

Urban Rivers and Catchments Program – Round 1

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

| Table 1: Formalities and operation of Schedule | |
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| Parties | <p>Commonwealth New South Wales Victoria Queensland Western Australia South Australia Tasmania Australian Capital Territory Northern Territory</p> |
| Duration | <p>This Schedule will commence as soon as the Commonwealth and one other Party sign it and is expected to expire on 30 June 2028. Each Appendix will commence on the date the relevant part of the Schedule has been signed by both the Commonwealth Minister and the relevant state/territory Minister.</p> |
| Purpose | <p>This Schedule will support the delivery of Round 1 of the Urban Rivers and Catchments Program (the Program). Through a range of approved Projects, the Program will re-naturalise or enhance the natural qualities of waterways in urban, peri-urban and exurban areas to benefit native species including threatened species.</p> <p>Funding will be provided for approved activities (specified by Project) that establish and/or improve riparian and aquatic habitat, or improve water quality, hydrology, or in-stream connectivity, to benefit native species including threatened species. Additional Project benefits may include improving urban green space, providing community access to nature, and reducing heat-related impacts in urban areas due to climate change.</p> <p>Program funding will be provided to state/territory governments, who will partner with various organisations (to be known as Delivery Agents). Delivery Agents may include local governments, water utilities and other non-government entities and will be engaged by state/territory governments to deliver approved Program activities (as specified for particular Projects).</p> |

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| <p>Estimated financial contributions</p> | <p>The Commonwealth will provide an estimated total financial contribution to the states and territories of up to \$91.1 million in respect of this Schedule.</p> <p>Potential funding for further rounds of the Program are subject to a decision of Government, and will not use this same funding mechanism.</p> <p>Details of the estimated financial contributions by the Commonwealth and others in respect of this Schedule are set out in the tables below and the relevant Appendices to this Schedule. Projects will be added to this Schedule in tranches as they are approved for Program funding by the Commonwealth Minister. This will be enacted by a Variation to this Schedule by the Commonwealth and other relevant state/territory Ministers.</p> <p>Commonwealth contributions will be provided upon the achievement of the agreed Project milestones as set out in the tables below and the relevant Appendices to this Schedule.</p> |
| <p>Asset Ownership</p> | <p>Any assets being constructed or modified as part of Projects outlined in this Schedule already have existing asset ownership arrangements in place. The Commonwealth will not acquire any assets nor any liability for any operations, maintenance or recurrent costs from works undertaken or associated with any of the Projects outlined in this Schedule.</p> |
| <p>Governance Arrangements</p> | <p>To reflect the funding arrangements for the Program, an appropriate governance structure will be established to monitor and provide strategic direction for the implementation of approved Projects outlined in this Schedule. This structure will comprise Commonwealth and state/territory government officials and may seek input from Delivery Agents or other partner organisations as appropriate.</p> |
| <p>Work Plans</p> | <p>Where appropriate, and agreed by both Parties, Projects being delivered under this Schedule may refer to Project Work Plans (as outlined at Attachment 1) that have been agreed in writing by Senior Officials as per the performance milestones in the relevant Appendix to this Schedule.</p> |
| <p>Recognition of Funding</p> | <p>In addition to the requirements set out in clause 21 of the <i>FFA-Environment</i>, all Parties agree to:</p> <ol style="list-style-type: none"> a. recognise the Commonwealth funding contribution to Projects in all publications, promotional and advertising materials including Project signage, and all public announcements and activities in relation to the Project as appropriate, and must consult the Commonwealth prior to the release of all promotional-related material concerning all Projects funded under this Schedule; |

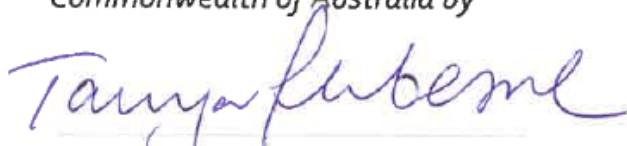
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|--|--|
| | <ul style="list-style-type: none">b. provide reasonable opportunity for the Commonwealth to contribute to developing communications strategies;c. provide the Commonwealth with equal access to products obtained under this Schedule for use in the development of promotional material; including but not limited to Project data, footage and images; andd. where the Commonwealth is a majority funder of the Project, promotional material and public recognition, including announcements and launch events, should provide major-prominence to the Commonwealth and opportunities for Commonwealth involvement. |
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| Table 2A: New South Wales – Projects and payment summary | | | |
|--|--|---------------------------------|-------------------------------------|
| Output (Projects) | Project Description | Total Commonwealth contribution | Total non-Commonwealth contribution |
| NSW-01 – Improving the Creeks of Lake Macquarie | This project will improve the waterway condition of three creeks linked to Lake Macquarie – Dora Creek, Cockle Creek and Slatey Creek. It will control weeds, stabilise creek banks, increase native vegetation through revegetation, and engage the community to reduce their impacts on these areas. | \$250,000 | \$ 14,350 [#] |
| NSW-04 – Connecting Community to Shoalhaven Waterways | This project will reduce rubbish and pollution, and engage bushcare groups and bush regeneration companies to revegetate Shoalhaven and Crookhaven Rivers. An education program for local schools will also be developed. | \$1,500,000 | \$ 86,150 [#] |

