





NSW Environmental Trust Annual Report 2022–23



www.environment.nsw.gov.au/environmental-trust

Acknowledgement of Country

The Department of Planning and Environment acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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Cloud forest Lord Howe Island. Photo: Sue Bower/Lord Howe Island Board Coolibah chenopod Brindingabba. Photo: Michael Pennay/DPE Regent Honeyeater, *Anthochaera phrygia*. Stuart Cohen/DPE Koala. Photo: David Sinnott/DPE.

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Environmental Trust

The Hon. Penny Sharpe MLC Minister for Climate Change, Minister for Energy, Minister for the Environment, Minister for Heritage 52 Martin Place Sydney NSW 2000

Dear Minister,

We are pleased to submit the annual report for the NSW Environmental Trust for the year ended 30 June 2023, for tabling in Parliament by 30 November 2023.

This report has been prepared in accordance with the annual reporting provisions (Division 7.3) of the Government Sector Finance Act 2018 and NSW Treasury and Policy Guidelines 23-10 Annual Reporting Requirements (TPG23-10).

During 2022–23 some valuable and enterprising new projects have been launched and new techniques and technologies have been employed. Some successful long-term projects have now moved to their ongoing delivery stage, and the benefits they contribute to industry, the natural environment and people's everyday lives will remain secure well into the future.

The Trust's commitment to preserving and expanding the national parks estate remains a key aim. Seven new properties comprising a total of 93,934.96 hectares were acquired in the 2022–23 financial year and they make a valuable contribution to the State's reserved land. Several have important Aboriginal significance, and they include a wide range of habitats, including ecosystems that had not previously been protected and threatened species.

Conserving the State's native plants and animals remains a top priority for the Trust. Grants awarded have included projects that will help to protect our unique native bird fauna, as well as an innovative project to help increase the population of seahorses in Sydney Harbour.

Weed control needs constant intervention and the Trust has supported landholders, Aboriginal land councils and Landcare groups to remove weeds and regenerate waterways, preserve coastal dunes and restore natural grassland. The biocontrol of weeds is gradually being introduced and in time should reduce the need for manual removal.

Programs that help defend the environment from human-induced impacts, including climate change, continue to be supported. Among these projects are some that are setting specifications for electric vehicle chargers and low-emissions building materials, contributing to a reduction in the State's greenhouse gas emissions.

This year the Trust provided more than \$66 million for the delivery of environmental projects.

Yours sincerely,

ADT

Atticus Fleming AM NSW Environmental Trust

Julie Imills

Julie Taylor Mills NSW Environmental Trust

Overview

Aims and Objectives of the Trust

The NSW Environmental Trust (the Trust) is an independent statutory body supporting projects that enhance the environment of New South Wales. Established under the *Environmental Trust Act 1998* it funds contestable grants, major projects and various NSW Government initiatives. The Trust is administered by the NSW Department of Planning and Environment and chaired by the NSW Minister for the Environment.

The objectives of the Trust are to:

- encourage and support restoration and rehabilitation projects in both the public and private sectors that will, or are likely to, prevent or reduce pollution, the waste stream or environmental degradation of any kind, within any part of New South Wales
- promote research in both the public and private sectors into environmental problems of any kind and, in particular, encourage and support:
 - research into and development of local solutions to environmental problems
 - discovery of new methods of operation for NSW industries that are less harmful to the environment
 - research into general environmental problems
 - assessment of environmental degradation

- promote environmental education and, in particular, encourage the development of educational programs in both the public and private sectors that will increase public awareness of environmental issues of any kind
- fund the acquisition of land for national parks and other categories of dedicated and reserved land for the national parks estate
- fund the declaration of areas for marine parks and related purposes
- promote waste avoidance, resource recovery and waste management (including funding enforcement and regulation and local government programs)
- fund environmental community groups
- fund the purchase of water entitlements for the purposes of increasing environmental flows for the State's rivers and restoring or rehabilitating major wetlands.

Membership of the Trust

As defined in section 6 of the Environmental Trust Act, the Trust consists of 5 members:

- Minister for Environment (as Chairperson)
- Secretary of NSW Treasury
- Secretary of the Department of Planning and Environment
- a person appointed by the Minister from a panel of 3 nominated by the Nature Conservation Council of NSW
- a person appointed by the Minister from a panel of 3 nominated by Local Government NSW.

Members of the Trust and meetings

Member	Position	Meetings attended	Meetings eligible to attend
The Hon. James Griffin MP	Chairperson from 21 December 2021 – 4 April 2023 NSW Minister for Environment and Heritage (statutory appointment)	2	2
The Hon. Penny Sharpe MLC	Chairperson from 5 April 2023 NSW Minister for Climate Change, Minister for Energy, Minister for the Environment and Minister for Heritage (statutory appointment)	0	0
Ms Jenny Merkley	Executive Director, Premier, Education and Customer Service, NSW Treasury (Deputy for Secretary of NSW Treasury from 28 November 2016 – 5 August 2022)	1	1
Ms Alison Weaver	Director Sustainable Finance, NSW Treasury (Deputy for Secretary of NSW Treasury from 7 September 2022)	0	1
Mr Atticus Fleming AM	A/Coordinator-General, Environment and Heritage Group (Deputy for Secretary, Department of Planning and Environment from 29 January 2022)	1	2
Professor Donald White	Chairperson Nature Conservation Council of NSW (9 December 2019–14 November 2022)	1	2
Ms Julie Taylor Mills	Representative of Nature Conservation Council of NSW (5 December 2022 – 4 December 2025)	0	0
Councillor Linda Scott	Representative of Local Government NSW (10 November 2021–31 October 2024)	2	2

A number of decisions were also made out of session.

The Director Grants, Department of Planning and Environment acts as the Trust Secretary.

Structure and management of the Trust

The Environmental Trust Act outlines the Trust's governance structure as Trust members, Trust committees and Trust staff that are employed within the Grants Branch of the Department of Planning and Environment.

The Trust funds the costs of administering its grant programs including staff. The department provides support services including IT, finance and human resources.

The Trust administration's major functions are:

- researching, designing and implementing new programs
- developing and managing program governance
- providing technical and other assistance to grantees
- coordinating technical committee assessments
- servicing Trust meetings and technical review committees to facilitate good decision-making
- negotiating grants and agreements, approving project plans and making payments
- monitoring and acquitting funded projects
- reviewing and evaluating programs and procedures.

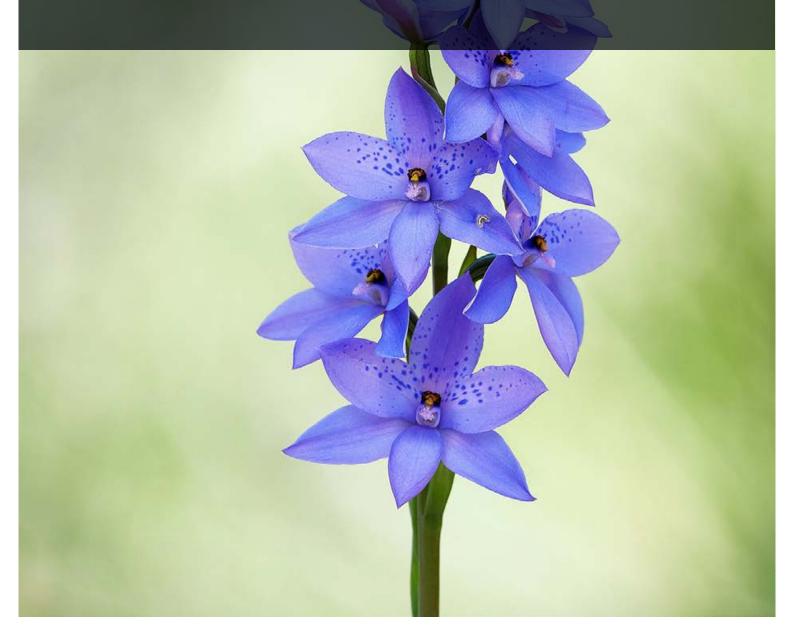
Grants administration

The Trust provides grants to community groups, industry, Aboriginal organisations, research organisations, and State and local government agencies.

In 2022 the NSW Department of Premier and Cabinet released an updated *Grants Administration Guide*. The guide provides an overview of the grants administration process, overarching principles that apply to all NSW Government grants, and mandatory requirements that must be complied with when administering grants.

The Trust's grants administration processes adhere to best practice steps outlined in the guide.

Strategy



Strategic objectives

The Trust completed a strategic planning exercise in 2019–20 and developed a strategic plan covering 2020–24 to ensure its grants target the right issues.

The Trust's grant programs are planned and designed with the goal of achieving an effective and positive environmental impact. It's mission statement is a constant reminder of its objectives: 'To ensure that current and future generations can enjoy a thriving natural environment in New South Wales'.

To make sure this is achieved the Trust has identified 3 overarching priorities:

- Strengthen the NSW natural environment. This can be achieved by acquiring more land for the national parks estate, restoring and rehabilitating ecosystems and supporting Aboriginal communities in the protection of culturally important land.
- Support native species and their habitats. Native plants and animals should be protected where necessary, threatened species should be stabilised and allowed the opportunity to increase, and invasive weeds and pests need to be controlled.
- Reduce human impact on the environment. Initiatives that focus on climate change, including emissions reduction, are an essential strategy, and the cleaning up of existing polluted sites and support for the reduction of waste through the circular economy all contribute to a healthier environment.

If these longer-term strategic objectives are to be achieved, the Trust must be aware of, and respond to, challenges in the immediate future. With this in mind the Trust has 3 shorter-term priorities: to address climate change, to acquire more land for the national parks estate and to support threatened species (See <u>NSW Environmental Trust Strategic</u> <u>Plan 2020–24</u>).

The Trust will be reviewing its strategic plan and priorities over the next year.

Measuring program outcomes

Awarding grants is key to achieving the Trust's environmental aims. The grant programs are supported by processes that ensure consistent and transparent decision-making in administering grants while also assessing the performance and outcomes of funded programs.

Trust programs capture measurable environmental outcomes through an integrated monitoring, evaluation, reporting and improvement (MERI) framework. Grantees report on performance indicators, enabling the Trust to assess project and program achievements and consider broad progress towards statewide environmental goals. The new grants management system incorporates these principles in its design, to support the planning and successful delivery of funded projects.

During 2022–23 the Trust continued to implement the enhanced MERI framework. It has an increased focus on the impact and outcomes of the Trust's grant programs and funded projects, as well as a stronger alignment with NSW Government goals. The department's Grants Branch Program Logic, which was collaboratively developed, includes both the Trust's programs and the Department of Planning and Environment's Coast and Estuary programs and Flood programs administered by the branch. The logic will be updated as new priorities emerge.

Drawing from both quantitative and qualitative evidence, the MERI framework uses program relevant indicators to measure and evaluate outcomes at the grant, program and branch level, ensuring that activities are aligned with NSW Government goals. Implementing the updated MERI framework will continue into the next year with the rollout of Trust programs and further integration into the grants management system.

Operations and Performance

Summary highlights

In 2022–23 the Trust spent more than \$66 million supporting projects across a number of its strategic priorities.

The following are a few highlights from the 2022–23 year.

Land Acquisition Program

This year the Land Acquisition Program received \$20,891,311 from the Trust which contributed to the purchase of 93,934.96 hectares over 7 properties.

Of the 7 properties acquired, the most significant are Avenel Station, Brindingabba Station (now Brindingabba National Park) and Thurloo Downs. All contain landscapes and ecosystems that were formerly unprotected or inadequately protected, and all have Aboriginal cultural significance.

Avenel Station, near Broken Hill on the South Australian border, was largely acquired with Trust grants across the 2021–22 and 2022–23 financial years. Brindingabba National Park, located 150 kilometres north of Bourke, has a total area of 33,431 hectares (20,226 hectares paid for by the 2022–23 grant) and was acquired in partnership with The Nature Conservancy Australia. Thurloo Downs, located between Tibooburra and Bourke, has a total area of 437,394 hectares (32,673 hectares paid for by the 2022–23 grant) and was acquired with the Trust grant and a special NSW Treasury allocation.

Bushfire Relief Fund

Following the bushfires of 2019–20 the Trust made a grant of \$998,900 to NPWS for the Wildlife Rehabilitators program. A key focus of the project has been training.

Taronga Zoo helped to train vets and vet nurses with a specially devised wildlife-care course. TAFE NSW, in partnership with participating organisations, helped train more than 200 potential wildlife responders through an online training course. Firefighters were given wildlife firstresponse training, along with a handbook in either hard copy or digital form. Taskforces that can be called on at short notice and deployed to a fireground when a wildlife response is needed were developed so all relevant expertise could be used effectively.

The project was completed in late 2022. Consumable grants of \$200,000 were provided to 25 licensed wildlife rehabilitation organisations and durable assets grants of \$300,000 to 8 organisations in partnership with the Foundation for National Parks & Wildlife.

NSW Rewilding Initiative

In 2021, the Trust awarded a \$20.289-million grant over 10 years for the most significant threatened fauna restoration project in NSW history. The project will establish 4 new feral-predator-free areas across New South Wales, with a total area of around 45,000 hectares. Construction is underway at all 4 sites.

Yiraaldiya National Park (Western Sydney): a 1.8-metre-high predator-proof conservation fence is being built at Yiraaldiya National Park in 2 stages covering a total of 560 hectares. The Eastern bettong, which became extinct in NSW over 100 years ago, was reintroduced to Yiraaldiya in June 2023.

Ngambaa Nature Reserve (north-east New South Wales): the planning and approvals phase has been completed for this 2,000-hectare feral-predator-free area south-west of Macksville. The fence construction phase began in July 2023.

Yathong Nature Reserve (central-west New South Wales): the planning and approvals phase for the 40,000-hectare feral-predator-free area in Central Mallee has been completed. Preparations for fencing an initial 8,200-hectare section in the northern part of the site are underway.

Nungatta in South East Forest National Park (south-east New South Wales): the planning and approvals phase of the project is complete. Stage 1, a 240-hectare site, is on track to be finished by September 2023 and Stage 2, a 1,840-hectare site, by October 2023.

Seabirds to Seascapes

In August 2022 the Trust awarded a \$6.6 million grant to the Department of Planning and Environment for a 3-year Seabirds to Seascapes project. The project's 3 main aims are to restore Sydney Harbour seascapes, conduct a census of little penguins along the NSW coast and monitor their behaviours, and conduct a survey of fur seal populations in New South Wales.

Project partners include the Sydney Institute of Marine Science (SIMS), Taronga Conservation Society Australia and NPWS. The involvement of the community, both for cultural engagement and the help of citizen science, will also be essential for the successful delivery of the project's aims.

NSW Decarbonisation Innovation Hub

This has been the second year of a 9-year, \$15-million project, which is being delivered by the Office of the NSW Chief Scientist and Engineer.

Establishing the NSW Decarbonisation Innovation Hub will promote cooperative research into developing decarbonisation technologies and services, which will generate economic benefits for New South Wales.

During its second year the project's achievements included:

- formal agreements made between the consortium partners (universities and government agencies)
- 6 members recruited to the NSW
 Decarbonisation Innovation Hub Advisory Board
- official launch of the hub, its website and branding
- widespread interest in organisations wanting to be active participants in the hub
- more than \$1.6 million of in-kind contributions assured.

Low Emissions Specifications Program

This has been the second year of an 8-year, \$15-million project which is being delivered by the Office of Energy and Climate Change. Stage 1 of the project (early 2022 to late 2023) is focusing on electric vehicle (EV) specifications, low emission building materials specifications and a residential industry roadmap. The project aims to encourage and effect the adoption of low emission specifications in particular industry and government sectors.

During its second year the project's achievements included:

- presenting a proposal for specifications for low emission building materials to government and industry
- preparing information for government agencies on industry's current capabilities to produce low emission concrete
- establishing a pilot program for energyefficient household retrofits, contributing to the residential industry roadmap.

Clean Technology Research and Development grants program

Grants were awarded under the first round of the Trust's Clean Technology Research and Development program. The objective of the program is to support early-stage clean technology research and development, helping to foster a healthy research and development ecosystem of projects with the potential to reduce emissions of high emitting or hard-to-abate sectors in New South Wales. The first round was oversubscribed with 85 expressions of interest (EOIs), with a combined value of \$97 million. Ten EOIs progressed to full applications, with 4 innovative projects valued at over \$6 million being funded.

Waste Less, Recycle More

The Waste Less, Recycle More suite of programs is one of Australia's largest waste and recycling funding initiatives.

The Trust continues to manage a large number of active grants across the range of programs.

To support the Council of Australian Governments waste export bans, the Australian Government announced a \$250-million Recycling Modernisation Fund (RMF). The Trust's Remanufacture NSW Grants Program and Remanufacture NSW Regional and Remote Grants Program are co-funded by the Australian Government through the RMF. Both programs are delivered by the Trust in partnership with the NSW EPA.

In 2022–23 over \$11 million in grant funding was awarded under Remanufacture NSW Round 2.

Contestable grant programs

During 2022-23 the Trust awarded around \$12.9 million under its contestable grant programs including:

- \$4,282,068 for projects that will reduce environmental degradation and pollution, support threatened species recovery, protect important ecosystems and improve capacity for environmental restoration
- \$311,105 to help Aboriginal organisations protect and restore culturally significant land, share cultural knowledge and educate the community about the importance of the environment in Aboriginal culture
- \$1,992,942 for applied research to address contemporary environmental problems
- \$6,303,968 for grants supporting clean technology research and development projects.

Land Acquisition Program

Funding the acquisition of land for national parks and other reserves for the national parks estate through section 7(d) of the Environmental Trust Act 1998.

