

Land Management Incentives Program: “4 Watersheds” 2022-23 Guidelines for Applicants

Land Management Incentives Program Information				
Incentives Program 2022/23	<p>Hunter Local Land Services is delivering investment funding sourced from Hunter Water Corporation and other investors to landholders in the drinking water catchments of the Paterson, Allyn, Williams and Chichester Rivers.</p> <p>Individual incentives are available ranging from \$5,000 up to \$20,000</p> <p>Total available funding varies from year to year, with \$130,000 available in 2022/23.</p> <p>4 Watersheds Program Priorities:</p> <p>Our main priorities include activities which will reduce the risk to drinking water quality in the catchments of the Paterson, Allyn, Williams and Chichester Rivers:</p> <ul style="list-style-type: none"> • Improving riverbank vegetation • Implementing Strategic Grazing practices and systems which reduce the risk to drinking water quality by increasing groundcover, biomass production, soil health and rainfall infiltration through management of grazing duration and density • On-farm soil protection practices that improve environmental outcomes through prevention of erosion, slowing of water movement and/or increasing rainfall infiltration. 			
Applications Open	All year 2022 and 2023	Applications Close (Applications are generally assessed within 3-4 weeks of submission.)	28 November 2022	13 February 2023 10 April 2023 12 June 2023
Eligibility	Landholders, landcare and Aboriginal land managers may be eligible to apply. Eligibility criteria is detailed on page 3 of this Guideline			
Publishing	All successful granted projects will be published on the Hunter Local Land Services web page and the NSW Government Grants and Funding Finder at www.nsw.gov.au/grants-and-funding			
Priority Areas	See Hunter Local Land Services www.lls.nsw.gov.au/regions/hunter/grants-funding-scholarships or our Land Management Incentives Priority Map .			
Conditions of Funding	<ul style="list-style-type: none"> • Standard LLS Incentives funding terms and conditions (refer Section 1.3 below) • LLS on-ground works minimum standards (refer Section 2 below) • Activities that will <u>NOT</u> be funded (refer Section 3 below) <p>Contact your allocated Hunter LLS Project Officer for further clarification if required.</p>			
Where to get assistance?	Complete an Expression of Interest form (EOI) available from our website: https://www.lls.nsw.gov.au/regions/hunter/grants-funding-scholarships Email: incentives.program@lls.nsw.gov.au Call: 1300 795 299 or visit: Paterson Office: 816 Tocal Road, Paterson NSW 2421 Scone Office: 2 Flemington Drive, Scone NSW 2337 Taree Office: 26 Muldoon Street, Taree NSW 2430			
Lodge your application	Email: incentives.program@lls.nsw.gov.au Written: Land management Incentives, Private Bag 2010, Paterson NSW 2421			

Contents

1.	ELIGIBILITY CRITERIA.....	3
1.1	ASSISTANCE.....	3
1.2	LODGING APPLICATIONS.....	4
1.3	ASSESSMENT CRITERIA AND SELECTION PROCESS	4
1.4	STANDARD LLS INCENTIVES FUNDING TERMS AND CONDITIONS.....	6
	Funding Contracts.....	6
	How will you be paid?	6
	Monitoring and Reporting	6
	Maintenance.....	7
	Public Liability Insurance	7
	Disclosure of Information	7
	Aboriginal Cultural Heritage	7
	Workplace Health and Safety	8
	Conflicts of Interest	8
2.	MINIMUM STANDARDS FOR ONGROUND WORKS	9
2.1	GENERAL.....	9
	Fencing	9
	Revegetation: *.....	9
	Structural works	10
	Soil Testing.....	10
	Provision of alternative stock water supplies.....	10
	Weed Control	10
	Fire Management	10
2.2	PRINCIPLES FOR GRAZING MANAGEMENT.....	11
	Sustainable Agriculture.....	11
	Strategic Grazing.....	11
	Infrastructure for tactical decisions.....	12
3.	ACTIVITIES THAT WILL NOT BE FUNDED.....	12

1. ELIGIBILITY CRITERIA

Eligible funding applications must meet the following criteria:

