

LEGISLATIVE COUNCIL

Question On Notice

Tuesday, 13 August 2019

2377. Hon Robin Chapple to the Minister for Regional Development

I refer to the recent budget for the Kimberley, and ask:

- (a) did the Department of Primary Industries and Regional Development put forward a budget request for the \$1.9 million that was allocated to the Fitzroy River Management Plan;
- (b) if yes to (a), will the Minister table the detailed expenditure;
- (c) if no to (b), why not;
- (d) what was the purpose of the \$10 million funding that was allocated to the Ord;
- (i) was a detailed budget request for the funding referred to in (d) submitted by the department;
- (ii) if yes to (i), will the Minister provide a copy of this budget request;
- (iii) if no to (i), why not;
- (iv) if no to (ii), why not; and
- (v) which individuals or groups are managing the \$10 million Ord fund;
- (e) which individual or collective submitted a budget request for the \$1 million funding allocated to the Dampier Peninsula project:
- (i) will the Minister table this detailed expenditure proposal; and
- (ii) if no to (ii), why not;
- (f) with \$1.4 million having been allocated to planning for a new Broome Regional Prison, will the Minister provide this funding request;
- (g) will the Minister table maps of the proposed location of the new Broome Regional Prison referred to in (f);
- (h) what portion of the State Budget (Budget), if any, is aimed at supporting agriculture specifically in the Kimberley region:
- (i) will the Minister itemise these parts of the Budget, including amounts (AUD), as they are relevant to the Kimberley's agricultural industry;
- (i) how much funding is there in the budget to support Aboriginal economic development:
- (i) would the Minister table the amount(s) available in the Budget, as relevant to (i); and
- (j) regarding the \$87.5 million proposed to upgrade the Great Northern Highway, from Broome to Kununurra, would the Minister table and itemise the estimated breakdown of expenditures for this project?

Answer

- (a) Yes
- (b) Yes. See tabled paper no....
- (c) Not applicable
- (d) The \$10 million funding to finalise the Ord-East Kimberley Expansion Project is detailed in the attached Summary Investment Proposal.

i Yes

ii Expenditure details and an overview of the project are provided in the attached Summary Investment Proposal.

iii Not applicable

iv Not applicable

v The Department of Primary Industries and Regional Development

(e) The Department of the Premier and Cabinet

i Expenditure details and an overview of the project are provided in the attached Summary Investment Proposal.

ii N/A

(f) This question should be referred to the Minister for Corrective Services.

(g) See response to (f) above.

(h) Refer table (i) below.

(i)

Project	Amount \$	Funding year
Northern Beef Industry Strategy	\$754,000	2019/20
Growing the North projects	\$1,150,000 pa	2018/19
Ord-East Kimberley Expansion Project	\$10,000,000	19/20 to 21/22
Miriuwung Gajerrong Strategic Agricultural Plan	\$500,000	2017/18 to 2018/19

- In addition to the above, DPIRD also undertakes a range of operational activities in the Kimberley which do not have a dedicated budget line item – for example State-wide Biosecurity and quarantine services or upgrades to the Frank Wise Research Institute.

(i) The State budget does not define specific funding for Aboriginal economic development in the Kimberley. A range of Aboriginal economic development initiatives are undertaken by the Department of Primary Industries and Regional Development which are funded from its operational budget.

(i) See response to (i) above.

(j) This question should be referred to the Minister for Transport.



Royalties for Regions Summary Investment Proposal

Intra-Agency

PROPOSAL INFORMATION - SUMMARY			
a. Proposal title	FITZROY RIVER MANAGEMENT PLAN		
b. Proponent	DEPARTMENT OF PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT (DPIRD)		
c. Delivery partner/s			
d. Location	<input type="checkbox"/> Gascoyne <input type="checkbox"/> Goldfields-Esperance <input type="checkbox"/> Great Southern <input type="checkbox"/> Mid West <input checked="" type="checkbox"/> Kimberley	<input type="checkbox"/> Peel <input type="checkbox"/> Pilbara <input type="checkbox"/> South West <input type="checkbox"/> Wheatbelt <input type="checkbox"/> All regions (i.e. State-wide)	
e. Financial details	Total budget	\$1,787,000.00	(Excl. GST)
	Total Royalties for Regions request	\$1,787,000.00	(Excl. GST)
f. Duration	Target start date	1 October 2018	
	Date for project completion (including achievement of all Outputs and Milestones)	31 December 2021	

ATTACHMENTS
1. Letter from Minister for Regional Development to Treasurer 2. Letter of Treasurer's Concurrence
<i>(List any documents that are attached with this proposal. These may include, but are not limited to, feasibility studies, signed letters of support, market analysis, Gantt Charts and design documents.)</i>
<i>Note: Whilst additional supporting documents can be provided in support of your Investment Proposal, only those documents deemed critical for context should be formally listed as an attachment).</i>

PROPOSAL DELIVERY CONTACT			
Name	Renee Zuks	Phone	[REDACTED]
Position	Industry Development Manager	Email	Renee.Zuks@dpiird.wa.gov.au

PROPOSAL FINANCIAL CONTACT			
Name	Mandy Taylor	Phone	[REDACTED]
Position	Chief Finance Officer, DPIRD	Email	Mandy.Taylor@agric.wa.gov.au

Judy Jayasekera
Management Accountant

1. PROPOSAL PURPOSE

The purpose of the proposal is to provide funding to the Department of Primary Industries and Regional Development (DPIRD) to develop and commence implementation of a Fitzroy River management plan; and facilitate the delivery of the State Government's Fitzroy River election commitments, which are:

1. To create the Fitzroy National Park which will extend the Geikie Gorge National Park further along the Fitzroy River to the North and the Margaret River to the East;
2. To support the protection and development of a management plan for the Fitzroy River to ensure the health of the river and provide a basis for sustainable economic development; and
3. To not allow the Fitzroy River or its tributaries to be dammed.

The State Government has also subsequently committed to a water allocation plan for the Fitzroy catchment which will form a significant part of the management plan.

DPIRD is responsible for the delivery of the Fitzroy River management plan component of the Fitzroy election commitments. This will be delivered in parallel with the other components of the election commitments being delivered by other State Government agencies.

The delivery of a Fitzroy River management plan will create a more certain and attractive place for investment in primary industries, tourism and other development in the Fitzroy River catchment. This will result in the creation of jobs and new business and will also enable existing business to grow. This will benefit the people who reside in the catchment including Traditional Owners. The management plan will also provide confidence and certainty that the health of the river will be maintained while the catchment economy grows.

Funding will resource the development of the management plan, along with a nominal amount for initial implementation, and also includes resourcing of the Stakeholder Convenor and the Martuwarra Fitzroy River Council (MFRC) in 2018-19.

A further \$516,318 in funding has been allocated to the Department of the Premier and Cabinet to fund the MFRC from 2019-20. These funds will be managed under a separate SIP between the Investment Management Directorate and DPC.

2. PROPOSAL DESCRIPTION

DPIRD will undertake the following Project activities to develop and prepare the management plan:

a) Management plan preparation

DPIRD will use salary and operational expenditure to construct and write the Fitzroy River management plan. This will involve pulling together information from the Fitzroy River catchment profile, the information review, agency consultation and stakeholder engagement activities described below.

In preparing the management plan, DPIRD will develop a series of short discussion papers on key topics for stakeholder feedback. This activity will be substantially undertaken by Project FTEs with support from DPIRD's GIS and communications staff, and external professional services as appropriate.

b) Preparation of a Fitzroy River catchment profile

DPIRD will prepare a detailed statistical and economic profile of the catchment. This piece of work will also provide an overview of conservation land use and the environmental and cultural values of the catchment. The profile will form the context and setting for the management plan. It will also provide a baseline to measure progress in delivering outcomes over time and inform potential management plan objectives, targets, strategies and actions.

The profile will utilise and build on recent profile work undertaken by the CSIRO and the Kimberley Development Commission and when complete will serve as a valuable stakeholder communication tool. This activity will be undertaken utilising appropriate professional services with oversight provided by Project FTEs.

c) Information review and consolidation of existing information and alignment with other initiatives

DPIRD will engage across government to review and consolidate information from other initiatives and plans of relevance to economic development, conservation and land use in the catchment. This will include Local, State and Commonwealth Government plans and initiatives as well as industry led projects and plans. This activity will:

- Identifying draft objectives, strategies and possible actions for inclusion in the management plan,
- ensure alignment and synergy with other relevant Western Australian Government initiatives.
- ensure appropriate regard and linkages are made to other plans that apply to the catchment such as the Kimberley Planning and Infrastructure Framework and local planning strategies and schemes.