[#] This is an in-kind co-contribution

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

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



**The Honourable Tanya Plibersek MP
Minister for the Environment and Water**

2 / 11 / 23

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



**The Honourable Penny Sharpe MLC
Minister for the Environment**

30 / 10 / 23

Requirements of Project Work Plans

1. Where required, a Project Work Plan (PWP) will be used to support the delivery of approved Projects agreed under this Schedule. A PWP will demonstrate the outcomes to be delivered by a Project in line with the objectives of the Urban Rivers and Catchments Program and will be proportionally scaled in relation to Commonwealth investment and other delivery risks. It will also provide certainty and transparent accountability for all Parties.
2. Project Work Plans are to be “living documents” over the life of the Project, demonstrating review and continuous improvement during the Project’s delivery. It should address the following content, and be updated as necessary.
 - a. Scope of the approved Project.
 - b. Outcome (change) statement(s) for the Project.
 - c. Quantifiable outputs (activity targets) to deliver the Project outcomes.
 - d. Project delivery schedule, including a list of key deliverables to be provided at milestone dates throughout the project (including any required regulatory approvals).
 - e. Monitoring, evaluation, reporting and improvement plan.
 - f. Stakeholder communications and engagement plan for all stakeholders including First Nations Australians.
 - g. Project marketing strategy.
 - h. Governance arrangements, including for adaptive management and risk management.
 - i. Key Project delivery risks including proposed controls or treatments to mitigate risks.

Progress reporting against Project Work Plans

3. To meet progress status reporting requirements, project status reports (as specified in the performance milestones) should include an update against the above list as well as:
 - a. Statement and/or evidence to demonstrate progress against the accepted Project Work Plan.
 - b. Brief statement in relation to Commonwealth funding for the Project.
 - c. Identification of new or emerging risks to delivery of the Project, and management of those risks.
 - d. Evidence-based modification of the delivery approach and/or arrangements (adaptive management).
 - e. Recommitment to the Project Work Plan, including appropriate updates to activity details for the period specified in the performance milestone table in the relevant Appendix this Schedule.

Urban Rivers and Catchments Program – Round 1

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

| Table A1: Formalities and operation of Appendix A. | |
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| Parties | Commonwealth New South Wales |
| Purpose | This Appendix has been developed in accordance with the Urban Rivers and Catchments Program Schedule (the Schedule), to set out the Commonwealth and New South Wales estimated expenditure profile and performance milestones to support the operation of the Schedule. |
| Estimated financial contributions | The Commonwealth will provide an estimated total financial contribution to New South Wales of up to \$1.75 million in respect of this Appendix as outlined in Table A2. |

| Table A2: Estimated financial contributions | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Project Funding (\$) | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | Total |
| Estimated total budget | | 583,500 | 833,500 | 433,500 | | | 1,850,500 |
| Less estimated National Partnership Payments | | 550,000 | 800,000 | 400,000 | | | 1,750,000 |
| NSW-01 – Improving the Creeks of Lake Macquarie | | 100,000 | 100,000 | 50,000 | | | 250,000 |
| NSW-04 – Connecting Community to Shoalhaven Waterways | | 450,000 | 700,000 | 350,000 | | | 1,500,000 |
| Balance of non-Commonwealth contributions | | 33,500 | 33,500 | 33,500 | | | 100,500 |

| Table A3: New South Wales - Performance requirements, reporting and payment summary | | | |
|---|---|---------------------------|------------|
| Output (Project) | Performance milestones | Milestone submission date | Payment |
| NSW-01 – Improving the Creeks of Lake Macquarie | <p>Milestone 1 – <u>Project Commencement</u></p> <ul style="list-style-type: none"> Acceptance by the Commonwealth of evidence that demonstrates Agreement between New South Wales and Lake Macquarie City Council, Establishment of Project Governance Arrangements, and high level project costings breakdown. Acceptance by the Commonwealth of a Project Work Plan (as per Attachment 1) for the Project up to at least 31 May 2025. | 31 May 2024 | \$ 100,000 |
| | <p>Milestone 2 – <u>Project Status Report 1</u></p> <ul style="list-style-type: none"> Acceptance by the Commonwealth of a Project Status Report (or appropriate documentation as evidence) to demonstrate satisfactory progress against the Project Work Plan for the period up to 14 May 2025. | 31 May 2025 | \$ 100,000 |
| | <p>Milestone 3 – <u>Final Project Report</u></p> <ul style="list-style-type: none"> Acceptance by the Commonwealth of a Final Project Report as a stand-alone document that demonstrates all Project outcomes (for both on-ground and communication/education activities), benefits for the environment and community and which provides a synthesis of lessons learned. | 31 May 2026 | \$ 50,000 |
| NSW-04 – Connecting Community to Shoalhaven Waterways | <p>Milestone 1 – <u>Project Commencement</u></p> <ul style="list-style-type: none"> Acceptance by the Commonwealth of evidence that demonstrates Agreement between New South Wales and Shoalhaven City Council, Establishment of Project Governance Arrangements, and high level project costings breakdown. Acceptance by the Commonwealth of a Project Work Plan (as per Attachment 1) for the Project up to at least 31 May 2025. | 31 May 2024 | \$ 450,000 |

| Output (Project) | Performance milestones | Milestone submission date | Payment |
|------------------|---|---------------------------|------------|
| NSW-04 (cont) | Milestone 2 – <u>Project Status Report 1</u> <ul style="list-style-type: none"> Acceptance by the Commonwealth of a Project Status Report (or appropriate documentation as evidence) to demonstrate satisfactory progress against the Project Work Plan for the period up to 14 May 2025. | 31 May 2025 | \$ 700,000 |
| | Milestone 3– <u>Final Project Report</u> <ul style="list-style-type: none"> Acceptance by the Commonwealth of a Final Project Report as a stand-alone document that demonstrates all Project outcomes (for both on-ground and communication/education activities), benefits for the environment and community and which provides a synthesis of lessons learned. | 31 May 2026 | \$ 350,000 |