- The applicant has submitted an Expression of Interest (see 1.1), and is invited to complete an application form by Hunter Local Land Services.
- The project is located within the Hunter LLS region in an identified priority area for this program or target customer group.
- The applicant contributes a **minimum of 3:1** (Landholder contribution \$3: Hunter LLS funding \$1) co-investment through cash and/or in-kind (e.g. labour, equipment and materials) from the landholder.*
- The applicant has all works, monitoring and reporting for any previously funded project/s prior to submitting a new application.
- The applicant is able to complete proposed works within a 12-month (or otherwise agreed) timeframe.
- The application must meet Hunter LLS minimum standards for on-ground works, as detailed in these guidelines.
- The applicant/business not having previously received LLS or CMA funding for the proposed works, on 2 or more previous occasions for similar works elsewhere on the same property.
- The proposed activities are consistent with local, NSW and Australian government regulations and legislation.
- The applicant has paid all current Hunter LLS financial obligations e.g. rates, Long Term Grazing Permits.
- Must not be double funded by other sources (such as other grants) for the same work or be obligated to undertake the work through on title or other certificates that are the responsibility of the landholder (such as Biodiversity Conservation Trust or Land Management Code certificates)
- Partnership proposed on lands not owned by the applicant (such as Landcare groups) must have the land manager's permission at the application stage.

1.1 ASSISTANCE

Interested applicants for funds under this program should have already completed an Expression of Interest (EOI) form and submitted this form to Hunter LLS. Refer to the following link to complete and Expression of Interest:

<https://hunter.lls.nsw.gov.au/our-region/grants-funding-scholarships>

Hunter LLS staff are available to assist potential applicants with developing applications, including providing advice on best practice management, design, costing, and developing a detailed project works map. Hunter LLS project staff will also provide potential applicants with a site report and recommendations following on-site discussion.

Applications should be consistent with advice provided in the site report. All applications must be accompanied by a project works map provided by HLLS staff on a standard template, showing the location and type of proposed management activities on your property.

1.2 LODGING APPLICATIONS

Applications for Hunter LLS Land Management Incentives will need to complete a Hunter LLS Land Management Incentives Application Form available from Hunter LLS staff.

Applications can be lodged in two ways:

1. Submit the original signed application to Hunter LLS by the closing date. Address to:

Hunter Land Management Incentives Program
Hunter Local Land Services
Private Bag 2010
Paterson, NSW 2421.

2. Submit your application electronically by the closing date to:

incentives.program@lls.nsw.gov.au

Electronically lodged applications must come from the applicant's e-mail account and must include a copy of the LLS produced map. The subject line should include the following information:

HR0####-"Applicant surname" (the HR0#### project identifier will be provided by your LLS Staff contact)

A signed, scanned page can be submitted separately to the word application form.

As map files can be large in file size, please email your application and map separately to ensure the emails are transmitted by the due date but be sure to include the HR0#### on all correspondence.

Please declare all potential, perceived or actual **Conflicts Of Interest** during the application process on the signing page. If you are successful with your grant, you will have to submit a Conflict Of Interest Declaration form and have this approved (as not a conflict) before being able to be funded.

Applications that are sent directly to LLS staff will not be accepted.

Incomplete will not be assessed

Late applications (to closing dates) will be assessed in the next assessment round.

1.3 ASSESSMENT CRITERIA AND SELECTION PROCESS

Assessment is made by Team Leaders and independent Business Team representatives using a Benefit Cost Tool that identifies environmental benefits, value for money and risk. The Panel may also consist of external panellists, such as representatives from program specific investment organisations.

Applications are assessed against the priorities and alignment of the 4 Watersheds Land Management Incentives Program, the advice or project development with LLS staff and feasibility/level of complexity, combined with the Benefit Cost Tool.

Applications are assessed on their own merit, and alignment to the investment and program priorities, and are not comparatively assessed.

Projects are either recommended for funding through the panel, recommended with variations (project or financial), or not recommended.

Projects are approved for funding by the Healthy Landscapes Manager/Production and Protection Manager.

