

# New South Wales - National Flood Mitigation Infrastructure Program

## FEDERATION FUNDING AGREEMENT - ENVIRONMENT

Parties	Commonwealth New South Wales												
Duration	This Schedule is expected to expire 30 June 2024.												
Purpose	<p>This Schedule will support the delivery of projects identified through the <i>National Flood Mitigation Infrastructure Program</i> (Program), which help local communities mitigate their priority flood risks and reduce the impact of flood events.</p> <p>Funding provided under this Schedule will contribute to the delivery of the following projects (Funded Projects):</p> <ul style="list-style-type: none"> <li>• <b>Project 1:</b> Yoogali McCormack Levee Upgrades</li> <li>• <b>Project 2:</b> Cessnock Levee (Bund Wall)</li> <li>• <b>Project 3:</b> Holbrook Levee</li> <li>• <b>Project 4:</b> Hanwood Stormwater Pump and Levee</li> <li>• <b>Project 5:</b> Bellambi Gully Channel Improvement</li> <li>• <b>Project 6:</b> Fairfield Golf Course Detention Basin Upgrade</li> </ul> <p>An overview of each project is provided at <b>Attachment A</b>.</p>												
Estimated financial contributions	<p>The Commonwealth will provide to New South Wales an estimated total financial contribution of <b>\$13.37m (GST exclusive)</b> in respect of this Schedule (see Table 1).</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Table 1 (\$m)</th> <th style="text-align: right;">2020-21</th> <th style="text-align: right;">Total</th> </tr> </thead> <tbody> <tr> <td><b>Estimated total budget</b></td> <td style="text-align: right;">20.16</td> <td style="text-align: right;"><b>20.16</b></td> </tr> <tr> <td>Less estimated National Partnership Payments</td> <td style="text-align: right;">13.37</td> <td style="text-align: right;"><b>13.37</b></td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td style="text-align: right;">6.79</td> <td style="text-align: right;"><b>6.79</b></td> </tr> </tbody> </table>	Table 1 (\$m)	2020-21	Total	<b>Estimated total budget</b>	20.16	<b>20.16</b>	Less estimated National Partnership Payments	13.37	<b>13.37</b>	Balance of non-Commonwealth contributions	6.79	<b>6.79</b>
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Balance of non-Commonwealth contributions	6.79	<b>6.79</b>											
Additional terms	<p><b>Allocation of funds</b></p> <p>(1) The parties understand that this Schedule is made in good faith and there is an expectation that funding will be apportioned to projects as determined through the Program, and as shown at <b>Attachment A</b>.</p> <p><b>Resolution of terms</b></p>												

- (2) The Commonwealth and States and Territories will work together to resolve any conflicts arising through the Bilateral Agreements, using the approach set out below.
- a. The Federal Financial Relations Act and the Emergency Response Fund Act will prevail over any guidelines
  - b. The Emergency Response Fund Guidelines and NFMIP Program Guidelines will prevail over the Schedule, except for matters relating to monitoring and reporting, and auditing and assurance (chapters 7, 8 and Attachment B of the NFMIP Program Guidelines)
  - c. Terms relating to monitoring and reporting, and auditing and assurance are set out in this Schedule and the Audit and Reporting Framework
  - d. Where items (2)a – (2)d are silent or unclear, the NFMIP FAQs may clarify any matters

#### **Implementation Plan**

- (3) Project specific timeframes will be finalised after the commencement of this Schedule, in the form of an Implementation Plan.
- a. The requirements of the Implementation Plan are set out in the Audit and Reporting Framework
- (4) The Implementation Plan will be developed by New South Wales and provided to the Commonwealth for approval. New South Wales must obtain Commonwealth approval (which will not be unreasonably withheld by the Commonwealth) within three months of the time this agreement commences.

#### **Performance monitoring and reporting**

- (5) The parties acknowledge that payments under these agreements would usually be tied to the performance milestones at Table 2 below. In lieu of milestone based payments under this agreement, states and territories commit to honouring these reporting obligations required by this Schedule.
- (6) The frequency and timing of reporting under this Schedule is set out at Table 2: Performance requirements, reporting and payment summary
- (7) The content requirements of reporting under this Schedule are set out in the Audit and Reporting Framework
- a. This resource supersedes and replaces chapter 7 (Monitoring and reporting), chapter 8 (Audit and assurance) and Attachment B of the NFMIP Program Guideline.