Land acquired in 2022–23 using Trust funds **93,934.96**

hectares



7 properties

acquired in

2022-23



\$20,891,311 Land acquired for koala conservation

Amount paid to NPWS

for land acquisition in

2022-23

513.6 hectares (3 properties)

Properties acquired in 2022–23	
Proposed addition to Dangelong Nature Reserve	82.66 hectares
Proposed addition to Mount Hyland Nature Reserve	e 388.27 hectares
Proposed addition to Killabakh Nature Reserve	42.67 hectares
Brindingabba National Park	20,226.20 hectares
Avenel Station	40,463.28 hectares
Thurloo Downs	32,708.36 hectares
Proposed addition to Biamanga National Park	23.52 hectares

Most significant purchases in 2022–23

Trust funding contributed to the purchase of 93,397.84 hectares of land across 3 individual properties in western New South Wales. These have all made an exceptional contribution towards filling gaps in the national park system because they contain landscapes and ecosystems that were not protected, or were inadequately protected, in the existing national parks estate. They all have considerable Aboriginal cultural significance. The properties are: Avenel Station, near Broken Hill on the South Australian border with a total area of 121,390 hectares (40,463.28 hectares paid for by the 2022–23 grant). It features an ecologically diverse landscape protecting nearly 50 different plant community types. The land comprises spectacular dunefields of the Strzelecki Desert transitioning to the rocky plateau of the Barrier Range, with a network of river red gum and coolibah-fringed rivers, creeks and watercourses. It supports habitat for an estimated 30 threatened plant and animal species including the Australian bustard and the dusky hopping-mouse. Avenel Station was largely acquired with Trust grants across the 2021-22 and 2022-23 financial years.

- Brindingabba Station (now Brindingabba National Park) located 150 kilometres north of Bourke has a total area of 33,431 hectares (20,226.20 hectares paid for by the 2022-23 grant). Situated in the Mulga Lands bioregion, this park increases the protection of one of Australia's most poorly protected bioregions, with less than 5% reserved. It supports diverse ecosystems - from gidgee country and stony mulga rises to Mitchell grass grasslands. blackbox and coolibah-lined creek systems and complex lignum swamps. It features nationally significant wetlands and habitat for up to 40 threatened species. Lake Wombah can host over 20,000 waterbirds, including rare species such as the freckled duck, while the expansive Yantabulla Swamp attracts thousands of internationally protected migratory shorebirds as well as up to 50,000 waterbirds including pink-eared ducks, grey teals, night herons and many other species. Brindingabba Station was acquired in partnership with The Nature Conservancy Australia, which brokered contributions from charitable foundations. The name Brindingabba (pronounced Brin-din-gabah) means 'thunder talks' in Kunja language and is the name of the former station (circa 1870) which features Brindingabba Creek.
- Thurloo Downs, located between Tibooburra and Bourke, with a total area of 437,394 hectares (32,708.36 hectares paid for by the 2022–23 grant) represents the largest single parcel of land to be acquired for the national parks estate in New South Wales. It protects landscapes and ecosystems that were not found in any other NSW national park. Together with neighbouring Narriearra Caryapundy Swamp National Park (also a Trust-supported acquisition), Thurloo Downs hosts a significant portion of the Bulloo Overflow floodplain, a huge wetland at the end of the Bulloo, one of Australia's last free-flowing rivers. After rains, these wetlands support hundreds of thousands of birds, fish and other animals, including mass communal nesting events for pelicans, egrets and terns. Around 50 threatened species are expected to arrive at the property, including flock bronzewing, grey grasswren, black falcon, plains-wanderer, pink cockatoo, eastern grass owl and white-fronted chat, as well as stripefaced dunnart, little pied bat, sandy inland mouse and crowned gecko. Several threatened plants are also found here. Thurloo Downs was acquired with the Trust grant and a special NSW Treasury allocation.



Thurloo Downs is the largest single parcel of land to be acquired for the national parks estate in New South Wales

Restoration and Rehabilitation Program

This \$4-million annual contestable grants program promotes environmental stewardship by providing grants to community and government organisations to reduce environmental degradation and pollution, protect important ecosystems and improve capacity for environmental restoration.

Achievements 2022–23

- Muswellbrook Shire Council's Club to Club Project - Muscle Creek restoration, resulted in approximately 13,000 square metres of weeds being removed and approximately 10,000 specimens of local species being planted. Council also funded the removal of several large exotic trees in this area, including willows, Himalayan ash, date palms and Chinese tallow.
- Chalkies Landcare's project Restoring Chalky Beach ecosystems and improving volunteer capacity involved a collaboration between Landcare and Bahtabah Local Aboriginal Land Council. Weeding was finished, and further planting carried out to stabilise foredune areas and help protect middens. Secondary weeding reduced the weed cover and increased the regeneration of native species.

A community event was held to wrap up the project and showcase works, attended by Bahtabah Local Aboriginal Land Council and Lake Macquarie City Council staff, Landcare volunteers and members of the community. The event included talks about the project, cultural heritage awareness, weeding and monitoring activities. The Department of Planning and Environment's project – Restoring Big Island seabird nesting habitat for burrowing birds was a success in engaging the public, treating weeds and planting over 9,000 seedlings. The Friends of Five Islands volunteers and Aboriginal Berrim Nuru Environmental Services planted native seedlings when the seabirds were absent. The 65 volunteers who went to the island to help with planting have built a connection to the individual plantings and have a keen interest in seeing how the project progresses.

A significant achievement of the project was increasing community awareness and fostering the Friends of Five Islands volunteer program. This program created a cohort of over 100 able and willing volunteers to support and maintain the longevity of the restoration work.



Restoration and Rehabilitation Program outcomes



7,623 hectares regenerated by native regrowth after

by native regrowth after weeding, fencing, erosion control or pest control

814 hectares revegetated





by planting or direct seeding **77 organisations** and/or

businesses adopting positive environmental action

4,786 volunteers contributed 113,211 hours 719 contractors employed for 106,712 hours



7,650 people attended 564 training and other events



2,168 students (primary and secondary) involved for over 5,413 hours

Note: This data is drawn from 158 projects that were funded in the 2018–20 grant years, with 56 of these projects (35%) now complete. There were 4 rounds offered over this 3-year period resulting in a higher number of projects.

Several of these projects have had extensions due to drought conditions, bushfires, floods and the subsequent impact of COVID-19.

Table 1

Restoration and Rehabilitation grants awarded 2022–23

Organisation	Title	LGA	Amount
Australian River Restoration Centre Limited	Rivers of Carbon – Boorowa	Hilltops Council	\$200,000
Cumberland Land Conservancy Inc	Environment restoration and rehabilitation – 'Wallaroo'	Penrith Council	\$169,500
Department of Planning and Environment	Return of the neglected Kermadec petrel <i>Pterodroma neglecta</i> to Lord Howe Island	Port Macquarie- Hastings Council	\$199,994
Department of Planning and Environment – NSW National Parks and Wildlife Service	Mitigation of climate change impacts upon critically endangered box-gum woodland in Dananbilla and Illunie nature reserves	Hilltops Council	\$200,000
Department of Planning and Environment – NSW National Parks and Wildlife Service	Rehabilitation of wetlands in Murray Valley National Park: recovery of locally extinct, wetland specialist fish	Murray River Council	\$197,100
Envite Environment (a division of Workways Australia Limited)	Wilson Nature Reserve rainforest and sclerophyll forest restoration	Lismore City Council	\$200,000
Eurobodalla Shire Council	Critical cockatoo corridors	Eurobodalla Shire Council	\$199,987
Goonengerry Landcare Group Incorporated	Goonengerry Landcare Group's restoration and rehabilitation project 2022	Byron Shire Council	\$187,000
Hunter Water Corporation	Grahamstown threatened species habitat restoration	Port Stephens Council	\$132,175
Maitland City Council	Rehabilitation of two endangered ecological communities – habitat and connectivity improvement in Maitland	Maitland City Council	\$148,826
Murray Darling Wetlands Working Group Ltd	2023–27 Supporting the plains- wanderer on the Murrumbidgee floodplain	Hay Shire Council, Murray River Council	\$200,000
Muswellbrook Shire Council	Restoring Muscle Creek through environmental and educational action	Muswellbrook Shire Council	\$134,632
OzFish Unlimited Limited	Restoring Clarence River saltmarsh and mangroves on Yaegl Country	Clarence Valley Council	\$199,159
Penrith City Council	Penrith roadside threatened species recovery	Penrith City Council	\$151,290

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Organisation	Title	LGA	Amount
Riverina Local Land Services	Gliding away from extinction	Snowy Valleys Council	\$164,530
Shellharbour City Council	Restoration of Illawarra subtropical rainforest EEC to support the recovery of <i>Daphnandra johnsonii</i> in Stony Range Reserve	Shellharbour City Council	\$125,040
Shoalhaven Landcare Association Incorporated	Supporting our threatened species in a changing climate	Shoalhaven City Council	\$196,310
Sydney Olympic Park Authority	Fighting predators to boost bell frog populations	Council of the City of Parramatta	\$147,145
Threatened Species Conservancy Inc	Eurobodalla rare and threatened flora recovery	Eurobodalla Shire Council, Queanbeyan- Palerang Regional Council	\$194,152
Tweed Landcare Inc	Filling the biodiversity gaps connecting Tweed Coast to the Border Ranges – Stage 9	Tweed Shire Council	\$199,903
Tweed Shire Council	Conserving cockatoos and curlews on the North Coast (Stage 2)	Byron Shire Council, Tweed Shire Council	\$197,044
Uralla Shire Council	Conservation and ecological restoration of Racecourse Lagoon	Uralla Shire Council	\$143,620
Western Local Land Services	Create and enhance greenspots (<i>mesic refugia</i>) for threatened species conservation	Unincorporated Far West NSW	\$198,885
Yass Area Network of Landcare Groups Incorporated	Climate-ready revegetation in the Yass Valley	Yass Valley Council	\$195,776
		Total	\$4,282,068

CASE STUDY

Greener pastures: co-restoration of Posidonia seagrass and White's seahorse in NSW estuaries



White's seahorse (Hippocampus whitei)

Local communities have become involved in a project to restore and conserve 2 threatened marine species: White's seahorse (*Hippocampus whitei*) and its seagrass habitat, *Posidonia australis* meadows. The Greener pastures project, an initiative of the Sydney Institute of Marine Science (SIMS), builds on innovations in seahorse and seagrass restoration to provide a 'two-for-one' method.

The project is being carried out in 3 estuaries where Posidonia is declining or endangered. Members of the local community have been collecting storm-detached Posidonia shoots for replanting, and so far approximately 350 fragments of Posidonia have been collected and planted in seagrass restoration areas, in conjunction with 15 'seahorse hotels', in Gamay/ Botany Bay. The seahorse hotels have been installed to provide a biodegradable, artificial and temporary habitat for juveniles. The seahorses are released into the hotels while the natural habitat becomes re-established through planting Posidonia fragments and restoring the seagrass meadows. Project collaborators at the University of New South Wales designed and built 15 seahorse hotels, including 2 brand new designs to maximise the opportunity for juvenile seahorses to thrive in this artificial habitat.

SIMS has already observed 2 wild White's seahorses using the artificial habitats, and the seahorse hotels will continue to be monitored to help guide decisions about optimal design and material in the future. Project collaborators, SEA LIFE Sydney Aquarium, have raised 150 juvenile White's seahorses that will be released at the restoration site in Gamay/Botany Bay when the seahorse hotels have accumulated sufficient marine growth to provide a suitable habitat.

Project partners, NSW Department of Primary Industries and SEA LIFE Sydney Aquarium have worked with SIMS to conduct workshops, a school field trip, and seminars. They have also produced an <u>Operation Posidonia</u> website outlining the project methodology and outcomes, and the importance of seagrass meadows in seahorse conservation. Volunteers contributed an impressive 850 hours throughout the first stage of the project to make sure of its successful delivery.

Saving our Species Partnership Grants Program

This \$10-million program supporting 10-year partnerships between government, industry and community organisations aims to improve populations of threatened species, aligned with NSW Government Saving our Species (SoS) objectives.

Most Round 1 projects have delivered their second year of maintenance activities in 2022–23. The maintenance phase is funded by grantees and their project partners. Maintenance, monitoring and reporting is ongoing until 2026 for these 10-year projects.

Round 2 projects have completed their final year of Trust funding and will be moving into the maintenance phase in 2023–24.

Grantees continued to face challenges in project delivery, particularly from floods, restricted site access and the ability to deliver planned activities in flood-affected areas.

Achievements 2022–23

- Under the Saving the Regent Honeyeater using strategic partnerships project, successful breeding was recorded at 4 locations after captive-bred regent honeyeaters were released. Monitoring surveys were completed in partnership with the Australian National University as part of the national regent honeyeater monitoring program, and regent honeyeaters were detected at several locations across the range of the species.
- The highlight of the Save our Scarlet Robin project managed by South East Local Land Services over this past year involved producing a short film, Save our Scarlet Robin. It focuses on the plight of woodland birds and the scarlet robin with the hope of showing the benefits of a partnered approach through collaboration and sharing of experiences. The film received a lot of interest and positive feedback. Detecting all target bird species (except the glossy black-cockatoo) at 26 project sites was another highlight.
- The Protecting Shoalhaven Plants project continued to progress towards achieving its long-term projected outcomes of increased security of species' longevity and viability. The project now has a better understanding of the biology and ecology of the target species and how they respond to management actions. Species' recovery has also been supported through collaborating with partners and by engaging the local community and organisations.

SoS Partnership Grants Program outcomes from Round 1 and Round 2



1,616 hectares of degraded habitat regenerating after weeding



512 hectares of native habitat revegetated with 154,161 seedlings planted



3,959 hectares of habitat protected through fencing



2,141 volunteers contributed 76,525 hours of work towards conservation or regeneration activities



2,479 people participated in 163 training events in conservation or regeneration activities



303 educational resources developed so far

Note: This data reflects the program outcomes to date. It is drawn from the reports of stages 6 & 7 submitted by the 5 SoS partnership projects awarded in 2014 and the reports of stages 5 & 6 from the 4 SoS partnership projects awarded in 2015. These 10-year projects are in or approaching their maintenance phase.

CASE STUDY Wild orchids

Orchids, renowned for their stunning colours and enigmatic nature, rank among the most beautiful of Australia's native flowering plants. The \$585,322 Trust-funded <u>Wild Orchids Project</u> to rescue selected orchid species from the risk of extinction is a collaborative endeavour. It involves Local Land Services, NSW Department of Planning and Environment – Conservation and Biodiversity Division, Royal Botanic Gardens Victoria, NSW Crown Lands, Australian Network for Plant Conservation, Forestry Corporation of NSW, NPWS, Parklands Albury Wodonga, local government and landholders.

The Wild Orchids Project has dedicated the past decade to mitigating the risk of extinction for 3 endangered orchid species: the sand-hill spider orchid (*Caladenia arenaria*), crimson spider orchid (*Caladenia concolor*) and Oaklands donkey orchid (*Diuris callitrophila*). Before this project was launched, only limited populations of these orchids remained in the wild with 1,809 sand-hill spider orchids, 1,122 Oaklands donkey orchids, and 603 crimson spider orchids recorded.

A remarkable reintroduction effort was carried out across 6 sites in the NSW Murray region in 2022, involving over 6,000 threatened orchids. These included 1,683 sand-hill spider orchids, 4,016 Oaklands donkey orchids, and 431 crimson spider orchids.

Local Land Services and the Department of Planning and Environment collaborated closely with project partners to establish designated enclosures for reintroducing the orchids. The sites were carefully selected with suitable soil conditions, pollinators and vegetation types across public and private land. To prepare for the orchid plantings, Parklands Albury Wodonga installed stock-proof fencing and water tanks on land owned by Federation Council, Forestry Corporation of NSW, NPWS, NSW Crown Lands and a private landholder. Royal Botanic Gardens Victoria isolated the orchids' mycorrhizal fungi, identified the key pollinators of each orchid species and propagated the orchids. The orchids were planted in July 2022 with the help of highly skilled and passionate volunteers from the Australasian Native Orchid Society's Victoria team. Local volunteers from Parklands Albury Wodonga, Corowa District Landcare and Woomargama National Park also played a crucial role in the plantings. The collective effort involved more than 100 people, including project partners and dedicated local and interstate volunteers. The outcome of their work and cooperation was the significant reintroduction of these exquisite and endangered orchids.



The Wild Orchids project has reintroduced the sand hill spider orchid (*Caladenia arenaria*) across 6 sites in the NSW Murray region

Saving our Species Contestable Grants Program

This \$9-million program, running until 2025, supports 26 long-term projects targeting threatened ecological communities and landscape-managed species, aligned with the NSW Government's SoS program.

Achievements 2022–23

- A successful bird-monitoring program in the central west of New South Wales had 23 new private rural properties added beyond the existing public land sites. This was after an intensive promotion and engagement process that also saw 12 private landholders commit to voluntary stewardship agreements in priority areas near Conimbla National Park and Nangar National Park. The agreements included installing nest boxes designed for either the turquoise parrot or brown treecreeper, 3,800 plantings to enhance the shrub within modified woodland habitats and adding sustainably sourced coarse woody debris.
- The Southern Tablelands glossy black-cockatoo project has successfully finished its on-ground work to connect, protect and restore foraging and nesting habitat for this vulnerable species. With more landholders seeking to join than expected, tree planting sites were prioritised based on species outcomes, land suitability and costeffectiveness. All 38 landholders participating in the project have now completed their fencing and planting, protecting 94.4 hectares through 10-year landholder agreements (exceeding the target of 50 hectares).
- In Tweed Caldera, major gains have been made in removing lantana and restoring habitat despite higher-than-average rainfall, major flooding and site access issues. Approximately 4.5 hectares of primary work has been completed at the Mount Nullum site and 2.5 hectares at the Numinbah site.