Criteria for Assessment:

Funding Amount	This is used as a basis for determining value for money through the Benefit Cost Tool
Project Type	Riparian, Soils (or combinations) Score: Highest- Riparian, Riparian and Soils, Soils, Wetlands, Biodiversity- Lowest
Area Treated (hectares)	Area of project, used to determine value for money through the Benefit Cost Tool Total Hectare of project proposed
Application match LLS advice	Assessed to ensure technical feasibility of project Score: Y/N
Current condition-without project/no change in management	Provides a condition baseline for the project as a benchmark against undisturbed/original condition Score: Percentage
Future condition-without project* estimated condition in 20 years time	Provides a condition comparison for the site <u>without any change in management</u> , and anticipated long term environmental condition Score: Percentage
Future condition-with project* estimated condition in 20 years time	Provides a condition comparison for the project <u>with the funded change in management</u> , and anticipated long term environmental condition *Both Future Condition and Future Condition Without project is assessed against baseline to determine the scale of benefits for the project. Score: Percentage
Downstream benefits	Catchment benefits for project activities: Score: Major, Significant, Some, Minor, Negligible
Connectivity benefits	Landscape linkage or connectivity benefits for project activities: Score: Major, Significant, Some, Minor, Negligible
Soils/Sustainable Agriculture benefits	Where soils protection adjoins wetland, riparian or biodiversity benefits Score: Major, Significant, Some, Minor, Negligible
Technical or other risk of failure for project	Complexity, risk, landholder capacity or other factors Score: Very High, High, Moderate, Low, Very Low

The criteria above are entered into a Benefit Cost Tool (BCT) sheet, that produces a standard Benefit Cost Score (BCS), and if the score is aligned to standard cut-off the project will be reviewed/recommended for funding or recommended with minor variations.

If the application is below BCS cut off, then the application is not approved. Feedback is provided to the applicants.

Applications can be submitted at any time prior to closing dates, and will be assessed on the following dates:

Incentives Round	Period	Closing Date	Estimated Assessment Dates	Notification of Outcome
Round 21	2022-23	28 November	8 December	Within 2 weeks
Round 22	2022-23	13 February 2023	23 February	Within 2 weeks
Round 23	2022-23	10 April	20 April	Within 2 weeks
Round 24	2022-23	12 June	22 June	Within 2 weeks

1.4 STANDARD LLS INCENTIVES FUNDING TERMS AND CONDITIONS

Funding Contracts

All Hunter LLS Land Management Incentives will be delivered through contracts either a Land Management Funding Deed- more complex/higher value projects (or other relevant Agreement templates) or Small Funding Letter-simple/ smaller value projects covering the duration of the project activities and 5 years of maintenance thereafter.

A copy of the standard contract with all the terms and conditions is available to all applicants to review prior to submitting the application. Please contact Hunter LLS to access a copy of the standard agreement template.

The contract will need to be signed by the applicant and the landowner (if different). The landholder or group on the application must be the same landholder or group that will sign the contract, and this must also be the same landholder or group that will receive the Grant funds.

How will you be paid?

A payment schedule will be determined as part of funding agreement negotiations.

Funds will generally be paid 50% on completion of the first milestone, which will include baseline photo-point monitoring and a Work Health and Safety Plan. The remainder of funds will be paid on completion of agreed milestones with 10% being withheld until submission and approval of the final report.

All Incentive payments from LLS will be made during the 2022/23 financial year provided milestones are achieved, except for eligible riverbank vegetation improvement projects in the Hunter catchment.

Milestone payments may require a site inspection by the LLS to verify completion of the milestone. A final report on the project outcomes will be required to receive the final payment.

Payment will be made on receipt of a signed ATO compliant tax invoice on completion of agreed milestones.

GST registered grantees will be paid 10% GST on top of the approved incentives amount.

Applicants should discuss the implications of receiving funding from the LLS with a financial adviser prior to applying.

Monitoring and Reporting

All on-ground projects funded by the LLS will be required to undertake photo point monitoring of activities. The LLS has a guide for photo monitoring on the website and successful applicants will

be provided with a copy. LLS staff are able to assist with establishment of standard photo monitoring points.

The LLS may also require monitoring of groundcover and landscape condition changes or native vegetation condition monitoring depending on the type of activities proposed. This will require consent by the landowner (as a condition of the Contract) to access the project site annually to monitor for the desired outcomes and provide additional support to the landowner to ensure the project meets desired outcomes.