#### **Third parties**

- (8) In line with the NFMIP Program Guidelines, States and Territories may engage a third party to support the delivery of a project under this Schedule.
- (9) While third parties are not signatories to this Schedule, States and Territories are solely responsible for ensuring third party compliance with the Emergency Response Fund Act, the Emergency Response

Fund Guideline, NFMIP Program Guidelines and the conditions of this Schedule.

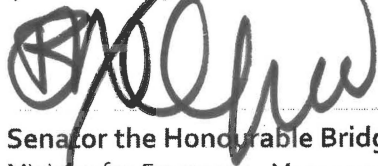
**Repayment of amounts to the Commonwealth**

- (10) In accordance with s21(4) of the Emergency Response Fund Act, the Commonwealth reserves the right to recover an amount provided under this Schedule, where
  - a. A project cannot be delivered according to the specifications in the relevant implementation plan and the project cannot be appropriately scaled, and
  - b. the Commonwealth and State and Territory cannot reach an agreement on how to reallocate the funds, or
  - c. another condition of this Schedule is not met.
- (11) The Commonwealth will determine whether an amount should be repaid, and if so, how much should be repaid, with regard to the circumstances of each matter.

Table 2: Performance requirements, reporting and payment summary			
Output	Performance milestones	Report due	Payment
Flood mitigation infrastructure projects that assist communities to prepare for future flood events to reduce the risk of flood to, and/or impact of flooding on, local communities	New South Wales agrees and signs the Schedule	Upon signature of Schedule	\$13.37m
	New South Wales provides the approved Implementation Plan to the Commonwealth	Within three months of the commencement of this Schedule.	N/A
	New South Wales submits an Interim Report three months from the date at which the Schedule was signed	After the first Interim Report, six monthly until all projects under this Schedule are complete	N/A
	New South Wales submits a Performance Report six months from the date at which the Schedule was signed	After the first Performance Report, six monthly until all projects under this Schedule are complete.	N/A
	New South Wales submits an End of Project report	No later than three months from the date that the project was completed.	N/A
	New South Wales submits an audit report completed by the state appointed auditor	No later than nine months from the end of the financial year in which the project was completed	N/A

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

Signed for and on behalf of the Commonwealth of Australia by



**Senator the Honorable Bridget McKenzie**  
Minister for Emergency Management and National Recovery and Resilience

6/11/2021

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



**The Honourable David Elliott MP**  
Minister for Police and Emergency Services

7/11/2021

## Attachment A

### Details of New South Wales' Funded Projects

#	Project Name	Project Description	Commonwealth funding	Co-contribution
1	Yoogali McCormack Levee Upgrades	This project involves construction of a levee along the northern side of McCormack Road and raising Burley Griffin Way to protect the Yoogali community.	\$1,040,000	\$520,000
2	Cessnock Levee (Bund Wall)	This project involves construction of a bund wall (levee) on the east of South Cessnock on a flat land overlying a former underground coalmine.	\$2,440,000	\$2,900,000
3	Holbrook Levee	The project involves levee construction on the south of Holbrook to divert floodwater and eliminate future flood damage to properties and businesses in the town in the design event.	\$4,580,000	\$0
4	Hanwood Stormwater Pump and Levee	The project involves construction of a levee and raising Kidman Way to prevent water from flowing back from drains. Flooding of Hanwood village is mainly due to the backwater effect.	\$1,240,000	\$620,000
5	Bellambi Gully Channel Improvement	The project involves improving the existing channel alignment, culvert reconfiguration and piping some flood flow directly to the lagoon.	\$2,150,000	\$1,070,000
6	Fairfield Golf Course Detention Basin Upgrade	Dam Safety NSW has declared Fairfield Golf Course detention basin as a 'high flood consequence category', which carries the highest risk of the eight declared detention basins within the Fairfield local government area. This project will upgrade the existing detention basin to increase the basin capacity.	\$1,920,000	\$1,680,000
<b>Total funding</b>			<b>\$13,370,000</b>	<b>\$6,790,000</b>