

# PROJECT AGREEMENT FOR A PROTOTYPE NATIONAL FIRE DANGER RATING SYSTEM AND SOCIAL RESEARCH

An agreement between:

- n the Commonwealth of Australia; and
- n the States of
  - o New South Wales, and
  - o South Australia.

The outputs of this project will be a prototype national fire danger rating system and social research to assist the States in communicating national fire danger rating information to the public.

# Project Agreement for a Prototype National Fire Danger Rating System and Social Research

## OVERVIEW

1. This Project 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.

### Purpose

2. The Commonwealth supports the development of nationally important emergency management capabilities by providing seed funding on the understanding that the ongoing operational costs of the National Fire Danger Rating System (NFDRS) will be borne by the States as primary users.
3. This Agreement will support the delivery of a working prototype of the new National Fire Danger Rating System (NFDRS) and social research to assist the States in communicating national fire danger rating information to the public. The prototype will be delivered as part of an 18 month program aimed at demonstrating the feasibility and merits of a new system for future delivery on a national basis.

### Reporting Arrangements

4. The States will report annually against the agreed milestones during the operation of this Agreement, as set out in Part 4 – Project Milestones, Reporting and Payments.

### Financial Arrangements

5. The Commonwealth will provide an estimated total financial contribution to the States of \$700,000, exclusive of GST in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

## PART 1 – FORMALITIES

6. This Agreement constitutes the entire agreement for this project.

## Parties to this Agreement

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

## Term of the Agreement

8. This Agreement will commence as soon as the Commonwealth and one other party sign the agreement and will expire on 30 June 2019 or completion of the project, including final performance reporting and processing of final payments against milestones, unless terminated earlier or extended as agreed in writing by the Parties.

## PART 2 – PROJECT OUTPUTS

### Outputs

9. The outputs of this Agreement will be:
  - (a) development of a prototype NFDRS – a technical system for a national platform that provides practitioners with increased scientific accuracy on how a fire is likely to behave, including:
    - (i) development of a working prototype;
    - (ii) production of a report in consultation with the National Program Board describing:
      - ii.i the prototype system;
      - ii.ii the results of operating the system over the 2017-18 southern fire season; and
      - ii.iii a sustainable funding model for the delivery of the full project to be agreed by the states and territories; and
  - (b) social research to assist the States in communicating national fire danger rating information to the public, including:
    - (i) production of a report endorsed by the National Program Board, including guidance on communicating the new NFDRS.

## PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

### Role of the Commonwealth

10. The Commonwealth will be responsible for:
  - (a) monitoring and assessing achievement against milestones in the delivery of a working prototype of the new NFDRS under this Agreement to ensure that outputs are delivered within the agreed timeframe; and
  - (b) providing a consequent financial contribution to the States to support the implementation of this Agreement.

## Role of New South Wales

11. New South Wales will be responsible for:
  - (a) providing a financial and in-kind contribution to support the implementation of this Agreement;
  - (b) all aspects of delivering on the project output as set out in clause 9(a) of this Agreement;
  - (c) reporting on the delivery of the output as set out in Part 4 – Project Milestones, Reporting and Payments; and
  - (d) submitting the report produced in accordance with clause 9(a)(ii) of this Agreement and a paper endorsed by the National Program Board to the Australian and New Zealand Emergency Management Committee (ANZEMC) that includes the report (for noting) along with a sustainable funding model for the full project (for agreement) to the first ANZEMC meeting after 30 May 2018.

## Role of South Australia

12. South Australia will be responsible for:
  - (a) providing an in-kind contribution to support the implementation of this Agreement;
  - (b) all aspects of delivering on the project output as set out in clause 9(b) of this Agreement; and
  - (c) reporting on the delivery of the output as set out in Part 4 – Project Milestones, Reporting and Payments.

## Shared roles

13. 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 this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

## PART 4 – PROJECT MILESTONES, REPORTING AND PAYMENTS

14. Table 1 summarises the milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made. The Commonwealth will make payments subject to the annual performance report demonstrating the relevant milestone has been met.

**Table 1: Performance requirements, reporting and payment summary**

Outputs	Performance milestones	Report due	Payment
Development of a prototype National Fire Danger Rating System in accordance with clause 9(a) of this Agreement	Development of a working prototype in accordance with clause 9(a) (i) of this Agreement	31/12/2017	\$0.4m
	Production of a report in accordance with clause 9(a) (ii) of this Agreement	30/05/2018	\$0.1m
Social research in accordance with clause 9(b) of this Agreement	Production of a report and guidance in accordance with clause 9(b) (i) of this Agreement	01/09/2018	\$0.2m

15. If a milestone is met in advance of the due date, where the relevant performance report demonstrates that the milestone has been met, the Commonwealth may make the associated payment earlier than scheduled provided it falls within the same financial year as the original milestone date.

### Reporting arrangements

16. The States will provide performance reports in accordance with Table 1 during the operation of the Agreement. Each performance report is to contain a description of actual performance in the period to date against the project milestones.

## PART 5 – FINANCIAL ARRANGEMENTS

17. The Commonwealth will provide an estimated total financial contribution of \$700,000, comprising \$500,000 to New South Wales and \$200,000 to South Australia in respect of this Agreement. All payments are GST exclusive.
18. The Commonwealth's funding contribution will not be reduced where the states secure funding from other activity partners.
19. The Commonwealth's and the States' estimated financial contributions 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 2.

**Table 2: Estimated financial contributions**

(\$ million)	2017-18	2018-19	Total
<b>Estimated total budget</b>	<b>1.0</b>	<b>0.2</b>	<b>1.2</b>
Less estimated National Partnership Payments			
New South Wales	0.5	-	0.5
South Australia	-	0.2	0.2
<b>Balance of non-Commonwealth contributions</b>	<b>0.5</b>	<b>0.0</b>	<b>0.5</b>

20. Having regard to the agreed estimated costs of projects specified in this Agreement, a State or Territory 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**

21. 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.

### **Variation of the Agreement**

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

### **Delegations**

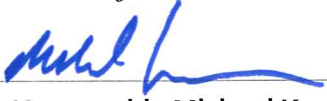
24. The Commonwealth Minister may delegate the assessment of performance against milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

### **Dispute resolution**

25. Any Party may give notice to other Party of a dispute under this Agreement.
26. Officials of the Parties will attempt to resolve any dispute in the first instance.
27. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

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

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



**The Honourable Michael Keenan MP**  
Minister for Justice

~~September 2017~~

15/11/17

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

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

**The Honourable Troy Grant MP**  
Minister for Emergency Services

August 2017

**The Honourable Peter Malinauskas MP**  
Minister for Emergency Services

August 2017

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

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

\_\_\_\_\_  
**The Honourable Michael Keenan MP**

Minister for Justice

October 2017

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

\_\_\_\_\_  
**The Honourable Peter Malinauskas MP**

Minister for Emergency Services

October 2017

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

\_\_\_\_\_  
**The Honourable Troy Grant MP**

Minister for Emergency Services

12/10 October 2017



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

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

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

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**The Honourable Michael Keenan MP**

Minister for Justice

July 2017

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**The Honourable Troy Grant MP**

Minister for Emergency Services

July 2017

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



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**The Honourable Peter Malinauskas MP**

Minister for Emergency Services

July 2017

*29/8/17*