LLS will develop a set of relevant measures for monitoring and reporting the economic, social and environmental outcomes with successful applicants. This is important to demonstrate these outcomes to our funding partners and the broader community.

All projects funded by the LLS may be included in more detailed vegetation and/or soil condition monitoring undertaken by LLS.

A final report on the project outcomes will be required to receive a final payment. All agreements will require further brief annual monitoring reports for the agreement duration on the outcomes achieved and the management actions and monitoring undertaken. Progress reports or inspections may also be required.

LLS reserves the right to inspect the project area over the duration of the agreement, to determine the degree to which intended outcomes are being achieved.

Further details of monitoring requirements and templates for reports are available from an LLS contact officer and will be made available to successful applicants.

Maintenance

All funded activities will require maintenance to ensure the outcomes are maintained. All activities must be regularly maintained for at least 5 years from the date of completion of project works (i.e. from May 2023).

Public Liability Insurance

All funded projects must be prepared to maintain current Public Liability Insurance* (at least \$10 million) for the duration of the agreement. **A copy of your certificate of currency should be provided with your project application.** If you are unable to provide the \$10m of coverage you may apply to the LLS for a reduced amount, but this would be subject to an assessment of the Public Liability risk of the project.

Disclosure of Information

The LLS has requirements with the Australian and NSW Government to provide spatial information and details of funded works. The LLS will be required to report spatially, and on activities to these funding bodies, which may in turn be published on public websites. The LLS aims to provide information to the public spatially on achievements associated with public funds. Your project may be represented spatially (e.g. point or polygon on catchment scale map in publicly released documents) but no detailed information will be released.

Aboriginal Cultural Heritage

Aboriginal consultation will be undertaken during the planning stage of projects and Cultural due diligence assessment may be required and involve a site visit if works are located in a Culturally sensitive landscape as per the Due Diligence Code of Practice for the Protection of Aboriginal Objects in New South Wales (NSW OEH).

The LLS has Aboriginal Community Engagement staff that can assist you in contacting the appropriate person(s) or organisation.

Workplace Health and Safety

The first milestone payment will be linked to completion of a Work Health and Safety Management Plan. The WHS Management Plan should document a Work Health and Safety risk assessment in accordance with Work Health and Safety Act 2011 requirements. LLS staff can assist in preparing a risk assessment and Work Health and Safety Management Plan for projects.

Conflicts of Interest

The Local Land Services has a Conflict of Interest Policy. Applicants should declare any perceived, actual or potential conflict of interest on their application. This could include being a current or past LLS staff member or being related to a staff member. A Conflict of Interest will not automatically exclude applications for funding, but it does mean the LLS will need to follow certain procedures to ensure the conflict of interest is dealt with appropriately.

2. MINIMUM STANDARDS FOR ONGROUND WORKS

2.1 GENERAL

Incentive funding recipients must undertake additional on ground management activities above current on ground management practice and that required by relevant legislation.

Fencing

All fencing (electric or standard) must be managed in a stock-proof condition for the term of the agreement. In addition, the following standards apply:

- Stock proof fencing to protect riverbanks, riparian zones and wetlands. Fencing needs to be permanent and located at least 5-15 metres back from the top of the bank (based on practical consideration on a site by site basis). Identification of top of bank and distance of fence from top of bank needs to be based on advice from your LLS technical staff member, considering erosion, flooding and other factors. Fencing needs to allow for a buffer zone to minimise nutrients and erosion.
- Stock proof fencing to protect or regenerate remnant native vegetation. Fence to be installed so that it provides long term protection and/or restriction to stock within the project and maintenance periods, permanent fencing is preferred. Fencing around single existing remnant trees will generally not be funded (unless accompanied by areas of additional revegetation (minimum 1 hectare).
- Paddock sub-division fencing should be constructed according to a grazing management plan which demonstrates consideration of land type, stock movement, protection of drainage lines and water sources, access to shade/shelter, access to reticulated water and flexibility for additional temporary sub-division. Electric fencing will generally be considered the most effective option.

