Schedule

Urban Rivers and Catchments Program – Round 1

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

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| **Table 1: Formalities and operation of Schedule** | |
| Parties | Commonwealth  New South Wales  Victoria  Queensland  Western Australia  South Australia  Tasmania  Australian Capital Territory  Northern Territory |
| Duration | 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. |
| Purpose | 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.  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.  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). |
| Estimated financial contributions | The Commonwealth will provide an estimated total financial contribution to the states and territories of up to **$91 million** in respect of this Schedule.  Potential funding for further rounds of the Program is subject to a decision of Government, and will not use this same funding mechanism.  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.  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. |
| Asset Ownership | 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. |
| Governance Arrangements | 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. |
| Work Plans | 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. |
| Hold Point Process | Where appropriate and agreed by both Parties, certain Projects being delivered under this Schedule may be subject to a review and firm decision point (to be known as a Hold Point) by Commonwealth Senior Officials.  Further information on the Commonwealth Hold Point Process is outlined in **Attachment 2.** |
| Recognition of Funding | In addition to the requirements set out in clause 21 of the *FFA-Environment*, all Parties agree to:   1. 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; 2. provide reasonable opportunity for the Commonwealth to contribute to developing communications strategies; 3. 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; and 4. 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 contribution1** |
| 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# |
| NSW-02 – Resilient Rivers for Resilient Hawkesbury Platypus Populations | The project aims to establish a series of ‘Platypus Parks’ in the peri-urban fringe of western Sydney, along a 50 kilometre stretch of the iconic Hawkesbury-Nepean River. Strategically focused on sites with known platypus populations, activities will target riverbank stabilisation on private and public land to protect and/or provide habitat for the river’s platypus population | $ 1,000,000 | $ 277,500\* |
| NSW-03 – Tuggerah Lakes Estuary Improvement Project | The project aims to enhance water quality and catchment habitat conditions through a broad range of activities. Activities will be strategically prioritised and include streambank rehabilitation and improved management of stormwater e.g., water sensitive urban design. The project will partner with local Landcare groups and the Darkinjung Local Aboriginal Land Council. | $ 4,000,000 | $ 0 |
| NSW-05 – Cooks River Restoration Project | The project will rehabilitate the Cooks River as part of a long-term project to bring the river back from a storm water drain to a natural river. The project will: restore riverbanks to their natural state at Parry Park (Cox’s Creek) and Bardwell Valley-Coolibah Reserve; improve water quality with litter traps and wetland installation; establish a Cooks River Paddle Trail to reconnect people to the river; and upgrade a basin in the Camdenville Park into a wetland. The project will also employ teams of Indigenous Rangers to manage the area. | $ 10,000,000 | $ 13,200,000# |

1. The total non-Commonwealth contribution is an estimate only, and will be updated as appropriate as part of project delivery.

# This is an in-kind co-contribution.

\* This is a combination of cash and in-kind co-contributions.

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

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| Signed for and on behalf of the Commonwealth of Australia by    The Honourable Tanya Plibersek MP  Minister for the Environment and Water  \_\_\_\_ / \_\_\_\_ / \_\_\_\_ |  | Signed for and on behalf of the  State of New South Wales by    The Honourable Penny Sharpe MLC  Minister for the Environment  \_\_\_\_ / \_\_\_\_ / \_\_\_\_ |

ATTACHMENT 1

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.
3. Scope of the approved Project.
4. Outcome (change) statement(s) for the Project.
5. Quantifiable outputs (activity targets) to deliver the Project outcomes.
6. Project delivery schedule, including a list of key deliverables to be provided at milestone dates throughout the project (including any required regulatory approvals).
7. Monitoring, evaluation, reporting and improvement plan.
8. Stakeholder communications and engagement plan for all stakeholders including First Nations Australians.
9. Project marketing strategy.
10. Governance arrangements, including for adaptive management and risk management.
11. Key Project delivery risks including proposed controls or treatments to mitigate risks.

