to recommence its due diligence assessment of the project to support a decision by the Commonwealth Minister on the remainder of the Commonwealth's financial commitment to the project.
7. Following that, and subject to such decisions, Parties expect this Schedule will be varied to cover the delivery of the on-ground and other project works (to be known as Stage 3), and related Commonwealth funding against the commitment.

Requirements of the Capital Project Plan

1. In finalising the final draft Capital Project Plan, New South Wales will ensure that the plan includes sufficient information to enable the Commonwealth to make a sound and defensible decision on any future funding for the Project.
2. This plan will be a culmination of the planning works undertaken by New South Wales (and any of their agents or subcontractors) for the project and will be a single source of information for the Project that includes:
 - a. Final plans supported by various technical and engineering investigations, relevant surveying work, environmental and heritage studies
 - b. Final draft Environmental Impact Statement (EIS) including details of any proposed biodiversity offsets
 - c. Final and defensible project costings (P90) for all elements of the project, noting that the Commonwealth will not provide funding for services that are provided by State government agencies or their corporate entities at commercial rates
 - d. Delivery plan and timeline for all on-ground works and other project activities
 - e. Compliance with relevant Commonwealth and State building code legislation
 - f. Details of the ownership and long-term operation of the refurbished weir
 - g. Communications and stakeholder engagement plan for the delivery phase of the Project.