

Murray–Darling Basin Ministerial Council

Statement of Intent

1. Preamble

- 1.01 The Contracting Governments of Australia, New South Wales, Victoria, South Australia, Queensland and the Australian Capital Territory, are party to the Murray-Darling Basin Agreement (Agreement) to achieve the most economically efficient and equitable management and delivery of the Murray-Darling Basin's water and natural resources through joint delivery of agreed programs.
- 1.02 Through this Statement of Intent, the Murray-Darling Basin Ministerial Council (the Council) articulates the agreed manner in which Contracting Governments will work together through jointly agreed and funded activities to support the common goal of a healthy and productive Murray-Darling Basin.
- 1.03 The Contracting Governments seek to utilise this approach to advance their mutual interests in the effective management and operation of jointly-owned assets, state water shares and other jointly-funded programs.
- 1.04 To achieve these complementary outcomes, the Statement of Intent sets out the Council's agreed approach to ensuring the timely re-establishment of functional and mutually beneficial working relationships within and between the Council, the Basin Officials Committee (the Committee), the Murray-Darling Basin Authority (the Authority) and jurisdiction agencies to serve the common interests of the Contracting Governments. The Council notes that the application of the Agreement to Queensland and the Australian Capital Territory is limited to collaborating in relevant natural resource management activities, acknowledging that the major activities associated with jointly-owned assets and water sharing do not apply but recognises the important role they play in the effective delivery of a system-wide approach to Basin resource management, including giving effect to Basin Plan and Commonwealth Water Act obligations.
- 1.05 The Statement of Intent provides a platform for the Council, the Committee and the Authority to work together to meet these shared interests in a spirit of comity, applying the principles of integrity, mutuality and reciprocity, thus ensuring that the joint activities best serve the long-term interests of the participating governments and the communities they serve.
- 1.06 This commitment will complement the Murray-Darling Basin Agreement (the Agreement) which sets out the responsibilities of the Council and the Authority in regards to the management & operation of jointly-owned assets, state water shares and other jointly-funded programs; and the Committee in advising the Council on policy issues of common interest and giving effect to the Council's decisions in conjunction with the Authority.
- 1.07 The Authority, in accordance with a Council-approved Work Plan and a Council-approved Asset Management Plan, manages jointly-funded activities and programs or the purposes of the Agreement for and on behalf of the contracting governments; and reports to the Committee and Council on the risks, progress and delivery of the work detailed in those Plans.
- 1.08 The Statement of Intent also describes how the Committee will support the Council to meet the needs of the participating governments in discharging their responsibilities.

- 1.09 Nothing in this Statement of Intent removes or overrides the powers and functions of any party as set out in the Agreement unless otherwise agreed.

2. Governance and Review of the Statement of Intent

- 2.01 The Council is responsible for maintaining the currency of this Statement and will periodically review and update this Statement at periods not exceeding five (5) years.
- 2.02 The Statement of Intent is supported by a Service Level Agreement between the Council and the Authority that fully describes the Authority's role as an agent acting on behalf of the Contracting Governments, accountable to the Council for the delivery of agreed functions and programs. Based on this understanding, the Service Level Agreement specifies how the Authority will deliver these functions and programs (consistent with the Agreement) to meet the requirements of the Council.
- 2.03 The Statement of Intent also applies to the Committee, recognising the role of the Committee in supporting the Council in the management of its relationship with the Authority, and acknowledging that Committee members serve their respective Ministers and Council members.

3. Principles

- 3.01 The Council agrees to abide by the following principles to ensure that functional and mutually beneficial levels of collaboration, co-ordination, accountability and transparency are achieved in the authorisation, management and delivery of joint activities:
- acknowledge and respect the interests, roles and responsibilities of all parties in the delivery of joint activities to achieve the best outcomes for the Basin;
 - acknowledge the legal and financial framework each party operates within;
 - engage collaboratively in the authorisation, management and delivery of joint activities;
 - operate in a manner which ensures resources collectively provided by the Contracting Governments are used efficiently, effectively and ethically; and
 - operate in a manner which enables timely and sound decision-making.

4. Roles and Responsibilities

- 4.01 In accordance with clause 9 of the Agreement the relevant responsibilities of the Council include:
- (a) to consider and determine outcomes and objectives on major policy issues of common interest to the Contracting Governments in relation to the management of the water and other natural resources of the Murray-Darling Basin, including in relation to its role in the provision of critical human water needs, but otherwise only in so far as those issues are not provided for in the Basin Plan;
 - (b) to make determinations about the matters specified in the Agreement;
 - (c) to approve the annual work plan and budget, and asset management plan, prepared by the Authority for the purposes of the Agreement and any amendments to the work plan in accordance with clause 35;
 - (d) to agree upon amendments to the Agreement including amendments to, or removal or addition of, Schedules to this Agreement as the Ministerial Council considers desirable from time to time;
 - (e) to exercise such other functions as may be conferred on the Council by or under the Agreement or the Water Act.

