
Part C

Section 4

**Department of the Environment
and Heritage**

**PURCHASER-PROVIDER AND
COST RECOVERY
ARRANGEMENTS**

PURCHASER-PROVIDER ARRANGEMENTS

<p>DEPARTMENT OF THE ENVIRONMENT AND HERITAGE DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY NATURAL HERITAGE TRUST</p>

CROSS AGENCY OVERVIEW

The Government has provided over \$1.3 billion to extend the Trust for six years from 2002-03 to 2007-08. The 2004-05 Budget provides for expenditure of \$310.0 million for the Trust in 2004-05.

The Department of the Environment and Heritage and the Department of Agriculture, Fisheries and Forestry have a cross portfolio arrangement to administer the Trust. The Trust expenditure package is a \$3 billion investment which is promoting an integrated long-term approach to the conservation and sustainable management of Australia's land, water, native vegetation and biodiversity.

The Trust has three overarching objectives:

- (i) Biodiversity Conservation - the conservation of Australia's biodiversity through the protection and restoration of terrestrial, freshwater, estuarine and marine ecosystems and habitat for native plants and animals.
- (ii) Sustainable Use of Natural Resources - the sustainable use and management of Australia's land, water and marine resources to maintain and improve the productivity and profitability of resource based industries.
- (iii) Community Capacity Building and Institutional Change - support for individuals, landholders, industry and communities with skills, knowledge, information and institutional frameworks to promote biodiversity conservation and sustainable resource use and management.

RESPONSIBILITY

Responsibility for the Trust's administration is vested in a Board consisting of the Minister for the Environment and Heritage and the Minister for Agriculture, Fisheries and Forestry.

CONTROL ARRANGEMENTS

The Department of the Environment and Heritage and the Department of Agriculture, Fisheries and Forestry are jointly responsible for the administration of the Trust, through the joint Commonwealth Regional Natural Resource Management Team.

RESOURCING

All the Trust's financial resources are included in the agency report of the Environment and Heritage portfolio.

Total funding for the Trust in 2004-05 is \$310.0 million. The Department of Environment and Heritage will provide funding to the Department of Agriculture, Fisheries and Forestry (through Section 31 of the *Financial Management and Accountability Act 1997*) in 2004-05 to fund the administration costs incurred in implementing the Trust.

PERFORMANCE AGAINST OUTCOMES AND OUTPUTS

Quantity

- (1) All investments approved by Ministers in 2004-05 are provided with funding, in accordance with Trust accountability and acquittal procedures, to meet Trust objectives.
- (2) Bilateral agreements signed with each state. Number of investment strategies that are prepared, evaluated and for which funding is agreed and specified in Partnership Agreements. Number of individuals/community groups supported through Australian Government Envirofund grants. Number of on-ground actions by type funded by the Trust.

Quality

- (1) Investments are approved in accordance with agreed guidelines.
- (2) Bilateral Agreements signed with the states and territories reflect agreed priorities and delivery arrangements for the Trust.
- (3) Integrated Natural Resource Management Regional Plans meet agreed accreditation criteria.

Efficiency

- (1) The administration of the Trust meets benchmarks for comparable grants programmes.
- (2) A monitoring and evaluation strategy is in place at each level of the Trust delivery framework.

**DEPARTMENT OF THE ENVIRONMENT AND HERITAGE
DEPARTMENT OF AGRICULTURE, FISHERIES AND FORESTRY
NATIONAL ACTION PLAN FOR SALINITY AND WATER QUALITY**

**Department of Agriculture, Fisheries and Forestry
Department of the Environment and Heritage**

The Department of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage have a cross portfolio arrangement in respect of administration of the NAP for Salinity and Water Quality. The NAP is a \$700 million Commonwealth investment over seven years that will continue to fund the development of integrated regional/catchment natural resource management plans and implementation of targeted high priority actions to address salinity, particularly dryland salinity, and deteriorating water quality in priority regions across Australia.

The goal of the NAP is to motivate and enable regional communities to use coordinated and targeted action to:

- prevent, stabilise and reverse trends in salinity, particularly dryland salinity, affecting the sustainability of production; conservation of biological diversity and the viability of our infrastructure; and
- improve water quality and secure reliable allocations for human uses, industry and the environment.

RESPONSIBILITY

The Minister for Agriculture, Fisheries and Forestry and the Minister for the Environment and Heritage jointly determine policy and major funding allocations from within the NAP.

The Department of Agriculture, Fisheries and Forestry and the Department of the Environment and Heritage have established a cross portfolio unit, the Australian Government Regional NRM Team, to jointly implement the NAP and the Trust.

