



ACT
Government

2018

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

**GOVERNMENT RESPONSE - INDEPENDENT AUDIT OF THE
MOLONGLO VALLEY STRATEGIC ASSESSMENT**

**Presented by
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Minister for Climate Change and Sustainability**

Introduction

The Commissioner for Sustainability and the Environment completed the first independent audit of the Molonglo Valley Strategic Assessment (*Molonglo Valley Plan for the Protection of Matters of National Environmental Significance* (the NES Plan)) in April 2018.

The audit found that of the 60 Molonglo Valley Strategic Assessment commitments, a total of 44 (28 with observations), were compliant. A total of 11 commitments were non-compliant, four of which were identified as high risk, four were termed undetermined and 1 was not applicable.

Non-compliances were largely due to timing issues for the delivery of commitments.

The following four corrective actions were issued to ensure priority commitments are met:

- provide the final draft Molonglo Reserve Management Plan to the Minister for Planning and Land management (Commitment 9 and 36);
- finalise the operation plan for Offset (Patch P) to ensure appropriate management is occurring (Commitment 16);
- incorporate actions and monitoring requirements into relevant Land Management Agreements for the protection of the ecological condition of matter of national environmental significance within Offset area (Patches I, L and M) (Commitment 16);
- finalise operation plan from the Pink-Tailed Worm-Lizard Conservation Area in the Molonglo River Reserve (Commitment 41).

One of the corrective actions, the operational plan for the Pink-Tail Worm-lizard has been delivered. The remaining three corrective action are due later this year. The Environment, Planning and Sustainable Development Directorate (EPSDD) is working with the relevant agencies to ensure they are delivered by the due date.

The Government's response to the key recommendations identified in the audit report is summarised below.

Recommendations

No.	Recommendations
Recommendation 1	It is recommended that the ACT Government completes all the corrective action requests identified in this report within the indicated timeframes.
Recommendation 2	It is recommended that the ACT Government ensures ongoing resources and funding for the maintenance and enhancement of the ecological condition of matters of national environmental significance within the strategic assessment area.
Recommendation 3	It is recommended that the ACT Government adheres to timing requirements for all of the commitments.
Recommendation 4	It is recommended that the next Audit be carried out by May 2022 and that the ACT Government seeks agreement from the Commonwealth for this due date by 30 June 2018.
Recommendation 5	It is recommended that the ACT Government develops and implements an ISO9001 or similar framework for document control. This will also assist in retaining all the evidence and information required to demonstrate compliance with each and every commitment.
Recommendation 6	It is recommended that the ACT Government incorporates climate change resilience considerations in the management of MNES in the strategic assessment area.
Recommendation 7	It is recommended that the ACT Government gives urgent consideration to the urban edge effect that is apparent around the Molonglo River Corridor, which is likely to be exacerbated as each of the new suburbs in the later stages of the Molonglo Valley Strategic Assessment area are developed.
Recommendation 8	It is recommended that the ACT Government notes the Key Risks section and Observations detailed in the Audit Table and incorporates the recommendations in this section into future management.
Recommendation 9	It is recommended that the ACT Government further investigates the commitments that have been termed <i>Undetermined</i> .

Recommendation 10	It is recommended that the ACT Government ensures adaptive management principles are carefully scrutinised and considered for incorporation into implementation of the commitments for the NES Plan.
Recommendation 11	It is recommended that the ACT Government considers Indigenous approaches to land management for MNES protection in the Molonglo Valley Strategic Assessment area.
Recommendation 12	It is recommended that the ACT Government ensures that all the research undertaken as a function of the Molonglo Valley Strategic Assessment and the NES Plan is made publicly available on the web, is accessible and easy to find, and includes historical research as well as the most recent scholarship and reports.

ACT Government Response to the key recommendations

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| <p>1. It is recommended that the ACT Government ensures the completion of the four corrective action requests detailed in the audit table on or before the critical dates.</p> |
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Government Response: AGREED

The ACT Government finalised the operational plan for the Pink-Tailed Worm- Lizard Conservation Area in the Molonglo River Reserve in April 2018. This was a month ahead of the due date for this corrective action.