**Progress reporting against Project Work Plans**

1. 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:
2. Statement and/or evidence to demonstrate progress against the accepted Project Work Plan.
3. Brief statement in relation to Commonwealth funding for the Project.
4. Identification of new or emerging risks to delivery of the Project, and management of those risks.
5. Evidence-based modification of the delivery approach and/or arrangements (adaptive management).
6. 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.

ATTACHMENT 2

Commonwealth Hold Point Process

1. In some cases, Projects that comprise Round 1 of the Urban Rivers and Catchments Program may still require further refinement and planning before a Project Work Plan (see **Attachment 1**) can be developed. In other cases, there are additional Project delivery risks which require further information during the Project to mitigate these risks.
2. In such cases, Parties have agreed to a Hold Point for a given Project before the next milestone is progressed, which is specified for a given Project in the relevant Appendix to this Schedule.
3. The purpose of this Hold Point is a firm review point for the Commonwealth to ensure all Project activities remain viable and will achieve the Program objectives.
4. At this Hold Point, the Commonwealth will consider information provided to that date by the State/Territory government against the Performance Milestones (as specified in the relevant Appendix to this Schedule) and any other relevant information. Technical expertise may be sought to assist the Commonwealth with this decision.
5. Should the Commonwealth identify significant risks associated with Project delivery, viability or alignment to the Program objectives at this Hold Point, Commonwealth Senior Officials will write to their State/Territory government counterpart within 20 business days of when the performance milestone was submitted for Commonwealth consideration.
6. This advice will clearly outline the risks identified by the Commonwealth, and/or requirements, and initiate a pathway to resolve them. The State will then have another 20 business days by which to provide any necessary supporting documentation, or to propose a pathway forward.
7. Parties should work collaboratively and constructively to address the Commonwealth's concerns, and investigate all reasonable options to address any of the requirements or risks raised. Such discussions should also be undertaken as efficiently as practicable to avoid loss of momentum for project, increased costs or other adverse impacts arising from a protracted pause.
8. Termination of the Project will be a last resort.
9. Subject to the findings of the Commonwealth Hold Point and written advice from Commonwealth Senior Officials, a variation to the relevant Appendix to this Schedule may be required.

Urban Rivers and Catchments Program – Round 1

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

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| **Table A1: Formalities and operation of Appendix A.** | |
| 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 **$16.75 million** in respect of this Appendix as outlined in Table A2. |
| Additional terms | For the Tuggerah Lakes Estuary Improvement Project (NSW-02), Parties note the two required Commonwealth Hold Points to address project approval conditions (see also Table A3).  In considering Hold Point information, the Commonwealth will assess all provided material and provide written advice in a timely manner (see **Attachment 2**).  Parties will also work as appropriate with the named Delivery Agent for this Project to reach a mutually agreeable timeline for agreed Project outcomes to be delivered. |

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| **Table A2: Estimated financial contributions** | | | | | | | |
| **Project Funding ($)** | **2022-23** | **2023-24** | **2024-25** | **2025-26** | **2026-27** | **2027-28** | **Total** |
| **Estimated total budget** |  | **8,541,000** | **5,601,630** | **6,615,870** | **4,969,500** | **4,600,000** | **30,328,000** |
| Less estimated National Partnership Payments |  | 724,000 | 3,803,630 | 4,637,370 | 3,285,000 | 4,300,000 | **16,750,000** |
| 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** |
| NSW-02 – Resilient Rivers for Resilient Hawkesbury Platypus Populations |  | 124,000 | 398,630 | 427,370 | 50,000 |  | **1,000,000** |
| NSW-03 – Tuggerah Lakes Estuary Improvement Project |  | 50,000 | 805,000 | 1,050,000 | 1,220,000 | 875,000 | **4,000,000** |
| NSW-05 – Cooks River Restoration Project |  |  | 1,800,000 | 2,760,000 | 2,015,000 | 3,425,000 | **10,000,000** |
| Balance of non-Commonwealth contributions \* |  | 7,817,000 | 1,798,000 | 1,978,500 | 1,684,500 | 300,000 | **13,578,000** |

\* Financial year profile for the balance of non-Commonwealth contributions is indicative.