Grantees continued to face challenges in implementing their projects, which required adaptive management and redistribution of activities because of the impacts of flooding. Projects also continue to manage the long-term impacts of drought and the COVID-19 pandemic.

SoS Contestable Grants Program outcomes



1,468 hectares regenerated by native regrowth after weeding, fencing, erosion control or pest control



63,024 seedlings planted and 523 hectares revegetated by planting or direct seeding

80 organisations actively collaborating

879 volunteers contributed 14,670 hours 118 contractors employed for 30,012 hours



16 partnerships with Aboriginal groups



121 educational products developed



4491 people attended 168 training and other events

Note: This data reflects the program outcomes to date from all Stage 4 reports from the 25 continuing projects.

Bush Connect Program

The aim of this program is to build partnerships between community, industry and government to deliver on-ground and community capacity-building activities within the Great Eastern Ranges corridor. This is a 10-year, \$8-million program and there are 15 projects.

Most projects have entered the grantee-funded component of their implementation timeline.

Bush Connect Program outcomes since 2015



1,825 hectares of degraded bushland regenerating



5,989 hectares of bushland corridors created



220,969 seedlings planted and 65 kilograms of native seed sown, helping to revegetate 812 hectares



393 conservation and land management **agreements** established





of fencing installed, protecting 1,662 hectares 108 contractors

139 kilometres

employed for 45,799 hours on conservation activities



2,247 volunteers contributed 139,152 hours to on-ground works

Note: This data comes from 15 projects, with 4 reports from Year 7, and the balance reporting on years 5 & 6. Several of these projects have had extensions due to drought conditions, bushfires, floods and the subsequent impact of COVID-19. Many of these projects are now heading into the maintenance phase of their implementation.

CASE STUDY

Restoration and linkage of Wilsons and Coopers creeks

The Byron Shire hinterland in north-east New South Wales is a hotspot of biodiversity. Varied habitats such as grasslands, wetlands, coastal heath and ancient Gondwanan rainforests are home for more than 300 threatened plant and animal species and 11 threatened ecological communities. Some of these habitats are protected in national parks and reserves, others are scattered across farmland and private properties.

The area has a rich history of community groups caring for the remnant native habitats that occur outside reserves. Goonengerry Landcare has been at the forefront of preserving biodiversity around the Goonengerry area for 21 years, educating private landowners and stakeholders about the benefits of maintaining and protecting remnant native vegetation on their properties. This has resulted in many hundreds of hectares of restored land. However, over time this group has also seen the decline of regenerated land when landholders have moved on or lack the resources to deal with weed and pest issues.

Funded by the Trust's Bush Connect grant program, Goonengerry Landcare's - Restoration and Linkage of Wilsons and Coopers Creek project brought together other community groups and government agencies to educate landholders and support restoration efforts on private land. This work has transformed weed-dominated ecosystems into biodiverse native forests that enhance connectivity between fragmented habitats. Over time, this will create important corridors of habitat for animals such as koalas.

This project also enabled private landholders to protect their land in the future by signing conservation agreements that will help to maintain the health of the regenerated land if the original landholder moves on.

Now in its 8th year, the \$499,204 project's many achievements include:

- site action plans to guide regeneration works for 17 properties
- regeneration of 137.4 hectares of rainforest that connect isolated remnant vegetation with the 3 surrounding national parks
- 112 square kilometres of connected habitat
- protection of 532 hectares of remnant vegetation on private land under conservation agreements (Land for Wildlife)
- planting of 1746 koala food trees
- a decreased number of feral cats, wild dogs and European foxes, which has resulted in increased sightings of many species including Albert's lyrebird, powerful owls, regent bowerbirds, koalas, yabbies and pouched frogs.



A property in Huonbrook before restoration works



The same property in Huonbrook after restoration works

River Connections Program

The project Refreshing River Management – New partnership and stewardship pathways for improving river health, is led by Murray Local Land Services. It is a large, landscape scale, long-term collaboration between community and government organisations and is supported by \$8,999,200 in Trust funding.

This project will develop new approaches for integrated river management to improve riparian and river health across 2,500 hectares in 3 target areas in the Murray and Riverina regions: Upper Billabong, Central Billabong and Riverina Highlands. These areas were chosen because of their range of agricultural activities, as well as waterway threats and assets. Approaches to improving waterway health that succeed in these target areas are likely to be effective across New South Wales.

The project's significant cash and in-kind contributions are valued at just under \$10 million. The project partners include Aboriginal groups and local Aboriginal land councils, as well as fisheries advising on priority threatened species and technology companies offering insights on using digital imagery.

The early phase of the Refreshing Rivers project has focused on research, planning and engagement within Murray Local Land Services' 3 target areas to lay the foundation for on-ground, monitoring and communication activities.

Achievements 2022–23

- Social Marketing @ Griffith (SM@G) is one of the project partners and is working alongside Murray Local Land Services to co-create a shared mission for the Refreshing Rivers project. Co-creation focuses on empowering all stakeholders to share their knowledge and insights. By understanding the system, the grantee can help create solutions that landholders want and need while making sure they are also supported by the community, industry and government. In this first part of the co-creation phase, SM@G interviewed 30 landholders and community members and 14 government, industry and academic stakeholders. Each of the 3 target regions were represented, and everyone shared their views and ideas on how to improve river health.
- Evidence-based waterway management plans (WMPs) have been developed in consultation with the project team and endorsed by the project steering committee. The WMPs focus on repairing river health through improved riparian and catchment land management, and will guide the on-ground and monitoring activities for the project.
- Murray Local Land Services has been involved in several community events, including joining Charles Sturt University researchers and representatives of the Commonwealth Environmental Water Office for a community field day. Community participants learnt about the frogs, reptiles and water bugs in the Yanco Creek system, hosted a stall at the Winter Bites Festival in Adelong and introduced the project at an Optimising the Farm Water Cycle Workshop in Little Billabong.

Major restoration and rehabilitation projects

Accelerating Hawkweed Eradication

In 2018–19 NPWS was awarded \$7,270,500 to deliver the 10-year Accelerating Hawkweed Eradication project. The project aims to eradicate orange and mouse-ear hawkweeds from New South Wales.

The project includes the use of emerging weed-detection technologies to increase the surveillance of orange and mouse-ear hawkweeds in the Kosciuszko National Park and Snowy Monaro regions.

The project also engages with volunteers and the broader local community through targeted behaviour-change campaigns to support the community in protecting biodiversity and production values in the region.

During 2022–23, drones were used to conduct remote surveillance for orange hawkweed across 28,000 hectares, an impressive 198% increase in surveillance area from last year.

A total of 107 volunteers contributed over 5,000 hours to hawkweed surveillance over the season. Supported by NPWS staff and weed-detection dogs, they surveyed 216 hectares for mouse-ear hawkweed and assisted with remote helicopterassisted surveys for orange hawkweed. One new mouse-ear hawkweed site was found between existing sites and 23 new orange hawkweed sites were identified.

This cross-tenure project is being delivered collaboratively through the NSW Hawkweed Taskforce, chaired by the NSW Department of Primary Industries. It involves NPWS, Local Land Services, Snowy Monaro Regional Council, community volunteers and local landholder representatives.

The project is ongoing until 2029.

Bushfire Relief Fund for Wildlife Rehabilitators

The devastating impact of the 2019–20 bushfires on wildlife drew attention to the many ways in which people and organisations could be better prepared in the future. Through NPWS, the Trust provided a grant of \$998,900 for the Bushfire Relief Fund for Wildlife Rehabilitators program in 2019. The funds were used to build capacity for the rescue and rehabilitation of injured and displaced wildlife affected by bushfires.

The resulting project improved coordination and enhanced the capability of the wildlife rehabilitation sector to prepare and respond to emergency events. The project included improving access to goods and services as well as to injured animals on firegrounds, and training. Twenty more vets and vet nurses took part in a wildlife-care course in partnership with Taronga Zoo, and 216 potential wildlife responders completed an online wildfire-awareness course in partnership with TAFE NSW.

Firefighters were involved too. Wildlife firstresponse training was developed for them, providing guidance on assessing and reporting potentially injured wildlife on the fireground and helping, where possible, in the capture and transport of injured wildlife. The training includes a handbook that can be carried in a hard copy form or electronically on the fireground.

Integral to the project are strategies to quickly mobilise and deploy people to a fireground to help wildlife. For this reason, over 50 members formed a Wildlife Emergency Response Taskforce working group, with representatives from fire agencies, the wildlife rehabilitation and vet sectors, as well as universities and nongovernment organisations. Technical Advisor for Wildlife roles will be trialled as a way to incorporate wildlife issues into operational decision-making during incident management.

The project was completed in late 2022 and provided \$200,000 in consumable grants to 25 licensed wildlife rehabilitation organisations, and \$300,000 in durable assets grants to 8 organisations in partnership with the Foundation for National Parks & Wildlife.

Flying-fox Habitat Restoration Program

Flying-foxes are a threatened species and critical to Australian ecosystems because they pollinate plants and disperse seeds from flowering and fruiting native plants. However, they are in decline because of habitat loss and extreme weather events. They also pose complex issues for humans as they feed on cultivated fruit and form camps in urban areas.

In 2018, \$5 million was awarded to Local Government NSW for a 12-year Flying-fox Habitat Restoration Program. The program is identifying ways to enhance and restore habitat for flying-foxes. It is also sharing information with communities about flying-fox conservation with the aim of reducing negative impacts for flying-foxes in urban settings.

This year the program has continued to provide funding for eligible councils to participate through 2 funding streams: Flying-fox Camp Habitat Restoration and Flying-fox Foraging Habitat Restoration. During 2022–23:

- Eleven flying-fox camp habitat restoration applications were assessed, with 10 approved funding agreements executed. This brings the total number of funded camp habitat restoration projects to 13.
- Two foraging habitat restoration applications were submitted and one approved for funding. This brings the number of foraging habitat restoration projects to 3.

The BioCollect Habitat Restoration Hub under the Atlas of Living Australia Ecoscience program has been adopted as the platform that will collate project site and vegetation restoration monitoring data. Four user-training sessions were held for the 14 councils participating in the program and all council grant recipients are in the process of uploading their site data.

Lord Howe Island weed eradication

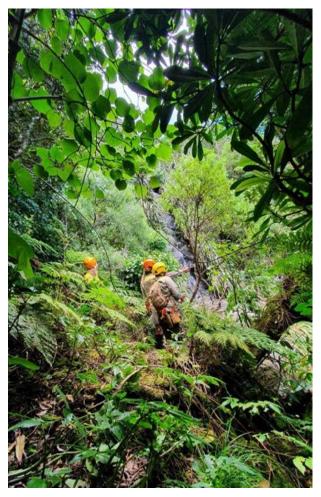
In 2015, the Trust awarded \$508,946 to the Lord Howe Island Board for the Tide is Turning – Driving Weed Eradication on Lord Howe Island project.

This project builds on the success of the Lord Howe Island Weed Eradication Program, which commenced in 2004. After searching 404.16 hectares, exceeding the agreed target by more than 50 hectares, the project was completed in July 2022. The outcomes included:

- a reduced impact of invasive weeds across 350 hectares of accessible terrain
- a demonstrated reduction in the density of crofton weed at mid-high elevations by releasing crofton weed biocontrol at strategic sites
- 500 hectares of aerial imagery collected, of which 100 hectares was analysed for the presence of target weed species using unmanned automated vehicle technology.

Overall, this project has allowed the weed eradication program to trial innovative approaches to weed control. These include the release of biological control for crofton weed, and novel forms of aerial surveys and treatments for inaccessible locations.

The project has also provided key learnings from the weed eradication program, which will help inform the direction of the program beyond the lifetime of this grant.



The weed eradication team on Lord Howe Island

Contaminated Land Management Program

In 2018, the Trust approved \$3 million in funding for the Contaminated Land Management Program's Council Gasworks Program.

The program funds 4 eligible councils including Tamworth Regional, Parkes Shire, Dubbo Regional and Orange City Council to investigate and remediate legacy council gasworks sites where these councils are the former operators and polluters.

The program provides up to 50% of investigation costs to a maximum of \$200,000 per site and up to 50% of remediation costs to a maximum of \$500,000 per site.

In 2022–23, investigations were completed at former council gasworks sites in Dubbo and Tamworth with the sites found not contaminated enough to warrant further investigation or remediation.

NSW Rewilding Initiative

In 2021, the Trust awarded a \$20.289-million grant over 10 years for the most significant threatened fauna restoration project in NSW history. The project will establish 4 new feral-predator-free areas across New South Wales, with a total area of around 45,000 hectares. The sites are: Yiraaldiya National Park (formerly Shanes Park, Western Sydney), Ngambaa Nature Reserve (north-east New South Wales), Yathong Nature Reserve (centralwest New South Wales) and Nungatta in South East Forest National Park (south-east New South Wales).

The project is in its third year and has made significant progress. This includes detailed planning and securing the required approvals to establish feral-predator-free areas, as well as procuring fence materials and contractors to undertake the fence construction and civil works. Construction has begun at all of the sites.

Yiraaldiya National Park (Western Sydney): building the 1.8-metre-high predator-proof conservation fence at Yiraaldiya National Park involves 2 stages. Stage 1 is a small breeding and release area of 56 hectares within the larger planned Stage 2 outer perimeter fence, covering a total of around 560 hectares. Stage 1 conservation fencing and control of feral animals is complete, and 2 species that were previously locally extinct - the koala and the eastern bettong – have been released into the site. The park was given its new name, Yiraaldiya National Park, in consultation with the local Aboriginal community in February 2023. Vegetation management and civil works have begun in the broader Stage 2 (500 hectares) perimeterfenced area, with the tender now awarded for fence construction. Baseline surveys and ecological health monitoring have been completed.

Ngambaa Nature Reserve (north-east New South Wales): the planning and approvals phase has been completed for this 2,000-hectare feral-predatorfree area south-west of Macksville. This involved:

- an amendment to the plan of management
- a completed review of environmental factors
- an Aboriginal cultural heritage assessment report and a published decision statement
- the completion of extensive baseline ecological surveys and monitoring.

Baseline surveys found 2 small mammals not previously recorded in the reserve – the long-nosed potoroo and eastern chestnut mouse. Tenders have now been awarded for the fence construction phase, which began in July 2023. Thirty kilometres of fencing materials, culverts and bridges have been purchased. Future construction works include clearing the fence corridor, building the fence and installing the bridge and culvert crossings.

Yathong Nature Reserve (central-west New South Wales): the planning and approvals phase for the 40,000-hectare feral-predator-free area in Central Mallee has been completed, including a newly adopted plan of management, a review of environmental factors and a decision statement. Monitoring sites have been set up and baseline ecological surveys have begun. Vegetation management and civil works have been completed for an 8,200-hectare section in the northern part of the site, with procurement for the fence construction beginning in July 2023.

Nungatta in South East Forest National Park (south-east New South Wales): the planning and approvals phase of the project is complete. Procurement for fence construction is also complete and works are progressing well. Stage 1 (a 240-hectare site) is on track to be finished by September 2023 and Stage 2 (a 1,840-hectare site) will be finished by October 2023. Eradication will begin in each stage immediately after the fencing is finished. Baseline ecological surveys have been completed and have recorded koala, spotted-tailed quoll and 11 microbat species, which are expected to benefit from the proposal.

Safe havens for large forest owls

In December 2022, the Nature Conservation Council was awarded a 3-year, \$1,193,759 grant to support the recovery of native large forest owls, such as the barking owl, masked owl and powerful owl, and other hollow-dependent threatened species catastrophically impacted by the 2019–20 bushfires. The loss of hollow-bearing trees in the fires has affected the birds' opportunities to find suitable sites for shelter, nesting and breeding.

The Safe Havens project will partner with landholders and land managers in the Richmond-Clarence Lowlands in New South Wales to conduct various on-ground restoration actions such as collecting acoustic data, installing nest boxes and protecting existing hollow-bearing trees. Workshops for landholders and managers will provide these essential project partners with training and tools that will help them monitor and maintain the lives of large forest owls on their land.

These actions will help foster a better understanding of the status and recovery of the target species, increase habitat connectivity and resilience and develop a more informed and capable community of stakeholders.

Table 2

Safe havens grant awarded 2022-23

Organisation	Title	LGA	Amount
Nature Conservation Council	Large Forest Owls–Safe Havens (Safe Havens)	Clarence Valley Council Richmond Valley Council	\$1,193,759
		Total	\$1 193 759

Seabirds to Seascapes

In August 2022, the Trust awarded a \$6,598,958 grant to the Department of Planning and Environment for a 3-year Seabirds to Seascapes project. Project partners include the Sydney Institute of Marine Science (SIMS), Taronga Conservation Society Australia and NPWS. The project is an exciting and innovative approach to restoring important habitats in Sydney Harbour and supporting penguin and seal populations in New South Wales.

The project aims to improve marine ecosystem health and support important marine species by learning how coastal restoration influences and benefits marine habitat, animals and biodiversity. This project involves working closely with the community and empowering those responsible for caring for the NSW coastline, estuaries and marine environments. Together they aim to protect, restore and sustainably manage these natural ecosystems, creating better conditions for native species and their habitats to thrive both naturally and culturally.

The project incorporates 3 initiatives:

- Project Restore restoring Sydney Harbour seascapes through installing living seawalls and fishpods, replanting sea grasses and encouraging kelp growth
- penguin census counting little penguins and monitoring their foraging behaviours and breeding colonies along the New South Wales coast
- seal survey monitoring Australian and New Zealand fur seal populations in New South Wales.

