

New South Wales – Coastal and Estuarine Risk Mitigation Program

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of Schedule

Parties	Commonwealth of Australia New South Wales															
Duration	This Schedule is expected to expire 31 December 2025 or on completion of all projects under the Schedule.															
Purpose	<p>This Schedule will support the delivery of projects identified through the Coastal and Estuarine Risk Mitigation Program (Program), which will help drive long term resilience and sustainability by delivering projects that mitigate the impact of disasters on communities and economies.</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">Stockton Beach Nourishment (Phase 1) <p>An overview of each project is provided at Attachment A.</p>															
Estimated financial contributions	<p>The Commonwealth will provide to New South Wales an estimated total financial contribution of \$4,725,700 (GST exclusive) in respect of this Schedule (see Table 1).</p> <table><tr><td>Table 1</td><td>2022-23</td><td>Total</td></tr><tr><td>(\$m)</td><td></td><td></td></tr><tr><td>Estimated total budget</td><td>\$6,299,700*</td><td>\$6,299,700</td></tr><tr><td>Less estimated National Partnership Payments</td><td>\$4,725,700</td><td>\$4,725,700</td></tr><tr><td>Balance of non-Commonwealth contributions</td><td>\$1,574,000</td><td>\$1,574,000**</td></tr></table> <p>*Amounts may not add to the total due to rounding</p> <p>** Includes in-kind contributions</p>	Table 1	2022-23	Total	(\$m)			Estimated total budget	\$6,299,700*	\$6,299,700	Less estimated National Partnership Payments	\$4,725,700	\$4,725,700	Balance of non-Commonwealth contributions	\$1,574,000	\$1,574,000**
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Less estimated National Partnership Payments	\$4,725,700	\$4,725,700														
Balance of non-Commonwealth contributions	\$1,574,000	\$1,574,000**														
Additional terms	<p>Allocation of funds</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 <u>Attachment A</u>.</p> <p>Resolution of terms</p> <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.</p>															

- a. The *Federal Financial Relations Act 2009* and the *Emergency Response Fund Act 2019* will prevail over any Program Guidelines.
 - b. The Emergency Response Fund Guidelines and the Coastal and Estuarine Risk Mitigation 2022-23 Program Guidelines will prevail over the Schedule, except for matters relating to monitoring and reporting, auditing and assurance (Part 12).
 - c. Terms relating to monitoring and reporting, and auditing and assurance are set out in this Schedule and the Audit and Reporting Framework at **Attachment B**.
 - d. Where items 2(a)-(c) are silent or unclear, guidance material published by the Commonwealth may be relied upon to clarify any inconsistencies.
- (3) The Parties do not intend any of the provision of this agreement to be legally enforceable. However, this does not lessen the Parties commitment to this Schedule.

Implementation Plan

- (4) 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 at **Attachment B**.
- (5) The Implementation Plan will be developed by New South Wales and provided to the Commonwealth for approval within three months of the time this Schedule commences.

Performance monitoring and reporting

- (6) 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 the reporting obligations required by this Schedule.
- (7) The frequency and timing of reporting under this Schedule is set out at Table 2: Performance requirements, reporting and payment summary
- (8) The content requirements of reporting under this Schedule are set out in the Audit and Reporting Framework at **Attachment B**.

Third parties

- (9) In line with the Program Guidelines, States and Territories may engage a third party to support the delivery of a project under this Schedule.
- (10) 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 2019*, the Emergency Response Fund Guidelines, the Coastal and Estuarine Risk Mitigation 2022-23 Program Guidelines and the terms and conditions of this Schedule.

Repayment of amounts to the Commonwealth

- (11) If efficiencies are realised on completion of the project, funding may be put to other projects under this Program in that jurisdiction with

	<p>Commonwealth approval, which approval will not be unreasonably withheld.</p> <p>(12) In accordance with subsection 21(4) of the Emergency Response Fund Act 2019, the Commonwealth reserves the right to recover an amount provided under this Schedule, where:</p> <ul style="list-style-type: none"> a. a project cannot be delivered in line with the relevant Implementation Plan and the project cannot be appropriately scaled or varied, 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. <p>(13) The Commonwealth will determine on a reasonable basis whether an amount should be repaid, and if so, how much should be repaid, with regard to the circumstances of each matter.</p>
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Table 2: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment
Completion of the Coastal and/or Estuarine Risk Mitigation project/s at Attachment A in order to mitigate the impact of disasters on communities and economies.	New South Wales agrees to and signs the Schedule.	Upon signature of the Schedule by both Parties.	\$4,725,700
	New South Wales provides the Implementation Plan for all projects to the Commonwealth.	Within three months of the commencement of this Schedule.	N/A
	New South Wales submits six-monthly Performance Reports on the progress of all projects against project milestones, expenditure and outcomes in the implementation plan.	Within six months of the commencement of this Schedule and then six monthly until all projects under the Schedule are complete.	N/A
	New South Wales submits the Final Report for each project, detailing outcomes and outputs, including an acquittal summary and financial statement.	No later than three months from the date that each project is completed.	N/A
	New South Wales submits an Audit Report for each project completed by the state appointed auditor. Where more than one project has been completed within the same financial year, the state appointed auditor may report on projects completed within that financial year within a single report.	No later than six months from the end of the financial year in which the project was completed.	N/A
	New South Wales submits an ad hoc report, an update on funded projects and/or a financial declaration.	As requested by the Commonwealth.	N/A

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

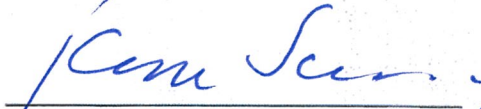
*Signed for and on behalf of the Commonwealth of
Australia by*



Senator the Honourable Murray Watt
Minister for Emergency Management

12 / 1 / 2023

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



The Hon. Stephanie Cooke, MP
Minister for Emergency Services and Resilience, and
Minister for Flood Recovery

25 / 5 / 2023

*The Hon Paul Scully MP
Minister for Planning
and Public Spaces*

Attachment A

Details of New South Wales Funded Projects

#	Project Name	Project Description	Commonwealth funding	Financial Contribution by New South Wales
1	Stockton Beach Nourishment (Phase 1)	This project will help to mitigate extensive coastal erosion threats in accordance with the certified Coastal Management Program.	\$4,725,700	\$1,574,000
Total funding			\$4,725,700	\$1,574,000