The corrective action for the finalisation of the Molonglo River Reserve Management Plan (Commitment 9 and 36) has been extended to 30 November 2018 by the Minister for Climate Change and Sustainability, to allow for the reserve boundaries to be amended under the Territory Plan. A Technical Amendment to the Territory Plan is currently being developed and once the reserve boundaries have been amended the management plan will be finalised.

The final two corrective actions relating to commitment 16 are due for completion by 31 December 2018. The Environment, Planning and Sustainable Development Directorate (EPSDD) is working with the relevant agencies to ensure the corrective actions are delivered by the due date.

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| <p>2. It is recommended that the ACT Government ensures ongoing resourcing and funding for the maintenance and enhancement of the ecological condition of matters of national environmental significance within the strategic assessment area.</p> |
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Government Response: AGREED in principle

The ACT Government is committed to delivering the actions of the NES Plan and establishing the Molonglo River Reserve as a new nature reserve that protects and enhances the ecological condition of MNES within the strategic assessment area.

Since 2011, the ACT Government has committed significant capital funding to the establishment of the Molonglo River Reserve under two funding streams which include:

- delivering the actions of the NES Plan, and
- delivering on the NES Plan implementation requirements through provision of essential infrastructure required for ongoing management and protection of MNES values.

These funding bids have been coordinated with the roll out of estate development so that works are completed prior to adjacent residents moving in to enable effective management of urban edge effects and set behaviour and compliance standards.

Ongoing permanent staff and funding has been allocated to the management of the Molonglo River Reserve to ensure the objectives of the NES Plan are met over the extensive timeframe for the strategic assessment.

Future additional funding commitments to effect the enhancement of the ecological condition of MNES within the strategic assessment area would be considered separately through the budget process.

3. It is recommended that the ACT Government adheres to timing requirements for all of the commitments.

Government Response: AGREED

The ACT Government is committed to delivering strategic assessment commitments on time. Where there is an unexpected delay and timeframes are unable to be met, the ACT Government will seek advice from the Commonwealth Department of the Environment and Energy on how to proceed and agreement to revised timeframes.

EPSDD is coordinating the Molonglo Valley Strategic Assessment on behalf of the ACT Government. EPSDD is currently working with relevant agencies to implement new procedures to ensure timeframes are met.

This is also supported by the development of a new database to track critical dates and key decision points to ensure that the ACT Government is on track to meet its commitments. Annual reporting processes will continue to be used to report progress and compliance against the NES plan.

4. It is recommended that the next Audit be carried out by May 2022 and that the ACT Government seeks agreement from the Commonwealth for this due date by 30 June 2018.

Government Response: AGREED

The recommendation has been actioned.

The ACT Government has sought agreement from the Commonwealth regarding the timeframes for the next audit. The Commonwealth have agreed that the second audit of the Molonglo Valley Strategic audit will be undertaken by 31 May 2022.

5. It is recommended that the ACT Government develops and implements an ISO9001 or similar framework for document control. This will also assist in retaining all the evidence and information required to demonstrate compliance with each and every commitments.

Government Response: AGREED in principle

The ACT Government recognises the importance of quality control management systems such as ISO9001 in ensuring document control has appropriate governance and quality assurance in place. The ACT Government currently works under the *Territory Records Act 2002* which establishes the requirements for effective records, information and data management. EPSDD uses the Objective enterprise content management system to aid appropriate records management and document control systems.

Since the commencement of the strategic assessment a number of internal structural changes have occurred. The ACT Government notes the key to improving the collection of evidence and information relating to the strategic assessment commitments is to have a coordination team, and a process for maintaining consistent records and liaising with all government agencies. The ACT Government has now put these measures in place.

EPSDD took on this reporting function in 2016 and is working with relevant agencies to improve procedures to ensure information is captured, reviewed and filed in a consistent manner. A review of the record keeping process will be undertaken this financial year, and if required, the ACT Government will explore options to ensure document control is improved.

6. It is recommended that the ACT Government incorporates climate change resilience considerations in the management of MNES in the strategic assessment area

Government Response: AGREED

The ACT Government recognises that the ecological values within the Molonglo Valley Strategic Assessment area will be subjected to the increasing and ongoing pressures of climate change. These pressures are not always known and their effects may be uncertain. To ensure that the ACT Government is meeting its required targets, management actions are assessed on a case by case basis and an adaptive management process is being applied to ensure conservation outcomes will be met in line with the *Molonglo Adaptive Management Strategy*.

