

## **Murray–Darling Basin Ministerial Council and Murray–Darling Basin Authority Service Level Agreement**

### **1. Preamble**

- 1.1 Consistent with the Murray–Darling Basin Ministerial Council's (the Council) Statement of Intent, the contracting governments of Australia (New South Wales, Victoria, South Australia, Queensland, the Australian Capital Territory, the Commonwealth) and the Murray–Darling Basin Authority (the Authority) are committed to working together through jointly agreed and funded activities to support the common goal of a healthy and productive Murray–Darling Basin.
- 1.2 In this context, the Murray–Darling Basin Agreement (the Agreement) formalises this partnership by establishing a mechanism for the governance and delivery of the joint activities authorised by the Council which covers river operations and natural resource management programs.
- 1.3 Under the Agreement, the Council has a number of decision making powers. The functions of the Ministerial Council include making determinations about matters specified in the Agreement [sub-clause 9(b)], and approving the annual Work Plan and budget and the Asset Management Plan [sub-clause 9(c)]. Part V of the Agreement also provides a number of powers and functions to the Authority and establishes the Authority to act for and on behalf of the contracting governments to manage the jointly funded programs for the contracting governments.
- 1.4 As agreed at the Ministerial Council meeting 18, the once known Corporate Plan is to be known as the Work Plan henceforth.

### **2. Purpose**

- 2.1 The parties to this Service Level Agreement (SLA) are the members of the Council (acting as the representatives of the contracting governments who are parties to the Agreement), and the Authority.
- 2.2 The SLA describes the roles and responsibilities of each party, the services that the Authority (acting for and on behalf of the contracting governments) provides, and will provide, to the contracting governments, along with the approach to be taken to how these will be delivered. It also sets out the risk management approach to be followed by the parties and the reporting requirements to be met by the Authority to assure the Council that the delivery of these services is being undertaken in an accountable, transparent and efficient manner.
- 2.3 The purpose of the SLA is to set out how the Authority undertakes its functions under the Agreement and how it delivers the programs agreed by the Council, with the objective of meeting the parties' mutual desire for accountability, transparency and efficiency in the delivery of joint programs.
- 2.4 The SLA reflects the respective functions of the Council, the Basin Officials Committee (BOC) and the Authority as set out in the Agreement. Nothing in this SLA removes or overrides the powers and functions of any party in the Agreement. Rather it supplements the Agreement by setting out how joint programs are and will be delivered.

### **3. Key elements**

#### **Scope of service**



- 3.1 The SLA sets out the scope of services to be provided by the Authority for the contracting governments under the Agreement and will be provided annually as an attachment to the Annual Work Plan. Further details of the services to be provided over the forward estimates period are set out in the Work Plan.
- 3.2 The activities under the Work Plan are derived from the requirements of:
- the Asset Management Plan, as reviewed annually
  - the current Asset Agreement
  - the Objectives and Outcomes for River Operations, as reviewed and updated annually or from time to time
  - specific agreements such as the Basin Salinity Management Strategy, and the Living Murray Agreement
  - specific functions under the Agreement, such as water accounting, and river health monitoring
  - any other specific program requested by the Council.
- 3.3 **The Work Plan** sets out all the programs and activities to be delivered by the Authority for the Council in relation to joint programs, and for the Commonwealth in relation to Basin Plan and other Water Act responsibilities. The Work Plan is approved each financial year by the Council in relation to joint programs and by the Authority Members in relation to Basin Plan and other Water Act responsibilities. The Authority Members and Council can at any time amend the elements of the Work Plan relevant to their responsibilities as necessary.
- 3.4 In relation to joint programs, the Work Plan must fulfil the obligations set out in clause 34 of the Agreement. In particular this requires the Work Plan to:
- (a) set out the activities of the Authority for the next four years, including the activities through which the Authority intends to achieve the outcomes and objectives set by the Council and in respect of river operations, set by the BOC
  - (b) set out new capital works and operational and maintenance programs to be undertaken or required under Part VIII of the Agreement, including as may be required to implement the Asset Management Plan
  - (c) include the budget for the activities, works and programs, which must be developed in accordance with clause 74 of the Agreement which requires the Work Plan to include a budget for the next four years and the amounts contributed by contracting governments.
- 3.5 In summary, the Work Plan includes the following key elements to facilitate reporting and enhance accountability of the joint programs:
- a clear overview of the financial resources to be applied to the delivery of the joint programs, including contributions, other revenue and any contracting governments' funds being held by the Authority in the Authority's special account, e.g. prior year unspent funds
  - details on the cost shares of each of the contracting governments across the four financial years depicted in the Work Plan
  - a description of each program and sub-program to be delivered by the Authority
  - for each sub-program, key actions and deliverables for the first financial year in the Plan
  - risk assessment and risk mitigation actions