This activity will be undertaken utilising appropriate professional services with oversight provided by Project FTEs. The outcomes of the review will be appended to the management plan.

d) Audit and review of the 2010 Fitzroy Catchment Natural Resource Management Plan

The 2010 Fitzroy Catchment Management Plan (NRM Plan) by Rangelands NRM identified a range of natural resource management priorities and actions for the catchment. An audit and review of the NRM Plan will identify actions completed and their effectiveness, unimplemented actions and their rationale, priority actions going forward and recommended implementation mechanisms including partnership arrangements. The outcomes of this review will inform potential priority actions to be included in the management plan.

e) Coordination and participation in stakeholder engagement

Stakeholder engagement is a critical part of enabling the delivery of the management plan and will involve a significant apportionment of Project staff time. DPIRD will consult with stakeholders on the management plan objectives, targets, strategies and actions. Stakeholder engagement will be undertaken collaboratively with other agencies wherever possible and appropriate. A communications strategy will be developed to effectively plan and guide external stakeholder engagement.

DPIRD appointed a Stakeholder Convenor on 25 November 2018 to provide expert advice to agencies on approaches to stakeholder engagement across the suite of Fitzroy election commitments with Ministerial Council endorsement. The role of the Stakeholder Convenor is to listen and observe stakeholder engagements and provide a direct conduit for communication between stakeholders and the Ministerial Council.

DPIRD will make an initial funding contribution (along with DWER, DBCA and DPC) to the operations of the MFRC to undertake its functions and engage with government across the suite of election commitments. However, effective engagement with Native Title holders and claimants may require specialised Aboriginal engagement services and skillsets. Appropriate professional services may be utilised for this task.

Stakeholder engagement will be coordinated and undertaken by Project FTEs and will include operational costs associated with staff travel, event planning and logistics, and preparation of communication materials. Engagement activities undertaken utilising professional services will be overseen by Project FTEs.

f) Governance framework implementation

This activity involves participation and implementation of the endorsed Governance and Consultation Framework for the Fitzroy election commitments. This includes:

- Undertaking a leadership role in the coordination and delivery of meetings and communications between the responsible departments across the suite of Fitzroy election commitments, including:
 - Scheduled weekly meetings of the Fitzroy River Cross Agency Planning Team (CAPT).
 - Ongoing as needed communications and meetings between the CAPT members.
 - Six-weekly (approximately) meetings of the Fitzroy River Directors General Group.
 - Quarterly meetings of the Fitzroy River Ministerial Council (Ministerial Council).
- Undertaking a leadership role in the coordination and delivery of major stakeholder events such as the Fitzroy Ministerial Forum held on 15 March 2019 and the continued engagement of the Stakeholder Convenor (until 2020-21).

DPIRD will develop an internal engagement strategy to aid this role. Among other things it will document how the delivery agencies will work together, share information and best implement a whole-of-government approach.

The internal engagement strategy will also guide engagement with other Western Australian Government agencies. Engagement with relevant agencies will be required on the proposed management plan objectives, strategies and actions relevant to their portfolio.

g) Priority action implementation

This activity involves the commencement of implementation of the management plan following its anticipated endorsement by the Ministerial Council. The priority actions to be implemented will be determined by the Ministerial Council.

This activity will be undertaken by Project FTEs and may be supported by external contract services or other Western Australian State government departments depending on the action or actions that are endorsed for implementation.

#	Outputs	Completion Date
1	Signed letter of offer for the appointment of the Stakeholder Convenor.	25 November 2018
2	Delivery of Ministerial Forum	March 2019
2	Fitzroy internal engagement strategy and Communications plan	May 2019
3	Fitzroy River catchment profile and information review	June 2019
4	Report on the audit and review of the Fitzroy River Natural Resource Management Plan 2010	October 2019
5	Delivery of major stakeholder engagement events	June & September 2019
6	Draft management plan objectives, strategies and actions.	December 2019
7	Final draft management plan endorsed by Ministerial Council for release for public comment	June 2020
8	Delivery of initial implementation actions across Government	2020-21 financial year (TBC)

3 KEY OUTCOMES

(List the outcomes the proposal is expected to deliver and an anticipated achievement date.) Please state these in terms of the regional development strategic outcomes of a) jobs growth, b) economic growth and c) capable people).

#	Outcome	Achievement Date
1	DPIRD, working with the Stakeholder Convenor; <ul style="list-style-type: none"> establishes effective working relationships with key Fitzroy catchment stakeholders. is provided with considered and timely feedback from stakeholders, based on a balance of views and with due regard to the scientific information used to guide sustainable development 	30 October 2019
2	Delivery of a management plan that supports sustainable economic development and jobs growth, while maintaining the environmental and cultural values of the Fitzroy River and catchment.	30 June 2020
3	Facilitation of the diversification and economic development of the private sector investment in the Fitzroy River catchment leading to job and business creation and increased household incomes.	Long Term

(It is important that RfR investment outcomes can be measured, evaluated and communicated. If your proposal is approved for Royalties for Regions Funding you will be required to submit a Monitoring and Evaluation Plan to DPIRD within six (6) months after receiving funding approval notification. DPIRD will assist you in developing this Plan)

4. FINANCIAL INFORMATION

a. Total budget for the proposal	\$1,787,000 excl. GST
b. Total Royalties for Regions (RfR) request	\$1,787,000 excl. GST
c. Proponent contribution - cash	n/a
d. Proponent contribution - in kind	n/a
e. Third party funding - cash	n/a
f. Third party contribution - in kind	n/a

Please ensure financials (b) through to (f) sum to (a) Total budget for the proposal.

5. PROJECT BUDGET

#	Item of Expenditure	Funding Source	Amount (\$)
1	Operating: Salaries, staff costs, contractors, other implementation costs.	Royalties for Regions	1,303,103
2	The engagement of a Stakeholder Convenor, including payments for travel and other costs associated with this engagement.	Royalties for Regions	409,903
3	DPIRD contribution to initial operational funding for the MFRC to enable genuine engagement of native title groups (that it represents) in the initial stage of the consultation process.	Royalties for Regions	30,600
4	Operating: Contingency	Royalties for Regions	43,394
TOTAL			1,787,000

Note, the above budget figures include the initial reallocated Royalties for Region funding of \$390,000 in 2018-19.

Third Party Funding Details

#	Source	Secured/not secured	Dependencies (e.g. subject to in-principle agreement, other funding applications, etc.).	Amount (\$)
1	N/A	N/A	N/A	Nil
2	N/A	N/A	N/A	Nil

Milestones and Cash Flow Schedule

(Please list high level Milestones to be achieved during the annual period prior to the disbursement of funds. There should be a maximum of two (2) milestones per financial year. Disbursements will take place in October each year following receipt of the Recipient's audited Annual Report. Should you require an alternate disbursement schedule, please discuss with your DPIRD contact).

#	Milestone	Disbursement	Amount (\$)
1	Signing of Letter of Funding Confirmation	May 2019	390,000
2	Evidence to the satisfaction of the Department that the catchment profile is complete and the Regional NRM review has commenced.	July 2019	531,000

#	Milestone	Disbursement	Amount (\$)
3	Completion of a draft Fitzroy catchment management plan to the satisfaction of the Department.	January 2020	200,000
4	The Fitzroy Catchment Management Plan is publicly released for comment and implementation actions have been identified.	July 2020	566,000
5	Implementation actions for the Fitzroy River management plan are identified and endorsed for progression.	October 2020	100,000

Future Funding Source

A nominal sum of \$100,000 has been included in the approved 2019-20 budget to commence the implementation of priority actions identified in the management plan - in advance of action identification and endorsement.

Noting, the implementation of specifically identified priority actions may require a separate submission(s) by responsible agencies following the completion of the management plan.

#	Ongoing Cost	Funding Source	Total amount (\$)
1	Salary expenditure for DPIRD Project staff to complete implementation of priority strategies and actions identified in the Fitzroy River management plan	State Funding – not yet secured	Not yet determined
2	Salary expenditure for DPIRD Project staff to complete the anticipated 10 year review of the management plan	State Funding – not yet secured	Not yet determined

6. RISKS AND CONSTRAINTS

The top four Project risks identified by the DPIRD Project team and CAPT, include:

#	Identified Risks	Mitigation Strategies
1	Project milestones will not be completed on time	<ul style="list-style-type: none"> Implementation of project delivery and governance (internal and external) structures Project Management activities – monitoring, reporting, adaptive Management Weekly meetings of the Cross Agency Planning Team ensuring continuous communication, Planning and adaptive Management across government. Maintain a joint stakeholder engagement schedule DPIRD/DWER Project team flexibly respond to joint engagement opportunities as they arise Utilise representative groups that bring stakeholders together: MFRC and Fitzroy Valley Stakeholder Group. Provide and agree on an engagement schedule.
2	Inability to meet stakeholder expectations	<ul style="list-style-type: none"> Establish clear, upfront Government positions on key matters raised during early consultation. Engage a Stakeholder Convenor to provide a direct line of communication between stakeholders and Ministers. Media release responding to NAWRA outcomes. Review and address NAWRA and NESP assessment outcomes and explain how this work will be used to inform the Management and water allocation Plans.