Revegetation: *

All revegetation activities funded by the LLS must achieve and maintain at least an 80% survival and establishment rate and stock exclusion fencing must be installed where stock could potentially access the site. Local provenance seed/planting stock must be used on revegetation sites. The following standards apply to specific revegetation activities:

- **Revegetation of gullies, rivers, creeks and wetlands:** Any plantings along riparian lands and wetlands must use local native species (and additional species as advised by Hunter LLS staff). Riparian revegetation projects should aim, if possible, to cover both sides of the flow line/riverbank.
- **Revegetation for biodiversity, habitat and conservation purposes:** A mix of local native species suitable for the site must be used (please seek advice from your Hunter LLS contact, in general a mix of 40-50% canopy and 50-60% under-storey shrubs/forbs is standard). Wildlife corridors must link existing areas of remnant vegetation or established revegetation sites and must be at least 25 m wide or have an average width of at least 30 m, and more than 1 hectare in size.

** Subject to availability, Hunter LLS may provide volunteer/community labour and tool hire for larger scale plantings and maintenance of plantings for woodland/forest revegetation project to support installation (including tool hire) and maintenance of plantings for Woodland/Forest restoration projects in the 4 Watersheds catchments, please discuss with your Hunter LLS contact during the development of your application.*

Structural works

All structural earthworks or construction activities must be to relevant industry standards and meet all regulatory requirements.

Soil Testing

Where soil testing is required, it must be carried out by a NATA accredited laboratory.

Provision of alternative stock water supplies

Alternative stock watering, where stock are excluded from areas to protect or regenerate native riparian vegetation or manage nutrient runoff, may be achieved by installing additional stock water troughs, pipelines, tanks and pumps for a reticulated supply. All pipelines need to be installed below ground and meet livestock requirements.

All stock water works including provision of alternative stock water supply for Strategic grazing and implementing property or grazing management plans must be appropriately designed and technically sound and comply with the native vegetation clearing provisions of the Local Land Services Act (2013). It is recommended to consult with an agricultural plumbing specialist to design stock water troughs, pipelines, tanks and pumps for a reticulated supply giving consideration to:

- underground pipelines
- fenced off solar infrastructure
- flow rates appropriate for stock consumption rates
- emergency storage
- topography considerations for pump capacity.

Weed Control

Weed control for treating weeds or regenerating or protecting native vegetation will need to demonstrate that weed control is integral to achieving good biodiversity outcomes and/or addressing broader environmental issues. While weed control to comply with a landholder's general biosecurity duty (<http://www.dpi.nsw.gov.au/biosecurity/biosecurity-legislation/general-biosecurity-duty>) may be required on a given site by legislation, funding for the control of weeds is permitted where weed control is not the primary activity. The Hunter Regional Strategic Weed Management Plan contains information on regional weed priorities. Refer to <http://hunter.lls.nsw.gov.au/resource-hub/publications>

Weed control activities must achieve at least an 80% reduction in cover of the targeted weed species and this should be maintained for the term of the agreement. Directions on appropriate herbicide use must be adhered to and relevant permits must be acquired if undertaking weed control near waterways or water bodies. Permits may also be required from the NSW National Parks and Wildlife Service to control weeds in Endangered Ecological Communities (EECs).

Fire Management

The landholder must not carry out any burning in LLS funded project areas to conserve native vegetation unless required to do so under the Rural Fires Act 1997, or in accordance with LLS approved Fire Plan. Burning must involve an ecologically appropriate fire management regime that promotes biodiversity outcomes. Technical advice should be sought from LLS staff or other suitably qualified persons, and agreement reached with LLS staff prior to an area being burnt.

2.2 PRINCIPLES FOR GRAZING MANAGEMENT

Sustainable Agriculture

Sustainable agriculture can be defined in many ways, but generally it seeks to employ farming practices that are profitable, environmentally sound and good for communities.

Sustainable agricultural practices and management are those that protect the quality and integrity of our natural resources – soil, water, vegetation, air, biodiversity and ecosystems – so that agriculture can continue to produce high quality food and fibre into the future.

Agriculture can be called ‘regenerative’ when the focus is on enhancing ecological (natural) processes (water cycle, nutrient cycling, energy flow and community dynamics) to meet objectives such as improving soils and soil health, increasing water infiltration and retention, increasing biodiversity, and improving ecosystem health and resilience.

