

Soil Conservation Service

Highlights for 2004/05

1. Major construction award won by Soil Conservation Service for construction and project management of the Tingha Sewerage Scheme pond system in North-Western NSW. Civil Contractor Federation, "Case" Earth Awards Category 1 - Environmental Excellence (project value up to 2 million) and the NSW Department of Environment and Conservation Sustainable Construction Awards were won for this project at a former derelict tin mining site. The project is now eligible for the CCF National awards later in the year and has been submitted for a NSW Premiers Public Sector Award.
2. New marketing procedures identified significant potential for expansion of the environmental consultancy operation. A range of marketing brochures in lands format were produced to assist these operations and to enhance tender documentation. Field days at Henty, Mudgee, Orange and Aquip were attended to promote Lands services and local operations.
3. Occupational Health and Safety (OH&S) procedures were enhanced with the completion of Foreshore procedures for fire fighting. Work has also commenced on revised procedures for plant operation during fire emergencies.
4. River operations in the Hunter during the year required major review and restructuring following a significant withdrawal of funding by DIPNR and transfer of the program to Hunter Central Rivers Catchment Management Authority (CMA). The river works teams went from a fully funded Government program to full commercial operation. With staff restructuring, negotiating works programs with the CMA and successfully bidding for commercial works, the group was able to cover all operational costs for the year.
5. Service agreements were successfully negotiated for River Operations in the Hunter with the Hunter Central Rivers CMA for Upper Hunter works and DIPNR in the Lower Hunter for flood mitigation maintenance works.
6. Negotiations with State Water commenced on the future management of foreshore lands currently managed by the Division on their behalf. The short fall in adjustment income to operation costs was met by State Water.
7. Major environmental rehabilitation consultancies and conservation earthworks undertaken during the year included:
 - Department of Commerce, Tingha Sewerage Scheme ponds and infrastructure construction for \$723,182.
 - Blue Circle Southern Cement, rehabilitation of a former cement works site near Kandos for \$222,600.
 - Sydney Catchment Authority fire trail maintenance and repairs Warragamba and Metropolitan catchments and soil conservation works on their Riverlea property to a total value of \$677,724.
 - Mineral Resources of NSW for rehabilitation of derelict mine sites across NSW to the value of \$1.08 million.
 - Department of Education and Training design and construction of school ground rehabilitation works at 13 schools to the value of \$812,000.
 - Gunnedah Shire Council for construction of a lined cell for containment of solid and inert waste to the value of \$147,900.
 - Whitehaven, Namoi and Werris Creek Coal mines for mine rehabilitation, drainage and revegetation works in the Gunnedah area to the value of \$364,854.
 - Conservation earthworks banks and waterways on J Newnham, Warialda and R Blatchfords, Narrabri, rural properties to the value of \$109,000.
 - Roads and Traffic authority erosion and sediment control training pilot and six workshops to the value of \$60,000.
 - Initial works of \$109,000 for the ACT Government tender (Environment ACT) for fire trail maintenance and upgrade works in national parks.

Soil Conservation Service

Established in 1990 the Soil Conservation Service also known as Soil Services Division is a commercial operation within the Department providing soil and water conservation services to both rural and urban clients. Soil Conservation Service offers competitive and cost effective services and consultancy to land users for the assessment, development, implementation and promotion of best practice land and water use systems. Maintenance of State Government assets on behalf of other Government entities are also undertaken by the Division.

Senior Managers

Paul Jones, General Manager

B.Eng (Civil)

Certified Professional Erosion and Sediment Control (CPESC)

Garry Chapman, Area Manager Northern

Dip.Agr, CPESC

Col Adams, Area Manager Central

Dip.Agr, CEPSC

Michael Fletcher, Area Manager Eastern

Dip. Agr, CEPSC

Guy Van Owen, Area Manager Southern

B.Sc (Hons) MSc, Dip.Agr, CPESC

Aims and objectives

- provide a cost-effective conservation earthmoving service to protect and conserve the soil and water resource of NSW.
- set the industry standard for conservation earthworks design and construction.
- provide a specialist consulting service in environmental protection, resource planning and assessment, environmental engineering and training in soil and water conservation.
- assist the Department to meet its objective of managing the natural resources of NSW in a sustainable manner.

