

NATIONAL PARTNERSHIP AGREEMENT ON NATURAL DISASTER RESILIENCE

Council of
Australian
Governments

An agreement between

n the **Commonwealth of Australia** and
n the **States and Territories**, being:

- t New South Wales
- t Victoria
- t Queensland
- t Western Australia
- t South Australia
- t Tasmania
- t the Australian Capital Territory
- t the Northern Territory

This Agreement will contribute to strengthening community resilience to natural disasters.

National Partnership agreement on Natural Disaster Resilience

INTERGOVERNMENTAL AGREEMENT ON FEDERAL FINANCIAL RELATIONS

PRELIMINARIES

1. This National Partnership agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA FFR.
2. In entering this Agreement, the Commonwealth and the States and Territories (the States) recognise that they have a mutual interest in reducing the impact of, and increasing resilience to, natural disasters and need to work together with local government, business, the non-government sector, communities and individuals to achieve these outcomes.
3. This Agreement will contribute to delivering the strategic priorities under the National Strategy for Disaster Resilience (NSDR) aimed at strengthening Australian communities' resilience to, and minimising the impact of a range of natural disasters in Australia.
4. Commonwealth and State funding under this Agreement or elements of this Agreement is anticipated to have an impact on ongoing service levels in the areas of enhancing Australian communities' resilience to natural disasters, in such a way that further funding beyond the term of this Agreement may be required if those levels are to be maintained.
5. This Agreement will be implemented consistently with the objectives and outcomes of all National Agreements and National Partnerships agreed by the Parties. In particular, the Parties are committed to addressing the issue of social inclusion, including responding to Indigenous disadvantage (for example, the reform commitments provided in the National Indigenous Reform Agreement) and those commitments are embodied in the objectives and outcomes of this Agreement.
6. This Agreement will be implemented consistently with the key objectives of the *National Disability Strategy 2010–2020*, as agreed by the Council of Australian Governments in 2011, which seeks to improve the lives of people with disability, promote participation, and create a more inclusive society. The Parties are committed to supporting the vision of the Strategy for an inclusive Australian society that enables people with disability to fulfil their potential as equal citizens, and its aims, which include driving improved performance of mainstream services in delivering outcomes for people with disability.

PART 1 – FORMALITIES

Parties to this Agreement

7. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the States.

Term of the Agreement

8. This Agreement will commence as soon as the Commonwealth and one other Party sign the Agreement. The Agreement will expire on 30 June 2017, or on completion of the project or reform, including the acceptance of final performance reporting and processing of final payments against performance benchmarks or project milestones. The Agreement may be terminated earlier or extended as agreed in writing by the Parties.

PART 2 – OBJECTIVE, OUTCOME AND OUTPUTS

Objective

9. The Parties aspire to enhance Australian communities' resilience to natural disasters.

Outcome

10. This Agreement will facilitate achievement of the following outcome:
 - (a) strengthening community resilience to natural disasters consistent with State risk profiles and the priority outcomes of the NSDR, in the areas of:
 - (i) leading change and coordinating effort,
 - (ii) understanding risk,
 - (iii) communicating with and educating people about risks,
 - (iv) partnering with those who effect change,
 - (v) empowering individuals and communities to exercise choice and take responsibility,
 - (vi) reducing risks in the built environment, and
 - (vii) supporting capabilities for disaster resilience.

Outputs

11. The objective and outcome of this Agreement will be achieved by States:
 - (a) publishing a new, revised or updated State-wide risk assessment by 30 June 2017 as agreed by the Standing Council on Police and Emergency Management¹ (now the Law Crime and Community Safety Council);
 - (b) implementing a program of natural disaster resilience activities to address priorities identified in State-wide and other relevant risk assessments and consistent with the NSDR; and

¹ Resolution from the 4-5 July 2013 SCPEM meeting

- (c) providing support to emergency management volunteers through a range of activities including addressing key issues of attraction, support and retention, consistent with the National Emergency Management Volunteer Action Plan – 2012.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

12. To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities, as outlined below.

Role of the Commonwealth

13. The Commonwealth agrees to be accountable for the following roles and responsibilities:
- (a) providing a financial contribution to the States to support the implementation of this Agreement;
 - (b) coordinating the development of Implementation Plans in partnership with the States;
 - (c) monitoring and assessing the performance in the delivery of outputs under this Agreement to ensure that outputs are delivered and outcomes are achieved within the agreed timeframe;
 - (d) where applicable, in accordance with the *Fair Work (Building Industry) Act 2012*, ensuring that financial contributions to a building project or projects as defined under the *Fair Work (Building Industry – Accreditation scheme) Regulations 2005*, are only made where a builder or builders accredited under the Australian Government Building and Construction Occupational Health and Safety Accreditation Scheme is contracted; and
 - (e) where applicable, ensuring that compliance with the Building Code 2013 is a condition of Australian Government funding.