- measurable key performance indicators for each sub-program.
- 3.6 As per sub-clause 29(2) and clause 31 of the Agreement, the Asset Management Plan, the Asset Agreement and the Objectives and Outcomes for River Operations all operate in conjunction with the Work Plan in setting out how the Authority delivers river operations functions for the contracting governments to the Agreement.
- 3.7 **The Asset Management Plan** sets out how each work or measure managed jointly under the Agreement is to be managed, maintained, repaired, renewed or replaced. Key elements of the Asset Management Plan that promote transparency and accountability are:
- a description of the diverse set of assets managed jointly (major storages, locks and weirs, barrages, environmental works and measures program assets, forest regulators, salinity interception schemes, land management, recreation and public information facilities, plant and equipment, houses, offices and workshops)
  - a statement of approach in an overall strategy for asset management that the Authority implements in conjunction with Basin governments, that includes life cycle planning so that assets remain fit-for-purpose
  - a description of how each work will be managed, maintained, repaired, renewed or replaced (for works including: Dartmouth Dam; Hume Dam; Lake Victoria; 14 locks and weirs; 5 barrages; and 11 salinity interception schemes).
- 3.8 **The Asset Agreement** is prepared under *clause* 55 of the Agreement. Key elements of the Asset Agreement that promote transparency and accountability are:
- an explicit acknowledgement of clauses in the Agreement with respect to Authority directions in relation to RMO assets
  - requirements with respect to insurance of RMO assets
  - requirements for accounting for the assets, recording, reporting and audit.
- 3.9 **The Objectives and Outcomes for River Operations** reflects that the BOC has the responsibility for high level decision making in relation to river operations in the River Murray System, and sets out activities that the Authority undertakes in that context, thereby increasing transparency and accountability. Key elements of the document are:
- identification of matters to be referred by the Authority to the Basin governments, and at what level
  - general objectives and outcomes on water storage and delivery and accounting, RMO assets, people and communities, environment, and communications and information management
  - specific objectives and outcomes, and any significant changes to prior practice in river operations need to be referred
  - a requirement that the Authority has and maintains an Emergency Action Plan
  - a requirement that the Authority provides river operations plans and reports for review by the BOC and independent reviewers.

#### 4. Management roles and responsibilities

- 4.1 The roles of the parties as outlined in the Agreement as they relate to the delivery of the joint activities are set out at **Attachment A** and excerpts of the Agreement are provided at **Attachment B**.
- 4.2 The operational responsibilities for the conduct of authorised joint activities vested in



the six-member Authority under the Water Act and the Agreement are delegated to senior Authority office holders in a manner which enables the most effective and efficient use of this authority, and also recognises the significance of the delegated authority and the level of responsibility placed on the occupant of the office holder. The Authority will advise the BOC of any proposed future changes to delegations prior to those changes being made.

- 4.3 In undertaking its functions, the Authority works and will continue to work collaboratively with the various Committees established by the Council or under the Agreement and the agencies of contracting governments involved in the delivery of authorised joint activities. In doing so the Authority will, wherever possible, ensure consensus decision making arrangements operate to deliver outcomes which are in the best interest of the Basin.

