

1.4 Tuggerah Lakes Estuary Management Plan - Continuation of Funding

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Saving from Stage 1 – *Caring for our Country* Contract

The Federal Government's 2007 election commitment provided \$20M over five years to assist with the implementation of the Tuggerah Lakes Estuary Management Plan (TLEMP). Stage 1 of the Contract provided \$8,660,000 to enable a schedule of works to improve water quality through projects such as streambank and saltmarsh rehabilitation, wetland management, land-use modelling and community education programs.

Council delivered all Stage 1 works and progress reporting on time. All targets and objectives agreed to between the Department of Sustainability, Environment, Water, Population and Communities (SEWPC) and Council were met or exceeded. The outcome was that a saving of \$2,051,129.00 was achieved.

One of the main reasons for this saving was that Council has invested considerably in building the capacity of our own professional and field staff enabling use of best practice techniques. This resulted in Council delivering significant environmental outcomes in highly sensitive environments for lower rates than external providers, hence the \$2,051,129.00 saving.

Council staff have been negotiating with officers from SEWPC since May 2010 regarding obtaining approval for expenditure of those funds saved from the Stage 1 Contract. Several proposals were submitted as requested by SEWPC and most recently SEWPC required an internal, then an external due diligence assessment which involved staff, stakeholders and community members. To date, Council has been unable to obtain approval for the expenditure of those funds.

This matter was discussed with Minister Tony Burke with myself, Cr Matthews and the General Manager. The Minister's advised that the \$2,051,129.00 saving should be returned to the Federal Government and that a separate application to enable expenditure of these funds should form a Stage 3 of the Contract.

Stage 3 Schedule of Works

The Schedule of Works to expend the funds saved from Stage 1 of the Contract was developed in close consultation with a wide range of technical and community stakeholders, and aligns with the delivery of the Tuggerah Lakes Estuary Management Plan (TLEMP) and *Caring for our Country* objectives.

These key projects were identified which met the original agreed scope of works and could be commenced immediately and completed by 30 June 2011 should funding approval have been forthcoming. These projects (excluding salaries) include:

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▪ Streambank rehabilitation and establishment = \$693,756	▪ Saltmarsh rehabilitation and establishment = \$490,740
▪ Lower Pioneer Dairy Wetland rehabilitation = \$78,000	▪ DECCW ecological response model = \$450,000
▪ TLEMP Education Activities = \$31,225	▪ Environmental Monitoring Program = \$15,792

These projects will now form a Stage 3 of the Contract as recommended by Minister Burke.

Stage 2 – Caring for our Country Contract

During the past 6 months, Council staff have also been negotiating with officers from SEWPC regarding the content and requirements for Stage 2 of the Contract. Council's initial intention was that the Contract for Stage 2 be finalised by July 2010, so that there would be a seamless transition from Stage 1 to Stage 2 works and that staff responsible for implementing the works would have continuity of projects. Despite the efforts of staff, it is likely that a lengthy approval process remains before SEWPC approval is forthcoming for the expenditure of the \$11,340,000.00.

In accordance with the discussions held with the Minister, it is recommended that staff urgently negotiate with the officers from SEWPC to enable the expeditious finalisation of the Stage 2 Contract in order that implementation of the TLEMP can continue.

I formally move:

- 1 That Council thank Minister Tony Burke for his commitment given during his meeting with the Mayor and General Manager that the Federal Government's previous commitment to the Estuary Management Plan of \$20M will be met.**
- 2 That Council delegate to the General Manager the authority to return to the Department of Sustainability, Environment, Water, Population and Communities (SEWPC) the \$2,051,129.00 saved from the Stage 1 Caring for our Country contract.**
- 3 That Council staff commence urgent negotiations with the relevant officers from SEWPC and Minister Burke's Office to fast track the contract for Stage 2 of the Caring for our Country Federal Government Grant in the amount of \$11,340,000.00.**
- 4 That in respect of the comprehensive schedule of works developed to enable expenditure of the \$2,051,129.00 and already reviewed by an external due diligence expert, staff reformat this schedule to form a Stage 3 funding application to SEWPC.**
- 5 That Council thank the Member for Dobell, Craig Thomson for his assistance in this matter and in facilitating the recent delegation to Canberra.**