CONTROL ARRANGEMENTS

The Department of Agriculture, Fisheries and Forestry is responsible for financial management of the NAP.

RESOURCING

Total funding for the NAP in 2004-05 is \$152.7 million which will be appropriated directly to the Department of Agriculture, Fisheries and Forestry. The Department of Agriculture, Fisheries and Forestry will provide to the Department of Environment and Heritage (through Section 31 of the *Financial Management and Accountability Act 1997*) \$1.4 million in 2004-05 to fund the administration costs incurred in implementing the NAP.

PERFORMANCE AGAINST OUTCOMES AND OUTPUTS

Quantity – Number of integrated regional/catchment natural resource management plans that are accredited as the basis for investment. Number of investment strategies that are prepared, evaluated and for which funding is agreed and specified in Partnership Agreements. Strategic Plans are in place and being implemented for the non-regional elements of the NAP.

Quality – Integrated regional/catchment natural resource management plans are developed and being implemented, or are being developed, according to agreed accreditation criteria. Activities agreed under implementation arrangements for non-regional elements of the NAP meet priority needs in strategic plans.

Efficiency – A monitoring and evaluation strategy is in place at each level of the NAP delivery. The administration of the NAP meets benchmarks for comparable grants and natural resource management programmes.

DEPARTMENT OF THE ENVIRONMENT AND HERITAGE DIRECTOR OF NATIONAL PARKS
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CROSS AGENCY OVERVIEW

The Department of the Environment and Heritage will have a cross agency arrangement with the Director of National Parks in 2004-05.

As a result of the *National Parks and Wildlife Conservation Act 1975* being repealed and replaced by the *Environment Protection and Biodiversity Conservation Act 1999* on 16 July 2000, the Department will directly receive the appropriation for the Director of National Parks. Effectively, the Department of the Environment and Heritage, as a stakeholder Department will purchase the services of the Director of National Parks to contribute to the Department's outcome.

RESPONSIBILITY

The Secretary of the Department of the Environment and Heritage is responsible for ensuring that the funds appropriated for the purchase of the Director of National Parks' outputs are provided to the Australian National Parks Fund. The Director of National Parks is responsible to the Minister for the Environment and Heritage.

CONTROL ARRANGEMENTS

The Director of National Parks is a statutory authority and is subject to the provisions of the *Commonwealth Authorities and Companies Act 1997*.

RESOURCING

The Department of the Environment and Heritage funding to the Director of National Parks in 2004-05 is \$35.965 million.

PERFORMANCE AGAINST OUTCOMES AND OUTPUTS

Refer to the Director of National Parks Section of this document.

**DEPARTMENT OF THE ENVIRONMENT AND HERITAGE
DIRECTOR OF NATIONAL PARKS
AUSTRALIAN GREENHOUSE OFFICE
NATIONAL OCEANS OFFICE
OFFICE OF THE RENEWABLE ENERGY REGULATOR**

CROSS AGENCY OVERVIEW

The Department of the Environment and Heritage has a cross agency arrangement with the Director of National Parks (DNP), the Australian Greenhouse Office (AGO), the National Oceans Office (NOO) and the Office of the Renewable Energy Regulator (ORER) whereby the Department provides transactional corporate services to these agencies on a fee for service basis.

RESPONSIBILITY

The Secretary of the Department of the Environment and Heritage is responsible for ensuring that the agreed transactional corporate services are provided to the DNP, AGO, NOO and ORER.

CONTROL ARRANGEMENTS

The Department of the Environment and Heritage is subject to the provisions of *Financial Management and Accountability Act 1997*.

RESOURCING

Funding for the DNP transactional corporate services was transferred via appropriation from this entity to the Department and there are Memoranda of Understanding between the Department and DNP, AGO, NOO and ORER.

PERFORMANCE AGAINST OUTCOMES AND OUTPUTS

Refer to Section 2, Planned Outcome 1 – Environment.

COST RECOVERY ARRANGEMENTS

SUMMARY OF COST RECOVERY IMPACT STATEMENT

The Department of the Environment and Heritage is committed to implementing the Commonwealth's formal cost recovery policy. In accordance with this policy the Department will adhere to the Commonwealth's cost recovery guidelines when:

- undertaking reviews consistent with the Government's five-year review schedule for existing cost recovery arrangements;
- new cost recovery arrangements are proposed;
- significant amendments to existing arrangements are being considered; and
- periodic reviews of cost recovery arrangements are required.