

PROJECT AGREEMENT FOR THE PROTECTION AND PROMOTION OF THE ROYAL EXHIBITION BUILDING

Council of
Australian
Governments

An agreement between

n the Commonwealth of Australia and
n Victoria

The output of this project will be the completion of a package of conservation works for the protection and promotion of the Royal Exhibition Building, Victoria.

Project Agreement for the Protection and Promotion of the Royal Exhibition Building

INTERGOVERNMENTAL AGREEMENT ON FEDERAL FINANCIAL RELATIONS

PRELIMINARIES

1. This Project Agreement (this Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations and should be read in conjunction with that agreement and its schedules, which provide information in relation to performance reporting and payment arrangements.
2. This Agreement will support the delivery and completion of a package of conservation works for the protection and promotion of the Royal Exhibition Building in Victoria, in relation to improving visitor experience and conservation of the fabric of the building.
3. This Agreement constitutes the entire agreement for this project.

PART 1 – FORMALITIES

Parties to this Agreement

4. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the State of Victoria.

Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth, represented by the Minister for Sustainability, Environment, Water, Population and Communities, and Victoria, represented by the Minister for the Arts, sign the Agreement and will expire on 30 June 2016 or on completion of the project, including acceptance of final performance reporting, unless terminated earlier or extended as agreed in writing by the Parties.

PART 2 – PROJECT OUTPUTS

Outputs

6. The outputs of this Agreement will be:
 - (a) dome repairs (including cupolas);
 - (b) repair and repainting of the building joinery (mainly external);
 - (c) restoration of the facades (including render repairs and repainting); and
 - (d) upgrade of the dome promenade.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

7. The Commonwealth will be responsible for:
 - (a) monitoring and assessing achievement against milestones in the delivery of the protection and promotion of the Royal Exhibition Building project under this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (b) providing a consequent financial contribution to Victoria to support the implementation of this Agreement;
 - (c) in accordance with the *Building and Construction Industry Improvement Act 2005*, ensuring that financial contributions to a building project or projects as defined under the Building and Construction 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
 - (d) ensuring that compliance with the National Code of Practice for the Construction Industry and the Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry is a condition of Australian Government funding.

Role of Victoria

8. Victoria will be responsible for:
 - (a) all aspects of delivery of the project outputs as set out in this Agreement, including obtaining all relevant *Environment Protection and Biodiversity Conservation Act 1999* (Cth) and state heritage approvals;
 - (b) reporting on the delivery of the project outputs as set out in Part 4 – Project Milestones, Reporting and Payments;
 - (c) 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
 - (d) ensuring compliance with the National Code of Practice for the Construction Industry and the Australian Government Implementation Guidelines for the National Code of Practice

for the Construction Industry, 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

9. The Parties will meet the requirements of Schedule E, Clause 26 of the Intergovernmental Agreement on Federal Financial Relations, 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

Project milestones

10. The following table summarises the milestones for the project, their relationship to the outputs, expected completion dates and relevant reporting dates.

Table 1: Milestones, reporting and payment summary

Output	Milestones	Date due	Payment
Conservation works for the protection and promotion of the Royal Exhibition Building.	Commonwealth contribution to assist with the costs of implementing the project.	June 2012	\$20,000,000
	Consultant team established and detailed technical investigation reports complete. Overall scope and delivery methods finalised and a copy provided to the Commonwealth. Design, documentation (including schedule of works) and cost planning completed for first package of works and a copy provided to the Commonwealth.	15 May 2013	N/A
	Delivery of progress report 1	15 June 2013	N/A
	Contract awarded and delivery underway for first package of works. Design, documentation (including schedule of works) and cost planning for second package of works completed and a copy provided to the Commonwealth.	15 May 2014	
	Delivery of progress report 2	15 June 2014	N/A
	Contract awarded and delivery underway for second package of works. Design, documentation (including schedule of works) and cost planning for third (final) package of works completed and a copy provided to the Commonwealth.	15 May 2015	N/A
	Delivery of progress report 3	15 June 2015	N/A
	Contract awarded and third package of works delivered and completed. All works completed.	15 May 2016	N/A
	Delivery of final report	Within 90 days of the completion of the project or earlier termination of this Agreement	N/A

Reporting

11. Victoria will provide progress reports to the Commonwealth in accordance with the timeframes set out in Table 1. Each progress report is to contain the following information:
 - (a) a description of actual performance of Victoria in the period to date against the milestones;
 - (b) details of any matter(s) that have arisen which could adversely impact on the delivery of the outputs, and how Victoria proposes to resolve this/these matter(s); and
 - (c) details of any promotional activities undertaken in relation to, and media coverage of, the project during the reporting period and any promotional opportunities expected to arise during the next reporting period.

12. Victoria will provide a final report to the Commonwealth within 90 days of the completion of the project. The final report will be a stand-alone document that can be used for public information dissemination purposes. The final report will:
 - (a) describe the conduct, benefits and outcomes of the project;
 - (b) evaluate the project from Victoria's perspective, including assessing the extent to which the project milestones have been achieved and why any aspect was not achieved; and
 - (c) include a discussion of any other matters relating to the project, limited to the minimum necessary for the effective assessment of performance and agreed between the Commonwealth and Victoria at least 60 days before the report is due.

PART 5 – FINANCIAL ARRANGEMENTS

13. The Commonwealth will provide a total financial contribution to Victoria of \$20 million in respect of this Agreement. All payments are GST exclusive.
14. The Commonwealth's funding contribution will not be reduced where Victoria secures funding from other activity partners through innovative and collaborative partnerships.
15. The Commonwealth's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to Victoria paid in accordance with *Schedule D – Payment Arrangements* of the Intergovernmental Agreement on Federal Financial Relations, are shown in Table 2.

Table 2: Estimated financial contributions

	2011-12	Total
Estimated total budget	20.0	20.0
Less estimated National Partnership Payments	20.0	20.0
Balance of non-Commonwealth contributions	0.0	0.0

16. Having regard to the agreed estimated costs of projects specified in a Project Agreement, Victoria 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, Victoria bears all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for Victoria to deliver projects cost effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

17. 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

18. This Agreement may be amended at any time by agreement in writing by both the Parties.

Delegations

19. 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

20. A Party may give notice to the other Party of a dispute under this Agreement.
21. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
22. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant Standing Council.
23. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to COAG for consideration.

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

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

The Honourable Tony Burke MP
Minister for Sustainability, Environment, Water,
Population and Communities

June 2012

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

The Honourable Ted Baillieu MP
Minister for the Arts

June 2012