



Government response to PAC - Report 31
– Review of the Auditor-General’s Report
No. 3 of 2015 - Restoration of the Lower
Cotter Catchment

December 2016

Background

Introduction

The potential for water supply from the forested sub-alpine catchment of the Cotter River was an important factor influencing the choice of the site for Australia's capital city.

In 1915 the Cotter Dam was built just upstream of the Cotter River's confluence with the Murrumbidgee River to take advantage of the quality water naturally filtered by the mountain environments to Canberra's west. For over 40 years the Cotter Dam was Canberra's only water supply, until Bendora and Corin Dams were built upstream, also on the Cotter River in the 1960s.

With the advent of the Googong Reservoir in 1977, Canberra's dependence on the Cotter River waned and it wasn't till 2004, in the aftermath of the devastating 2003 bushfires and prolonged drought (that compromised the quality and quantity of water able to be drawn from the Bendora and Corin Dams), that water was once again drawn from the Cotter Dam.

The realisation that a changing climate would bring with it prolonged periods of drought required an integrated response by Government in an effort to secure the water future of the National Capital. An enlarged Cotter Dam was an important element of that strategy and in 2009 work commenced on enlarging the capacity of the existing dam through the construction of a new 80m high dam wall downstream of the existing dam wall structure.

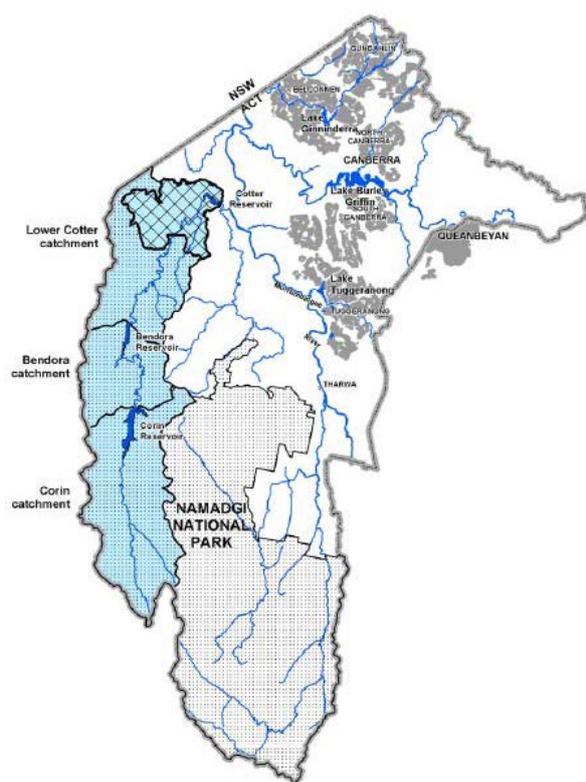
In 2013 the enlarged Cotter Dam was completed activating a further 20 000 ha of land as new drinking water catchment for Canberra.

The Lower Cotter Catchment

The area referred to as the Lower Cotter Catchment (LCC) is a region of former pine plantation which encompasses approximately 6,350 ha.

It should be noted that the size of the watershed of the lower reaches of the Cotter River is approximately 20,000 ha and spans across different land tenures. The lower reaches of the Cotter River retain catchment (12,650 ha) within Namadgi National Park and the Brindabella National Park in NSW. These areas are managed in accordance with their own plans of management which are not inconsistent with the preservation of water quality values (Figure 1) and are outside the scope of the definition of the Lower Cotter Catchment.

Figure 1. Map of the ACT showing the Lower Cotter Catchment



Note: The cross-hatched area is the Lower Cotter Catchment, subject area of the AGs Report, the Public Accounts Committee Report and this Government response to the Public Accounts Committee report.
Source: Lower Cotter Catchment Strategic Management Plan, p. 2

Auditor General's Enquiry and the Public Accounts Committee Report

The Auditor-General's Report No. 3 of 2015: *Restoration of the Lower Cotter Catchment* was presented to the ACT Legislative Assembly on 20 May 2015. The Audit report presents the results of a performance audit that examined the management of the Lower Cotter Catchment as defined by the area cross-hatched at Figure 1 above. This involved consideration of the implementation of the *Lower Cotter Catchment Strategic Management Plan 2007* which was released in January 2007.