Agriculture includes horticulture, aquaculture, fodder production, cropping, dairying, intensive animal production (for food or fibre) and grazing, with grazing being the most common activity across the landscapes of the Hunter Valley.

Strategic Grazing

Strategic grazing applies a range of tactics to manage predicted seasonal plant growth to meet objectives for pasture, animal production and environmental condition. It can focus on both production and environmental objectives at the same time.

A key element in strategic grazing is the adaptive decision-making of the land manager. Tactics are chosen to manage risks and opportunities in response to changing conditions, markets or objectives.

Strategic grazing for pasture and animal production objectives are best adopted with the development of a grazing plan, that is implemented, monitored and reviewed over time.

The key principles in strategic grazing for production objectives are:

- Matching feed supply with animal requirements
- Identifying the stock numbers (stocking density or head/ha) that the enterprise will sustain
- Assessing and monitoring pasture quality, quantity and ground cover to time the start of grazing, and to identify when to stop grazing to maintain pasture composition and ground cover
- Managing grazing pressure to ensure that planned and efficient use of available pasture mass and energy content is achieved before regrowth is grazed
- Planning the best balance of animal performance and pasture re-growth by grouping and allocating livestock according to their nutritional requirements.
- Setting pasture and animal targets and managing the grazing of all pasture zones to achieve production targets, maintain pastures and prevent soil and environmental degradation.

Rotational grazing systems which enable periods of grazing and pasture rest based on pasture growth rates and objectives for herbage mass produce increased pasture growth and maintain or improve high levels of groundcover. Timing of stock movements can favour desirable pasture species or prevent seed set of undesirable pasture species and weeds.

Above ground, higher pasture biomass and groundcover reduces the risk of soil erosion and nutrient export, while below ground the deeper root systems associated with increased perennial pasture growth provide improvements in soil moisture availability, water use efficiency, organic matter, biological activity and soil structure.

Infrastructure is also necessary for tactical decisions aimed at protecting or improving on- and off-farm environmental values (such as erosion protection, fauna habitat, fauna and flora conservation, biodiversity and water quality, reduce risk of fires and manage weeds) through management of grazing pressure in environmentally sensitive farm management zones such as riparian areas, bushland patches, corridors and shelterbelts.

The key principles in strategic grazing for environmental objectives are:

- Determining the condition of flora, fauna and landscape function required to meet environmental objectives
- Assessing and continually monitoring the condition of flora, fauna and landscape function to time the start, duration and intensity of grazing required to meet these objectives.

Strategic grazing within environmentally sensitive areas such as riparian zones or bushland areas requires site-specific consideration of the current condition and desired future condition of the area to determine the appropriate grazing tactics.

Technical advice on grazing management in environmentally sensitive areas should be sought from LLS staff or other suitably qualified people.

Infrastructure for tactical decisions

Infrastructure such as internal fencing and stock-water systems is necessary to enable tactical decisions to use various grazing methods (e.g. set stocking, rotational grazing, stock exclusion) to meet different production and environmental objectives at various times within different farm management zones.

3. ACTIVITIES THAT WILL NOT BE FUNDED

Types of activities that will not be funded under this Program include:

- Solely production-oriented activities.
- Major farm water supplies including irrigation.
- Solely weed control to meet a landholder's general biosecurity duty.
- Purchase of machinery and computer hardware and software, where there is no demonstrated land use change.
- Activities more appropriately funded by other bodies.
- Activities that the land managers can reasonably be expected to undertake to ensure sustainable management of areas under their control.
- Work that is undertaken before the project agreement for the proposal is signed or after the project agreement ends.
- Construction or modification of instream works.
- Projects intended to beautify or improve amenity.
- Replacement or maintenance of property boundary fencing that is the landholder's normal responsibility.
- Capital works, for example construction of buildings or viewing platforms to improve amenity.
- Expert advice that could alternatively be provided by the LLS or other government agency.

- Research.
- Activities that may be required due to legal responsibilities, compliance with development consents and/or reasonable duty of care.
- Activities that do not directly deliver on the specified program outcomes.
- Maintenance of previously LLS/CMA funded works.
- Works that are existing obligations to the landholders, such as on title conservation agreements or Land Management code agreements.
- Works that are already funded by other sources.