7. It is recommended that the ACT Government gives urgent consideration to the urban edge effect that is apparent around the Molonglo River Corridor, which is likely to be exacerbated as each of the new suburbs in the later stages of the Molonglo Valley Strategic Assessment area are developed.

Government Response: AGREED

The ACT Government recognises that the ecological values within the Molonglo Valley Strategic Assessment area will be subjected to the increasing and ongoing pressures of urban development. The Molonglo River Reserve Management Plan and associated operational plans reflect the commitments of the NES Plan and provide direction on management. More specifically, the Molonglo River Park Concept Plan provides a strategy for reconciling conflicts between protecting environmental values (specifically MNES), bushfire mitigation and impacts from recreation and adjoining development in accordance with NES Plan commitments.

Urban edge effect pressures are not always known and their effects may be uncertain. To ensure the ACT Government is meeting its required targets, management actions are assessed on a case by case basis and an adaptive management process is being applied to ensure conservation outcomes will be met, in line with the *Molonglo Adaptive Management Strategy*. This will become increasingly important as time goes to ensure the objectives of the Plan are met over the long-term timeframes for the strategic assessment.

In addition, the Planning and Design Framework for the Molonglo Stage 3 development will guide detailed planning and future development in accordance with the objectives of the strategic assessment.

8. It is recommended that the ACT Government notes the Key Risks section and Observations detailed in the Audit Table and incorporates all the recommendations in this section into future management.

Government Response: AGREED in principle

The audit report provides a number of observations in relation to achieving the conservation outcomes of the Molonglo Valley Strategic Assessment. The observations mainly relate to the long-term nature of the Molonglo Valley Strategic Assessment and the necessity to track the achievement of project objectives. In response to the observations, it is also noted:

- Timing of the delivery of commitments was a key factor in non-compliance. Of the 11 non-compliant commitments, 10 were due to failing to meet specific timeframes.

- Coordination across government and agencies to ensure that required documentation is finalised and adopted will assist with the delivery of commitments.
- Ongoing monitoring and reporting, including the Annual Report, is required to ensure commitments are met throughout the lifespan of the strategic assessment.
- It is anticipated that EPSDD will showcase research and findings from projects undertaken as part of the strategic assessment as more information and evidence becomes available in the coming years.

The audit identified 6 key risks as broad systemic risks for the strategic assessment. A response to each risk is provided below:

RISK 1: Ensuring there is appropriate resourcing and funding to effect implementation.

- The ACT Government has committed ongoing permanent staff within EPSDD to the establishment and management of the Molonglo River Reserve to meet the objectives of the NES Plan including a Senior Ranger and an ecologist through existing funding arrangements.
- Initial capital works funding will be allocated for the establishment of the Molonglo River Reserve. Funding has facilitated implementation of infrastructure in accordance with the Concept Plan and in line with the timing of the estate development plan, in order to manage visitor use and access, and bushfire management requirements to protect the MNES values.
- Funding commitments to effect implementation of the recommendations to the audit report would be considered separately through the budget process.

RISK 2: Documenting analysis of monitoring data to determine if the ecological condition of MNES has been maintained and enhanced.

- EPSDD will continue to work with relevant agencies to ensure monitoring data is clearly documented and filed to allow for analysis and findings to be made on the condition of MNES.
- As required by the Strategic Assessment, an Expert Panel (made up of scientists and land managers) convened in June this year. The panel meets every five years to review the monitoring data collected to make management recommendations for implementation and to inform future operational plans. Their first report will be available in October this year.

RISK 3: Responding to the adaptation challenges of climate change

- Refer to Item 6 above.

RISK 4: Maintaining clear documentary evidence trails.

- EPSDD is currently working with relevant agencies to implement new procedures to ensure clear documentation and recording keeping.

RISK 5: Finalising key documents in a timely fashion to support progress

- It is noted that the majority of non-compliant commitments occurred due to failing to meet timeframes.
- The ACT Government is undertaking process improvements, and working with agencies, to ensure that commitments are delivered on time in the future.
- Where commitment timeframes cannot be achieved the ACT Government will notify the Commonwealth at the earliest possible time and work together to establish clear and achievable timeframes for delivery of commitments.