In accordance with the resolution of appointment of the Standing Committee on Public Accounts (the Committee), the Audit report was referred to the Committee for examination.

The Committee invited written submissions by advertising in the *Canberra Times*, placing a notice on the ACT Legislative Assembly website and by writing to the responsible Minister(s) and other stakeholders. Public hearings were held on 15 March and 31 March 2016. On 24 May 2016, a technical briefing on the Lower Cotter Catchment (LCC) was provided to the Committee by directorate officials from the ACT Parks and Conservation Service (the Service). The Committee met on 26 July 2016 to discuss the Chair's draft report which was adopted on 26 July 2016.

In conclusion, the Committee acknowledged that cooperation across agencies and community volunteers in the restoration of the LCC has resulted in the achievement, or part achievement, of almost all twenty-nine management actions outlined in the 2007 LCC Strategic Management Plan. Notwithstanding, the Committee emphasised that further work remains and made seven recommendations to Government as outlined at Table 1.

Table 1: Recommendations of the Public Accounts Committee Report No 31

No.	Recommendation
1	The Committee recommends that the ACT Government implement a sustainable funding model for management of the Lower Cotter Catchment (LCC) through the Plan of Management for the LCC.
2	The Committee recommends that the ACT Government improve transparency with regard to budget inflows and outflows for the management of the Lower Cotter Catchment and how these flows are apportioned across the two primary stakeholders involved—Icon Water which has responsibility for maintaining source water protection and the Government agency(ies) with responsibility for land management.
3	The Committee recommends that the ACT Government report to the Assembly, by the last sitting day in March 2017, on the progress of the Government’s implementation of the recommendations made in Auditor-General’s Report No. 3 of 2015: <i>Restoration of the Lower Cotter Catchment</i> , that have been accepted either in-whole or in-part. This should include: (i) a summary of action to date, either completed or in progress (including milestones completed); and (ii) the proposed action (including timetable), for implementing recommendations (or parts thereof), where action has not yet commenced.
4	The Committee recommends that the responsible Minister inform the ACT Legislative Assembly by the last sitting day in March 2017 on progress with regard to the Commissioner for Sustainability and the Environment’s evaluation of the restoration of the Lower Cotter Catchment.
5	The Committee recommends that the ACT Government inform the ACT Legislative Assembly by the last sitting date in 2016 as to progress on the pine wildling removal trials within the Blue Range area. This should include detail on: (i) key milestones; (ii) trial outcomes concerning identification of removal methods that best align with the preservation of water; and (iii) a proposed timeline for implementation of pine wildling removal within the Lower Cotter Catchment.
6	The Committee recommends that the ACT Government prioritise the finalisation of the Lower Cotter Catchment Recreation Strategy. The Strategy, amongst other things, should include: (i) identification of controls on public access to the Catchment; and (ii) strategies to raise community awareness of the importance of access restrictions in protecting the water supply.
7	The Committee recommends that the ACT Government consider extending the program of native planting and habitat restoration for the Lower Cotter Catchment in partnership with the local community and community-based organisations and groups.

Government Response to the Standing Committee on Public Accounts Committee Report No. 31 Recommendations

The following summarises the Government response to each of the Committee's seven recommendations outlined in its report:

1. **The Committee recommends that the ACT Government implement a sustainable funding model for management of the Lower Cotter Catchment (LCC) through the Plan of Management for the LCC.**

Government Response: NOTED.

Rationale: Plans of Management focus on providing the management framework within which protected areas are to be managed. They provide policy direction on appropriate management strategies that may be adopted by the land management agency. Plans of management have traditionally not attempted to commit Government funding, with the land manager instead pursuing funding initiatives through participation in annual Treasury led budget funding processes.

Plans of Management typically have a currency period of 10 years after which time they are reviewed. Decisions on funding are best made in a holistic context and in response to prioritised needs, which of course may change over time. This Government prefers to fund the management of the LCC using an adaptive management model. That is to say, as the land manager applies and learns from the applications of on ground works and strategies, budget bids are put forward to support new initiatives and priorities and these are considered for funding by Budget Cabinet on their merits and with the whole of Government perspective Treasury is able to bring.

2. **The Committee recommends that the ACT Government improve transparency with regard to budget inflows and outflows for the management of the Lower Cotter Catchment and how these flows are apportioned across the two primary stakeholders involved—Icon Water which has responsibility for maintaining source water protection and the Government agency(ies) with responsibility for land management.**

Government Response: AGREED.