Range of services provided

Conservation Earthworks (Soilworks)

Through its plant hire scheme Soilworks, the Soil Conservation Service offers a cost competitive earthmoving service to design and implement soil and water conservation earthworks. These set the industry standard for quality.

The service specialises in the planning, design and construction of soil and water conservation earthworks. These works include:

- extensive conservation broadacre banking and waterway systems used to contain and divert runoff to stable disposal areas. These works complement conservation farming practices such as reduced and no-tillage to provide effective control of sheet, rill and gully erosion.
- conservation earthworks include dams, catch banks, waterways, contour banks and integrated watershed soil and water conservation schemes to harvest and store water for domestic use.

- grade reducing structures, gully head control, shaping and filling to stabilise actively eroding flow lines.
- mine restoration works, access tracks, poly pipe laying, sand dune shaping and other specialist works.
- Specialist works, such as concrete or rock lined chutes, pipe installation and revegetation.

Projects are undertaken on either a fixed fee or hourly rate basis. Subcontractors are often engaged to assist with the provision of specialist equipment such as excavators, scrapers and rollers.

Soil Consulting (Soilconsult)

Consultancy and contracting services are offered on a fully commercial basis in a broad range of areas associated with environmental protection, rehabilitation and education. Many of the consultancies undertaken involve the Soilworks teams, and enable the Soil Conservation Service to offer clients a complete package from planning, designing and layout through to final implementation. The work is founded on a thorough understanding of what is practical and cost effective and at all times is concerned with the protection of the environment. These practical skills and knowledge have also been packaged to provide well recognised training programs to the construction industry.

Services offered have expanded and include the following areas:

- resource planning and assessment.
- soil surveying and landscape mapping.
- soil and water testing services.
- catchment and property planning.
- erosion and sediment control on infrastructure developments.
- design and construction of soil and water conservation works.
- groundwater mapping and salinity control.
- vineyard, orchard and feedlot survey and design.
- rehabilitation and revegetation of degraded and disturbed areas.
- flood detention basins, drainage works and artificial wetlands.
- training in conservation earthmoving, urban erosion and sediment control, access track construction and rehabilitation techniques.
- coastal dune stabilisation and beach reclamation.

Consulting services are supported by National Association of Testing Authorities (NATA) registered soil and water testing laboratory at Scone and a hydroseeder / hydromulcher unit at Bathurst.

Operations

Services included under this category relate to maintenance of State Government assets on behalf of other Government entities on a full cost recovery basis.

- Flood Mitigation Works

This includes maintenance of assets constructed for flood mitigation and prevention under the Hunter Valley Flood Mitigation Act 1956. Under Memorandums of Understanding the Soil Conservation Service is offered the work required to be carried out under this program as well as that involved in the construction of new flood mitigation works funded from the Natural Disasters Relief Fund, for repairs to assets damaged by flooding. This year the Upper Hunter functions were transferred by Department of Infrastructure, Planning and Natural Resources (DIPNR) with significantly reduced funding to the local Catchment Management Authority (CMA). This necessitated restructuring of the works teams, negotiating new works programs with the CMA and sourcing of external work to cover operational costs of the team. The funding for the maintenance of assets in the Lower Hunter continues to remain with DIPNR.

- Great North Walk

The Great North Walk was established in the 1988 bicentennial year as a 250 kilometre walking track

from Sydney to Newcastle. The route includes Sydney Harbour, Lake Macquarie and the Newcastle coastline. The walk is managed and maintained by the Department with co-operation and assistance of NSW State Forests, Department of Environment and Conservation and 14 local councils. The physical on-ground maintenance works are undertaken by the Division's staff.

- Dam Foreshores

The Division is currently responsible for the operational management of the dam foreshores at Glenbawn, Glennies Creek, Lostock, Split Rock, Chaffey, Keepit and Copeton Dams. These 50,000 hectares are managed in accordance with management plans, ensuring their continued long-term stability and environmental protection. Soil Conservation Service staff are engaged in pest and weed control, asset maintenance, fire control and agistment management on a full recovery cost basis on behalf of NSW State Water.

Customers

Our clients include the landholders of NSW (primarily farmers and graziers), government agencies that include Catchment Management Authorities, Mineral Resources of NSW, Sydney Catchment Authority, the Roads and Traffic Authority, ACT Government, conservation groups (such as Landcare and Dunecare) and commercial companies.