3	Project derallment/distracton because of regional politics and outspoken stakeholders	<ul style="list-style-type: none"> • Establish clear, upfront Government positions on key matters (i.e. pull the trigger early) • Engage a Stakeholder Convenor to provide a direct line of communication between stakeholders and Ministers. • Utilise communications tools to communicate the Government's goals and vision to counteract activism (e.g. website, Twitter, media announcements, radio). • Avoid reactive decisions and actions in response to activism and campaigning.
4	MFRC is ineffective or dysfunctional	<ul style="list-style-type: none"> • Formal agreement executed linking funding to outcomes • Tight control of discussions is maintained. Government has a facilitator or a lead in the room to address scope creep. • Effectiveness of the MFRC is monitored over the first six months of funding. Decision to continue funding is subject to performance during initial funding period. • Switch focus of consultation effort to individual Prescribed Bodies Corporate if necessary.

7. PROPOSAL STATUS

The Project is substantially underway with a number of operational activities commenced, including the review of background material, and stakeholder engagement. Along with the appointment of the Stakeholder Convenor in late November 2018 ahead of initial stakeholder discussions with the MFRC, Pew Charitable Trusts and Environs Kimberley in December 2018 and a public Forum held on the 15 March 2019.

Procurement processes are now commencing for the preparation of the Fitzroy River catchment profile and information review that will be utilised for further stakeholder engagement in the coming months and/or inclusion in the management plan.

Work is also underway to plan the next stakeholder forum, scheduled for late June 2019, which will have a land and water focus and specific discussions regarding the MFRC's proposed buffer along the river.

8. ADDITIONAL INFORMATION

Further details on the Project can be found in the Project Business Case – Attachment 3.

Initial resourcing (until 30 June 2019) for this proposal was provided through the redirection of Royalties for Regions funding. A portion of Royalties for Regions Water for Food program funding has been directed via Treasurer's concurrence to provide resources to commence preparation of the management plan and to support stakeholder engagement.

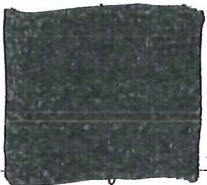
Separately, DPIRD prepared a submission seeking \$1.913 million in funding through the 2019-20 State budget process. This submission was successful with funding allocated to the Project in 2019-20 and 2020-21.

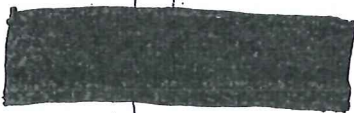
This funding provides for the Government to fulfil its election commitment and also provides for the commencement of implementation for priority actions to deliver economic development and conservation outcomes as determined through the management plan. This funding will also allow for the continued appointment of a Stakeholder Convenor and continued contribution to the operation of the MFRC.

The Project will be led through DPIRD's North Region office in Broome and operate within the endorsed governance framework that applies to the suite of the Fitzroy election commitments across Government.

ENDORSEMENT

(All Intra-Agency Investment Proposals must be endorsed by the Chief Financial Officer (or other Accountable Officer) AND the Executive Director of the Recipient Directorate. This is to ensure the content of the Investment Proposal adequately reflects the financial details, the scope of work and the capacity of the Recipient to deliver the Project. Endorsement of the Investment Proposal also provides acceptance of the Standard Project Requirements (Attachment A) and Terms and Conditions for the receipt of funding (Attachment B).

Name	Mandy Taylor	Position	Chief Financial Officer
Organisation	DPIRD	Date	13/5/19.
Signature			

Name	Eamonn McCabe	Position	Executive Director, Business Development
Organisation	DPIRD	Date	10/5/19
Signature			

OFFICE USE - DPIRD

Date Received:

Ref:

Attachment A – Royalties for Regions Standard Project Requirements

Roles and Responsibilities

The Department:

- a) administers the Royalties for Regions Fund to comply with the *Royalties for Regions Act 2009*; and
- b) is not responsible or liable for the success or otherwise of the Project for which Funding is provided nor for any losses, costs, expenses, liability, fines or penalties suffered or incurred by the Recipient in undertaking the Project.

The Recipient:

- a) is responsible for delivery and completion of the Project. This responsibility extends to Project monitoring, delivery, and responding to all requests for information on the progress, attainment of key milestones and status of the delivery of outcomes for the Project; and
- b) is to ensure appropriate governance processes are in place for the scale and nature of the Project.

Reporting

The Recipient is to provide to the Department:

- a) a Monitoring and Evaluation (M&E) Plan within six (6) months of the date of the Letter of Funding Confirmation. The M&E Plan should outline the Recipient's Obligations in delivering and monitoring the Project for which Royalties for Regions Funding is provided and ensure appropriate data collection and monitoring is undertaken to support an evaluation of the use of Funding upon completion of the Project. Sample templates will be available to assist with the development of the M&E Plan.
- b) an audited annual report on the Project based on the financial year ending 30 June on the template provided by the Department. The audited annual report is to be submitted within three (3) months after the end of the financial year to which the annual report relates.
- c) a Cumulative Expenditure Report on the Project based on the first six (6) months of the financial year on a template provided by the Department. The report is to be submitted 10 business days after the end of January.
- d) advice when the Project is complete. The Department will then provide the Recipient with a written request and template for submission of a report (Final Report), within three (3) months, which must be certified by the Recipient's Director General and Chief Financial Officer or other accountable officer.

Communications

Any communications in relation to one or more of Royalties for Regions Projects including presentations, publications, signage, articles, newsletters, or other literary works relating to the Project must be consistent with the Department's Marketing, Communications and Acknowledgements Policy for investments under Royalties for Regions.

Attachment B – Royalties for Regions Terms and Conditions

These Terms and Conditions are in addition to the Financial Reporting Obligations and disclosures as set out in the Financial Management Act 2006.

1. Funding Amount

Disbursal of Funding will be subject to availability of funds through the State budget & mid-year review of the State budget each financial year.

2. Use of Funding

The Recipient must:

- a) use the Funding (and any interest which accrues on the Funding) for the carrying out of the Project as per the agreed final Summary Investment Proposal or Business Case;
- b) seek the written consent of the Department should any changes to the Project or the agreed Project budget be required;
- c) comply with & ensure compliance with all laws, State Government Policies, & industry/accounting standards in delivering the Project;
- d) keep proper written records of Income, expenditure & any Project or contractual issues & supply, in a timely manner, the Department with proper access to those records as, & when asked for;
- e) promptly provide the Department with information & documentation relating in any way to the Project, the Funding or the Recipient's rights or Obligations upon request, ensuring that such information & documentation is true & accurate, up-to-date & complete & in no way misleading or deceptive;
- f) promptly meet with the Department as & when required to brief the Department on matters it seeks to know;
- g) establish a separate restricted cash account for Royalties for Regions Funding & any interest which accrues on the Funding within its financial system; & maintain separate cost centres for each Project funded;
- h) In addition to Obligations imposed under the FMA (2006), provide the Department with project reporting as per Attachment B – Standard Project Requirements to this Letter of Funding Confirmation;
- i) advise the Department immediately should any major issue, impediment or contractual issues in connection with the Project or any Obligation of the Recipient arise & keep the Department apprised of any & all developments as & when they occur;
- j) complete the Project by the Project Completion Date and return any unspent funds as per item 6 of the Terms & Conditions; and
- k) comply with all requirements set out in the Summary Investment Proposal, the letter by which the funding is offered & Attachment A - Royalties for Regions Standard Project Requirements, together with all representations, promises & undertakings given by the Recipient in relation to either or both of the Project & the Funding.

3. Leveraged Funding

The Recipient must obtain the Leveraged Funding from the sources set out in the Summary Investment Proposal or Business Case, which the Recipient must use to carry out the Project & for no other purpose.

If there is a shortfall, or the Recipient does not obtain the Leveraged Funding, the Recipient must notify the Department in writing as soon as possible.

4. Third Party Agreements

The Recipient must act prudently when entering into & performing contracts or any other type of agreement or arrangement with a third party in delivering the Project and do all that is reasonable to enforce them.

5. Notification

The Department intends to provide the Recipient with Notification once it considers that the Recipient has properly complied with & fulfilled all of its Obligations including that the Final Report provided by the Recipient is satisfactory.

The Department has absolute discretion in:

- a) determining whether & when it considers that the Recipient has properly complied with & fulfilled all of its Obligations

including that the Final Report provided by the Recipient is satisfactory; and

- b) determining whether and when to provide the Notification to the Recipient.

6. Repayment and Retention of the Funding

Within twenty (20) business days from receipt by the Recipient of any written request from the Department to provide a Final Report, the Recipient must remit to the Department any Funding that the Department has paid to the Recipient that has not been spent or committed and any interest which accrues on that Funding.

7. Evaluation or Audit Rights

At any time until five (5) years after receipt of the Notification by the Recipient, the Department may arrange for an Evaluation or Audit to be carried out in relation to the Project by either the Department, the Auditor, or any other person that the Department in its absolute discretion wishes to carry out the Evaluation or Audit. If the Department arranges for an Evaluation or Audit:

- a) the Department must notify the Recipient that the Department has arranged for an Evaluation or Audit to be carried out; and
- b) the Recipient must allow all persons appointed by the Department to carry out the Evaluation or Audit to:
 - (i) have full access to all documents, records and premises in the control or possession of the Recipient for the purpose of carrying out the Evaluation or Audit; and
 - (ii) make and take copies of any and all documents and records in the control or possession of the Recipient relating in any way to the Project.