Rationale: Government agencies will work together to ensure a summary of annual works plans, related to the ongoing management of the Lower Cotter Catchment are able to be reviewed publicly. This will be achieved by creating dedicated online content on relevant Government websites which will be updated quarterly. Information provided will include:

- summary of works to be completed, the aims and objectives and timelines;
- responsible agency;
- regular updates including reasons for delays or postponement of works;
- estimated budget; and
- contacts for further information.

A draft Plan of Management for the Lower Cotter Catchment will be publicly available prior to the end of 2016 which will provide a comprehensive outline of the proposed policy framework to be adopted by Government in managing the LCC. This document will be open for public comment until February 2017.

3. The Committee recommends that the ACT Government report to the Assembly, by the last sitting day in March 2017, on the progress of the Government's implementation of the recommendations made in Auditor-General's Report No. 3 of 2015: *Restoration of the Lower Cotter Catchment*, that have been accepted either in-whole or in-part. This should include: (i) a summary of action to date, either completed or in progress (including milestones completed); and (ii) the proposed action (including timetable), for implementing recommendations (or parts thereof), where action has not yet commenced.

Government Response: AGREED.

Rationale: A report, addressing points (i) and (ii) will be prepared for the Assembly for presentation by the last sitting day in March 2017. After which time a copy of the report will be placed on the LCC webpage of the Environment, Planning and Sustainable Development Directorate.

4. The Committee recommends that the responsible Minister inform the ACT Legislative Assembly by the last sitting day in March 2017 on progress with regard to the Commissioner for Sustainability and the Environment's evaluation of the restoration of the Lower Cotter Catchment.

Government Response: AGREED.

Rationale: The Minister will inform the Legislative Assembly of progress made by the Commissioner for Sustainability and the Environment in her evaluation of restoration works in the Lower Cotter Catchment by March 2017.

5. **The Committee recommends that the ACT Government inform the ACT Legislative Assembly by the last sitting date in 2016 as to progress on the pine wildling removal trials within the Blue Range area. This should include detail on: (i) key milestones; (ii) trial outcomes concerning identification of removal methods that best align with the preservation of water; and (iii) a proposed timeline for implementation of pine wildling removal within the Lower Cotter Catchment.**

Government Response: AGREED.

Rationale: The Minister will present a report to the Assembly by the last sitting day in 2016. After tabling, the Environment, Planning and Sustainable Development Directorate will make a copy of the transcript available on the Lower Cotter Catchment webpage.

6. **The Committee recommends that the ACT Government prioritise the finalisation of the Lower Cotter Catchment Recreation Strategy. The Strategy, amongst other things, should include: (i) identification of controls on public access to the Catchment; and (ii) strategies to raise community awareness of the importance of access restrictions in protecting the water supply.**

Government Response: AGREED in PART.

Rationale: The Environment, Planning and Sustainable Development Directorate has scheduled the public release of a draft plan of management plan for the Lower Cotter Catchment before the end of 2016. Recreation policy is incorporated within the plan as it is important to consider strategic recreational issues within the broader context of overall management of the area. For this reason Government does not intend to draft a standalone recreation strategy for the LCC.

The intent of the Committee's recommendation, to ensure appropriate controls on recreational activity and the need to lift awareness of the LCC's values, is addressed in the recreation chapter of the management plan. The Chapter deals specifically with:

- Identification of a primary management objective;
- recreational activities and managing impacts;
- managing visitor safety;
- catering for appropriate organised events;
- advice on specific allowable and disallowable activities; and
- outlines specific actions to be completed by the land manager to support recreation management.

7. **The Committee recommends that the ACT Government consider extending the program of native planting and habitat restoration for the Lower Cotter Catchment in partnership with the local community and community-based organisations and groups.**

Government Response: AGREED.

Rationale: The Environment, Planning and Sustainable Planning Directorate will continue to engage with the community through the Uriarra Park Care Group, Greening Australia and other catchment management groups as appropriate. Engagement will include community planting days, environmental rehabilitation projects, interpretation and education seminars and participation in Uriarra Village committee meetings.

Opportunities for community engagement will be communicated through appropriate channels including social and conventional media, and this will occur in partnership with the relevant community stakeholder.