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8 October 2019
Ms Claudine Lyons
Claudine Lyons Consulting
By email: claudinelyonsconsulting@tpg.com.au

Dear Ms Lyons,

Re: Review of the Coastal and Estuary Grant Program

The Sydney Coastal Councils Group (SCCG) is a regional organisation of Councils (ROC) advancing sustainable management of Sydney's coastal and estuarine environment. We currently comprise nine member Councils, many of which are currently working through the Coastal Management Program (CMP) process and have expressed concerns and experienced impediments to taking up the funding offered under the Coastal and Estuary Grant Program.

SCCG is working collaboratively with the Department of Planning, Industry and Environment (DPIE) on the development of a Greater Sydney Harbour CMP which will involve 21 councils and state government/other stakeholders, and as such is very much aware of the impediments of the Coastal and Estuary Grant Program.

In 2018, SCCG was invited to prepare a submission on impediments of the CMP process to the previous Environment Minister, Gabrielle Upton, which can be viewed on our [website](#).

The SCCG appreciates this opportunity to submit feedback on behalf of our members. Please find our comments and recommendations below:

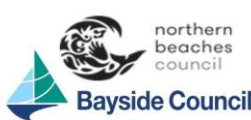
➤ **50:50 funding ratio**

The Coastal and Estuary Grant Program is the primary source of funding for Councils and ROCs to prepare and implement CMPs under the *Coastal Management Act 2016*. The program's 50:50 funding ratio requires Councils/ROCs to raise 50% of the total cost before it can apply for grant funds to prepare a CMP or any study supporting a CMP. This funding ratio is a significant impediment for both SCCG who aims to project manage the delivery of multi-Council CMPs, and individual Council members who are either preparing to develop and deliver their own CMPs or transitioning from existing coastal zone management plans.

This funding ratio is an inequitable process as this impediment is greater for multi-council CMP's as well as smaller under resourced councils who due to financial constraints are unable to take up this grant program to achieve objects under the Coastal Management Act.

➤ **Project Management Funding**

Under the current grant program, only 10% of project management costs are covered financially. This may work with smaller projects, however, is insufficient to manage larger projects and/or the development of a multi-council CMP, particularly where a ROC or catchment group is the nominated project manager on behalf of the multiple councils.



➤ **In-Kind contributions not allowable**

Under the current grant program guidelines, in-kind contributions are not allowable for consideration as part or all of the 50% council/ROC funding towards the development / delivery of a CMP. Most NSW grant programs allow in-kind contributions to form part or all of the applicants' contribution to the total project cost, recognising the difficulty for some councils in contributing significant cash contributions. Those councils who cannot afford to match the coast and estuary grant with cash contributions are highly disadvantaged and are unable to take up the opportunity to better manage their coastal zone.

SCCG believes that the 50:50 ratio should be reviewed in order to better support and encourage the preparation and delivery of CMPs.

➤ **Requirements and Timeframes**

The grant program funding commitment is currently until 2021 on transition of CZMP's to CMPs. There is a concern amongst councils that if they commit to the development of a CMP under the current grant program, there is a risk that the grant program will cease to exist beyond 2021, leaving councils to either cover the full costs of implementing the CMP actions and/or councils being placed in a position of not being able to meet its commitments to implement a certified CMP if they cannot afford to do so.

It is also essential that timeframes within the grant program guidelines regarding the application process, assessment of applications, notification of successful grant applications and provision of grant funds is aligned with the council budget and reporting cycles.

There is currently a requirement for councils implementing projects over \$1million to undertake a cost benefit analysis as well as a distributional analysis. These requirements in some cases may not be warranted, and are costly, with most councils not having the in-house expertise to undertake these requirements which means engaging consultants, adding significantly to the cost of the project itself. This is a significant impediment for councils.

➤ **Grant Program Inclusions**

The inclusions and limitations within the grant program guidelines need to be clear and concise, with all staff within DPIE providing the same advice and clarity to councils.

There has been confusion over whether the coast and estuary grant program fully recognises that works in the upper catchment have a direct effect on water quality in coastal areas and therefore allows for the funding of actions in the upper catchment. Councils, for instance in freshwater areas may have a significant impact on water quality downstream yet are not required to be part of a CMP. The clarity and provision of accurate information to councils around funding for actions in the upper catchment, as well as the need for multiple council involvement in the development / delivery of a CMP, to ensure catchment wide inclusion within a CMP, needs to be addressed in the grant program guidelines.

The coastal management framework including the coastal management manual and grant program guidelines specify councils as being the required party to develop and deliver a CMP, however, councils are not the only land owners / managers of the coast, and yet State government agencies/Public Authorities and other private landowners (e.g. golf courses) are not required to prepare a CMP and/or provide funds towards the cost of a CMP.

This is an inequality which must be addressed to ensure sustainable, consistent and collaborative management of our coast.



The coastal manual and guidelines currently do not adequately reflect the importance of CMP development and implementation in achieving the objectives in the Marine Estate Management Strategy and the role that the Marine Estate Management Authority should play in guiding and collaborating with councils as well as potentially co-funding actions under a CMP that meets shared objectives/outcomes, including for example funding the implementation of a catchment wide risk based framework for considering waterway health outcomes.

Recommendations:


The SCCG recommends the following:

- The requirement of a 50:50 cash funding ratio be reviewed; recommending that the grant program fund:
 - 100% of the cost of the planning stream, particularly when a CMP is being prepared across multiple councils.
 - 100% of project management costs when a CMP is being prepared across multiple councils.
 - At least 80% of the cost of actions in the implementation stream. This would provide an incentive to councils to increase environmental works.
- The allowance of in-kind contributions to achieve councils funding contribution.
- State Government commitment to providing funding for actions identified in a certified CMP for the life of the CMP.
- Review the grant program with regards to timeframes and requirements, and to provide better direction where preparing and implementing a multi-council CMP.
- Review the grant program to clarify and incorporate catchment wide approaches.
- Review the Coastal Management Act, manual and grant program guidelines to incorporate co-funding by state agencies/and private land owners.
- Provide stronger linkages between the CMP process/action outcomes to the Marine Estate Management Strategy, with greater collaboration between councils and the Marine Estate Management Authority (MEMA), and the inclusion of MEMA to fund specific actions under a CMP.

Thank you again for the opportunity to provide feedback, SCCG looks forward to positive changes to the Coastal and Estuary Grant Program that will enable greater take up by councils.

If you have any queries, please contact me on 02 9976 1502 or by email at executiveofficer@sydneycoastalcouncils.com.au

Yours sincerely,



Sarah Penny Joyce
Executive Officer
Sydney Coastal Councils Group