Revenue received from client services varies from year to year with the following providing a profile by operational activity in respect to 2004/05:

Customers	Soilworks		Soilconsult		Operations		Total	
	\$000	%	\$000	%	\$000	%	\$000	%
Landholders	5,019	73.3	88	1.3	826	30.3	5,933	36.8
State Government	550	8.0	4,826	73.7	1,854	68.1	7,231	44.9
Local Government	139	2.0	847	12.9	44	1.6	1,030	6.4
Corporate	973	14.2	778	11.9	-	-	1,752	10.9
Other	163	2.4	13	0.2	-	-	176	1.1
Total	6,845	100	6,553	100	2,724	100	16,122	100

Over the last four years the Soilconsult customer base segment of the business has grown with Soilworks declining due to a lack of demand arising from the major drought conditions in NSW and a fleet reduction due to restructuring.

The Department of Lands
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 LPI Division
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Soil Conservation Service
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Significant Operations for Reporting Year

Soilworks sales at \$7.2 million (down 11% on the budgeted \$8.1 million), was attributed largely to the ongoing widespread drought conditions and the larger than budgeted fleet reduction. Chargeable plant hours were down 14% (964 hours) on the 2003/04 of 1138 hours per unit as major drought conditions continued, and significantly below the annual target of 1300 hours per unit (26%) A further fleet reduction of 7% (44 to 39 operational bulldozer units) impacted on potential for sales generation during the year. Approximately 32,536 hectares of land was treated with conservation earthworks including broadacre banks/waterways dams and sediment detention structures.

External consultancy sales totalled \$6.63 million (down by 15% on the high 2003/04 result) and 2% below the estimated budget for the year, was attributed to delays in receiving approval to fill existing consult vacancies. While the majority of clients continue to directly approach Soil Conservation Service as a preferred supplier to request project costing a number of jobs were won in open tender. Several projects are outlined in the Division's highlights for 2004/05.

Hunter Valley flood mitigation works, Great North Walking Track and dam foreshore programs were completed during the year to the value of \$2.72 million. River operation teams successfully sourced additional works in the latter part of the year to cover operational costs following DIPNR's significant reduction in funding to maintenance works in the Upper Hunter. Negotiations with State Water are continuing on foreshore management. State Water agreed to meet the \$200,000 shortfall in income to cover the operational costs of foreshore management during the year

The Division's business plan was reviewed, updated and again submitted to Treasury in April 2005. A range of strategies identified in the December 2003 plan were progressed to improve the financial position of the division:

- A marketing plan was implemented for the year. New marketing material was prepared under the Lands banner for a range of Soil consult activities.
- Soilworks operational costs were further decreased through a reduction of the bulldozer fleet 44 to 39 operational units. Significantly the Taree and Bega plant teams closed with Soilworks plant now restricted to the tablelands and wheat belt areas of the state. With the leasing of 4 new units this allowed the disposal of 7 aged units.
- Workshop locations were rationalised from 6 to 3 with associated staff reductions.

Management, Strategy and Performance Review

The Division is committed to a Quality Management System and progressed towards certification to ISO ANZ 9001:2000 during the year. Quality documentation to the new standard was undertaken with a quality manual, operating procedures and revised forms prepared. Internal audits were undertaken at four offices with external accreditation audits proposed for October 2005.

Benefits of the system include a regular system review and staff assessment process, improved operational procedures for staff, improved customer service levels and external accreditation, a requirement for major client contracts.

Major Problems and Issues

The Soilworks operation continues to experience excessive fleet repair costs due to the ageing fleet. While progress was made during the year with the disposal of 7 units, 11 of the remaining fleet require replacement/disposal in 2005/06.

The profitable Soilconsult operation continues to provide a substantial stream of income for the division. Without expansion of this section of the operation through the filling of limited new positions the financial position of the division will continue to struggle.

The cost of providing conservation earthmoving services, previously assisted by the payment of a Community Service Obligation, are higher than the revenue gained. The Government's intention that the Division maintains traditional soil conservation services in rural NSW requires a financial recognition of the community benefits provided. These challenges will continue to be addressed in 2005/06.