8. Definitions

Auditor means the Office of the Auditor General or an Independent Auditor.

entering into includes performing, varying, extending & terminating.

Evaluation or Audit means one or more of an audit, examination, investigation, inspection, review, evaluation, or a similar activity.

Final Report includes:

- a) a financial report certifying that the Funding (and any interest accrued on the Funding) was used for the Project & confirming the amount of Funding spent; and
- b) a project report showing how and to what extent the Funding (and any interest accrued on the Funding) was spent and the extent to which the Recipient's deliverables were performed and the Milestones met.

Funding means the approved Royalties for Regions Investment at the amount specified in the Letter of Funding Confirmation.

Leveraged Funding is the additional cash funding obtained for the Project from other sources.

Milestones means the date by which Deliverable must be completed, and includes the Date for Project Completion.

Notification means a notice by the Department given in accordance with this Letter of Funding Confirmation that in the Department's opinion the Recipient has properly complied with and fulfilled all of its Obligations, including that the Final Report provided by the Recipient is satisfactory.

Obligation means an obligation in this Letter of Funding Confirmation & Attachments.

Project means the initiative or activities described in the original Summary Investment Proposal or Business Case.

Project Completion Date is the date for completion as set out in the Summary Investment Proposal.

Summary Investment Proposal means the final agreed proposal submitted by the Recipient to the Department, seeking Royalties for Regions Funding.

Royalties for Regions means the State's Royalties for Regions program under which monies standing to the credit of the Fund (as defined in section 3 of the *Royalties for Regions Act 2009*) are expended for purposes permitted under the *Royalties for Regions Act 2009*.

State means the State of Western Australia

Royalties for Regions Summary Investment Proposal

Intra-Agency

PROPOSAL INFORMATION - SUMMARY			
a. Proposal title	ORD-EAST KIMBERLEY EXPANSION PROJECT: CONTRACTUAL AND LEGAL OBLIGATIONS		
b. Proponent	DEPARTMENT OF PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT		
c. Delivery partner/s	\$10,000,000		
d. Location	<input type="checkbox"/> Gascoyne <input type="checkbox"/> Goldfields-Esperance <input type="checkbox"/> Great Southern <input type="checkbox"/> Mid West <input checked="" type="checkbox"/> Kimberley	<input type="checkbox"/> Peel <input type="checkbox"/> Pilbara <input type="checkbox"/> South West <input type="checkbox"/> Wheatbelt <input type="checkbox"/> All regions (i.e. State-wide)	
e. Financial details	Total budget	\$10,000,000	(Excl. GST)
	Total Royalties for Regions request	\$10,000,000	(Excl. GST)
	Target start date	1 May 2019	
f. Duration	Date for project completion (Including achievement of all Outputs and Milestones)	30 June 2022	

ATTACHMENTS
<p>(List any documents that are attached with this proposal. These may include, but are not limited to, feasibility studies, signed letters of support, market analysis, Gantt Charts and design documents.</p> <p>Note: Whilst additional supporting documents can be provided in support of your Investment Proposal, only those documents deemed critical for context should be formally listed as an attachment).</p> <p>Attachment 1 – Approved Business Case</p>

PROPOSAL DELIVERY CONTACT			
Name	Jo-Anne Ellis	Phone	[REDACTED]
Position	Principal Business Development Officer	Email	Jo-Anne.Ellis@dpird.wa.gov.au

PROPOSAL FINANCIAL CONTACT			
Name	Putri Megathisham	Phone	[REDACTED]
Position	Budget Officer, Finance	Email	Putri.megathisham@dpird.wa.gov.au

1. PROPOSAL PURPOSE

(Provide a succinct statement that demonstrates alignment with the application of the RfR Act (2009) for regional Western Australia (provision of infrastructure and services; development and broadening of the economic base and maximising job creation and improve career opportunities)

In 2008/09 the State Government made a commitment to deliver an irrigation area around the Ord River. Ord-East Kimberley Expansion Project (RfR Project 54) received \$301 million in Royalties for Regions to create service infrastructure (roads, irrigation channels and equipment, storm water drains and levees) to support the release of 7,400ha at Goomig. Project 54 is in the final phase, however there are still some outstanding obligations for which the State has responsibility.

Particularly there are residual contractual, environmental and legal obligations; and stakeholder expectations are that the State will continue to support these obligations until the project is complete.

The \$10 million Royalties for Regions is required to finalise Project 54 through dedicated resources and funding to ensure the State delivers on these obligations.

Without these resources it is unlikely that timely and appropriate actions will occur, therefore risking the State's reputation and potentially incurring significant fines under environmental legislation.

2. PROPOSAL DESCRIPTION

Approval is sought to release \$10 million to finalise the State's obligations and facilitate potential economic development opportunities, specifically to enable expenditure for the following:

- \$1.36 million – Contractual, legislative and environmental obligations
- \$0.13 million – Disposal of Garrjang workers village
- \$7.5 million – Ord Stage 1 – Tail water solution
- \$1.01 million – Further land releases.

The high priority obligations that will be addressed are:

- Manage environmental obligations until such time as the environmental proponentcy is transferred to Kimberley Agricultural Investment (KAI).
- Finalise agreements and conditions precedent under the Development Agreement to enable transfer of environmental proponentcy to KAI:
 - Transfer of the Goomig Buffer to Yawoorroong Miriung Gajerrong Yirgeb Noong Dawang Aboriginal Corporation (MG Corporation)
 - Execution of the Goomig Buffer Lease; execution of deed of easements
 - Resolve structure between KAI and MG Corporation for the Environmental Management Infrastructure Agreement (EMIA) and the Special Purpose Vehicle (SPV)
 - Execute the Vegetation Management Deferred Clearing Lots leases
 - Transfer Goomig Lots 15 and 16 to MG Corporation.
- Agree and implement a long term solution that ensures Ord Stage 1 – Tail water is contained in Ord Stage 1.
- Knox Plain – variations to the Development Agreement to reflect agreement for KAI to purchase in freehold.
- Mantinea development – assess development proposals and execute development lease.
- Ord West Bank development – secure a developer, assess development proposals and execute project agreements.
- Packsaddle Land Parcel 1 – Native title issues on Packsaddle Road Area to be resolved to allow the development to proceed.

#	Outputs	Completion Date
1	Contractual, legislative and environmental obligations	30 June 2020
2	Disposal of Garrjang Workers Village	30 June 2020
3	Ord Stage 1 – Tail water solution	30 June 2022
4	Further land releases	30 June 2021

3. KEY OUTCOMES

(List the outcomes the proposal is expected to deliver and an anticipated achievement date.) Please state these in terms of the regional development strategic outcomes of a) jobs growth, b) economic growth and c) capable people).

#	Outcome	Achievement Date
1	<p>Jobs Growth:</p> <ol style="list-style-type: none"> 1. Additional land (10,000 hectares) in production 2. Every 1,000 ha in full production, equates to an additional \$9.5 million Gross Marginal Value per annum of agricultural product from the Ord River Irrigation Area (at farm gate). In addition to the farm gate value and processing potential to the economy there is also a multiplier effect of agricultural production, such as jobs and businesses to support the agricultural sector including manufacturing/fabrication; supply of agricultural inputs; transport and logistics schools; and professional services. 	<ol style="list-style-type: none"> 1. 30 June 2022 2. Long term (beyond 2022) ongoing
2	<p>Economic Growth:</p> <ol style="list-style-type: none"> 1. Additional (10,000 hectares) land in production. 2. The increased volumes of land will likely have an important catalytic effect on the development of better market access mechanisms for producers in the region and simultaneously increase economic growth in the region. <p>KAI sees this land as a key future development site for investment. Private Sector Investment in agriculture and processing. The project has been successful in attracting regional investment to build industry critical mass and improve local and Aboriginal employment prospects (as discussed throughout the attached business case).</p>	<ol style="list-style-type: none"> 1. 30 June 2022 2. Long term (beyond 2022) ongoing
3	<p>Capable people:</p> <p>The scale created through Project 54 momentum and subsequent private investment will generate agricultural processing potential predicted to exceed \$1 billion, in turn increasing opportunities for creating jobs and improving Aboriginal participation.</p>	<p>Long term (beyond 2022) ongoing</p>

(It is important that RfR investment outcomes can be measured, evaluated and communicated. If your proposal is approved for Royalties for Regions Funding you will be required to submit a Monitoring and Evaluation Plan to DPIRD within six (6) months after receiving funding approval notification. DPIRD will assist you in developing this plan)

4. FINANCIAL INFORMATION

a. Total budget for the proposal	(\$10,000,000 excl. GST
b. Total Royalties for Regions (RfR) request	\$10,000,000
c. Proponent contribution - cash	Nil
d. Proponent contribution - in kind	Nil
e. Third party funding - cash	Nil
f. Third party contribution - in kind	Nil

Please ensure financials (b) through to (f) sum to (a) Total budget for the proposal.