## **5. Development of Work Plan, Asset Management Plan and Objectives and Outcomes for River Operations**

### **Work Plan**

- 5.1 The Authority develops an annual Work Plan in accordance with the requirements as set out in clauses 34 and 35 of the Agreement (excerpts at **Attachment B**).
- 5.2 To facilitate development of the Work Plan the Planning and Reporting cycle at **Attachment D** will be adopted. This cycle will provide all parties with a defined calendar for the Work Plan and associated budget process that enables appropriate opportunity for the parties to input into the development of the Plan, to consider draft and final plans and to approve and implement the Plan. The cycle also incorporates details regarding reporting responsibilities outlined in this SLA and the Council Statement of Intent (where relevant), and clearly links the dependence on the planning and reporting elements to the effective and efficient delivery of authorised joint activities.
- 5.3 The parties acknowledge their responsibilities as outlined in **Attachment A** and the dependence each party has on the other to meet the timeframes set out in planning and reporting cycle at **Attachment D** to enable the effective and efficient delivery of authorised joint activities.

### **Asset Management Plan**

- 5.4 The Authority, with the assistance of state constructing authorities, develops the Asset Management Plan to meet the requirements set out in *clause 53* of the Agreement, for approval by the Council.
- 5.5 With respect to assets managed under the Agreement, the Asset Management Plan reflects decisions on service level and risk management made by the contracting governments. State constructing authorities assist the Authority to develop cost effective strategies for the operating, maintaining, and systematic refurbishing, renewing and replacing of assets subject to the provisions of the Agreement. Any proposed amendments to the Plan are reviewed by the Asset Managers Advisory Panel, and the River Murray Water Committee, to ensure they are consistent with the strategy for asset management in the plan. Following this review and if required, the Authority drafts amendments to the Plan for consideration by the BOC and approval by the Council.



### **Objectives and Outcomes for River Operations (including specific objectives)**

- 5.6 To facilitate the development of the Objectives and Outcomes document, consultation between the BOC and the Authority is informed by the Water Liaison Working Group and the most recent review report prepared by the Independent River Operations Review Group. Following the BOC determining any amendments that it requires, the Authority drafts the Objectives and Outcomes for River Operations document to meet the requirements set out in *clause 31* of the Agreement. This document is approved by the BOC and contributes to the BOC exercising its high level decision making function in relation to river operations, as the Authority must comply with the document.

## **6. Reporting**

### **Financial and performance reporting**

- 6.1 The Authority provides the Council with financial and performance reporting to enable the Council to:
- assess the performance of the Authority in relation to the delivery of authorised joint activities
  - assess the current and forecast financial position for authorised joint activities
  - inform decisions in relation to the approval of Work Plan, including level of contributions from each contracting government and sub-program budget allocations.
- 6.2 The financial and performance reporting is provided on a quarterly basis and includes:
- quarterly financial reports in line with the level of sub-program and activities reflected in the Work Plan, which includes the budget approved for each activity, expenditure for the reporting period and year to date and commitments entered into for each activity
  - a quarterly cash flow report which details:
    - the financial year opening balance of the joint programs, that is, cash in the special account, less any liabilities and provisions
    - revenue provided for the delivery of the joint programs, that is, contributions of each contracting government, other revenue and interest equivalency
    - the budget and expenditure for each sub-program
    - a reconciliation of the closing balance which would include details of funding held in the special account, approved carryover funds by sub-program and year and any unallocated funding
  - quarterly performance at sub-program level which uses a traffic light presentation to highlight delivery against the milestones, deliverables, budgets and risks to the delivery of sub-programs included in the Work Plan
  - clearly highlighting emerging budget and/or performance risks



- 6.3 where the Council may request additional reports, the Authority will undertake to deliver requested reports within the period requested by the Council
- 6.4 the format and details of the reports being developed in conjunction with the BOC, noting the requirement for reporting to meet the needs of both the Council and the Authority members
- 6.5 in addition to the standard quarterly reporting outlined above, the Authority providing exception reporting as necessary to the BOC and the Council on any urgent matters which the Authority assesses should be brought to the BOC and Council's attention immediately
- 6.6 the level of reporting being reviewed by the BOC and the Authority regularly to determine if any changes in format would improve accountability or transparency of the delivery of the joint programs.

#### **Annual report**

- 6.7 In line with *section 214* of the *Water Act 2007* the Authority will as soon as practicable after 30 June each financial year prepare and give to the Council a copy of the Authority's Annual Report, which incorporates, amongst other things, information about the implementation of the Authority's Work Plan.