Achievements 2022–23

- SIMS launched Project Restore at the Australian National Maritime Museum in June 2023. The event was hosted by the ABC's Science Writer, Bernie Hobbs, and finished with a speech from Minister for the Environment, Penny Sharpe.
- Pilot penguin surveys were completed during the breeding season on 5 NSW islands and mainland sites in September 2022. Tracking of little penguins was also carried out, to identify foraging movement and to collect samples for genetic analysis.
- Installation of artificial penguin burrows has begun at 2 NSW islands. The new burrows will replace decaying wooden boxes with concrete boxes to enhance little penguin breeding and improve research accessibility for future GPS tracking studies.
- Filming of a mini documentary on little penguins began.
- In December 2022, a fur seal was successfully satellite-tagged and released outside Sydney Heads; the event received considerable media attention.



The Seabirds to Seascapes project is monitoring fur seal populations

Table 3

Seabirds to Seascapes grant awarded 2022-23

Organisation	Title	LGA	Amount
NSW Department of Planning and Environment	Seabird to Seascapes	Statewide	\$6,598,958
		Total	\$6,598,958

Protecting our Places Program

Protecting our Places is a \$500,000 program, offered annually, to help eligible Aboriginal organisations protect and restore culturally significant land, share cultural knowledge and educate the community about the importance of the environment in Aboriginal culture.

Achievements 2022–23

- Toomelah Local Aboriginal Land Council ran a competition to design and develop a poster displaying the pheasant coucal – the signature species being protected by the project. This segment of the project respects art as a key communication medium in Aboriginal communities and it has supported ongoing community engagement throughout the project.
- Yawiriawiri Murri Ganuur Descendants Aboriginal Corporation has planted 450 native plants within their reserve at Borah Crossing, including planting river red gums along the riverbank to stabilise it. The significant cultural and heritage Aboriginal Ancestral Camp has now been fenced off and protected.
- Biraban Local Aboriginal Land Council held a community day onsite and introduced the local community to cultural burning. Their site is now being used for cultural and recreational purposes.
- Coffs Harbour Local Aboriginal Land Council (LALC) carried out cultural burning of 3 hectares and spent approximately 112 hours treating weeds on their land. Coffs Harbour LALC is also preparing a koala scat detection report. This will identify koala trees and local behaviours to help develop recommendations for cultural burning within koala habitat areas, using traditional cultural fire methods to care for koala Country.

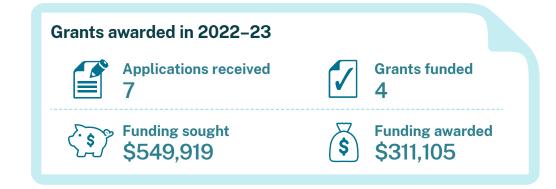


Table 4

Protecting our Places grants awarded 2022-23

Organisation	Title	LGA	Amount
Bandjalang Aboriginal Corporation Prescribed Body Corporate RNTBC	Managing Bandjalang People's Cultural Values	Clarence Valley Council	\$79,955
Ngullingah Jugun (Our Country) Aboriginal Corporation RNTBC	Identifying Environmental and cultural values within newly acquired land for restoration	Clarence Valley Council	\$75,750
Mujaay Ganma Foundation Aboriginal Corporation	Wajaarr Birriimba	Nambucca Valley Council	\$77,400
Tubba-Gah (Maing) Wiradjuri Aboriginal Corporation	Tubba-Gah (Maing) Wiradjuri Jinchilla restoration and rejuvenation	Dubbo Regional Council	\$78,000
		Total	\$311,105

Protecting our Places Program outcomes



70.4 hectares regenerating with native regrowth after weeding, fencing, erosion control or pest control



156 Aboriginal people on Country who contributed over 4,231 hours

4.5 hectares treated with fire (cultural burns)



248 volunteers have contributed over 3.406 hours



6.3 hectares revegetated with 2,160 trees, shrubs & grasses planted (including bush tucker)



196 people participated in **25** training events in conservation or regeneration activities



51 organisations actively collaborating on these projects

Note: This data is drawn from 20 projects that have been approved to progress to Stage 2 implementation after being funded in the 2018–2020 grant years, with 4 (20%) of these projects now complete. Progress has been delayed for many of these projects due to the impacts of floods and COVID-19.

Environmental Education Program

Environmental Education is a \$1-million program funding projects that develop, broaden and transform the community's knowledge, skills and intrinsic motivation to engage in sustainable behaviour and encourage participation in protecting the environment.

Applications for the 2022 round of Environmental Education closed in November 2022. Decisions about the awarding of grants will be made in the 2023–24 financial year.

Achievements 2022–23

- Charles Sturt University worked with the Albury community, including culturally and linguistically diverse households, to reduce electricity consumption. After attending workshops, 95% of participants reported they had reduced their electricity usage rates to levels below the local average.
- North Coast Regional Landcare supported 70 landowners from key areas in the Northern Rivers region to create <u>bio-bridges</u> (wildlife corridors) to help biodiversity conservation on their properties. Landholders were informed about how they can mitigate the impacts of climate change on the north coast of New South Wales. The actions include weed control, pest animal control and strategic replanting and fencing, to improve the health of local waterways and the quality of habitat for native flora and fauna.
- Using a comprehensive community engagement strategy, Bayside Council's <u>Wild Things</u> project informed residents about native animal habitat in their community. Residents can use web translators to access webpages that provide information on native bees, microbats and birds. Local volunteers contributed many hours to create native beehives and bird boxes, and a large number of volunteers were recruited to bushcare activities.

Environmental Education Program outcomes



170 training and awareness raising events delivered to 3,764 people



139 educational products and resources produced



752 students (primary secondary and tertiary) involved for 8,426 hours



207 volunteers contributed over 4,593 hours



149 organisations involved or collaborating on these projects



618 individuals adopted positive environmental action

Note: This data is drawn from 19 continuing projects that were funded in the 2019–20 grant years.

* Since the Environmental Education Program was not offered in 2018 as the program was being redesigned based on program evaluation recommendations, these figures show 2 grant years rather than 3.

CASE STUDY

Coexisting on the coast: saving our beach-nesting birds

Beach-nesting birds along the entire east coast of New South Wales are often affected by the proximity of people. Pied oystercatchers, beach stone-curlews and hooded plovers are among the species that make their nests – simple scrapes or shallow depressions – in the sand on ocean beaches above the high-water line. Their nesting season, spring and summer, coincides with the peak season for beachgoers and a high proportion of the birds' breeding attempts fail. Birdlife Australia, the recipient of a \$99,950 grant, has developed educational material and is working with communities up and down the coast to gradually change beachgoer behaviour and help the beachnesting birds fledge their young.

Early results are promising. After local volunteers and land managers worked to reduce threats to nesting sites, the number of fledglings sighted on the target beaches increased, and the first successful fledging of a pied oystercatcher chick in 40 years was recorded at Port Hacking.

The project began with a series of workshops with birding groups, the community and land managers in coastal towns. Sixty-eight sites were mapped and, in collaboration with NPWS, volunteers used the <u>MyBeachBirds portal</u> to record sightings of beach stone-curlews and pied oystercatchers, recording the precise locations of beach-nesting bird sites and carrying out threat assessments.

Community involvement has been invaluable, broadening the public education aspect of the project and providing an effective eyes-on-theground presence. One workshop participant discovered a beach stone-curlew nest at a previously unknown site, Hastings Point, and recognised its value from what they had learnt at the workshop. BirdLife Australia then worked closely with Tweed Shire Council to advise on site protection, supplied signage and support to volunteers and held events in the area, including viewing sessions for youth. The outcome was the successful fledging of a chick in a highly visited coastal location. Nearly 40 caravan parks participated in the project too and the managers showed great interest in educating their guests. BirdLife Australia responded to that by designing and developing a 16-page booklet for children, <u>Shorebirds: The Wing</u> <u>Thing</u>, full of games, activities and information.

The Youth Coastal Ambassador program, a new event attended by 30 highly motivated young people, generated great interest in the community. Many of the young people have kept in contact and have formed their own local environment youth groups.



BirdLife Australia has developed educational material and signage to change beachgoer behaviour to support beach-nesting birds

Immersive learning

In 2018, the Trust awarded a \$462,463 grant to NPWS for the Immersive Learning project. The project aimed to connect students in Western Sydney to local natural environments and national parks through meaningful and authentic inquirybased outdoor learning.

The project ended in January 2023. It had faced various challenges in providing face-to-face teaching programs because of the COVID-19 restrictions, but an adaptive approach saw the focus of the program delivery move to a digital format. An online webpage creation tool was used to provide online-based resources resulting in the successful delivery of key educational components.

The following resources were developed under the program:

- Stage 3 'Junior Rangers at School' 10-week teaching program
- Stage 4 teacher-guided fieldwork excursion lesson plan package
- teacher professional development pilot course Geography Fieldwork 101
- Stage 3 Cooling the schools website
- Stage 4 <u>landscapes and landforms</u> website in partnership with Greening Australia.

Both Stage 3 and Stage 4 websites can be accessed via links on the NPWS education webpage. These interactive sites host information for teachers and a range of teaching resources such as lesson plans, videos, slides and student activities designed to support teachers in delivering immersive outdoor educational experiences.

Keeping Cats Safe at Home

In 2021 the Royal Society for the Prevention of Cruelty to Animals (RSPCA) NSW launched a 4-year program to help reduce the impact of domestic cats on native wildlife. The Keeping Cats Safe at Home program has a Trust grant of \$2.54 million and delivers targeted education and behaviour-change campaigns in 11 local government areas including urban, regional, remote, coastal and inland areas. The evidence-based social marketing campaigns are designed to shift community attitudes and behaviours towards keeping pet cats contained safely at home, where they do not pose a threat to local wildlife. The focus has been on increasing the capability and motivation of cat owners to prevent their cats from roaming away from home. The campaign included a media competition asking cat owners to 'send in a photo of their cat living their best lives at home'.

During this third year of the project, the <u>Keeping</u> <u>Cats Safe at Home</u> website has hosted engaging content about cat containment and provides downloadable handouts for cat owners. It also includes information about the project and provides links to project partners.

Partner packages containing information resources and other project material have been distributed to all 11 partner councils, over 60 local veterinary clinics and more than 12 local rehoming organisations.

Targeted free cat desexing and microchipping programs have been established in 10 of the 11 Keeping Cats Safe at Home partner council areas to improve the uptake of desexing. More than 500 cats have been desexed to date through these programs.

A NSW school curriculum-linked lesson plan for children aged between 5 and 12 has been developed along with a *'Keeping Cats Safe at Home'* magazine. An activity booklet and a take-home activity poster are also designed to encourage children to continue the conversation with their families about keeping cats at home.

Performance 'Scorecards'

In April 2021, the Trust awarded \$7 million to NPWS to implement a 3-year program called National Park Performance Scorecards (Scorecards). It provides a systematic framework for collecting data-based metrics to track and report the status and trends in selected park areas. This includes key indicator species, ecological processes, threatening processes, and the level of expenditure on related park management activities.

The Scorecards project will help NPWS deliver improved management of threatened and declining

species, feral animals, weeds and fire. It will also improve the overall functioning of ecological processes by helping park managers make ecologically informed, adaptive and responsive management decisions.

The program will establish publicly available scorecards that will summarise and explain the data and identify management actions that can be taken to improve outcomes. This will increase public transparency on the return of investment in NPWS management of biodiversity in national parks, helping to foster public trust.

This year several milestones were achieved.

- The program developed the first iteration of an ecological health monitoring framework to guide future implementation of the Scorecards program across the national parks estate.
 This framework will be reviewed and updated annually, incorporating learnings from each tranche of the Scorecards program.
- The program completed park-wide ecological monitoring surveys for fauna, vegetation and soils at 100 sites in Kosciuszko National Park and 40 sites in Royal and Heathcote national parks and Garawarra State Conservation Area.

Plant Sure Environmentally Safe Ornamental Plant Scheme

In 2017, the Trust awarded \$1 million to the Nursery and Garden Industry NSW & ACT to develop a voluntary certification scheme to address the environmental impacts of escaped ornamental garden plants.

Since July 2020, Phase 2 of the project has focused on conducting an 18-month small-scale trial in Sydney to see if the scheme, 'Gardening Responsibly', will be viable, credible and self sustaining.

Achievements this year:

 A small-scale trial was launched publicly in Sydney in September 2022 to educate consumers and industry about the importance of responsible gardening. Infographics and statistics on the impact of weed invasion, and other <u>learning resources</u>, were shared with those taking part in the trial.

- Scheme managers worked with the ornamental plant industry to create eco-label certification terms and conditions set out in a supplier agreement. It was piloted with 23 wholesale and retail nurseries (above the original target of 10 nurseries).
- The supply chain was mapped, and statistics revealed that 2.5 billion plants of more than 30,000 varieties are sold annually by 24,906 businesses across Australia, with a value of \$12 billion to the Australian economy.
- One hundred new ornamental plant risk assessments were completed and published on the Gardening Responsibly research portal. Nearly 800 risk assessments are now publicly available, identifying 541 low-invasive-risk plants that qualify for the eco-label and 126 plants not yet regulated but with a high invasive risk.
- Gardening Responsibly champion landscape architects and designers, landscapers and wholesale nurseries built 3 demonstration gardens, including at a brand-new exhibition home, with 100% certified Gardening Responsibly low-invasive-risk plants at Carmel Hills in Western Sydney.
- The <u>Gardening Responsibly</u> website has had 55,000 page views and gained 12,000 users.



The Plant Sure Environmentally Safe Ornamental Plant Scheme allows consumers to easily identify and purchase low-invasive-risk plants

Wildlife Heroes

In 2019, the Foundation for National Parks & Wildlife was granted \$1.47 million to provide aid for wildlife carers. This funding has helped to expand the capabilities of the volunteer-run wildlife rehabilitation sector so that it can better deal with the many requests for help from the community regarding wildlife. The funds have also helped towards enhancing animal care standards, facilitating training for veterinarians and volunteer wildlife carers, and ensuring the long-term sustainability of the sector.

This year the Wildlife Heroes project:

- awarded \$183,000 in grants to 13 recipients to enable wildlife rehabilitation groups and individuals that treat native wildlife to acquire, build or upgrade assets used to rescue, treat and rehabilitate native animals
- launched a grant round for wildlife rehabilitators to buy personal protective equipment to improve volunteer safety when rescuing and rehabilitating wildlife
- continued the Wildlife Friendly Vets programs, which include forming strategic partnerships with wildlife hospitals and expanding educational opportunities and mentoring support for vets
- expanded the Caring for Carers campaign, improving the physical and mental health of wildlife carers through developing health and safety resources, volunteer recruitment resources, first aid courses and promoting the podcast series that addresses some of the mental health challenges specific to wildlife rehabilitation
- provided specialist training in venomous snake handling and raptor rehabilitation.



A wildlife carer looking after an injured wombat

Environmental Research Program

The Environmental Research Program provides funding for applied research in priority themes to address contemporary environmental problems in New South Wales. The priority themes are designed to align with the Trust's Strategic Plan 2020–24.

Grants awarded in 2022-23

Projects awarded under the 2022–23 round will support applied research to:

- foster threatened species recovery
- address climate change impacts on the natural environment – both mitigation and adaptation.



- The University of New England's project - Soil biodiversity benefits from environmental plantings provided land managers with an increased understanding of how to transition cleared land to a more biodiverse and environmentally robust landscape. The evidence that regenerating landscapes benefit from inoculating the soil with micro flora and fauna from healthy, uncleared land will have benefits for those undertaking restoration activities, and the landscapes they want to restore
- The NSW Department of Primary Industries trialled emerging acoustic technology to establish its effectiveness in estimating the density of koala populations. Understanding the size and location of koala populations is vital for improving management outcomes. Not only are current monitoring methods (scat surveys and drones) costly and logistically difficult, they are not always reliable. For this trial acoustic arrays were established at 5 different locations. The research (published in the journal Wildlife Research, December 2021) proved that acoustic technology was both cheaper and more reliable than existing methods, returning detection rates of 96% to 100%.



Table 5

Environmental Research grants awarded 2022–23

Organisation	Title	LGA	Amount
Bundjalung Tribal Society	Integrating Indigenous Ecological Knowledge (IEK) into small-scale farming operations at Namabunda	Ballina Shire Council	\$196,935
Department of Regional NSW (Primary Industries)	GPS-tracking the endangered Hastings River mouse to assess fine- scale habitat use	Armidale Regional Council	\$99,800
Department of Regional NSW (Primary Industries)	Impacts of future climate on the threatened seagrass <i>Posidonia australis</i>	Port Stephens Council	\$192,198
Macquarie University	Using mosquito DNA (iDNA) to detect the occurrence of native mammals in semi-arid refuges	Statewide	\$195,916
University of Newcastle	BIOMON Stage 1: A pilot biosensor that uses machine learning to identify wildlife acoustically	Statewide	\$199,647
University of NSW	Continuous acoustic and habitat monitoring for the critically endangered plains-wanderer	Hay Shire Council	\$147,814
University of Sydney	Manipulating plant odour to protect threatened plants from mammalian herbivores	Statewide	\$197,704
University of Sydney	Wildlife Assist – providing an evidence base for post-fire wildlife provisioning	Statewide	\$181,446
University of Technology Sydney	Determining plant resilience to temperature stress in NSW alpine Threatened Ecological Communities	Snowy Monaro Regional Council	\$199,493
University of Wollongong	Assessing the influence of sea-level rise and human interventions on NSW's blue carbon future	Wollongong City Council	\$198,217
University of Wollongong	Future-proofing the critically endangered Fitzroy Falls spiny crayfish	Wingecarribee Shire Council	\$183,772
		Total	\$1,992,942

Environmental Research Program outcomes



22 innovative

technologies or new methods or approaches to previously known work generated



62 scientific or technical

conferences and other events where the research has been presented



34 resources and articles produced including items

published in academic journals and other scientific publications

240 people contributed including 42 post-graduate students and 76 volunteers



66 organisations involved or collaborating on these projects

Note: This data is drawn from 21 projects that continued after being funded in the 2018–20 grant years, with 5 of these projects (24%) now complete.