Role of the States and Territories

14. The States agree to be accountable for the following roles and responsibilities:
- (a) providing a financial and/or in-kind contribution to support the implementation of this Agreement;
 - (b) developing a two year Implementation Plan that aligns with the term of this Agreement and relates to activities funded under it, in consultation with the Commonwealth;
 - (c) monitoring and assessing the delivery of outputs under this Agreement to ensure that they are delivered and outcomes are achieved within the agreed timeframe;
 - (d) delivering the outcomes and outputs as set out in Part 2 – Objective, Outcome and Outputs of this Agreement;
 - (e) reporting on the delivery of the outcome and outputs as set out in Part 4 – Performance Monitoring and Reporting of this Agreement; and
 - (f) ensuring appropriate financial and project management arrangements are in place for all activities undertaken through this Agreement, including:

- (i) where applicable, ensuring that only a builder or builders accredited under the Australian Government Building and Construction Occupational Health and Safety Accreditation Scheme is contracted, and providing the necessary assurances to the Commonwealth, and
- (ii) where applicable, ensuring that compliance with the Building Code 2013 is made a condition of tender for all contractors and subcontractors who tender for the work, and providing the necessary assurances to the Commonwealth.

Shared roles and responsibilities

15. The Commonwealth and the States share the following roles and responsibilities:
- (a) participating in consultations as appropriate regarding the implementation of this Agreement;
 - (b) negotiating new or revised Schedules, including Implementation Plans, to this Agreement; and
 - (c) facilitating sharing of information on outputs and outcomes under this Agreement with the aim of minimising duplication of program and project activities.
16. The Parties will meet the requirements of Schedule E, Clause 26 of the IGA FFR, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under an Implementation Plan, and that the roles of both Parties will be acknowledged and recognised appropriately and with sufficient notice of opportunities for involvement at federal and local levels.

Implementation Plans

17. The Commonwealth and the States will agree Implementation Plans from the commencement of this Agreement to 30 June 2017 that will set out each State's strategy to:
- (a) strengthen community resilience to natural disasters through targeted natural disaster resilience activities consistent with State risk profiles;
 - (b) demonstrate how State programs support the NSDR priority outcomes; and
 - (c) contribute to the attraction, retention, training and resourcing of emergency management volunteers.

PART 4 – PERFORMANCE MONITORING AND REPORTING

Performance milestones

18. Achievements of the objectives, outcome and outputs in this Agreement will be assessed against the performance milestones to be set out in each Implementation Plan, that when agreed, will form Schedules to this Agreement.

Reporting arrangements

19. The States will report against the agreed performance milestones in their respective Implementation Plans in accordance with Table 3 of this Agreement.

PART 5 – FINANCIAL ARRANGEMENTS

Financial contributions

20. The Commonwealth will provide a total financial contribution to the States of up to \$52.2 million in respect of this Agreement.
21. The Commonwealth's financial contribution will cover up to 50 per cent of the estimated cost of delivering the activities specified in an agreed Implementation Plan, but not exceeding the allocation of funding from a State which may include third party contributions.
22. States are responsible for securing the balance of contributions for activities identified in the Implementation Plan, which may include in-kind contributions.
23. The Commonwealth's funding contribution will not be reduced where the States secure funding from other activity partners through innovative and collaborative partnerships.
24. The Parties may agree to fund national capabilities that enhance community resilience, as recommended by the Australia-New Zealand Emergency Management Committee, from within existing allocations under this Agreement, on a case-by-case basis.
25. The parties may consider funding the development of capabilities to support the delivery of the natural disaster funding reforms as a result of the Productivity Commission Inquiry, from within existing allocations under this Agreement, on a case-by-case basis, subject to bilateral agreement between the Commonwealth and each state or territory. This may include development of capabilities for an upfront assessment of damage and pre-determined reconstruction cost.
26. The Commonwealth's and the States' estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the States paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 1.

Table 1: Estimated financial contributions

	2015-16 (\$ million)	2016-17 (\$ million)	Total (\$ million)
<i>Estimated</i> total budget	52.2	52.2	104.4
<i>Estimated</i> National Partnership payment	26.1	26.1	52.2
Commonwealth own purpose expense	0	0	0
Total Commonwealth contribution	26.1	26.1	52.2
Balance of non-Commonwealth contributions	26.1	26.1	52.2

27. The distribution of the Commonwealth's estimated financial contribution in Table 1 is shown in Table 2. The distribution is based on population, cost of disasters and relative disadvantage, and is adjusted by agreement to provide an adequate minimum level to the Territories and Tasmania.