5. PROJECT BUDGET

#	Item of Expenditure	Funding Source	Amount (\$)'000
1	Environmental Obligations (Goomig)	RfR	1,117
2	Legal Expenses	RfR	240
3	Garrjang Workers Village	RfR	130
4	D8 Ord Stage 1 Tail water Reuse Solution	RfR	7,500
5	Land Releases	RfR	1,013

Third Party Funding Details - Nil

#	Source	Secured/not secured	Dependencies (e.g. subject to in-principle agreement, other funding applications, etc.)	Amount (\$)
1				
2				

Milestones and Cash Flow Schedule

(Please list high level Milestones to be achieved during the annual period prior to the disbursal of funds. There should be a maximum of two (2) milestones per financial year. Disbursements will take place in October each year following receipt of the Recipient's audited Annual Report. Should you require an alternate disbursement schedule, please discuss with your DPIRD contact).

#	Milestone	Disbursement	Amount (\$'000)
1	Summary Investment Proposal (SIP) accepted and Letter of Funding Confirmation issued	June 2019	4,000
2	2018/19 Progress report provided to DPIRD demonstrating milestone progression and expenditure incurred/committed are consistent with project delivery against Section 2 of this SIP	30 October 2019	4,000
3	2019/20 Progress report provided to DPIRD demonstrating milestone progression and expenditure incurred/committed are consistent with project delivery against Section 2 of this SIP	30 October 2020	1,000
4	2020/21 Progress report provided to DPIRD demonstrating milestone progression and expenditure incurred/committed are consistent with project delivery against Section 2 of this SIP	30 October 2021	1,000

Future Funding Source

(List any ongoing costs for the proposal beyond the life of the RfR investment (e.g. maintenance or running costs, staffing requirements) and how they will be funded. (Proposals that will not generate any ongoing costs should include a statement to that effect).

Refer to Item 8 below for details on sustainability and ongoing viability.

6. RISKS AND CONSTRAINTS

(Identify the risks associated with the Proposal including issues that may prevent the Proposal progressing or that may hinder the achievement of deliverables. Consider and explain the risk mitigation strategies which will reduce the effects of each risk.

Ensure that the full lifecycle of the Proposal and 'post' funding risks such as operation and maintenance are considered. Please also address if the Proposal will result in unfair competition to existing industry and/or business.)

Refer to Section 2.13 Risk Analysis of the attached Business case for details on risks and constraints.

7. PROPOSAL STATUS

(Briefly explain the current status of the Proposal, including any approvals that are pending or still to be obtained – maximum 150 words)

This project is the final stage of the Ord East Kimberley Expansion project (Project 54) which has strong planning and governance in place that is applicable to finalise the State's obligations under this proposal.

8. ADDITIONAL INFORMATION

(Enter text here to a maximum of 500 words).


The release of the Funding under this proposal will finalise the State's obligations and commitments relating to Project 54 and release the State from further obligations under Ord Stage 1 and 2. Upon completion of these obligations, the following will occur:


- All environmental obligations and costs will be transferred to KAI as proponent
- The Northern Shark Saw Fish obligations will be fully met
- Implementation of the D8 Tail water solution will remove the State from future liability and cost
- Land releases will have no ongoing maintenance requirements once the lands are developed and transferred to the developer in freehold
- DPIRD will work with MG Corporation to support it becoming self-sustainable, minimising future financial impost on the State for the Ord Final Agreement.

There will be an ongoing requirement for the State to manage the Goomig Development Lease and common user infrastructure (CALIM) (as these will remain as Crown land). This function will be normalised into DPIRD's or the Department of Planning, Lands and Heritage's operations upon expenditure of this funding.

ENDORSEMENT

(All Intra-Agency Investment Proposals must be endorsed by the Chief Financial Officer (or other Accountable Officer) AND the Executive Director of the Recipient Directorate. This is to ensure the content of the Investment Proposal adequately reflects the financial details, the scope of work and the capacity of the Recipient to deliver the Project. Endorsement of the Investment Proposal also provides acceptance of the Standard Project Requirements (Attachment A) and Terms and Conditions for the receipt of funding (Attachment B).

Name	Carolyn Gibbon	Position	Acting CFO
Organisation	Department of Primary Industries and Regional Development	Date	14 June 2019
Signature			

Name	Eamonn McCabe	Position	Executive Director
Organisation	Department of Primary Industries and Regional Development	Date	14 June 2019
Signature			

OFFICE USE - DEPARTMENT OF PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT

Date Received:		Ref:	
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Attachment A – Royalties for Regions Standard Project Requirements

Roles and Responsibilities

The Department:

- a) administers the Royalties for Regions Fund to comply with the *Royalties for Regions Act 2009*; and
- b) is not responsible or liable for the success or otherwise of the Project for which Funding is provided nor for any losses, costs, expenses, liability, fines or penalties suffered or incurred by the Recipient in undertaking the Project.

The Recipient:

- a) is responsible for delivery and completion of the Project. This responsibility extends to Project monitoring, delivery, and responding to all requests for information on the progress, attainment of key milestones and status of the delivery of outcomes for the Project; and
- b) is to ensure appropriate governance processes are in place for the scale and nature of the Project.

Reporting

The Recipient is to provide to the Department:

- a) a Monitoring and Evaluation (M&E) Plan within six (6) months of the date of the Letter of Funding Confirmation. The M&E Plan should outline the Recipient's Obligations in delivering and monitoring the Project for which Royalties for Regions Funding is provided and ensure appropriate data collection and monitoring is undertaken to support an evaluation of the use of Funding upon completion of the Project. Sample templates will be available to assist with the development of the M&E Plan.
- b) an audited annual report on the Project based on the financial year ending 30 June on the template provided by the Department. The audited annual report is to be submitted within three (3) months after the end of the financial year to which the annual report relates.
- c) a Cumulative Expenditure Report on the Project based on the first six (6) months of the financial year on a template provided by the Department. The report is to be submitted 10 business days after the end of January.
- d) advice when the Project is complete. The Department will then provide the Recipient with a written request and template for submission of a report (Final Report), within three (3) months, which must be certified by the Recipient's Director General and Chief Financial Officer or other accountable officer.

Communications

Any communications in relation to one or more of Royalties for Regions Projects including presentations, publications, signage, articles, newsletters, or other literary works relating to the Project must be consistent with the Department's Marketing, Communications and Acknowledgements Policy for investments under Royalties for Regions.

Attachment B – Royalties for Regions Terms and Conditions

These Terms and Conditions are in addition to the Financial Reporting Obligations and disclosures as set out in the Financial Management Act 2006.

1. Funding Amount

Disbursal of Funding will be subject to availability of funds through the State budget & mid-year review of the State budget each financial year.

2. Use of Funding

The Recipient must:

- a) use the Funding (and any interest which accrues on the Funding) for the carrying out of the Project as per the agreed final Summary Investment Proposal or Business Case;
- b) seek the written consent of the Department should any changes to the Project or the agreed Project budget be required;
- c) comply with & ensure compliance with all laws, State Government Policies, & Industry/accounting standards in delivering the Project;
- d) keep proper written records of income, expenditure & any Project or contractual issues & supply, in a timely manner, the Department with proper access to those records as, & when asked for;
- e) promptly provide the Department with information & documentation relating in any way to the Project, the Funding or the Recipient's rights or Obligations upon request, ensuring that such information & documentation is true & accurate, up-to-date & complete & in no way misleading or deceptive;
- f) promptly meet with the Department as & when required to brief the Department on matters it seeks to know;
- g) establish a separate restricted cash account for Royalties for Regions Funding & any interest which accrues on the Funding within its financial system; & maintain separate cost centres for each Project funded;
- h) in addition to Obligations imposed under the FMA (2006), provide the Department with project reporting as per Attachment B – Standard Project Requirements to this Letter of Funding Confirmation;
- i) advise the Department immediately should any major issue, impediment or contractual issues in connection with the Project or any Obligation of the Recipient arise & keep the Department apprised of any & all developments as & when they occur;
- j) complete the Project by the Project Completion Date and return any unspent funds as per item 6 of the Terms & Conditions; and
- k) comply with all requirements set out in the Summary Investment Proposal, the letter by which the funding is offered & Attachment A - Royalties for Regions Standard Project Requirements, together with all representations, promises & undertakings given by the Recipient in relation to either or both of the Project & the Funding.

3. Leveraged Funding

The Recipient must obtain the Leveraged Funding from the sources set out in the Summary Investment Proposal or Business Case, which the Recipient must use to carry out the Project & for no other purpose.

If there is a shortfall, or the Recipient does not obtain the Leveraged Funding, the Recipient must notify the Department in writing as soon as possible.

4. Third Party Agreements

The Recipient must act prudently when entering into & performing contracts or any other type of agreement or arrangement with a third party in delivering the Project and do all that is reasonable to enforce them.

5. Notification

The Department intends to provide the Recipient with Notification once it considers that the Recipient has properly complied with & fulfilled all of its Obligations including that the Final Report provided by the Recipient is satisfactory.

The Department has absolute discretion in:

- a) determining whether & when it considers that the Recipient has properly complied with & fulfilled all of its Obligations

including that the Final Report provided by the Recipient is satisfactory; and

- b) determining whether and when to provide the Notification to the Recipient.