CASE STUDY

Compostable plastics in green waste: a lowdown on their breakdown

Compost is increasingly being produced from green, or food and garden organic (FOGO) waste collection in New South Wales. However, the FOGO waste contains compostable plastics that are manufactured with chemicals that are ultimately transferred to the final compost product. CSIRO wanted a better understanding of the degradability of 'compostable plastics' and the impacts any residual chemicals might have, via the use of this compost, on soil fauna and the growth of plants.

There are currently some 127 local government areas (LGAs) in New South Wales that practise FOGO waste collection, and there has been wide support for it. CSIRO worked with these LGAs to develop a method for sampling and assessing the degradability of the plastics after they passed through organic recycling facilities. Ecotoxicology testing was applied to treatment and control composts to assess their chemical composition. The methods used were soil physiochemical testing and measuring the growth of soil nematodes, earthworms and wheat to test the compost's toxicity. Statistical analyses were carried out on the results and feedback from stakeholders was taken into account too.

A standout feature of the project was strong engagement with the stakeholders who would be end-users of the data, including the NSW EPA.

The research results showed some adverse ecotoxic effects from compostable forks and plastic film, but compostable plastic kitchen caddy liners that comply with Australian Standard AS 4736-2006 Biodegradable plastics – Biodegradable plastics suitable for composting and other microbial treatment are safe for use with FOGO.

Policymakers will be greatly helped by the outcomes of this research. The waste management industry will be able to better manage the recycling of organic waste and ensure the quality of compost that is produced minimises hazards to the environment. The report can be viewed on the CSIRO website: <u>Compostable plastics in green</u> waste: a lowdown on their breakdown.

Clean Technology Research and Development Grants Program

All of the clean technology programs funded by the Trust align with the Australian Government's Net Zero 2050 strategy.

The purpose of the \$40-million Clean Technology Research and Development Grants Program is to invest in the research and development of commercially viable technologies, services or processes that have the potential to significantly reduce emissions of high emitting or hard-toabate sectors within the NSW economy up to, and beyond, 2030.

The overarching objective of this program is to support early-stage clean technology research and development projects that help to foster a healthy research and development ecosystem within New South Wales.

Both public and private sector organisations are eligible to apply for the program, provided they have applied expertise in clean technology innovation. Round 1 of the program awarded \$6.3 million in grants.

Successful projects began in early 2023, developing research across a variety of technology areas including photovoltaics, hydrogen enablers and sustainable fuels.

Given the high demand for this program, applicants who showed promise but were not able to be awarded grant funding were subsequently offered commercialisation training with Cicada Innovations. This training was funded by the Office of Energy and Climate Change and focused on deep technology (breakthroughs in science and engineering), to offer an alternative way to build capacity and prepare marketable project models.



Table 6

Clean Technology Research and Development grants awarded 2022–23

Organisation	Project title	LGA	Amount
Hysata	Energy efficient water electrolyser for low-cost green hydrogen	Statewide	\$1,500,000
Quickstep Technologies	Intelligent composite hydrogen storage system	Statewide	\$803,968
Southern Green Gas	Solar powered e-kerosene production module for sustainable aviation fuel (SAF)	Statewide	\$1,000,000
SunDrive Solar	Development of copper-based solar modules for ultra low-cost utility scale deployment	Statewide	\$3,000,000
		Total	\$6,303,968

Major research projects

Low Emissions Specifications Program

In 2021, the Trust awarded approximately \$15 million to the Office of Energy and Climate Change to deliver the Low Emissions Specifications Program over 8 years.

The program aims to accelerate and support the adoption of low emissions specifications in specific industry and government sectors to help reduce greenhouse gas emissions in New South Wales.

It is being delivered in stages, with Stage 1 running from early 2022 to late 2023. Stage 1 focuses on EV specifications, low emission building materials specifications and a residential industry roadmap.

Achievements in 2022-23 include:

Electric vehicles:

 project proposal accepted by Standards Australia who have given their support and formed a working group to develop and progress technical specifications for EV chargers

Low emission building materials:

- advised more than 7 NSW government agencies and 50 industry members via the Materials & Embodied Carbon Leaders' Alliance (MECLA)
- recruited 3 NSW Government agencies (Water Infrastructure NSW, Western Parkland City Authority and Health Infrastructure) and established working groups to develop, review and implement low emission building materials specifications
- engaged industry and 3 leading providers of low emissions concrete to inform the development of the low emission building materials specifications

Residential industry roadmap:

- recruited 98 out of 100 households for an energy efficient households retrofit pilot, and tested interventions
- established a working group for an energy efficient apartments pilot including CSIRO, National Australian Built Environment Rating System (NABERS), City of Sydney and the Victorian Department of Environment, Energy and Climate Action

 conducted 54 out of 60 scorecard assessments across different apartment building types and completed NABERS ratings for some of these apartment buildings.

NSW Decarbonisation Innovation Hub

In 2021, the Trust awarded approximately \$15 million to the Office of the NSW Chief Scientist and Engineer to deliver the NSW Decarbonisation Innovation Hub (the hub) over 9 years.

The project's aim is to accelerate the research, development, commercialisation and adoption of decarbonisation technologies and services. The hub will facilitate partnerships and accelerate innovations that will contribute to reducing greenhouse gas emissions while generating economic benefits for New South Wales through collaboration between government, industry and research partners.

With the same priorities as the Clean Technology Research and Development program the hub is coordinating work in 3 focus areas that are led by networks of stakeholders:

- electrification and energy systems
- land and primary industries
- power fuels, including hydrogen.

The project's second year has focused on establishing the hub and its networks.

Achievements in 2022-23 include:

- agreements were executed between the consortium partners, including 9 Australian universities leading the hub and networks, and 2 NSW Government agencies
- recruitment of 6 members appointed to the hub advisory board, chaired by Niall Blair, to oversee the hub's work as well as to take governance responsibility for the operation of the hub and its networks
- a <u>hub website</u> and branding was launched in January 2023
- official launch of the hub and its networks in February 2023 attended by 120 people, including a video message of support from the NSW Minister for Energy and Treasurer at the time, the Hon. Matt Kean

- more than 100 organisations have expressed interest in being active participants or members of the hub and its networks, including international corporations such as Siemens, GE and Komatsu, local companies such as Southern Green Gas and NEPEAN Engineering & Innovation, regional cooperatives such as Bega Circular Valley and not-for-profit entities like EnergyLab and MECLA
- over \$1.6 million of in-kind contributions were secured.

Biocontrol research for weed management

This program has made use of previous and current biocontrol research projects in Australia and other countries to significantly reduce the cost, time and resources needed to deliver new biocontrol agents for specific environmental weeds in New South Wales. Biocontrol uses an invasive plant's natural enemies for weed control and is often a more appropriate method than herbicides or manual removal.

This year the project:

- continued release of the foliar blight fungus pathogen Venturia paralias into the environment at 122 key locations in New South Wales, Victoria and Tasmania for the biological control of sea spurge (Euphorbia paralias) that grows on NSW beaches
- monitored V. paralias for the biocontrol of E. paralias, showing 100% establishment at all monitoring sites in which it was released
- continued mass-rearing of Hudson pear (Cylindropuntia pallida) cladodes (segments) infested with the cochineal bug Dactylopius tomentosus biocontrol agent at a dedicated facility in Lightning Ridge
- successfully released more than 2,000
 Listronotus appendiculatus weevils for the
 biocontrol of the aquatic weed sagittaria across
 Victoria and New South Wales by Agriculture
 Victoria in partnership with NSW Department of
 Primary Industries
- continued mass release (more than 14,000 units over 500 registered sites) of the leaf-smut fungus Kordyana brasiliensis, the biocontrol agent for wandering trad (*Tradescantia fluminensis*)

 continued monitoring the impacts of *K*. brasiliensis, showing 100% establishment rate and significant declines in the abundance of its host weed, *T. fluminensis*, by up to 80% on average over 3 years.

Effective feral cat management

In 2019, the University of New England (UNE), in partnership with NPWS and NSW Department of Primary Industries, was awarded \$14.68 million for a 5-year project, to develop and test strategies for managing feral cat populations in the northeast, south-east and western regions of New South Wales. The project team has used existing integrated management strategies but is also developing new tools. Activities particularly focus on monitoring, including the use of individual identification algorithms, control techniques and a plan to anticipate future control needs.

During this fourth year of the project, surveying and monitoring for predators and prey has continued at all sites. Trapping and collaring to collect telemetry data has continued, with GPS tracking providing insights into the movement and behaviour of feral cats. Novel trapping techniques have been tested and the trial of a novel lure began. An artificial intelligence model for identifying feral cats in camera trap images, developed and refined by UNE, will be made available to land managers in late 2023. The project also began a large-scale experiment to determine the most effective ways of estimating feral cat densities so land managers can reliably measure cat populations and understand the impact of control programs.

Feral deer management

NPWS is researching the emerging issue of feral deer through a \$9.2 million, 8-year proofof-concept project awarded in 2018–19. Costeffective, humane and coordinated techniques to complement existing control methods are being developed and trialled in south-east Kosciuszko National Park and adjoining landholder properties.

The project is making steady progress in its fourth year, with ongoing ecological monitoring and sampling to continue for the remainder of the project.

Trapping of wild deer and fitting of GPS tracking collars has continued, with 23 of the 41 collars currently active and providing insights into currently unknown movement and behaviour. Thermal surveys, which provide data on population estimates, have continued. As well as group density and distribution, population estimates help guide planning and delivery of management activities.

Feral deer control events have continued, which helps the project to field test its novel management techniques, including trapping and a deer feeder trial. The project has also continued to deliver a series of planned communication and engagement strategies.

A formative evaluation of the project has been completed, and its findings integrated into the project.



Wild deer are fitted with GPS tracking collars providing insights into deer movement and behaviour

Beyond Fencing

The Beyond Fencing project, a 10-year project supported by a Trust grant of \$500,000 awarded in 2020, is part of a larger project – Wild Deserts – led by the University of NSW (UNSW) and Ecological Horizons in collaboration with NPWS. The broad aim of Wild Deserts is to restore the desert ecosystem by gradually reintroducing 7 locally extinct mammals, controlling invasive species and managing kangaroo numbers in Sturt National Park.

The Beyond Fencing project will introduce 4 of the small mammal species – the greater bilby, burrowing bettong, western quoll and crest-tailed mulgara – to an adjacent fenced 'wild training zone' with controlled low densities of feral cats, to assess whether the native mammals can develop the skills needed to live alongside the predators. Innovative control techniques are used to reduce the predators' impacts and their densities are monitored. The hope is that under these circumstances the reintroduced species can overcome predator-naivety and develop prey responses.

The third year of the project saw continued ecological monitoring to track predator–prey populations. The deployment of more satellite collars on captured feral cats is providing insights into their behaviours.

A 12-month trial of a Felixer grooming trap, an automated tool that helps to control the density of cat and fox numbers, was completed inside the wild training zone in toxic mode. This was after it had previously been trialled for 12 months outside the wild training zone (the first field trial of the devices in New South Wales). The aim of this trial is to test whether cat populations can be controlled effectively at this scale with Felixer traps.

The project also saw thousands of visitors to the Wild Deserts Visitor Interpretation Area, and information specific to the Beyond Fencing project included in UNSW courses, such as a new field course 'Translocation and Restoration Ecology', held in August 2022 in Sturt National Park.

The project aims to release its first mammal into the wild training zone in 2024.

Untangling the causes of tree dieback

In 2019, the Trust awarded a \$1.342-million grant to address knowledge gaps in dieback research to better understand declining ecosystem health in New South Wales. The funding was awarded under a hybrid grant model – \$1 million to the Trust's Contestable Grants team to administer a competitive dieback research grants stream, and \$342,000 to the Natural Resources Commission to manage the project. The project established a specific funding stream in 2020–21 using contestable grant funding under the Trust's Environmental Research Program to deliver practical recommendations and guidance on eucalypt dieback to land managers and the public.

The project is in its fourth year and researchers have continued to make considerable progress despite consecutive natural disasters affecting their research and sites.

Achievements in 2022-23 include:

- A tree-ring dataset of more than 250 measured radii, spanning around 300 years, has been established. Analyses have shown that the earliest occurrence of dieback dates to the early 1950s and the onset of the current phenomenon to 2010–14.
- Leaf and seed samples from a total of 1,600 tableland and mountain eucalypt trees were collected across their full geographic extent within New South Wales.
- Research has helped to identify insect species associated with dieback. This provides a basis for linking tree-level attributes to insect survival and therefore potential pathways to interrupt their reproduction.
- Data has shown that eucalypt dieback severity is associated with significant changes in the diversity and composition of resident vegetation, specifically a decline in native species and an increase in weed species.



Dieback of ribbon gum (Eucalyptus viminalis)

Waste Less, Recycle More

The Waste Less, Recycle More initiative was one of Australia's largest waste and recycling funds, helping communities and businesses reduce the waste they send to landfill while keeping materials within the circular economy. Although now ended the Trust continues to manage a range of contestable grants funded by the initiative, in partnership with the NSW EPA and Australian Government.

\$802 million in funding has been offered through Waste Less, Recycle More I & II since 2013

\$57 million was made available from Trust funds under Waste Less, Recycle More II

\$16.25 million was made available through the Alternative Waste Treatment Transition package funding from the NSW Government

\$29.5 million is being provided by the Australian Government under its Recycling Modernisation Fund to match funding from the NSW Government under Waste Less, Recycle More, delivered through the Remanufacture NSW grants program

\$5 million is being provided by the Australian Government under its Food Waste for Healthy Soils Fund to match funding from the NSW Government under Waste Less, Recycle More and the Alternative Waste Treatment Transition package funding

Remanufacture NSW Round 2

Remanufacture NSW Round 2 offered funding to help the NSW resource recovery sector respond to changes brought about by the Council of Australian Governments' decision to ban the export of unbeneficiated waste plastic, cardboard and paper and tyres. Remanufacture NSW ensures New South Wales leads by example and maximises recycling and re-use activities while keeping materials within the circular economy. Funding of up to \$13.5 million was available under 2 streams:

- Stream 1: Infrastructure to support the establishment of new recycling infrastructure and equipment. Grants of \$100,000 to \$3 million were available
- Stream 2: Trials to support innovative trials to address waste export ban materials. Grants of \$50,000 to \$1 million were available.

Grants awarded in 2022–23			
	Applications received 26		
< <u>`</u> \$}	Funding sought \$27,716,857		
	Grants funded 9		
\$	Funding awarded \$11,097,078		

Table 7

Remanufacture NSW Round 2 – stream 1 grants awarded 2022–23

Organisation	Title	LGA	Amount
Stream 1: Infrastructure			
Auslink International Pty Ltd	Increased capacity for higher order plastics in NSW	Canterbury Bankstown Council	\$116,140
Delta Plastic Pty Ltd	Shredding machine for HDPE	Canterbury Bankstown Council	\$218,000
Disruptive Packaging Pty Ltd	Project Uniqcorn	Hornsby Shire Council	\$1,405,287
Plasmar NewGen	New processing capacity to recycle waste plastics into products	Canterbury Bankstown Council	\$1,092,050
Re.Group Pty Ltd	Chinderah Materials Recovery Facility Upgrade	Tweed Shire Council	\$2,881,150
SAMI Bitumen Technologies Pty Ltd	Low viscosity crumbed rubber plant	Council of the City of Parramatta	\$2,128,651
TrendPac Plastics	HDPE reprocessing facility	Central Coast Council	\$3,000,000
		Total	\$10,841,278

Table 8

Remanufacture NSW Round 2 – stream 2 grants awarded 2022–23

Organisation	Title	LGA	Amount
Stream 2: Trials			
Egans Asset Management Pty Ltd	Packaging to partitions	Council of the City of Sydney	\$94,650
Max Mattresses & Furniture Pty Ltd	Recycling foam waste to manufacture into new products	Wollongong City Council	\$161,150
		Total	\$255,800

Supporting industry's response to the waste export ban

To support the resource recovery industry's response to the Council of Australian Governments' ban on the export of some waste materials, the Australian Government announced a \$250-million Recycling Modernisation Fund (RMF) that will generate a \$1 billion investment in recycling infrastructure and drive the transformation of Australia's waste and recycling capacity.

Both the Remanufacture NSW Grants Program and Remanufacture NSW Regional and Remote Grants Program (announced in 2021–22) are co-funded by the Australian Government through the RMF and the NSW Government through the Waste Less, Recycle More initiative. Both programs are delivered by the Trust in partnership with the NSW EPA.

The Australian Government is contributing \$29.5 million in co-funding to these programs. As part of the NSW contribution, the Australian Government agreed to recognise \$19.2 million of grant funding previously awarded by New South Wales to recycling infrastructure projects. The Trust will contribute a further \$10.3 million to meet its remaining co-funding requirement.

CASE STUDY

Upcycled Building Materials Australia Pty Ltd – SaveBOARD Project

This project is delivered through a collaborative partnership between Upcycled Building Materials Australia Pty Ltd (trading as SaveBOARD) and Closed Loop Environmental Solutions. It was supported by a \$1,739,128 grant under the Remanufacture NSW Grants Program.