Table 2: Distribution of estimated financial contributions

State	%	2015-16 (\$ million)	2016-17 (\$ million)	Total (\$million)
New South Wales	26	6.8	6.8	13.5
Queensland	23	6.0	6.0	12.0
Victoria	16	4.2	4.2	8.4
Western Australia	12	3.1	3.1	6.3
South Australia	8	2.1	2.1	4.2
Tasmania	5	1.3	1.3	2.6
Australian Capital Territory	5	1.3	1.3	2.6
Northern Territory	5	1.3	1.3	2.6
Total	100	26.1	26.1	52.2

Table 3: Reporting Requirements and Payment Milestones

Due date	Milestone	Proportion of State's annual allocation
2015-16		
Following finalisation of this Agreement	Agreement to the State Implementation Plans that clearly demonstrate each State's strategy to achieve the outcomes and outputs of this Agreement, as per clause 17 of this Agreement.	50%
April 2016	Demonstrated achievement of the required performance milestone(s) set out in each State's Implementation Plan.	50%
2016-17		
April 2017	Demonstrated achievement of the required performance milestone(s) set out in each State's Implementation Plan.	100%

Project management risk

28. Having regard to the agreed estimated costs of projects specified in an Implementation Plan, a State will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project. Similarly, the States bear all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the States to deliver projects cost effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

29. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

Review of the Agreement

30. On its expiry, decisions about future Agreements will be informed by the findings of the review of the 2013–2015 Agreement and ongoing consultations with the States on reforms to the natural disaster funding arrangements as well as broader recommendations from the Productivity Commission inquiry.

Variation of the Agreement

31. The Agreement may be amended at any time by agreement in writing by all the Parties.
32. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all the other Parties in writing.

Delegations

33. The relevant Commonwealth Minister with portfolio responsibility for emergency management is authorised to agree and amend Schedules, including Implementation Plans, to this Agreement and to certify that performance benchmarks specified under this Agreement have been achieved, so that payments may be made.
34. Respective State Ministers with responsibility for administering this Agreement are authorised to agree and amend Schedules, including Implementation Plans, to this Agreement.
35. The Commonwealth Minister may delegate the assessment of project-based performance benchmarks or milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

Dispute resolution

36. Any Party may give notice to other Parties of a dispute under this Agreement.
37. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
38. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant Ministerial Council.
39. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to the Council of Australian Governments (COAG) for consideration.

Interpretation

40. For the purposes of this Agreement:

Disaster mitigation – measures taken in advance of, or after, a disaster aimed at minimising the impact of disaster on communities.

Emergency management – a range of measures to manage risks to communities and the environment, including the organisation and management of resources for dealing with all aspects of

emergencies. Emergency management involves the plans, structures and arrangements which are established to bring together the normal endeavours of government, voluntary and private agencies in a comprehensive and coordinated way to deal with the whole spectrum of emergency needs, including prevention, preparedness, response and recovery.

In-kind contribution – a non-cash input which can be given a cash value. In-kind contributions are for costs directly associated with an approved project. They are not to be used for core activities of State and/or local agencies.

Natural disaster – a serious disruption to a community or region caused by the impact of a naturally occurring, rapid onset event that threatens or causes death, injury or damage to property or the environment and which requires significant and coordinated multi-agency and community responses. Natural disasters include for example bushfire, cyclone, earthquake, flood, landslide, storm, storm surge, tornado or tsunamis.

Productivity Commission Inquiry – refers to the Productivity Commission Inquiry Report into Natural Disaster Funding Arrangements, No 74 – 17 December 2014 which was publicly released on 1 May 2015.

Resilience – the capability to prevent/mitigate, prepare for, respond to and recover from the impacts of natural disasters.

The Parties have confirmed their commitment to this agreement as follows:

Signed *for and on behalf of the Commonwealth of Australia by*

The Honourable Malcolm Turnbull MP
Prime Minister of the Commonwealth of Australia

[Day] [Month] [Year]

Signed *for and on behalf of the State of New South Wales by*

The Honourable Mike Baird MP
Premier of the State of New South Wales

[Day] [Month] [Year]

Signed *for and on behalf of the State of Queensland by*

The Honourable Anastacia Palaszczuk MP
Premier of the State of Queensland

[Day] [Month] [Year]

Signed *for and on behalf of the State of South Australia by*

The Honourable Jay Weatherill MP
Premier of the State of South Australia

[Day] [Month] [Year]

Signed *for and on behalf of the Australian Capital Territory by*

Mr Andrew Barr MLA
Chief Minister of the Australian Capital Territory

[Day] [Month] [Year]

Signed *for and on behalf of the State of Victoria by*

The Honourable Daniel Andrews MLA
Premier of the State of Victoria

[Day] [Month] [Year]

Signed *for and on behalf of the State of Western Australia by*

The Honourable Colin Barnett MLA
Premier of the State of Western Australia

[Day] [Month] [Year]

Signed *for and on behalf of the State of Tasmania by*

The Honourable Will Hodgman MP
Premier of the State of Tasmania

[Day] [Month] [Year]

Signed *for and on behalf of the Northern Territory by*

The Honourable Adam Giles MLA
Chief Minister of the Northern Territory of Australia

[Day] [Month] [Year]