- 4.02 The Council expects the Committee and the Authority to provide timely and accurate advice to the Council in each area of the Council's responsibilities.
- 4.03 The Council also expects the Committee or the Authority to inform the Council in a timely manner of any matters that require out of session consideration by the Council.
- 4.04 The functions and Powers of the Committee as set out in Part IV, clause 26(1) of the Agreement are:
- (a) to advise the Ministerial Council in relation to outcomes and objectives on major policy issues of common interest to the Contracting Governments in relation to the management of the water and other natural resources of the Murray-Darling Basin, including in relation to the Ministerial Council's role in the provision of critical human water needs, but otherwise only in so far as those issues are not provided for in the Basin Plan;
 - (b) to give effect to any policy or decision of the Ministerial Council, as required by the Ministerial Council;
 - (c) to exercise responsibility for high level decision making in relation to river operations, including by setting objectives and outcomes to be achieved by the Authority in relation to river operations;
 - (d) to exercise the powers and discharge the duties conferred on it by or under the Agreement or the Water Act.
- 3.05 The roles and responsibilities of the Authority are detailed in the supporting Service Level Agreement between the Council and the Authority.

5. Policy Oversight

- 5.01 The Council may direct the Committee or request the Authority to provide advice on major policy matters of interest to the Council.
- 5.02 The Council expects that all advice provided by the Committee or the Authority is informed by a sound and comprehensive understanding of matters under consideration.
- 5.03 Where the Council determines that further information is required on policy matters, it will seek such information through the Committee or request it of the Authority as appropriate, with any timelines for its delivery to be respected.

6. Budget, Work Planning and Financial Reporting

Joint Program Budget

- 6.01 The Council intends that its annual consideration of the Asset Management Plan and Work Plan, through which Joint Program activities are agreed and funded, is fully transparent and accountable.
- 6.02 The Council commits to reaching in-principle agreement on the budget for Joint Program activities for the upcoming financial year at the November Council meeting (noting that from time to time, individual Contracting Government budget processes may impact on this commitment), and to reach agreement on the Work Plan and Asset Management Plan at its subsequent Council meeting in May.
- 6.03 The Council will set strategic and annual priorities and provide advice on joint activities at an appropriate point in the annual budget development cycle to guide the planning process, and to diligently consider the Authority's quarterly reports on progress toward meeting the annual priorities. If the Ministerial Council requests the Authority to prepare a draft amendment to the work plan, to give effect to a decision of the Ministerial Council, the Authority must prepare a draft amendment to the work plan and provide it to the Committee.

- 6.04 The Council commits to sharing the costs of joint activities between the Contracting Governments according to contributions by Contracting Governments as agreed by the Council.
- 6.05 The Council undertakes to respond in a timely fashion to the annual joint program budget and any recommended changes to the Work Plan.

Risk management

- 6.06 The Council will consider and address in a timely manner all significant risks, (particularly those risks material to the Contracting Governments, the Joint Programs, or the delivery of the Work Plan), that have been identified through the risk management framework as set out in the Service Level Agreement, or that have been identified by Contracting Governments.
- 6.07 The Council expects that, where developments arise that adversely change the risk associated with a joint activity in a way that may lead to a financial risk or exposure to liability, such developments will be promptly reported to the Committee by the Authority or jurisdiction (as the case may be).
- 6.08 The Council expects that where such matters as outlined in 6.06 and 6.07 are brought to the Committee's attention, and the Committee agrees that they have the potential for a material impact on any Contracting Government, or the delivery of the Work Plan, they will be submitted to the Council for consideration at the earliest possible opportunity.
- 6.09 Where matters are brought to the attention of the Council through the risk management framework, or other risks are identified by the Contracting Governments, the Council intends to address the matters promptly.

7. Asset Operation and Maintenance

- 7.01 The Council will oversight the operation and maintenance of joint assets through the annual development and approval of the Asset Management Plan, and will monitor delivery of the Asset Management Plan by the Authority through the Authority's quarterly reports. This oversight will be undertaken in conjunction with its responsibility to authorise and oversight those aspects of the Authority's Corporate Plan dealing with joint activities.
- 7.02 The Council or individual members can at any time raise concerns about asset management, and seek advice from the Committee or Authority as appropriate.

8. Murray-Darling Basin Plan

- 8.01 The Council has a number of roles under the *Water Act 2007*, Basin Plan and Intergovernmental Agreement on Implementing Water Reform in the Murray-Darling Basin (IGA) including with respect to: moving between water sharing Tiers; providing comment on proposed amendments to the Basin Plan; and agreeing to the package of constraint and Sustainable Diversion Limit (SDL) Adjustment measures for notification to the Authority.
- 8.02 The Council acknowledges that in addition to acting as an agent of the Contracting Governments, the Authority is responsible under the *Water Act 2007* for implementing the Murray-Darling Basin Plan. Implementation Agreements between the Authority and Basin jurisdictions and the IGA set out the matters and the arrangements for cooperation in the implementation of the Basin Plan and will inform the Authority's Basin Plan implementation work program.

- 8.03 The Council acknowledges that the Authority's roles in implementing the Basin Plan and joint activities are closely associated at various points, for example moving between water sharing Tiers and in the operation of possible new infrastructure built on the River Murray System to give effect to SDL supply and constraint mitigation measures. The Council acknowledges that while the Basin Plan and joint activities are funded and accounted for separately, there can be advantages to the Contracting Governments in the integrated management by the Authority as these activities are closely associated.