The saveBOARD facility at Warragamba, NSW, processes liquid paperboard beverage containers collected through the container deposit scheme, soft plastics, mixed fibre and coffee cups collected through the Simply Cups recycling program. These items, together with supplementary material from industrial processes, are used to manufacture sustainable building products that can be used for wall or ceiling cladding, as substitutes for products such as plasterboard, particle board and oriented strand board. The saveBOARD process uses heat and compression to bond materials, eliminating the need for glues or other potentially harmful chemical additives, to produce a clean product suitable for use in homes and commercial buildings.

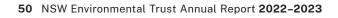
Highlighting its support for the circular economy, Kentucky Fried Chicken (KFC) in a 'quick service restaurant' industry first, has integrated saveBOARD building materials made from waste packaging into a new concept store in South Penrith. This partnership with saveBOARD has laid the foundation for broader inclusion across the brand and will provide KFC with a stronger environmental position for its stores. The boards have been used on walls in front-ofhouse and customer seating areas, where they needed to be very hard wearing. They are based on a variety of content feedstock, with colouring standardised using a recycled plastic film layer. Ceiling tiles in toilet areas are also made from saveBOARD, directly replacing traditional plasterboard and ceiling tile materials with a more sustainable product.

This project has resulted in a partnership with KFC, a multi-national brand, and a commitment to use saveBOARD for all new KFC stores and refurbishments. In this one store alone about 500 kilograms of waste was diverted from landfill, and the equivalent weight of virgin material has been saved from future landfill because saveBOARD will be recycled again when another refurbishment happens.

With refurbishments and new stores expected to account for approximately 50 stores a year, if the amount used per store is the same as for South Penrith, this will result in diverting approximately 25 tonnes of waste from landfill each year, and the same amount from future landfill due to the circular nature of saveBOARD.



KFC has integrated saveBOARD building materials into its South Penrith store saving approximately 500 kilograms of waste from landfill



Management and Accountability

Activity indicators for Trust Administration

	2022-23	2021-22
Total expenditure on environmental initiatives and support	\$66 million	\$48 million
Number of contestable programs and other small grant programs running	22	22
Number of major programs and projects running	22	30
Number of new contestable grant projects approved	52	79
Number of new major programs and projects approved	2	6
Number of applications/expressions of interest processed	248	186
Number of grant payments processed	213	296

Variations to grants

The Trust (or its delegate) may approve timeline variations for projects, including extending projects beyond their approved completion date by up to 18 months due to natural disasters.

Extensions and variations were approved for the following projects:

- Bathurst Regional Council River Connections, Knowing and caring for the Wambool/Macquarie River
- Bathurst Regional Council Queen Charlotte Vale Creek, Royal Rehabilitation Treatment
- Bega River and Wetlands Landcare Group Inc Stage 2, Bega River Wetlands: riparian corridor enhancement and armouring for extreme events
- Bellinger Landcare Inc Urunga coastal wetlands rehabilitation program, Stage One
- Bellinger Landcare Inc Mylestom to Tuckers Rock Coastal Vegetation Corridor Regeneration
- Bowning-Bookham Districts Landcare Group Incorporated – Habitat Hops From Burrinjuck to Bango, Stages 4–6
- Central Tablelands Landcare Inc Restoring remnants with regeneration, landscapes and people
- Central Tablelands Landcare Inc Linking and enhancing rocky outcrops, critical refugia for diversity in the Central Tablelands

- Charles Sturt University Society and science: a new approach to wildlife disease surveillance
- CSIRO Land and Water Untangling the role of mycorrhizal mutualisms in eucalypt dieback to enhance revegetation outcomes
- Department of Planning and Environment Restoring the critically endangered Eastern Suburbs Banksia Scrub ecological community
- Dubbo Regional Council Bring back the bats
- Envite Environment (a division of Workways Australia Limited) – Bungawalbin Ecological Restoration after Bushfire
- Envite Inc Restoring & Connecting Rainforest Habitat in Wanganui Gorge Stage 2
- Firesticks Alliance Indigenous Corporation Burning for healthy country, not hectares
- Firesticks Alliance Indigenous Corporation Djamaga Ganji (Good Fire)
- Goonengerry Landcare Group Restoration and Linkage of Wilsons and Coopers Creeks, including Upper Coopers Creek Extension
- Hay Trees on Plains Landcare Group Inc Restoring native species and rehabilitating ecosystems in the Hay Shire

- The Council of the Shire of Hornsby–Restoration of Blue Gum High Forest and Sydney Turpentine Ironbark Forest in Hornsby Shire
- Hovells Creek Landcare Group Incorporated Hovells Creek Catchment Erosion Control and Habitat Rehabilitation
- Hovells Creek Landcare Group Incorporated Hovells Creek erosion control project Stage 2
- La Trobe University Does mammal reintroduction reconstruct arid zone food webs?
- Lake Macquarie City Council Lake Macquarie Northeast Community Recycling and Reuse Centre
- City of Lithgow Council Community Recycling Centre, Lithgow City Council
- City of Lithgow Council Closure of Cullen Bullen Landfill
- City of Lithgow Council Closure of Glen Davis Landfill
- Macquarie University Building with Nature: Using Potato Waste to Restore NSW Oyster Reefs
- Macquarie University Evaluating resilience of swamp communities to environmental change in the Sydney Basin
- Macquarie University Characterising the (a) biotic soil factors associated with BMAD in eastern New South Wales
- Mid-Coast Council Stroud Community Recycling Centre & Transfer Station
- Mothers Ancestral Guardians Indigenous Corporation – Cultural burning and new soil health knowledge for improved fire management
- Natural Resource Commission Untangling the Causes of Tree Dieback
- NSW Department of Primary Industries Protecting the Southern Purple Spotted Gudgeon
- Department of Planning and Environment Bushfire relief fund for wildlife rehabilitators
- Department of Planning and Environment

 Seabirds to Seascapes, Protecting Coastal Biodiversity
- Orange City Council Model for increasing FOGO uptake in multi-unit dwellings
- Orange City Council Contamination Investigation and Remediation of former Orange Gasworks Site

- Orara Valley River Care Groups Management Committee Inc – Enhancing EECs and endangered species habitat in the riparian zone of the Orara River
- Parkes Shire Council Wetlands, Waders and Woodlands
- Parkes Shire Council Investigation and remediation of former Parkes Council Gasworks site
- Council of the City of Parramatta Parramatta Community Recycling Centre
- Penrith City Council Preserving Cumberland Plain Threatened Species in Penrith LGA through education and weed management
- Queensland University of Technology Technologies for Reducing Waste at Music Festivals
- RSPCA NSW Keeping Cats Safe at Home
- Shoalhaven Landcare Association Incorporated Restoring and enhancing ecological functioning in remnant vegetation in the Northern Shoalhaven
- South East Local Land Services Collaborating for effective feral pig management, Kybeyan
- South West Rocks (SWR) Community Dune Care Group – Protection of riparian vegetation and Littoral Rainforest by removal of emerging invasive weeds
- Southern New England Landcare Ltd Re-connecting Thunderbolt Country for threatened New England woodland and wetland biodiversity
- Sydney Institute of Marine Science Adapting to coastal tropicalisation: implications for food security
- Taronga Conservation Society Australia Wild about recycling, Diverting food waste and compostable packaging
- The Mulloon Institute Limited Molonglo Catchment Rehydration Initiative
- Upper Hunter Shire Council Merriwa Waste
 Transfer Station
- Upper Hunter Shire Council Murrurundi Waste
 Transfer Station
- Upper Snowy Landcare Network Incorporated Restoring trees to the Monaro

- Warren Shire Council Ewenmar Waste Facility Transfer Station
- Western Sydney University Determining the physiological underpinnings of eucalypt dieback in NSW
- Wilsons Creek Huonbrook Landcare Inc Upper Wilsons and Coopers Creek Catchments: Restoring Rainforest in Times of Change 2020
- Wilsons River Landcare Group Incorporated Wilsons River Schools Riparian Education and Biodiversity Restoration Project
- Yawiriawiri Murri Ganuur Descendants
 Aboriginal Corporation Aboriginal Ancestral
 Camp Revitalisation

Assets

The Trust has no physical assets that require risk management or associated insurance activities.

Consultants

No consultants were used.

Risk management and insurance activities

The Trust has adopted the Department of Planning and Environment Risk Management Framework and the Business Continuity Management Framework. The department provides services to the Trust under these frameworks. For more information, please see the *NSW Department of Planning and Environment Annual Report 2022–23*.

The Trust is covered by a range of insurances held by the department with the NSW Treasury Managed Fund.

Audit and review

Internal audit

During the reporting period the Trust was supported by the department's internal audit function in accordance with the Internal Audit and Risk Management Policy for the General Government Sector (TPP20-08). The Chief Audit Executive and internal audit function for the Trust is provided by the department's Internal Audit Branch, Governance and Legal Group. The internal audit function provides independent and objective review and advisory services designed to improve operations, risk management, controls and governance processes. In 2022 the internal audit team conducted a review of risks associated with the Trust's contestable grant programs. The review examined the potential risks and made recommendations to further mitigate the risks. The final report was presented to and endorsed by the Audit and Risk Committee in September 2022 and all recommendations from the review have been implemented.

Audit and Risk Committee

Six Audit and Risk Committee meetings have been held during the 2022-23 financial year in support of the Trust.

External reviews

A number of independent end-of-project and program evaluations were conducted during 2022– 23. These aimed to determine:

- whether the project or program delivered the expected outcomes
- whether its design and approach were effective
- what could be learnt from it to improve future projects, programs and long-term outcomes.

Evaluations included the Great Eastern Ranges, Every Bit Counts, and Linear Reserves projects and the Community Bush Regeneration Program. The evaluations made recommendations for grantees and Trust administration to consider. The results of the evaluations will be presented to the Trust next financial year.

Ethics and integrity

Trust staff are employed by the Department of Planning and Environment to enable the Trust to perform its functions. Employees are obliged to comply with all integrity obligations of the department's Code of Ethics and Conduct.

For further information on the ethical framework, please see the NSW Department of Planning and Environment Annual Report 2022–23.

Public Interest Disclosures Act

Under the NSW Public Interest Disclosures Act 1994, each public authority is required to prepare an annual report on their obligations under this Act. For the Trust this information is captured in the NSW Department of Planning and Environment Annual Report 2022–23 as all public interest disclosures are managed centrally by the department.

Corporate governance

Service-related complaints

If complaints about the Trust are received through the department's Feedback Assist platform, they are managed under the department's complaint handling process and included in the department's statistical information.

Public access to information

Under Schedule 3 of the Government Information (Public Access) Regulation 2018, the Trust is a subsidiary agency for the purposes of the Government Information (Public Access) Act 2009. Therefore, all statistical information about access applications required to be included in an annual report regarding the Trust, in compliance with section 125 of the Government Information (Public Access) Act and clause 8 of the Government Information (Public Access) Regulation, is included in the NSW Department of Planning and Environment Annual Report 2022–23.

Privacy

Division 7.3 of the Government Sector Finance Act and relevant annual reporting policies issued by NSW Treasury require an agency to provide a statement of its actions to comply with the requirements of the *NSW Privacy and Personal Information Protection Act 1998 (PPIP Act).* It must also provide statistical details of any reviews conducted by or on behalf of the agency, under Part 5 of the PPIP Act.

The Trust complies with the Privacy Management Plan for the Department of Planning and Environment. The plan outlines how the department and its associated agencies comply with the principles of the PPIP Act and the *NSW Health Records and Information Privacy Act 2002.* Officers in the department's Information Access and Privacy unit also provide specialist privacy advice and training to staff.

In 2022–23, the Trust received no applications for review under Part 5 of the PPIP Act.

For other issues of compliance please refer to the NSW Department of Planning and Environment Annual Report 2022–23.

Internal audit and risk management statement

Internal Audit and Risk Management Attestation Statement for the 2022-2023 Financial Year for the Environmental Trust

I, Katie Robinson, Secretary, NSW Environmental Trust (the Trust) am of the opinion that the Trust has internal audit and risk management processes in operation that are compliant with the seven (7) Core Requirements set out in the *Internal Audit and Risk Management Policy for the General Government Sector*, specifically:

Core Requirements

Risk Management Framework				
1.1	The Accountable Authority shall accept ultimate responsibility and accountability for risk management in the agency.	Compliant		
1.2	The Accountable Authority shall establish and maintain a risk management framework that is appropriate for the agency. The Accountable Authority shall ensure the framework is consistent with AS ISO 31000:2018.	Compliant		
Intern	al Audit Function			
2.1	The Accountable Authority shall establish and maintain an internal audit function that is appropriate for the agency and fit fo purpose.	Compliant r		
2.2	The Accountable Authority shall ensure the internal audit function operates consistent with the International Standards for the Professional Practice for Internal Auditing.	Compliant		
2.3	The Accountable Authority shall ensure the agency has an Internal Audit Charter that is consistent with the content of the 'model charter'.	Compliant		
Audit and Risk Committee				
3.1	The Accountable Authority shall establish and maintain efficient and effective arrangements for independent Audit and Risk Committee oversight to provide advice and guidance to the Accountable Authority on the agency's governance processes, risk management and control frameworks, and its external accountability obligations.	Compliant		
3.2	The Accountable Authority shall ensure that the Audit and Risk Committee has a Charter that is consistent with the 'model charter'.	Compliant		

Membership

For the 2022-23 reporting period, the independent Chair and members of the Audit and Risk Committee were:

Note: with reference to core requirement 3.1, from May 2022 the Environmental Trust held separate Audit and Risk Committee meetings for the Trust as part of the Principal Department Led Shared Audit and Risk Committee arrangement.

Role	Name	Start Term Date	Finish Term Date
Independent Chair	Penny Hutchinson	1 February 2020	30 September 2023*
Independent Member	Brian Blood	1 February 2020	30 September 2023*
Independent Member	Julie Elliott	1 November 2019	30 September 2023*
Independent Member	Alan Zammit	1 November 2019	31 October 2022

* These appointments were extended to finish on 30 September 2023.

Shared Arrangements

I, Katie Robinson, Secretary, NSW Environmental Trust, advise that the Trust has entered into an approved shared arrangement comprising the following entities:

- NSW Department of Planning and Environment
- NSW Environmental Trust and
- Lord Howe Island Board.

The resources shared include the Audit and Risk Committee, the Chief Audit Executive and the internal audit function. The shared Audit and Risk Committee is a Principal Department Led Shared Audit and Risk Committee.

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Katie Robinson Secretary NSW Environmental Trust

Date: 1/8/2023

Agency Contact:

Simonne Daly Executive Director Governance 02 9585 6184

Cyber Security Policy Attestation statement

Cyber Security Annual Attestation Statement for the 2022-2023 Financial Year for the Department of Planning and Environment

I, Kiersten Fishburn, am of the opinion that the NSW Department of Planning and Environment has managed cyber security risks in a manner consistent with the Mandatory Requirements set out in the NSW Government Cyber Security Policy.

The Department of Planning and Environment has a Cyber Security Strategy in place to ensure a constant focus on improving and managing cyber security governance, risk, and resilience. Continuous assessment and management of risks to the Department's information and critical systems is accomplished through our cyber security program and routine operational activities.

Throughout the previous financial year, the Department of Planning and Environment has undertaken independent audits of its Information Security Management System, cyber security controls, and compliance with the NSW Cyber Security Policy. These audits uncovered areas of positive progress as well as potential areas for improvement, all in alignment with the dynamic cyber security threat landscape.

The Department of Planning and Environment regularly updates its cyber security incident response plan and conducts annual testing to ensure its effectiveness.

The Department of Planning and Environment's Digital Information Office successfully maintained compliance with the international security standard ISO 27001, "*Information Technology - Security techniques - Information security management systems*," as certified by an Accredited Third Party (BSI Certificate Number: IS 645082).

The Department remains committed to bolstering its technology environments and raising awareness among all employees regarding cyber security and privacy risks.