#### **Other reporting**

- 6.8 Other reporting requirements are included in instruments made under the Agreement by the Council or the BOC, as appropriate. For example, the Objectives and Outcomes document requires the provision of state water accounts, and an Annual River Operations Report.

### **7. Risk management framework**

- 7.1 The MDBA maintains a risk management framework based on the Australian Standard for Risk Management (AS/NZS ISO 31000:2009). Risks are identified at the sub-program level identified in the Work Plan and assessed through a consistently applied and replicable methodology and follow a structured approach which encompasses the context, identification, assessment, analysis and treatment of risks.
- 7.2 A risk assessment and treatment control register is maintained by the Authority for each sub-program. The Authority reports progress on implementation of controls in the quarterly performance reporting process.
- 7.3 The parties agree to advise all parties, at the earliest possible opportunity, of any matters that the initiating party believes may have a material impact on how the other parties may discharge their responsibilities under the Agreement or this SLA. On receipt of any advice, the impacted party(s) will notify all other parties of the implications of the matter on the delivery of authorised joint activities so consideration can be given to how to address the matter.
- 7.4 Should any significant risks arise during the year, the Authority will undertake to report the risk and proposed treatments to the BOC and the Council as soon as possible.
- 7.5 In addition, consistent with the Council's Statement of Intent and to complement the new reporting arrangements, the parties agree that any matter relating to the conduct of authorised joint activities may be referred to the Council where a member of the Council has notified the Chair of the Council that the matter should be referred to the Council.



- 7.6 The Council will consider the matter at its earliest opportunity. Prior to this consideration, the Council may seek the advice of the BOC and the Authority. If requested for advice, the BOC and the Authority must ensure the provision to Council of all necessary information to enable an informed consideration of the matter.
- 7.7 In the event of a Council determination on the matter, the BOC and the Authority (consistent with their respective roles and responsibilities under the Agreement) will ensure timely implementation of that determination.

## **8. Audit and review**

- 8.1 The Authority currently undertakes the following audit and review of major programs and functions:
- Basin Salinity Management Audit (Schedule B of the Agreement, clause 34)
  - The Independent River Operations Review Group audit to assess compliance with the provisions of the Objectives and Outcomes for River Operations [Objectives and Outcomes for River Operations, sub-clause 12(3)]
  - The Living Murray Implementation (TLM) Audit (The Living Murray Business Plan, clause 203).
- 8.2 These audits are undertaken in accordance with procedures agreed from time to time with the BOC and, where relevant, the Council. The auditors/reviewers consult with each contracting government to ascertain any issues to be addressed in the audit.
- 8.3 It is noted that both The Living Murray and the Basin Salinity Management Strategy arrangements are under review as requested by the Council.
- 8.4 In accordance with the Living Murray Initiative Joint Venture and the River Murray Operations Joint Venture, the Authority is responsible for the preparation of financial statements for the joint ventures, and for arranging for audit of the statements, each financial year. The Authority aims to provide:
- interim unaudited financial statements by 15 January each year
  - draft financial statements to the asset controlling government by 15 August each year
  - final audited statements to be provided by the first week of October each year.
- 8.5 The Authority will also:
- arrange, in conjunction with the BOC, to undertake a review of the apportionment of costs (cost shares) for the contracting governments in intervals not exceeding five years (in accordance with sub-clause 72(2) of the Agreement)
  - arrange a review of the costs and efficiency of the River Murray Operations (to be undertaken in conjunction with the cost shares review) for 2014 and every five years thereafter
  - support BOC reviews of the Objectives and Outcomes for River Operations document. These reviews occur each year, and can also occur within a year if requested by two Basin governments. These reviews will have regard to advice from the Water Liaison Working Group and the most recent report of the Independent River Operations Review Group.