6. Repayment and Retention of the Funding

Within twenty (20) business days from receipt by the Recipient of any written request from the Department to provide a Final Report, the Recipient must remit to the Department any Funding that the Department has paid to the Recipient that has not been spent or committed and any interest which accrues on that Funding.

7. Evaluation or Audit Rights

At any time until five (5) years after receipt of the Notification by the Recipient, the Department may arrange for an Evaluation or Audit to be carried out in relation to the Project by either the Department, the Auditor, or any other person that the Department in its absolute discretion wishes to carry out the Evaluation or Audit. If the Department arranges for an Evaluation or Audit:

- a) the Department must notify the Recipient that the Department has arranged for an Evaluation or Audit to be carried out; and
- b) the Recipient must allow all persons appointed by the Department to carry out the Evaluation or Audit to:
 - (i) have full access to all documents, records and premises in the control or possession of the Recipient for the purpose of carrying out the Evaluation or Audit; and
 - (ii) make and take copies of any and all documents and records in the control or possession of the Recipient relating in any way to the Project.

8. Definitions

Auditor means the Office of the Auditor General or an Independent Auditor.

entering into includes performing, varying, extending & terminating.

Evaluation or Audit means one or more of an audit, examination, investigation, inspection, review, evaluation, or a similar activity.

Final Report includes:

- a) a financial report certifying that the Funding (and any interest accrued on the Funding) was used for the Project & confirming the amount of Funding spent; and
- b) a project report showing how and to what extent the Funding (and any interest accrued on the Funding) was spent and the extent to which the Recipient's deliverables were performed and the Milestones met.

Funding means the approved Royalties for Regions investment at the amount specified in the Letter of Funding Confirmation.

Leveraged Funding is the additional cash funding obtained for the Project from other sources.

Milestones means the date by which Deliverable must be completed, and includes the Date for Project Completion.

Notification means a notice by the Department given in accordance with this Letter of Funding Confirmation that in the Department's opinion the Recipient has properly complied with and fulfilled all of its Obligations, including that the Final Report provided by the Recipient is satisfactory.

Obligation means an obligation in this Letter of Funding Confirmation & Attachments.

Project means the Initiative or activities described in the original Summary Investment Proposal or Business Case.

Project Completion Date is the date for completion as set out in the Summary Investment Proposal.

Summary Investment Proposal means the final agreed proposal submitted by the Recipient to the Department, seeking Royalties for Regions Funding.

Royalties for Regions means the State's Royalties for Regions program under which monies standing to the credit of the Fund (as defined in section 3 of the *Royalties for Regions Act 2009*) are expended for purposes permitted under the *Royalties for Regions Act 2009*.

State means the State of Western Australia

Royalties for Regions Summary Investment Proposal

PROPOSAL INFORMATION - SUMMARY

a. Proposal title	DAMPIER PENINSULA PROJECT		
b. Proponent	DEPARTMENT OF THE PREMIER AND CABINET		
c. Delivery partner/s	KIMBERLEY DEVELOPMENT COMMISSION		
d. Location	<input type="checkbox"/> Gascoyne <input type="checkbox"/> Goldfields-Esperance <input type="checkbox"/> Great Southern <input type="checkbox"/> Mid West <input checked="" type="checkbox"/> Kimberley	<input type="checkbox"/> Peel <input type="checkbox"/> Pilbara <input type="checkbox"/> South West <input type="checkbox"/> Wheatbelt <input type="checkbox"/> All regions (i.e. State-wide)	
e. Financial details	Total budget	\$1,291,000	(Excl. GST)
	Total Royalties for Regions request	\$1,021,000	(Excl. GST)
	Target start date	JUNE 2019	
f. Duration	Date for project completion (including achievement of all Outputs and Milestones)	NOVEMBER 2020	

ATTACHMENTS

(List any documents that are attached with this proposal. These may include, but are not limited to, feasibility studies, signed letters of support, market analysis, Gantt Charts and design documents.

Note: Whilst additional supporting documents can be provided in support of your Investment Proposal, only those documents deemed critical for context should be formally listed as an attachment).

1. Business Case 2019-2020 for the Dampier Peninsula Project
2. WA Government Strategic Funding Proposal with the Kimberley Land Council
3. Dampier Peninsula Project - Work Stream Summary Paper
4. KPP Dampier Peninsula Visitation and Tourism Infrastructure Assessment (December 2017)
5. Dampier Peninsula Planning Strategy (April 2015)
6. Dampier Peninsula Access Management Plan (November 2005)

PROPOSAL DELIVERY CONTACT

Name	Rohan Worsdell	Phone	[REDACTED]
Position	Principal Policy Officer	Email	Rohan.Worsdell@dpc.wa.gov.au

PROPOSAL FINANCIAL CONTACT

Name	Kate Alderton	Phone	[REDACTED]
Position	Director Aboriginal Policy and Coordination Unit	Email	Kate.Alderton@dpc.wa.gov.au

1. PROPOSAL PURPOSE

(Provide a succinct statement that demonstrates alignment with the application of the RfR Act (2009) for regional Western Australia (provision of infrastructure and services, development and broadening of the economic base and maximising job creation and improve career opportunities)

The Dampier Peninsula Project has been established to complement the \$65 million Main Roads WA project to seal the Broome-Cape Leveque road which is scheduled to be completed by November 2020. Sealing the road will significantly increase visitation to the area. The increased visitation will provide economic opportunities for local businesses but gives rise to a number of social, environmental and cultural impacts.

In order to maximise the economic benefits and mitigate adverse impacts associated with the road completion, the State Government has developed the Dampier Peninsula Project (DPP). The overall outcomes of the DPP are to:

1. Implement strategies to protect the unique environmental and cultural heritage values of the Dampier Peninsula and mitigate negative impacts on native title rights and interests and communities; and
2. Leverage cultural, social, environmental and economic opportunities for Aboriginal people on the Dampier Peninsula from future development on the Dampier Peninsula, including by
 - a. Improving the overall tourism experience and financial returns for operators
 - b. Identifying economic opportunities across other sectors
 - c. Building local skills and enterprise capacity

The DPP is comprised of thirteen sub projects¹ involving 12 State Government agencies, the Commonwealth Government and the Shire of Broome. The sub projects are categorised under four work stream headings:

1. Visitor Management
2. Social Support
3. Economic Development
4. Other Projects

The Western Australian Government is committed to partnering with Aboriginal people in the design and delivery of economic development and social well-being projects across the state. To facilitate this partnership approach for the delivery of the DPP, the Dampier Peninsula Working Group (DPWG) will be established. The DPWG will comprise representatives from:

- five native title holding groups on the Dampier Peninsula
- four primary Aboriginal community corporations (Ardalyoon, Lombadina, Djaridjin and Beagle Bay)
- key Aboriginal-owned tourism operations
- Aboriginal ranger groups

The DPWG will work with the various State agencies to guide the implementation of the sub projects under the DPP. The representative nature of the DPWG provides an efficient engagement mechanism and enables key objectives of the DPP to be effectively aligned with local needs.

2. PROPOSAL DESCRIPTION

(Provide a clear description of the proposal including what will be delivered— and why it is needed. - maximum 150 words)

The DPWG is critical to the success of the DPP. The DPWG will provide an efficient engagement mechanism for the various Government agencies to engage and work together to deliver positive outcomes.

The funding sought will:

1. provide a full-time coordinator and secretariat services for the DPWG and support the operation of the DPWG through funding meetings costs, logistics and information dissemination to Dampier Peninsula residents; and
2. contribute towards visitor access management strategies (fencing, signage, visitor pass options, consultancy costs)

Full-time Project coordinator and DPWG support (2 x \$350,000)

This funding will be administered via a Grant Agreement with the Kimberley Land Council (see draft attached) which will set out anticipated activities, rates of payment and acquittal processes. The funding would be provided in two separate stages towards the end of the 2018/19 and 2019/20 financial years.

The DPWG will hold four meetings over twelve months from June 2019, with the first two meetings supported by an independent consultant to assist the Traditional Owners and Aboriginal community representatives in identifying and capturing local views and aspirations. The work

¹ See attached draft *Work Stream Summary Paper* for a complete list of the sub projects, associated activities and lead agencies.

ATTACHMENT 1

and priorities of the Senior Officer Working Group, consisting of Local, State and Commonwealth Government representatives, will be shaped and influenced by the information and feedback from the DPWG.

Visitor Access Management (\$121,000 visitor management + \$200,000 project coordination costs and access management strategy)

This funding will enable the proponent to participate and manage the delivery of the DPP work streams and progress strategic elements of the visitor access management. This funding is critical; without appropriate visitor management, there are serious risks of environmental and cultural damage, as well as loss of economic development opportunities for Aboriginal owned businesses and communities.

The funding will be allocated towards costs associated with visitor access management (such as fencing and signage) as well as project coordination and consultancy costs towards developing a visitor access management strategy (including exploring the potential for a visitor pass). Funding from these two streams will be staggered over the 2019/20 and 2020/21 financial years.