RISK 6: Finalisation of Kama Nature Reserve buffer zone

- The Kama Nature Reserve Buffer will be finalised in the estate plan development stage for Molonglo Stage 3 Development.
- The EIS Exemption for the Molonglo Stage 3 Urban Development establishes appropriate conditions to ensure the Kama Nature Reserve Buffer is protected.
- The buffer must be consistent with the *Kama Interface Management Strategy* prepared by Capital Ecology. This includes a 200m buffer along the northern portion of the Kama Nature Reserve interface, tapering back to 70m along the southern portion to ensure the impacts associated with urban development are minimised.

<p>9. It is recommended that the ACT Government further investigate the commitments that have been termed <i>Undetermined</i>.</p>

Government Response: AGREED

The audit report identified four commitments (17, 18, 19 and 20) as 'undetermined'. These commitments relate to the implementation of management actions associated with the completion of Commitment 16 which requires the development of Box-gum Woodland management plans for offset areas (patch I, L, M and P).

Three of the offset areas (patch I, L and M) are currently under rural lease with a Land Management Agreement. The LMA's for patches I, L and M will be updated to meet the requirements of Commitment 16 as part of the corrective action request issued by the Audit.

The management plan for offset area patch P was delayed to allow the completion of a fire management strategy for the western boundary of Denman Prospect urban development, the management plan is expected to be finalised by 31 December 2018.

10. It is recommended that the ACT Government ensures adaptive management principles are carefully scrutinised and considered for incorporation into implementation of the commitments for the NES Plan.

Government Response: AGREED

The ACT Government is committed to adaptive management of the Molonglo offset areas through the development of the *Molonglo Adaptive Management Strategy (MAMS)*, a commitment of the NES Plan. The MAMS forms the foundation on which MNES values in the Molonglo area are to be protected and enhanced through ongoing improvement in management practices and the application of the following framework:

- establishing baseline ecological condition and value of MNES;
- identifying performance targets and objectives;
- monitoring and evaluating management actions;
- revising actions as required; and
- ensuring the NES Plan’s objectives for MNES continue to be met.

Baseline condition surveys have been undertaken and annual monitoring of these sites has continued for the past five years. In accordance with the MAMS, results from monitoring and research programs are to be reviewed by an Expert Panel (made up of scientists and land managers) every five years. The panel is expected to provide their first report in October 2018, containing advice and recommendations for any amendments necessary to ensure operational plans are achieving the conservation outcomes and performance targets for MNES in the Molonglo strategic assessment area. The report will be provided to the Commonwealth and will be made publically available on the EPSDD website.

11. It is recommended that the ACT Government considers Indigenous approaches to land management for MNES protection in the Molonglo Valley Strategic Assessment area.

Government Response: AGREED

The ACT Government is committed to incorporating Indigenous approaches to land management through consultation with the Parks and Conservation Service Healthy Country team and Murrumbung Yurung Murra Rangers. These PCS teams also consult with the broader Ngunnawal community to contribute to land management practice within the PCS estate.

The Murrumbung Yurung Murra Rangers is a network of Aboriginal and Torres Strait Islander staff across ACT Parks and Conservation Service who together help manage culturally significant areas and projects relating to the management of national parks, reserves, wildlife, forests and rural lands in the ACT.

12. It is recommended that the ACT Government ensures that all the research undertaken as a function of the Molonglo Valley Strategic Assessment and the NES Plan is made publicly available on the web, is accessible and easy to find, and includes historical research as well as the most recent scholarship and reports.

Government Response: AGREED

The ACT Government has actioned an update of the current webpage and is working on the construction of a new strategic assessment webpage to ensure research and reports are available to the public and easy to find.

A new strategic assessment webpage will hold all relevant documents and guidance material relating to the Molonglo Valley Strategic Assessment in one location. EPSDD is working to ensure the webpage is user friendly and information is easily accessible to the public. The new webpage is expected to be completed in quarter 4, 2018.

In the interim, the ACT Government is in the process of updating the current webpage.

In addition, EPSDD is working with agencies to ensure processes and procedures are in place to provide research information to EPSDD to publish. This includes developing service delivery agreements with each agency outlining reporting requirements.