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| **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 | Milestone 1 – Project Commencement   * 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 31 May 2026. | 31 May 2024 | $ 100,000 |
| Milestone 2 – Project Status Report 1   * 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 |
| Milestone 3 – Final Project Report   * Project completion and 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 | Milestone 1 – Project Commencement   * 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 31 May 2026. | 31 May 2024 | $ 450,000 |
| NSW-04 (cont.) | Milestone 2 – Project Status Report 1   * 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 – Final Project Report   * Project completion and 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 |
| NSW-02 – Resilient Rivers for Resilient Hawkesbury Platypus Populations | Milestone 1 – Project Commencement   * Acceptance by the Commonwealth of evidence that demonstrates Agreement between New South Wales and Western Sydney University, establishment of Project Governance arrangements, high-level project costings breakdown and satisfaction of any initial conditions of funding approval. * Acceptance by the Commonwealth of an initial high-level timeline for the Project up to 30 September 2025, and which details the approximate timing for stakeholder engagement, site identification works and robust costings for the Project. | 31 May 2024 | $ 124,000 |
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| NSW-02 (cont.) | Milestone 2 – Project Status Report 1   * Acceptance by the Commonwealth of a Project Status Report (or appropriate documentation as evidence) to demonstrate satisfactory progress against the initial high-level timeline for the period up to 14 August 2024. * Acceptance by the Commonwealth of evidence that demonstrates satisfaction of any remaining conditions of funding approval. * Acceptance by the Commonwealth of a Project Work Plan (as per **Attachment 1**) for the Project for works to be undertaken between 1 October 2024 to the end of the Project on 31 May 2027. | 31 August 2024 | $ 150,000 |
| Milestone 3 – Project Status Report 2   * 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 from 15 May 2024 to 14 May 2025. * Acceptance by the Commonwealth of a Project Work Plan, updated as necessary, for works to be undertaken between 1 July 2025 to the end of the Project on 31 May 2027. | 31 May 2025 | $ 248,630 |
| Milestone 4- Project Status Report 3   * 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 from 15 May 2025 to 14 May 2026. * Acceptance by the Commonwealth a Project Work Plan, updated as necessary, for works to be undertaken between 1 July 2026 to the end of the Project on 31 May 2027. | 31 May 2026 | $ 427,370 |
| Milestone 5 – Final Project Report   * Project completion and 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. | 14 June 2027 | $ 50,000 |
| NSW-03 – Tuggerah Lakes Estuary Improvement Project | Milestone 1 – Project Commencement   * Acceptance by the Commonwealth of evidence that demonstrates Agreement between New South Wales and the Central Coast Council, establishment of Project Governance arrangements and satisfaction of any initial conditions of funding approval. * Acceptance by the Commonwealth of evidence to demonstrate: * a timeline and process for the Investment Framework for Environmental Resources (INFFER) assessment. This assessment will identify the most strategic, and cost-effective on-ground actions and delivery mechanisms, and the most strategic sites in the catchment to improve water quality for the Tuggerah Lakes Estuary. | 31 May 2024 | $ 50,000 |
| Milestone 2 – Early Planning   * Acceptance by the Commonwealth of evidence to demonstrate: * Central Coast Council’s procurement and engagement of appropriate expertise to deliver the INFFER assessment for the Tuggerah Lakes Estuary, which is to be completed by the end of August 2024. * appropriate advance planning for the necessary workshops (including the proposed workshop participant list), and desktop review of relevant reports/publications that support the INFFER assessment process. * a timeline for the period immediately following the INFFER assessment (up to at least 15 December 2024), which considers both the timing for the finalisation of INFFER assessment as well as the timeframe to transition the INFFER assessment findings into a Project Work Plan for the on-ground works for the Project, including priority actions, locations, delivery methods and budgets. * satisfaction of any conditions of funding approval. | 1 August 2024 | $ 50,000 |