**Summary of roles and responsibilities**

<b>Ministerial Council</b>	<b>Murray-Darling Basin Authority</b>	<b>Basin Officials Committee</b>
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	Give effect to any decision of the Council	Advise the 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
Make determinations about the matters specified in the Agreement	Give effect to any high level decision of the BOC in relation to river operations	Give effect to any policy or decision of the Ministerial Council, as required by the Council
Approve the annual Work Plan and budget, and any amendments to the Plan and budget	Provide advice to the Council and the BOC as required to fulfil their functions	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
Approve the annual Asset Management Plan	Provide administrative support to the Council and the BOC	Exercise the powers and discharge the duties conferred on it by or under the Agreement or the Water Act
Agree amendments to the Agreement	Exercise the powers and discharge the duties conferred on the Authority by or under the Agreement	



<b>Ministerial Council</b>	<b>Murray-Darling Basin Authority</b>	<b>Basin Officials Committee</b>
Exercise such other functions as may be conferred on the Council by or under the Agreement or the Water Act	Prepare for the BOC each year, unless the Committee determines otherwise a document which specifies the objectives and outcomes to be achieved by the Authority in carrying out the Authority's functions in relation to river operations	
To reach in-principle agreement on the budget for joint program activities for the upcoming financial year at the November Council meeting, and to reach agreement on the Work Plan and Asset Management Plan at its subsequent Council meeting in May (Statement of Intent commitment)	Prepare each year and by the date determined by the Council, a draft Work Plan for the consideration by the BOC and following BOC Advice, Council's consideration and approval	
	Prepare as necessary or desirable draft amendments to the Work Plan for the consideration by the BOC and following BOC advice, Council's consideration and approval	
	Provide quarterly performance and financial reports to the BOC and the Council	
	Provide other reports as requested from time to time by the Council	



Ministerial Council	Murray-Darling Basin Authority	Basin Officials Committee
	Each year prepare and give to the Council a copy of the Authority's Annual Report, which incorporates information about the implementation of the Authority's Work Plan	
	<p>Each year provide financial statements for the contracting governments to the Agreement as follows:</p> <ul style="list-style-type: none"> <li>• interim unaudited financial statements by 15 January</li> <li>• draft financial statements to the asset controlling government by 15 August</li> <li>• final audited statements to be provided by the first week of October</li> </ul>	
	<p>Undertake the following audits and reviews:</p> <ul style="list-style-type: none"> <li>• Basin Salinity Management audit</li> <li>• River Murray Operations audit by Independent River Operations Review Group</li> <li>• The Living Murray Implementation (TLM) audit</li> </ul>	



**EXCERPT OF ROLES AND FUNCTIONS OF THE PARTIES UNDER THE MURRAY-  
DARLING BASIN AGREEMENT**

**Ministerial Council**

The functions of the Ministerial Council as set out in Part III, section 9 are:

***Section 9 Functions of the Ministerial Council***

- (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 this Agreement;
- (c) to approve the annual corporate plan and budget, and asset management plan, prepared by the Authority for the purposes of this Agreement;
- (d) to agree upon amendments to this 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 this Agreement or the Water Act.

**Basin Officials Committee**

The functions and Powers of the Committee as set out in Part IV, section 26 and Part V, section 31 are:

***Section 26 Functions and powers of the Committee***

- (1)
  - (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 this Agreement or the Water Act.
- (2) Paragraphs (1)(b) and (c) do not operate:
  - (a) to confer any powers on the Committee in addition to powers conferred by other provisions of this Agreement or the Water Act;
  - (b) to enable the Committee to—
    - (i) do anything; or
    - (ii) require the Authority to do anything,



for which Part VII and subsequent Parts provide, otherwise than as provided for by those Parts as amended from time to time.

- (3) The advice referred to in paragraph (1)(a) shall be determined by majority vote of the Committee members who constitute a quorum. In the event of a unanimous decision not being reached, each Committee member may tender separate advice to the Ministerial Council.

### **31. Objectives and outcomes for river operations**

- (1) The Committee must each year, unless the Committee determines otherwise, approve, and may from time to time amend, a document which specifies the objectives and outcomes to be achieved by the Authority in carrying out the Authority's functions in relation to river operations.
- (2) A document (including an amended document) approved under this clause remains in effect until the Committee resolves to approve a new document.
- (3) A document approved under this clause may require the Authority to refer to the Committee for the purposes of a determination under clause 33 any specified matter relating to the carrying out of the Authority's functions in relation to river operations, including any decision that the Authority proposes to make in relation to river operations, that has the potential to have a material effect on State water entitlements.
- (4) If a document approved under this clause includes a requirement to refer, the document must specify the criteria to be applied to determine whether a matter has the potential to have a material effect on State water entitlements and thus needs to be referred.