Total funding will peak in the 2019/20 financial year (\$501,000), as the outcomes and priorities from the DPWG and SOWG discussions begin to be actioned and implemented ahead of the November 2020 completion date for the sealing of the Broome-Cape Leveque road. Further information on the proposed staged approach is provided below.

Also complete the table below by inserting the outputs specific to the project.

STAGE ONE (2019-2020)

#	Outputs	Completion Date
1	Engage a full-time project manager to coordinate the Dampier Peninsula Working Group (DPWG) consultative processes for the Dampier Peninsula Project for an initial 12 month period	June 2019
2	Hold four DPWG meetings consisting of Traditional Owners and Aboriginal community representatives to progress the design and delivery of project work streams	June 2020
3	Support the DPWG Chair, including meeting attendance and correspondence with Prescribed Bodies Corporates, local Community corporations and other key stakeholders	June 2020
4	Engage an independent consultant to facilitate two DPWG meetings and undertake specialised community consultation	January 2020

STAGE TWO (2020-2021)

#	Outputs	Completion Date
1	Continue funding of a full-time project manager to coordinate the DPWG for a further 12 month period	June 2021
2	Hold DPWG meetings consisting of Traditional Owners and Aboriginal community representatives to progress the design and delivery of project work streams	June 2021
3	Support the DPWG Chair, including meeting attendance and correspondence with Prescribed Bodies Corporate, local Community corporations and other key stakeholders	June 2021
4	Design and deliver Visitor Access Management strategies: <ol style="list-style-type: none"> 1. Secondary road network strategy 2. Day facility upgrade strategy 3. Compliance support strategy 4. Land tenure strategy 5. Fencing and signage strategy 6. Cultural mapping strategy 	June 2021
5	On-site consultations and meetings to finalise implementation of project work streams	June 2021

3. KEY OUTCOMES

(List the outcomes the proposal is expected to deliver and an anticipated achievement date.) Please state these in terms of the regional development strategic outcomes of a) jobs growth, b) economic growth and c) capable people).

#	Outcome	Achievement Date
1	Jobs Growth: The DPP seeks to capitalise on the projected increase in tourism and recreational access, and facilitate opportunities for increased Aboriginal employment and local business development. Proposed growth in the tourism sector alone is estimated to total an additional \$8.1 million in annual income from overnight stays by 2024. Proposed additional day facilities for tourists will support an additional \$1.6 million spend by day visitors.	November 2020
2	Economic growth: As articulated in the <i>Broome Growth Plan</i> , "activating the Dampier Peninsula provides a significant opportunity to build a more integrated regional economy and leverage existing competitive advantages". Through various sub-projects of the DPP, there will be increased economic opportunities across the tourism, agriculture, aquaculture, arts and culture and small business sectors. For example, under the DPP's Tourism sub project, TourismWA will fund business capability assessments to inform a business case for the redevelopment and expansion of Kooljaman, an Aboriginal owned and national award winning resort that provides direct financial support to Djarindjin and Ardyaloon communities.	November 2020
3	Capable People: The DPP will explore options to allow Aboriginal rangers to have greater enforcement powers so they can enforce relevant laws and regulations to restrict access to sensitive areas. The Commonwealth and State-funded Aboriginal Ranger Program is already one of the most significant employers of Aboriginal people on the Dampier Peninsula.	November 2020

(It is important that RfR investment outcomes can be measured, evaluated and communicated. If your proposal is approved for Royalties for Regions Funding you will be required to submit a Monitoring and Evaluation Plan to DPIRD within six (6) months after receiving funding approval notification. DPIRD will assist you in developing this plan)

4. FINANCIAL INFORMATION

a. Total budget for the proposal	\$1,291,000 excl. GST
b. Total Royalties for Regions (RfR) request	\$1,021,000 excl. GST
c. Proponent contribution – cash	
d. Proponent contribution – in kind	\$195,000*
e. Third party funding – cash	
f. Third party contribution – in kind	\$75,000**

Please ensure financials (b) through to (f) sum to (a) Total budget for the proposal.

*Includes 0.8 x fulltime Level 8 DPC officer (Perth) and 0.5 x fulltime Level 8 DPC officer (Broome)

**Represents 0.5 fulltime Level 8 KDC officer (Broome)

5. PROJECT BUDGET*

#	Item of Expenditure	Funding Source	Amount (\$)
1	Dampier Peninsula Working Group	Royalties for Regions	\$700,000
2	Dampier Peninsula visitor access management	Royalties for Regions	\$121,000
3	Dampier Peninsula Project coordination costs	Royalties for Regions	\$200,000
4	Dampier Peninsula Project Manager [Perth] (in-kind)	Department of the Premier & Cabinet	\$120,000
5	Dampier Peninsula Project Manager [Broome] (in-kind)	Department of the Premier & Cabinet	\$75,000

6

Dampier Peninsula Project Manager [Broome] (in-kind)

Kimberley Development

\$75,000

Third Party Funding Details

#	Source	Secured/not secured	Dependencies (e.g. subject to in-principle agreement, other funding applications, etc.).	Amount (\$)
1				
2				

*State Government agencies have been advised the Dampier Peninsula Project will be resourced from within existing agency budgets, with the exception of the Dampier Peninsula Working Group funding sought via Royalties for Regions (as above).

Milestones and Cash Flow Schedule

(Please list high level Milestones to be achieved during the annual period prior to the disbursement of funds. There should be a maximum of two (2) milestones per financial year. Disbursements will take place in October each year following receipt of the Recipient's audited Annual Report. Should you require an alternate disbursement schedule, please discuss with your DPIRD contact).

#	Milestone	Disbursement	Amount (\$)
1	Engage the DPWG Project Coordinator and consultant Execute the Grant Agreement	June 2019	\$350,000
2	Evidence to DPIRD's satisfaction that the DPWG Project coordinator and consultant have been engaged and onsite consultations with, and meetings by DPWG, Native Title holders and community corporations are taking place Onsite consultations with, and meetings by, DPWG, native title holders, Community corporations	October 2019	\$501,000
3	Evidence to DPIRD's satisfaction that visitor access management strategies have been developed Visitor access management strategies developed	October 2020	\$170,000

Future Funding Source

(List any ongoing costs for the proposal beyond the life of the RfR investment (e.g. maintenance or running costs, staffing requirements) and how they will be funded. (Proposals that will not generate any ongoing costs should include a statement to that effect).

Funding the operation and coordination of the DPWG and the Proponent's participation costs in the project is for a finite period and will not incur ongoing costs. To the extent that State agencies may have residual implementation obligations associated with their work stream activities beyond the proposed life span of the DPWG, responsibility for securing funding to meet implementation costs will sit with the respective agencies.

Funding for Visitor Access Management will be directed towards development of a visitor pass framework informed by specialised consultancy services, community engagement and strategic one off signage. Policy development will be led and managed by the Department of the Premier and Cabinet and the Kimberley Development Commission. No ongoing costs are anticipated.

#	Ongoing Cost	Funding Source	Annual amount
1			
2			

6. RISKS AND CONSTRAINTS

(Identify the risks associated with the Proposal including issues that may prevent the Proposal progressing or that may hinder the achievement of deliverables. Consider and explain the risk mitigation strategies which will reduce the effects of each risk.

Ensure that the full lifecycle of the Proposal and 'post' funding risks such as operation and maintenance are considered. Please also address if the Proposal will result in unfair competition to existing industry and/or business.)

#	Identified Risks	Mitigation Strategies
1	Sealing of the Broome-Cape Leveque road project is ahead of / behind schedule, impacting expected visitor forecasts	Maintain close working relationship with Main Roads WA Utilise the DPP's Community and Visitor Safety sub-project, led by the Road Safety Commission and involving MRWA, to identify opportunities for collaboration of messaging and road safety education
2	Limited consultation with Native Title holders and key Aboriginal stakeholders	Secure funding for the Dampier Peninsula Working Group and ongoing engagement and communication to stakeholders
3	Lack of compliance with local regulations	Develop a compliance support strategy Include the Broome Shire on the Senior Officers Working Group Develop land tenure strategy
4	Lack of tourist information and infrastructure increases risk to visitor safety; cultural and environmental damage and potential economic loss from negative tourism experiences	Develop a secondary road network strategy Develop a day facility upgrade strategy Develop a fencing and signage strategy Develop a cultural mapping strategy Develop land tenure strategy Develop a road and marine safety strategy Align effort on the DPP with Essential and Municipal Services Upgrades (EMSUP) project being led by the Department of Communities

7. PROPOSAL STATUS

(Briefly explain the current status of the Proposal, including any approvals that are pending or still to be obtained – maximum 150 words)

In September 2017, the Jobs and Economic Diversification Cabinet Sub-committee approved the Department of the Premier and Cabinet coordinating the preparation of a strategy and implementation plan for the Dampier Peninsula Project, in collaboration with relevant State Government agencies.

In November 2018, the Premier approved the preparation of a submission to the ERC to repurpose \$2.8 million in Royalties for Regions funding allocated to the Great Kimberley Marine Park (GKMP) project to support current government priorities in the region, including the Dampier Peninsula Project.