This attestation covers the following departments and agencies:

- Department of Planning and Environment
- Aboriginal Housing Office
- Biodiversity Conservation Trust
- Environmental Trust
- Heritage Council NSW
- NSW Land and Housing Corporation
- Office of Strategic Lands (Planning Ministerial Corporation) (Corporation Sole)
- Regional Planning Panels (Northern, Southern, Western Hunter and Central Coast)
- Sydney District Planning Panels (Eastern City, North, South, Central City, West)

Kiersten Fishburn Secretary NSW Department of Planning and Environment Date: 11 September 2023

Membership of Trust technical review committees

Under section 9 of the Environmental Trust Act, technical review committees (TRCs) assess and recommend grant applications and business plans to the Trust. This year 11 TRCs assisted the Trust in managing its grant programs. Membership of the TRCs that met in 2022–23 is as follows:

Biodiversity Technical Review Committee

Dr James Brazill-Boast (Chairperson)

Principal Ecologist, Senior Team Leader, Saving Our Species Strategic Conservation and Monitoring, Department of Planning and Environment

Michael Vyse

Science and Planning Manager, Greening Australia

Katie McRobert General Manager, Australian Farm Institute

Nicole Maher Community representative, Regional Landcare Coordinator, Murrumbidgee Landcare Inc

Kirsty McIntyre Greening our City Grant Manager, Local Government NSW

Dr Bryony Horton Director, Science, Strategy & Impact, Department of Planning and Environment

Clean Technology Technical Review Committee

Suzanne Toumbourou (Chairperson) Chief Executive Officer, Australian Council of Recycling

Dr Stephen White Energy Efficiency Domain Leader, CSIRO

Douglas McCloskey Senior Policy Officer, Public Interest Advocacy Centre

Alison Scotland Executive Director, Australian Sustainable Built Environment Council

Contaminated Land Management Technical Review Committee

Phillippa Biswell (Chairperson) Environmental Project Officer – Earth Scientist, Sutherland Shire Council **Ian Gregson** Principal Environmental Consultant, GHD

Dr Alexandra Pulkownik

School of Life Sciences, University of Technology Sydney

Community and Sustainability Technical Review Committee

Karen Paroissien (A/Chairperson) Senior Program Officer, Community Engagement, Department of Planning and Environment

Richard Davies (Chairperson)

Senior Team Leader, Community Engagement, Department of Planning and Environment

Susy Cenedese Strategy Manager, Environment,

Strategy Manager, Environment, Local Government NSW

Greg Walkerden Honorary Senior Research Fellow, Macquarie University

Professor Don White Chairperson, Nature Conservation Council of NSW

Paul Flemons Manager, Digital Collections and Citizen Science, Australian Museum

Nature Based Tourism Technical Review Committee

Julie Emerson (Chairperson) Various positions on associations and councils related to tourism

Nadine Schramm Certification Manager, Ecotourism Australia

Sonia McIvor Community Representative

Invasive Species Technical Review Committee

Quentin Hart (Chairperson)

Manager, Invasive Species Strategy and Planning, Department of Primary Industries

Professor Kristine French

Centre for Sustainable Ecosystem Solutions, School of Earth, Atmospheric and Life Sciences, University of Wollongong Susy Cenedese Strategy Manager, Environment, Local Government NSW

Dr Paul Downey Community Representative, Paul Downey Consulting

Bob Makinson Community Representative, Bob Makinson Consulting

Clean Technology – Research and Development Technical Review Committee

Professor Hugh Durrant-Whyte (Chairperson)

NSW Chief Scientist and Engineer, Office of the Chief Scientist and Engineer

Megan Fisher Chief Executive Officer, Energy Lab

Professor Ariel Liebman

Professor – Sustainable Energy Systems, Department of Data Science and Artificial Intelligence, Director Monash Energy Institute, Monash University

Margaret McDonald Principal, Natcorp Pty Ltd

Roger Swinbourne Associate Principal, Arup

Environmental Education Technical Review Committee

Professor Phillip McIntyre (Chairperson) University of Newcastle

Mark Edwards Subject matter expert, Department of Lands

Caitlin Lawrence Business, Partnerships and Programs Manager, Petaurus Education Group

Beth Medway

Principal Environmental Consultant, Restore Environmental Consultants

Andrew Snedden

Partnerships Coordinator, Australian Association for Environmental Education – NSW Chapter

Protecting Our Places Technical Review Committee

Allan Teale (Chairperson) Lecturer/Researcher University of Technology

Jane Anderson Bushcare Officer, Blue Mountains City Council

Constance Chatfield Former Aboriginal Liaison Officer NSW Government

Deborah Lennis Subject matter expert

Kayne Moreton Senior Ranger, Deerubin Local Aboriginal Land Council

Environmental Research Technical Review Committee

Professor Pauline Ross (Chairperson)

Deputy Head of School of Life and Environmental Sciences, University of Sydney, Sydney Institute of Marine Sciences

Dr Stephen Bell

Principal, Eastcoast Flora Survey/Adjunct Lecturer, University of Newcastle, Ecological Society of Australia

Dr Rebecca Colvin Community representative

Dr Bryony Horton

Senior Team Leader, Knowledge and Partnerships, Science Economics and Insights Division, NSW Department of Planning and Environment

Dr Rai Kookana

Chief Research Scientist, CSIRO

Restoration and Rehabilitation Technical Review Committee

Christopher Scott (Chairperson) Independent

Kristine Hely Partner/Manager, New Earth Regeneration

Beth Medway

Principal Environmental Consultant, Restore Environmental Consultants

Mathew Misdale

Bushland and Biodiversity Officer, Campbelltown City Council

Technical review committee administration

In 2021, the Trust commissioned an independent review of the role and function of technical review committees. The review confirmed the importance and value of TRCs to the integrity of the Trust's grant administration practices. The review also looked for opportunities for improvement, and a number of recommendations were made to enhance the effectiveness and efficiency of TRCs. This year the Trust implemented the review recommendations, which included:

- adopting consistent principles and terms of reference among TRCs
- providing clarity on the role and composition of TRCs
- improving the recruitment and induction process for TRC members
- providing consistency and clarity on terms of appointments and extensions
- making minor improvements to the assessment process.

A separate independent review into TRC members' remuneration was completed in September 2022, acknowledging the required industry experience and time commitment of members. The review looked at the existing remuneration arrangements, aligned to the Classification and Remuneration Framework for NSW Government Boards and Committees, and examined possible alternative approaches. The Trust will consider the recommendations from this report next financial year.

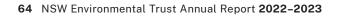
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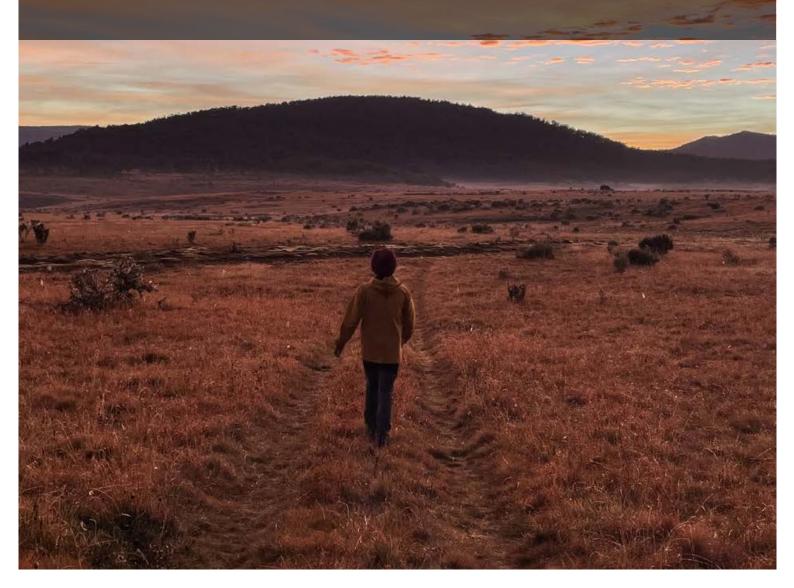
Sustainability

As the Environmental Trust operates under the NSW Department of Planning and Environment, the department provides services to the Trust. As such all compliance issues relating to disability inclusion action plans, work health and safety, the *Modern Slavery Act 2018* (NSW), and workforce diversity are managed by the department.

For further information on these please see the NSW Department of *Planning and Environment's Annual Report 2022-23.*



Financial Performance





INDEPENDENT AUDITOR'S REPORT

Environmental Trust

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Environmental Trust (the Trust) which comprise the Statement by the Accountable Authority, the Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, the Statement of Changes in Equity and the Statement of Cash Flows, for the year then ended, notes comprising a Summary of Significant Accounting Policies, and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the Government Sector Finance Regulation 2018 (GSF Regulation) and the Treasurer's Directions
- presents fairly the Trust's financial position, financial performance and cash flows

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Trust in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Level 19, Darling Park Tower 2, 201 Sussex Street, Sydney NSW 2000 GPO Box 12, Sydney NSW 2001 | t 02 9275 7101 | mail@audit.nsw.gov.au | audit.nsw.gov.au

The Members of the Trust's Responsibilities for the Financial Statements

The Members of the Trust are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions. The Members of the Trust's responsibility also includes such internal control as the Members of the Trust determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members of the Trust are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Trust carried out its activities effectively, efficiently and economically
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

for

Caroline Karakatsanis Director, Financial Audit

Delegate of the Auditor-General for New South Wales

5 October 2023 SYDNEY Environmental Trust Statement by the Accountable Authority for the year ended 30 June 2023

Pursuant to section 7.6(4) of the Government Sector Finance Act 2018 ("GSF Act"), we state that these financial statements:

- have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the GSF Act, the Government Sector Finance Regulation 2018 and the Treasurer's directions, and
- present fairly the Environmental Trust's financial position, financial performance and cash flows.

Hon. Penny Sharpe MLC Chair

Atticus Fleming AM Trust Member

Ato 1

Date: 3 October 2023

Date: 41123

BEGINNING OF AUDITED FINANCIAL STATEMENTS

ENVIRONMENTAL TRUST

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Actual 2023	Budget 2023	Actual 2022
Notes	\$'000	\$'000	\$'000
Expenses excluding losses			
Operating expenses <u>2(a)</u>	5,234	6,517	4,976
Grants and subsidies 2(b)	61,273	95,911	43,714
Total expenses excluding losses	66,507	102,428	48,690
Revenue			
Grants and contributions <u>3(a)</u>	61,472	89,548	47,883
Other income <u>3(b)</u>	3,531	8,699	1,755
Total revenue	65,003	98,247	49,638
Other gains/(losses) 4	(298)	-	667
Net result	(1,802)	(4,181)	1,615
Total Comprehensive Income	(1,802)	(4,181)	1,615

The accompanying notes form part of these financial statements.

ENVIRONMENTAL TRUST STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

		Actual 2023	Budget 2023	Actual 2022
	Notes	\$'000	\$'000	\$'000
ASSETS				
Current assets				
Cash and cash equivalents	<u>6</u>	6,653	1,743	8,031
Receivables	<u>7</u>	624	794	1,647
Total current assets		7,277	2,537	9,678
Total assets		7,277	2,537	9,678
LIABILITIES				
Current liabilities				
Payables	<u>8</u>	2,116	2,711	2,715
Total current liabilities		2,116	2,711	2,715
Total liabilities		2,116	2,711	2,715
Net assets		5,161	(174)	6,963
EQUITY				
Accumulated funds		5,161	(174)	6,963
Total equity		5,161	(174)	6,963

The accompanying notes form part of these financial statements.

ENVIRONMENTAL TRUST STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

	Accumulated Funds	Total
	\$'000	\$'000
Balance at 1 July 2022	6,963	6,963
Net result for the year	(1,802)	(1,802)
Total comprehensive income for the year	(1,802)	(1,802)
Balance at 30 June 2023	5,161	5,161
Balance at 1 July 2021	5,348	5,348
Net result for the year	1,615	1,615
Total comprehensive income for the year	1,615	1,615
Balance at 30 June 2022	6,963	6,963

The accompanying notes form part of these financial statements.

ENVIRONMENTAL TRUST STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

		Actual 2023	Budget 2023	Actual 2022
	Notes	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Grants and subsidies		(59,892)	(95,911)	(43,714)
Operating		(7,214)	(6,517)	(4,971)
Total payments		(67,106)	(102,428)	(48,685)
Receipts				
Grants and other contributions		61,122	89,548	48,550
Other		4,606	8,699	902
Total receipts		65,728	98,247	49,452
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>12</u>	(1,378)	(4,181)	767
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(1,378)	(4,181)	767
Opening cash and cash equivalents		8,031	5,924	7,264
CLOSING CASH AND CASH EQUIVALENTS	<u>6</u>	6,653	1,743	8,031

The accompanying notes form part of these financial statements.

ENVIRONMENTAL TRUST NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting entity

The Environmental Trust (the Trust) is a NSW government entity, as constituted by the *Environmental Trust Act 1998*, and is a reporting entity under the *Government Sector Finance Act 2018* (GSF Act).

The Trust is an independent GSF agency established by the NSW government to fund a broad range of organisations to undertake projects that enhance the environment of NSW. The Trust administers grants across a diverse range of programs, including contestable grants, major projects and various NSW Government initiatives. The Trust contributes to the State Outcome of *connecting communities to resilient and sustainable local environments and heritage*. Refer to note 5.

The Trust is chaired by the NSW Minister for Climate Change, Minister for Energy, Minister for the Environment and Minister for Heritage. At 30 June 2023, the members of the Trust were the Coordinator-General, Environment and Heritage Group, within the Department of Planning and Environment (DPE), and representatives from local government, the Nature Conservation Council of NSW and NSW Treasury.

The Trust is a not-for-profit entity (as profit is not its principal objective) with no cash generating units. The reporting entity is controlled by the State of New South Wales which is the ultimate parent and is consolidated as part of the NSW total State Sector Accounts.

The Trust's financial statements have been authorised for issue by the Chair and a Trust Member on the date the accompanying statement was signed.

(b) Basis of preparation

The Trust's financial statements are general purpose financial statements which have been prepared on an accruals basis and in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- · the requirements of the GSF Act; and
- · Treasurer's Directions issued under the GSF Act.

Financial statement items are prepared in accordance with the historical cost convention, except where specified otherwise.

Judgements, key assumptions and estimates made by management are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency, which is the Trust's presentation and functional currency, except in <u>note 14(i)</u> which is in whole dollars.

(c) Statement of compliance

The financial statements and notes comply with the Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that the:

- amount of GST incurred by the Trust as a purchaser, that is not recoverable from the Australian Taxation Office, is recognised as part of the cost of acquisition of an asset or as part of an item of expense, and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis.

(e) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(f) Insurance

A range of insurances are carried by DPE through the Treasury Managed Fund. This coverage extends to the operations of the Trust. Insurance cover is reviewed annually to ensure adequacy.

(g) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders or approved budget proposals) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements are explained in <u>note 11</u>.

(h) Equity and reserves – accumulated funds

The category 'accumulated funds' includes all current and prior period retained funds.

(i) Changes in accounting policies, including new or revised Australian Accounting Standards

(i) Effective for the first time in the 2022-23 financial year

The following policies, amendments and interpretations apply for the first time in the 2022-23 financial year and have been assessed to have no impact on the financial statements:

- AASB 2020-3 Amendments to Australian Accounting Standards Annual Improvements 2018–2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards Classification of Liabilities as Current or Non-current Deferral of Effective Date
- AASB 2021-7a Amendments to Australian Accounting Standards Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]
- AASB 2022-3 Amendments to Australian Accounting Standards Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

(ii) Issued but not yet effective

NSW public sector entities do not early adopt new Australian Accounting Standards, unless Treasury determines otherwise. The following new Australian Accounting standards have not been applied and are not yet effective (NSW Treasury mandate TPG 23-04):

- · AASB 17 Insurance Contracts (effective from 1 January 2023)
- AASB 2020-1 Amendments to Australian Accounting Standards Classification of Liabilities as Current or Non-current (effective from 1 January 2024)
- AASB 2021-2 Amendments to Australian Accounting Standards Disclosure of Accounting Policies and Definition of Accounting Estimates (effective from 1 January 2023)
- AASB 2021-5 Amendments to Australian Accounting Standards Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective from 1 January 2023)
- AASB 2021-6 Amendments to Australian Accounting Standards Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards (effective from 1 January 2023)
- AASB 2021-7b Amendments to Australian Accounting Standards Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections (effective from 1 January 2023)
- AASB 2021-7c Amendments to Australian Accounting Standards Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections (effective from 1 January 2023)
- AASB 2022-1 Amendments to Australian Accounting Standards Initial Application of AASB 17 and AASB 9–Comparative Information (effective from 1 January 2023)
- AASB 2022-5 Amendments to Australian Accounting Standards Lease Liability in a Sale and Leaseback (effective from 1 January 2024)
- AASB 2022-6 Amendments to Australian Accounting Standards Non-current Liabilities with Covenants (effective from 1 January 2024)
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards (effective from 1 January 2023)
- AASB 2022-8 Amendments to Australian Accounting Standards Insurance Contracts: Consequential Amendments (effective from 1 January 2023)

- AASB 2022-9 Amendments to Australian Accounting Standards Insurance Contracts in the Public Sector (effective from 1 July 2026)
- AASB 2022-10 Amendments to Australian Accounting Standards Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities (effective from 1 January 2024).

The Trust has assessed any potential impact on the financial statements due to these new accounting standards or interpretations and found that there will be no financial impact when implemented. However, when AASB 2021-2 is adopted, there may be a disclosure amendment due to the change in the presentation of accounting policies as "material accounting policies" instead of "significant accounting policies".

(j) Deemed appropriations

The Trust controls the Environmental Trust Fund which is a special deposits account established under section 18 of the *Environmental Trust Act 1998* into which is paid all of the money that is expended by the Trust in the exercise of its functions. The Trust therefore does not have any deemed appropriations and hence no disclosure under section 4.7 of the GSF Act on movement of deemed appropriations is required. Refer <u>note 6</u>.

(k) Going concern

The 2022-23 financial statements have been prepared on a going concern basis. The Trust receives Treasury funding via grants from DPE. At the date of this report there is no reason to expect that this funding will not continue.

2. EXPENSES EXCLUDING LOSSES

Operating expenses	2023 \$'000	2022 \$'000
Corporate and specialist support	4,553	4,453
Fees for services	630	446
Advertising, printing and publishing	-	8
Auditor's remuneration - audit of the financial statements	40	39
Travel	8	5
Other	3	25
	5,234	4,976

Recognition and measurement

Corporate and specialist support

Specialist and administrative services, including administration of grants are provided by DPE. The fair value of corporate and specialist services is charged to the Trust under a Service Agreement with DPE.

(b)	Grants and subsidies	2023 \$'000	2022 \$'000
	State and Local Governments	45,205	24,785
	Other Non-government organisations	15,988	18,454
	Commonwealth Government	80	475
		61,273	43,714

Recognition and measurement

Grants are generally recognised as an expense when the Trust transfers control of the contribution. The Trust is deemed to have transferred control when the grant is paid or is payable.

3. REVENUE

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* (AASB 15) or AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058), dependent on whether there is a contract with a customer defined by AASB 15. Comments regarding the accounting policies for the recognition of income are discussed below.

(a)	Grants and other contributions	2023 \$'000	2022 \$'000
	Grants without sufficiently specific performance obligations	61,472	47,883
		61,472	47,883

The above grants include recurrent funding of \$53.8 million (2022: \$39.0 million) from DPE and \$7.7 million grant from the Environment Protection Authority (EPA) towards the *Waste Less Recycle More program* (2022: \$7.7 million). In the 2021-22 financial year, the Trust also received \$1.2 million from DPE towards a major grants program.