### **Murray-Darling Basin Authority**

The Functions, Powers and Duties of the Authority are set out in Part V, sections 29, 30, 32 to 35 as follows:

#### **Section 29 Functions, Powers and Duties of the Authority**

- (1) The functions of the Authority are:
- (a) to give effect to any decision of the Ministerial Council, including any decision made under subclause (3);
  - (b) to give effect to any high level decision of the Committee in relation to river operations;
  - (c) to provide advice to the Ministerial Council and the Committee as required to fulfil their functions;
  - (d) to provide administrative support to the Ministerial Council and the Committee; and
  - (e) to exercise the powers and discharge the duties conferred on it by or under this Agreement.
- (2) Subject to a decision of the Ministerial Council made under subclause (3), in carrying out its functions the Authority is to act in accordance with:
- (a) the provisions of this Agreement;
  - (b) the corporate plan;
  - (c) the asset management plan;
  - (d) the asset agreement; and
  - (e) in relation to river operations, the requirements of clause 30.



- (3) The Ministerial Council may, if it agrees that an emergency exists, decide that the Authority should carry out functions or exercise powers for the purposes of this Agreement:
  - (a) that are in addition to functions or powers conferred by the other provisions of this Agreement; or
  - (b) otherwise than as required by subclause (2).

### **30. Authority's Functions in Relation to River Operations**

- (1) The Authority must not exercise any of its functions in relation to river operations in a manner that has the potential to have a material effect on State water entitlements unless it does so in accordance with a decision of the Committee made under this Agreement, or a provision of the document approved under clause 31.
- (2) Subject to subclause (3), the Authority must carry out its functions in relation to river operations in accordance with objectives and outcomes specified in the document approved under clause 31 or, during the period before that document has been approved, clause 32.
- (3) If clause 33 requires the Authority to refer to the Committee a matter relating to the Authority's functions in relation to river operations, the Authority must act in accordance with a determination made under that clause.

### **32. Continuation of Resolutions, Practices and Procedures Relating to River Operations**

- (1) From the commencing day, and until the Committee approves a document under clause 31 the Authority must, subject to a determination under clause 33, carry out the Authority's functions in relation to river operations in accordance with such of the resolutions, practices and procedures in relation to the Commission's water business as are in effect immediately before the commencing day.
- (2) In this clause "Commission's water business" has the same meaning as under the former Agreement.

### **33. Referrals and Determinations in Relation to River Operations**

- (1) The Authority must refer to the Committee any matter relating to carrying out river operations:
  - (a) that the document approved under clause 31 requires the Authority to refer; or
  - (b) that two or more members of the Committee have notified the Authority and the Committee in writing is a matter that should be referred to the Committee because the document approved under clause 31 has not made relevant specifications about the matter, and the matter has the potential to have a material effect on State water entitlements.
- (2) A notification made under paragraph (1)(b) may be withdrawn at any time before a determination is made under this clause, by notice in writing given to the Authority and the Committee by the members of the Committee who made the notification.
- (3) The Authority must refer to the Committee any decision that the Authority proposes to make in relation to river operations that has the potential to have a material effect on State water entitlements, unless the decision is authorised by the document approved under clause 31 or a previous determination made under this clause.
- (4) The Authority may, before the Committee has approved a document under clause 31, refer to the Committee a proposal by the Authority to carry out its functions in relation to



river operations in a manner other than in accordance with the resolutions, practices and procedures referred to in clause 32.

- (5) If the Authority refers a matter to the Committee under this clause, the Committee must consider the matter and may make a determination in relation to it.
- (6) A determination under subclause (5) will be made:
  - (a) by a unanimous vote of all Committee members present who constitute a quorum;  
or
  - (b) by majority vote of the Committee members present who constitute a quorum, if those members by a unanimous vote agree that the resolution will be carried in that way.
- (7) If the Committee cannot make a determination in relation to a referred matter, the matter must be referred to the Ministerial Council as if it were a motion submitted by a Committee member for the purposes of clause 140.
- (8) After a matter has been referred to the Committee under this clause, the Authority must:
  - (a) continue to carry out its functions in relation to river operations in accordance with resolutions, practices and procedures that were in effect before the matter was referred; and
  - (b) in the case of a proposed decision, must not make the decision, until such time as the Committee makes a determination under this clause.