| COMMONWEALTH HOLD POINT 1 (as per **Attachment 2)**. |
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| NSW-03 (cont.) | Milestone 3– Progress Report 1   * Acceptance by the Commonwealth of a Project Status Report (or appropriate documentation as evidence) to demonstrate satisfactory progress against the high-level project timeline for the period up to 30 November 2024. * Acceptance by the Commonwealth of the evidence to demonstrate: * the INFFER assessment that prioritises the required interventions and specific locations for the on-ground water quality improvement actions for the Tuggerah Lakes Estuary that will be supported by Commonwealth funding. This includes a finalised, prioritised list of strategic on-ground works and sites, delivery approach, and approximate costings, for inclusion in a Project Work Plan. * satisfaction of any conditions of funding approval or the Hold Point process. * Acceptance by the Commonwealth of an initial Project Work Plan (as per **Attachment 1**) for the Project for the period between 16 December 2024 and 31 May 2025, and which details the timeline for, technical investigations and robust costings for the Project. | On or before 15 December 2024 | $ 700,000 |
| COMMONWEALTH HOLD POINT 2 (as per **Attachment 2)**. |
| Milestone 4– Project Status Report 2   * 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 between 1 December 2024 and 14 May 2025, and which specifically outlines progress against the list of priority project works and sites. * Acceptance by the Commonwealth of evidence to demonstrate satisfaction of any remaining conditions of funding approval. * Acceptance by the Commonwealth a Project Work Plan, updated as necessary, for the prioritised works/sites to be undertaken for the period between 1 June 2025 and 31 May 2026. | 31 May 2025 | $ 55,000 |
| NSW-03 (cont.) | Milestone 5 – Project Status Report 3   * 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 between 15 May 2025 and 14 May 2026. * Acceptance by the Commonwealth a Project Work Plan, updated as necessary, for the works to be undertaken for the period between 1 June 2026 and 31 May 2027. | 31 May 2026 | $ 1,050,000 |
| Milestone 6 – Project Status Report 4   * 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 between 15 May 2026 and 14 May 2027. * Acceptance by the Commonwealth of a Project Work Plan, updated as necessary, for the works to be undertaken between 1 June 2027 and the end of the Project on 20 May 2028 | 31 May 2027 | $ 1,220,000 |
| Milestone 7 – Final Project Report   * Project completion and 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. | 20 May 2028 | $ 875,000 |
| NSW-05 – Cooks River Restoration Project | Milestone 1 – Project Commencement   * Acceptance by the Commonwealth of evidence that demonstrates Agreement between New South Wales and the Cooks River Alliance (comprised of Canterbury-Bankstown, Strathfield, Inner West, Bayside Councils and Sydney Water), establishment of Project Governance arrangements, high level project costings breakdown and satisfaction of any initial conditions of funding approval. * Acceptance by the Commonwealth of an initial Project Work Plan (as per Attachment 1) for the Project up to 20 May 2028, and which details the timeline for outcomes of the site prioritisation works, technical design and robust costings for the Project. | 31 May 2024 | Nil |
| NSW-05 (cont.) | Milestone 2 – Project Status Report 1   * 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. * Acceptance by the Commonwealth of a Project Work Plan, updated as necessary, for the works to be undertaken between 1 July 2025 and the end of the Project on 20 May 2028. * Acceptance by the Commonwealth of evidence that demonstrates satisfaction of any remaining conditions of funding approval. | 31 May 2025 | $ 1,800,000 |
| Milestone 3 – Project Status Report 2   * 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 between 15 May 2025 and 14 May 2026. * Acceptance by the Commonwealth of a Project Work Plan, updated as necessary, for the works to be undertaken between 1 July 2026 and the end of the Project on 20 May 2028. | 31 May 2026 | $ 2,760,000 |
| Milestone 4 – Project Status Report 3   * 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 between 15 May 2026 and 14 May 2027. * Acceptance by the Commonwealth of a Project Work Plan, updated as necessary, for the works to be undertaken between 1 July 2027 and the end of the Project on 20 May 2028. | 31 May 2027 | $ 2,015,000 |
| Milestone 5 – Final Project Report   * Project completion and 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. | 20 May 2028 | $ 3,425,000 |