Recognition and measurement

Grants are received by the Trust to support its service delivery objectives and the funding agreements typically specify purpose of grants. Revenue from grants with sufficiently specific milestones/ performance obligations and agreed funding against each milestone is recognised as and when the Trust satisfies its performance obligation by transferring promised goods/achieving milestones.

Where the total funding amount in a contract is not allocated to distinct milestones/performance obligations and specifies purpose only, revenue is recognised when the Trust obtains control over the funds i.e. obtains cash.

No element of financing is deemed present as funding payments are usually received in advance or shortly after the relevant obligation is satisfied. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. This is based on past experience and terms specified in the contract.

Receipt of volunteer services is recognised when and only when the fair value of those services can be reliably determined, and the services would have been purchased if not donated. Volunteer services are measured at fair value. As at 30 June 2023, the Trust did not use any volunteer services (2022: nil).

(b)	Other income	2023 \$'000	2022 \$'000
	Fines (Court awarded)	298	234
	Refunds by grantees of unspent grants	3,233	1,521
		3,531	1,755

Recognition and measurement

(i) Fines (Court awarded)

Fines are recognised in the period in which the Land and Environment Court orders payment of fine to the Trust for an environmental offence.

(ii) Refunds by grantees of unspent grants

Refunds are recognised by the Trust in the period in which the unspent grant amounts by grantees gets identified by or advised to the Trust through the grant acquittal process. Refer note 7 and note 10. The Trust receives refunds from a number of grantees from its contestable grants and major grants programs due to factors such as withdrawals by grantees and the inability of grantees to achieve milestones within acceptable timeframes.

4. OTHER GAINS/(LOSSES)

	2023 \$'000	2022 \$'000
Impairment gains/(losses) on receivables	(298)	667
	(298)	667

Impairments relate to debtors where court fines have been issued or the Trust has requested the return of unspent grants.

Refer <u>note 7</u> and <u>note 3(b)</u>.

Recognition and measurement

Impairment of receivables

Impairment gains/(losses) may arise on non-financial assets held by the Trust from time to time. Accounting for impairment gains/(losses) is dependent upon the individual asset (or group of assets) subject to impairment. Refer <u>note 7</u> for accounting policies and events giving rise to impairment gains/ (losses).

The amount allowed for impairment is the difference between the carrying amount of the receivables and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of an impairment gain/(loss) is recognised in the net result for the year. If due to any event an impaired receivable regains its value, the Trust realises an impairment gain. Refer <u>note 7</u>.

5. STATE OUTCOME DESCRIPTION

The operations of the Trust contribute to the following State Outcome:

Connecting communities to resilient and sustainable local environments and heritage – Protecting and preserving the quality of our environment and heritage through active stewardship to support a resilient and sustainable New South Wales.

Since the total operations of the Trust contribute to the above, separate State Outcome statements are not required.

6. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2023 \$'000	2022 \$'000
Cash at bank and on hand	6,653	8,031
	6,653	8,031

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank.

Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:

	2023 \$'000	2022 \$'000
Cash and cash equivalents (per statement of financial position)	6,653	8,031
Closing cash and cash equivalents (per statement of cash flows)	6,653	8,031

Refer note 13 for details regarding credit risk, liquidity risk and market risk arising from financial instruments.

All cash and cash equivalent balances of the Trust are restricted. This is made up of cash at bank as at 30 June 2023 of \$6,653,014 (2022: \$8,030,728). Restricted cash represents the cash held by the Trust in the special deposits account established under section 18 of the *Environmental Trust Act 1998*. Refer note 1(j).

7. CURRENT ASSETS – RECEIVABLES

	2023 \$'000	2022 \$'000
Trade debtors	613	1,489
Expected credit loss	(489)	(191)
Accrued income	52	-
Net GST receivable	448	349
	624	1,647
Movements in Allowance for expected credit losses:		
Balance at 1 July	191	858
Increase/(decrease) in allowance recognised in net results	298	(667)
Balance at 30 June	489	191

Details regarding credit risk of trade debtors that are neither past due nor impaired, are disclosed in <u>note 13</u>.

Recognition and measurement

All purchases or sales of financial assets are recognised and derecognised on a trade date basis. Purchases or sales of financial assets require delivery of assets within the time frame established by regulation or convention in the marketplace.

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement

The Trust holds receivables with the objective to collect the contractual cash flows and therefore measures them at amortised cost using the effective interest method, less any impairment. Changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Impairment

The Trust assesses for expected credit losses (ECLs) for all debt financial assets not held at fair value through profit or loss in statement of comprehensive income. ECLs are based on the difference between the contractual cash flows and the cash flows that the Trust expects to receive, discounted at the original effective interest rate.

For trade receivables, the Trust applies a simplified approach in calculating ECLs. It recognises a loss allowance based on lifetime ECLs at each reporting date. The Trust has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivables. If due to any event an impaired receivable regains its value, the Trust realises an impairment gain. Any gains or losses on impairment are recognised through statement of comprehensive income.

8. CURRENT LIABILITIES - PAYABLES

	2023 \$'000	2022 \$'000
Creditors	636	25
Accrued expenses	1,480	2,690
	2,116	2,715

Details regarding liquidity risk, including a maturity analysis of the above payables, are disclosed in <u>note 13</u>.

Recognition and measurement

Payables represent liabilities for goods and services provided to the Trust and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest are measured at the original invoice amount where the effect of discounting is immaterial. Gains and losses are recognised in net result when the liabilities are derecognised as well as through the amortisation process.

9. COMMITMENTS FOR EXPENDITURE

There were no commitments as at 30 June 2023 (2022: nil).

10. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities:

There were no contingent liabilities as at 30 June 2023 (2022: nil).

Contingent assets:

The Trust may be entitled to receive refunds of unspent grant monies from grantees. These refunds may occur in circumstances such as withdrawals from grant programs by grantees or where grantees are unable to achieve milestones within acceptable timeframes. It is not practical to accurately estimate the financial amounts of these contingent assets. Refer <u>note 3(b)</u>.

11. BUDGET REVIEW

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements are explained below.

(a) Net result

The actual net deficit of \$1.8 million was lower than the budgeted loss of \$4.2 million by \$2.4 million. This favourable variance was a result of lower than budgeted expenses of \$35.9 million, partly offset by reduced revenue of \$33.2 million and higher than budgeted 'other loss' of \$0.3 million.

Major expenses and revenue variances were due to:

	\$ million
Expenses	
 Reduction in grant expenses were due to delayed commencement by the Trust of some of its grants programs and slower than expected progress by grantees due to resourcing and approvals issues. As part of the 2023-24 State Budget process, the Trust obtained approval to reallocate majority of these grant payments to future years. 	34.6
- Minor variances in operating expenses across a range of categories.	1.3
Total under expenditure	35.9
Revenue	
 Lower revenue mainly due to the reallocation of government funding to future years to correspond with the timing of expenses (refer above) and lower than budgeted return of unspent grant funding by grantees. 	(33.2)
Total lower than budgeted revenue	(33.2)
Other gains/(losses)	
- Higher than budgeted impairment on receivables recognised during the year.	(0.3)
Variance in net result	2.4

(b) Assets and liabilities

Net assets were higher by \$5.3 million mainly due to higher than budgeted opening cash balance, variances between the actual and the budget relating to expenses and revenue, which increased the cash balance during the year and reduced payables due to the timing of payment of outstanding invoices.

12. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	2023 \$'000	2022 \$'000
Net cash used on operating activities	(1,378)	767
Increase/(decrease) in receivables	(1,023)	853
Decrease/(increase) in creditors	599	(5)
Net result	(1,802)	1,615

13. FINANCIAL INSTRUMENTS

The Trust's principal financial instruments are outlined below. These financial instruments arise directly from the Trust's operations or are required to finance the Trust's operations. The Trust does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Trust's main risks arising from financial instruments are outlined below, together with its objectives, policies, and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Trust has an overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Trust, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Trust on a continuous basis.

			Carry	ying Amount
Class:	Note	Category	2023 \$'000	2022 \$'000
Financial Assets				
Cash and cash equivalents	6	Amortised cost	6,653	8,031
Receivables ¹	7	Amortised cost	176	1,298
			6,829	9,329
Financial Liabilities	Note	Category	2023 \$'000	2022 \$'000
Payables ²	8	Financial liabilities (at amortised cost)	2,116	2,715
			2,116	2,715

(a) Financial instrument categories

Notes

1. Excludes statutory receivables and prepayments (i.e., not within the scope of AASB 7).

2. Excludes statutory payables and unearned revenue (i.e., not within the scope of AASB 7).

The Trust determines the classification of its financial assets and liabilities after initial recognition and re-evaluates this at each financial year end.

(b) Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Trust transfers the financial asset:

- where substantially all the risks and rewards have been transferred; or
- where the Trust has not transferred substantially all the risks and rewards if the Trust has not retained control.

Where the Trust has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset continues to be recognised to the extent of Trust's continuing involvement in the asset. In that case, Trust also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Trust has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Trust could be required to repay.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the net result.

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(d) Financial risks

(i) Credit risk

Credit risk arises when there is the possibility that the Trust's debtors will default on their contractual obligations, resulting in a financial loss to the Trust. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Trust, including cash and receivables. No collateral is held by the Trust. The Trust has not granted any financial guarantees.

The Trust seeks to minimise its credit risk associated with financial assets through the selection of counterparties and establishment of minimum credit rating standards.

<u>Cash</u>

Cash comprises bank balances within the NSW Treasury Banking System.

Receivables - trade debtors

Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. The Trust applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on historical observed loss rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Trust has identified that the GDP and economic growth outlook are the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others a failure to make contractual payments for a period of greater than 90 days past due.

The loss allowance for trade debtors as at 30 June 2023 and 30 June 2022 was determined as follows:

30 June 2023 \$'000						
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	84.2%	
Estimated total gross carrying amount	32	-	-	-	581	613
Expected credit loss	-	-	-	-	(489)	(489)

		30 June 20 \$'000)22			
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
Expected credit loss rate	0.0%	0.0%	0.0%	0.0%	51.2%	
Estimated total gross carrying amount	890	-	-	226	373	1,489
Expected credit loss	-	-	-	-	(191)	(191)

Notes

The analysis excludes statutory receivables, prepayments, as these are not within the scope of AASB 7. Therefore, the 'total' will not reconcile to the receivables total in note 7.

(ii) Liquidity risk

Liquidity risk is the risk that the Trust will be unable to meet its payment obligations when they fall due. The Trust continuously manages risk through monitoring future cash flows and to ensure adequate holding of cash to meets its obligations.

During the current and prior year, there were no defaults of loans payable. No assets have been pledged as collateral. The Trust's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced.

Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest must be paid automatically unless an existing contract specifies otherwise. The applicable rate of interest is 11.46% (2022: 8.07%). No interest was paid for year ending 30 June 2023 (2022: nil). The table below summarises the maturity profile of Trust's financial liabilities, together with the interest rate exposure.

			Ş 000					
Interest Rate Exposure					Ma	turity Da	ites	
Weighted average Fixed Variable Non- effective Nominal interest interest interest interest rate amount rate rate bearing					< 1 year	1-5 years	> 5 years	
At 30 June 202	3							
Payables	-	2,116	-	-	2,116	2,116	-	-
At 30 June 202	2							
Payables		2,715	-	-	2,715	2,715	-	-

\$'000

Notes

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Trust can be required to pay.

(iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Trust has no exposure to foreign currency risk and does not enter into commodity contracts.

(iv) Interest Rate Risk

Exposure to interest rate risk arises primarily through the Trust's interest-bearing liabilities. Under the Treasury banking system, the Trust does not earn any interest and does not account for any fixed rate financial instruments at fair value through profit or loss or at fair value through other comprehensive income. Therefore, for these financial instruments, change in interest rates would not affect the carrying value or interest paid/earned. The basis will be reviewed annually and amended where there is a change in the circumstances or arrangements between the Trust and the Treasury.

14. RELATED PARTY DISCLOSURES

Key management personnel

Key management personnel are those persons who have authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly.

(i) The Trust's key management personnel compensation is as follows:

	2023 \$	2022 \$
Trust sitting fees	971	2,072
Total	971	2,072

Trust sitting fees are paid to the members of the Trust, who are external to the NSW government agencies. The key management personnel compensation excludes the Minister for Environment and Heritage and the DPE member on the Trust. Ministerial compensation is paid by the NSW Legislature, not by the Trust. No compensation is paid by the Trust to the DPE member.

The Trust did not enter into any transactions with key management personnel, their close family members and any entities controlled or jointly controlled by them during the year (2022: NIL).

ii) Other transactions with key management personnel and related entities

During the year, the Trust entered into transactions, mainly payments of grants, with other agencies that are controlled/jointly controlled/significantly influenced by the NSW Government.

Grant payments allow the Trust to meet the State Outcome (refer note 5) and grants to the NSW government agencies in aggregate are a significant component of its operations. In 2022-23, total grants in the amount of \$37.7 million (2022: \$16.9 million) were paid to DPE, whose Coordinator-General, Environment and Heritage Group is a member of the Trust. Refer <u>note 2(b)</u>. The Trust members approve

the award of grants to recipients based on documented processes and procedures, which include evidence-based support such as grant guidelines, application forms, business cases, business plans and independent technical reviews. Where a grant application from DPE is identified, a conflict of interest is disclosed by the DPE member of the Trust at the meeting, which is minuted. The member also refrains from voting in these instances. In 2022-23, the Trust also paid \$4.6 million (2022: \$4.5 million) to DPE for specialist and administrative services as well as its share of corporate services. The fair value of these services is charged to the Trust under a Service Agreement with DPE and disclosed in note 2(a). The Trust receives government funding as a recurrent grant through DPE and receives further grants from other government agencies to support its service delivery objectives. Refer note 3(a).

15. EVENTS AFTER THE REPORTING PERIOD

In August 2023, the government announced changes to the structure of DPE that are effective from 1 January 2024. These changes include transfer of certain functions to a new Department of Climate Change, Energy, the Environment and Water with the remaining functions of the existing DPE to be retained by the Department of Planning, Housing and Infrastructure. From 1 January 2024, the Trust is likely to receive corporate and specialist services from the two departments. These changes will not have any impact on the operations, assets, liabilities and financial performance of the Trust.

There are no other known events that would impact on the state of the Trust or its financial statements.

End of audited financial statements.

Contact information

Public access and Trust offices

The Trust's contact details are:

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Publications

Visit the Trust's website for grant program guidelines, application forms and annual reports from 2017–22.

Abbreviations

CIT EV	Canberra Institute of Technology electric vehicle	PPIP	Personal Information Protection Act 1998 (PPIP Act)
EOI	expression of interest	RMF	Recycling Modernisation Fund
EPA	(NSW) Environment Protection Authority	RSPCA	Royal Society for the Prevention of Cruelty to Animals
GPS	global positioning system	SM@G	Social Marketing @ Griffith
LALC	Local Aboriginal Land Council	SIMS	Sydney Institute of Marine Science
LGA	Local Government Area	SOS	Saving our Species
MECLA	Materials & Embodied Carbon Leaders' Alliance	TRC	technical review committee
MERI	monitoring, evaluation, reporting and	TSR	travelling stock reserves
	improvement	UNE	University of New England
NABERS	National Australian Built Environment	UNSW	University of New South Wales
	Rating System	WLRM	Waste Less, Recycle More
NPWS	NSW National Parks and Wildlife Service	WMP	Waterway management plans

Photographs

- 1 South Head at Watsons Bay. Judith O'Farrell/DPE
- 5 Spotted Sun Orchid. Chris Ross/DPE
- 7 Thurloo Downs. Alex Pike/DPE
- 12 Thurloo Downs is the largest single parcel of land to be acquired for the national parks estate in New South Wales. Alex Pike/DPE
- 17 White's Seahorse (Hippocampus whitei). Dr David Harasti/ NSW Department of Primary Industries
- 20 The Wild Orchids project has reintroduced the Sand-hill Spider orchid (*Caladenia arenaria*) across 6 sites in the NSW Murray region. Lachlan Copeland/DPE
- 23 Left: A property in Huonbrook before restoration works. Alison Ratcliffe, Earthscapes Consulting Pty Ltd
- 23 Right: The same property in Huonbrook after restoration works. Alison Ratcliffe, Earthscapes Consulting Pty Ltd
- 26 The weed eradication team on Lord Howe Island. Nicola Fuller, Lord Howe Island Board
- 29 The Seabirds to Seascapes project is monitoring fur seal populations. Wayne Reynolds/DPE
- 33 BirdLife Australia has developed educational material and signage to change beachgoer behaviour to support beach-nesting birds.
- 35 The Plant Sure Environmentally Safe Ornamental Plant Scheme allows consumers to easily identify and purchase low-invasive-risk plants. Aimee Freimanis, Ecohort Pty Ltd
- 36 A wildlife carer looking after an injured wombat. Stacey Mole, Foundation of National Parks and Wildlife.
- 44 Wild deer are fitted with GPS tracking collars providing insights into deer movement and behaviour. Michelle Janes, NSW National Parks and Wildlife Service
- 45 Dieback of ribbon gum (*Eucalyptus viminalis*). Ben Gooden, Commonwealth Scientific and Industrial Research Organisation.
- 49 KFC has integrated saveBOARD building materials into its South Penrith store saving approximately 500 kilograms of waste from landfill. Paul Charteris, Upcycled Building Materials Ltd
- 51 Lower Vista Wollomombi. Calliden Hunter/DPE
- 63 Wollemia nobilis Wollemi Pine. Rosie Nicolai/DPE
- 65 Sunrise or Sunset (Kosciuszko National Park). Navjot Cheema/DPE