In March 2019, the Treasurer's Concurrence was obtained to repurpose the \$350,000 allocated to DPC for the GKMP project in the 2018-19 financial year towards the Dampier Peninsula Project.

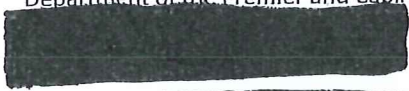


While the governance and administration arrangements for the DPP have been developed, progress on community consultations and implementing the work streams is dependent on securing the funding articulated in this submission.

Sealing of the Broome-Cape Leveque road is expected to be complete by November 2020.

8. ADDITIONAL INFORMATION

(Enter text here to a maximum of 500 words).

(All Investment Proposals must be endorsed by the Chief Financial Officer (or other Accountable Officer) AND the Director General or Chief Executive Officer of the Applicant. This is to ensure the content of the Investment Proposal adequately reflects the financial details, the scope of work and the capacity for the Agency to deliver the Project. Endorsement of the Investment Proposal also provides acceptance of the Standard Project Requirements (Attachment A) and Terms and Conditions for the receipt of funding (Attachment B).

Name	Kate Alderton	Position	Director Aboriginal Policy and Coordination Unit
Organisation	Department of the Premier and Cabinet	Date	29 May 2019
Signature			
Name	Darren Foster 	Position	Director General
Organisation	Department of the Premier and Cabinet	Date	31 MAY 2019
Signature			

OFFICE USE - DEPARTMENT OF PRIMARY INDUSTRIES AND REGIONAL DEVELOPMENT

Date Received:

Ref:

Attachment A – Royalties for Regions Standard Project Requirements

Roles and Responsibilities

The Department:

- a) administers the Royalties for Regions Fund to comply with the *Royalties for Regions Act 2009*; and
- b) is not responsible or liable for the success or otherwise of the Project for which Funding is provided nor for any losses, costs, expenses, liability, fines or penalties suffered or incurred by the Recipient in undertaking the Project.

The Recipient:

- a) is responsible for delivery and completion of the Project. This responsibility extends to Project monitoring, delivery, and responding to all requests for information on the progress, attainment of key milestones and status of the delivery of outcomes for the Project; and
- b) is to ensure appropriate governance processes are in place for the scale and nature of the Project.

Reporting

The Recipient is to provide to the Department:

- a) a Monitoring and Evaluation (M&E) Plan within six (6) months of the date of the Letter of Funding Confirmation. The M&E Plan should outline the Recipient's Obligations in delivering and monitoring the Project for which Royalties for Regions Funding is provided and ensure appropriate data collection and monitoring is undertaken to support an evaluation of the use of Funding upon completion of the Project. Sample templates will be available to assist with the development of the M&E Plan.
- b) an audited annual report on the Project based on the financial year ending 30 June on the template provided by the Department. The audited annual report is to be submitted within three (3) months after the end of the financial year to which the annual report relates.
- c) a Cumulative Expenditure Report on the Project based on the first six (6) months of the financial year on a template provided by the Department. The report is to be submitted 10 business days after the end of January.
- d) advice when the Project is complete. The Department will then provide the Recipient with a written request and template for submission of a report (Final Report), within three (3) months, which must be certified by the Recipient's Director General and Chief Financial Officer or other accountable officer.

Communications

Any communications in relation to one or more of Royalties for Regions Projects including presentations, publications, signage, articles, newsletters, or other literary works relating to the Project must be consistent with the Department's Marketing, Communications and Acknowledgements Policy for investments under Royalties for Regions.

Attachment B – Royalties for Regions Terms and Conditions

These Terms and Conditions are in addition to the Financial Reporting Obligations and disclosures as set out in the Financial Management Act 2006.

1. Funding Amount

Disbursal of Funding will be subject to availability of funds through the State budget & mid-year review of the State budget each financial year.

2. Use of Funding

The Recipient must:

- a) use the Funding (and any interest which accrues on the Funding) for the carrying out of the Project as per the agreed final Summary Investment Proposal or Business Case;
- b) seek the written consent of the Department should any changes to the Project or the agreed Project budget be required;
- c) comply with & ensure compliance with all laws, State Government Policies, & industry/accounting standards in delivering the Project;
- d) keep proper written records of income, expenditure & any Project or contractual issues & supply, in a timely manner, the Department with proper access to those records as, & when asked for;
- e) promptly provide the Department with information & documentation relating in any way to the Project, the Funding or the Recipient's rights or Obligations upon request, ensuring that such information & documentation is true & accurate, up-to-date & complete & in no way misleading or deceptive;
- f) promptly meet with the Department as & when required to brief the Department on matters it seeks to know;
- g) establish a separate restricted cash account for Royalties for Regions Funding & any interest which accrues on the Funding within its financial system; & maintain separate cost centres for each Project funded;
- h) in addition to Obligations imposed under the FMA (2006), provide the Department with project reporting as per Attachment B – Standard Project Requirements to this Letter of Funding Confirmation;
- i) advise the Department immediately should any major issue, impediment or contractual issues in connection with the Project or any Obligation of the Recipient arise & keep the Department apprised of any & all developments as & when they occur;
- j) complete the Project by the Project Completion Date and return any unspent funds as per item 6 of the Terms & Conditions; and
- k) comply with all requirements set out in the Summary Investment Proposal, the letter by which the funding is offered & Attachment A - Royalties for Regions Standard Project Requirements, together with all representations, promises & undertakings given by the Recipient in relation to either or both of the Project & the Funding.

3. Leveraged Funding

The Recipient must obtain the Leveraged Funding from the sources set out in the Summary Investment Proposal or Business Case, which the Recipient must use to carry out the Project & for no other purpose.

If there is a shortfall, or the Recipient does not obtain the Leveraged Funding, the Recipient must notify the Department in writing as soon as possible.

4. Third Party Agreements

The Recipient must act prudently when entering into & performing contracts or any other type of agreement or arrangement with a third party in delivering the Project and do all that is reasonable to enforce them.

5. Notification

The Department intends to provide the Recipient with Notification once it considers that the Recipient has properly complied with & fulfilled all of its Obligations including that the Final Report provided by the Recipient is satisfactory.

The Department has absolute discretion in:

- a) determining whether & when it considers that the Recipient has properly complied with & fulfilled all of its Obligations

including that the Final Report provided by the Recipient is satisfactory; and

- b) determining whether and when to provide the Notification to the Recipient.

6. Repayment and Retention of the Funding

Within twenty (20) business days from receipt by the Recipient of any written request from the Department to provide a Final Report, the Recipient must remit to the Department any Funding that the Department has paid to the Recipient that has not been spent or committed and any interest which accrues on that Funding.

7. Evaluation or Audit Rights

At any time until five (5) years after receipt of the Notification by the Recipient, the Department may arrange for an Evaluation or Audit to be carried out in relation to the Project by either the Department, the Auditor, or any other person that the Department in its absolute discretion wishes to carry out the Evaluation or Audit. If the Department arranges for an Evaluation or Audit:

- a) the Department must notify the Recipient that the Department has arranged for an Evaluation or Audit to be carried out; and
- b) the Recipient must allow all persons appointed by the Department to carry out the Evaluation or Audit to:
 - (i) have full access to all documents, records and premises in the control or possession of the Recipient for the purpose of carrying out the Evaluation or Audit; and
 - (ii) make and take copies of any and all documents and records in the control or possession of the Recipient relating in any way to the Project.

8. Definitions

Auditor means the Office of the Auditor General or an Independent Auditor.

entering into includes performing, varying, extending & terminating.

Evaluation or Audit means one or more of an audit, examination, investigation, inspection, review, evaluation, or a similar activity.

Final Report includes:

- a) a financial report certifying that the Funding (and any interest accrued on the Funding) was used for the Project & confirming the amount of Funding spent; and
- b) a project report showing how and to what extent the Funding (and any interest accrued on the Funding) was spent and the extent to which the Recipient's deliverables were performed and the Milestones met.

Funding means the approved Royalties for Regions investment at the amount specified in the Letter of Funding Confirmation.

Leveraged Funding is the additional cash funding obtained for the Project from other sources.

Milestones means the date by which Deliverable must be completed, and includes the Date for Project Completion.

Notification means a notice by the Department given in accordance with this Letter of Funding Confirmation that in the Department's opinion the Recipient has properly complied with and fulfilled all of its Obligations, including that the Final Report provided by the Recipient is satisfactory.

Obligation means an obligation in this Letter of Funding Confirmation & Attachments.

Project means the initiative or activities described in the original Summary Investment Proposal or Business Case.

Project Completion Date is the date for completion as set out in the Summary Investment Proposal.

Summary Investment Proposal means the final agreed proposal submitted by the Recipient to the Department, seeking Royalties for Regions Funding.

Royalties for Regions means the State's Royalties for Regions program under which monies standing to the credit of the Fund (as defined in section 3 of the *Royalties for Regions Act 2009*) are expended for purposes permitted under the *Royalties for Regions Act 2009*.

State means the State of Western Australia