#### **34. Annual Work Plan**

- (1) The Authority must, each year and by the date determined by the Ministerial Council, prepare a draft work plan.
- (2) The draft work plan must:
  - (a) set out the activities of the Authority for the next ensuing four years, including the activities through which the Authority intends to achieve the outcomes and objectives—
    - (i) set by the Ministerial Council
    - (ii) in respect of river operations, set by the Committee
  - (b) set out new capital works and operational and maintenance programs to be undertaken or required under Part VIII of this Agreement, including as may be required to implement the asset management plan
  - (c) include the budget for the activities, works and programs, which must be developed in accordance with clause 74.
- (3) The draft work plan may include any other matters relevant to the Authority's functions as the Authority sees fit.
- (4) The Authority must provide the draft work plan to the Committee.
- (5) After considering the draft work plan, the Committee must submit the draft plan and the Committee's advice in relation to it, to the Ministerial Council.
- (6) After receiving the plan and the advice of the Committee, the Ministerial Council may:
  - (a) approve the plan with or without amendment  
or
  - (b) refer the plan back to the Authority for further consideration.



**35. Amendment of Annual Work Plan**

- (1) If the Authority considers that it is necessary or desirable for there to be a significant variation to the work plan, the Authority must prepare a draft amendment to the work plan and provide it to the Committee.
- (2) After considering the draft amendment, the Committee must submit the draft amendment and the Committee's advice in relation to it, to the Ministerial Council.
- (3) After receiving the draft amendment and the advice of the Committee, the Ministerial Council may:
  - (a) approve the amendment of the work plan with or without further amendment; or
  - (b) refer the draft amendment back to the Authority for further consideration.



Murray–Darling Basin Authority Delegations for Joint Programmes

The current Instrument of Delegation dated 2 October 2012 (refer to Appendix 1, separate document), issued by the Authority includes delegations to SES employees and other Authority staff (Authority delegations). Delegations for the Chief Executive are dealt with under item 7 of Schedule 3 of the *Water Amendment Act 2008*, which provides that the Authority is taken, under s199 of the *Water Act 2007*, to have delegated all of its functions and powers (except for making, amending and reviewing the Basin Plan) to the Chief Executive.

It is noted, that the Water Act expressly prohibits the Authority from delegating:

- a) a function or power relating to preparing, amending and reviewing the Basin Plan, to any person
- b) the power to appoint an authorised officer, to certain categories of delegates
- c) a power to request information, to certain categories of delegates
- d) the enforcement-related powers of the Authority under Part 8 of the *Water Act 2007*, to certain categories of delegates.

In addition, the Agreement expressly prohibits the Authority from delegating the power to make, amend or revoke a protocol to Schedule B or D of the Agreement (which deal with salinity and water transfers, respectively).

The Authority's approach to delegating its powers, functions and duties is to delegate within the Authority to the position which can most effectively and appropriately discharge that power, function or duty. The Delegations are being reviewed in line with this approach and in light of any governance changes could be updated to reflect the new governance arrangements by including delegations to a person who holds, or acts in, an office or position.

Delegations under the Agreement are, as a matter of course, exercised on the basis of consultation with jurisdictions and consensus wherever possible.

The Authority can issue written directions to a delegate. Delegates are legally bound to comply with all directions. The written directions, as they currently appear in the Instrument of Delegation, already provide a comprehensive list of directions which the delegate must comply with including, complying with all relevant provisions of the Agreement, all relevant laws, the corporate plan given to the Minister under section 213A of the *Water Act 2007* (Cth), as it relates to functions of the Authority under Parts 1A – the Agreement and 10A - Transitional matters relating to the Murray–Darling Basin Commission.

The written directions are also being reviewed to strengthen governance arrangements.



# INTEGRATED BUSINESS PLANNING AND REPORTING CYCLE

## ATTACHMENT D

