

PROJECT AGREEMENT FOR THE NATIONAL HEAVY VEHICLE REGULATORY REFORM PROJECT OFFICE

Council of
Australian
Governments

An agreement between

- the **Commonwealth of Australia** and
- the **State of Queensland**

An agreement between the Commonwealth and the State of Queensland to continue the Project Office for the development of a national heavy vehicle regulatory system.

Project Agreement for the National Heavy Vehicle Regulatory Reform Project Office

INTERGOVERNMENTAL AGREEMENT ON FEDERAL FINANCIAL RELATIONS

PRELIMINARIES

1. This Project Agreement (the 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 under the Intergovernmental Agreement on Federal Financial Relations.
2. This Agreement will provide funding for the operation of a Project Office to support implementation of a National Heavy Vehicle Regulator (NHVR) consisting of the Heavy Vehicle National Law (including laws to establish the NHVR), the NHVR and supporting administration, structures and systems that enable its operation.
3. For historic context, this Agreement is preceded by the National Partnership Agreement to establish a Project Office for Heavy Vehicle Regulatory Reform that expired on 30 June 2011.

PART 1 – FORMALITIES

Parties to this Agreement

4. This Agreement is between the Commonwealth of Australia (the “Commonwealth”) and Queensland.

Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth and Queensland sign the Agreement and will expire on 30 June 2013, unless terminated earlier or extended as agreed in writing by the Parties.

Enforceability of the Agreement

6. 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.

Role of the Commonwealth

7. The Commonwealth will be responsible for:
 - (a) monitoring and assessing achievement against milestones in the delivery of the NHVR by the Project Office under this Agreement to ensure that outputs are delivered within the agreed timeframe; and
 - (b) providing a financial contribution to Queensland to support the implementation of this Agreement.

Role of Queensland

8. Queensland will be responsible for
 - (a) hosting, and contributing to the operating costs of the Project Office;
 - (b) all aspects of delivering on the project outputs set out in Part 4 – Project Milestones, Reporting and Payments of this Agreement;
 - (c) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments.
9. Both 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 2 – PROJECT OUTPUT

Output

10. The output of this Agreement will be a Project Office, led by a Project Director, for the development of a national heavy vehicle regulatory (NHVR) system.

PART 3 – FINANCIAL ARRANGEMENTS

11. The Commonwealth will provide a total financial contribution to Queensland of \$2.8 million in respect of this Agreement, reflecting the Commonwealth's component (35%) of the agreed project budget for 2011-12 and 2012-13. The States and Territories will provide a total financial contribution of \$5.0 million (65%) of the agreed project budget for 2011-12 and 2012-13. All payments are GST exclusive.
12. The Commonwealth's funding contribution will not be reduced where the States secure funding from other activity partners through innovative and collaborative partnerships.

13. 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 *Intergovernmental Agreement on Federal Financial Relations*, are shown in Table 1.

Table 1: Estimated financial contributions

(\$ million)	2011-12	2012-13	Total
Estimated total budget	5.0	2.8	7.8
Less estimated National Partnership Payments	1.8	1.0	2.8
Balance of non-Commonwealth contributions	3.2	1.8	5.0

14. National Partnership payments to Queensland will be paid in accordance with *Schedule D – Payment Arrangements* of the *Intergovernmental Agreement on Federal Financial Relations*.

PART 4 – PROJECT MILESTONES, REPORTING AND PAYMENTS

The following table summarises the milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made, once a report certifying that milestones have been met is received and accepted.

Table 2: Milestones, reporting and payment summary

Output	Milestone(s)	Relevant Report due	Commonwealth Payment
Operation of the NHVR Project Office, including maintaining appropriate staffing levels and the provision of accommodation and corporate support.	Acceptance of quarterly reports consistent with reporting arrangements at clauses 15 and 16.	Fifth day of the subsequent month.	<p>\$1.8 m (2011-12)</p> <p>Payments will be made in quarterly instalments, derived from the above yearly allocation, on acceptance of each quarterly milestone report.</p> <p>\$1.0 m (2012-13)</p> <p>Payments will be made in two instalments over the first two quarters of 2012-13 derived from the above yearly allocation, on acceptance of each quarterly milestone report.</p>

Reporting arrangements

15. Queensland will ensure that the Project Director reports to the Transport and Infrastructure Senior Officials Committee (TISOC) and the Standing Council on Transport and Infrastructure

(SCOTI) on the progress in implementing the national system, in accordance with Schedule A (Project Office Arrangements) to this Agreement.

16. Queensland, through the NHVR Project Director will provide performance reports in accordance with the above table during the operation of the Agreement. Each performance report is to contain the following information:
 - a) a description of actual performance of the National Project Office, including updates on States and Territories integration with the project in the period to date against the project milestones;
 - b) details of any matter(s) that have arisen which could adversely impact on the delivery of the output, and how the National Project Office propose to resolve this/these matter(s); and:
 - c) 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.
17. Queensland, in consultation with the NHVR Project Director, will also prepare a final Project Report within 90 days of the completion of the project(s) agreed under the Project Agreement. The Project Report will be a stand-alone document that can be used for public information dissemination purposes. The final Project Report will:
 - (a) describe the conduct, benefits and outcomes of the Project(s);
 - (b) evaluate the Project(s) from the responsible Party'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, which the Commonwealth notifies Queensland should be included in the final project report at least 60 days before it is due.

PART 5 – GOVERNANCE ARRANGEMENTS

Dispute resolution

18. Any Party may give notice to other Parties of a dispute under this Agreement.
19. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
20. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, SCOTI.
21. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to the Council of Australian Governments for consideration.

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 the other Parties in writing.

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

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

The Honourable Anthony Albanese MP

Minister for Infrastructure and Transport

of 2011

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

The Honourable Anna Bligh MP

Premier of Queensland

of 2011

Project Office Arrangements

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Ministerial Oversight

- A1. The Council of Australian Governments (COAG) will receive progress reports on the overall reform from the Standing Council on Transport and Infrastructure (SCOTI) and will make key decisions at milestones in the implementation.
- A2. SCOTI has responsibility for implementing the reforms. It will provide national, strategic guidance and decision making on the reforms and will report to COAG on their progress.

Executive Oversight

- A3. The Transport and Infrastructure Senior Officials Committee (TISOC), consisting of transport agency chief executives, will report progress on the reforms to SCOTI and seek SCOTI's guidance and decision on key elements of the reforms.
- A4. TISOC will provide national strategic policy decision-making for the implementation activities, based on SCOTI's advice.
- A5. The NHVR Project Board has been established by TISOC to oversee the activities of the Project Director and Project Office.

Guiding Principles for Implementing the National System

- A6. The Project Plan includes the following principles that will guide implementation of the national system:
 - (a) outcomes should aim for national best-practice across all regulatory activities and consider outcomes-based approaches;
 - (b) it must provide scope for ongoing improvements in all outcomes including compliance and enforcement and their direct contribution to safety;
 - (c) it should be based on good policy to achieve good long-term outcomes;
 - (d) delivery models should be cost-effective; and
 - (e) industry should be involved at key stages to ensure success.

Project Management and Delivery

- A7. The Project Director will report directly to the NHVR Project Board on project and implementation activities.
- A8. The Project Director will be supported by a Project Office with day-to-day responsibility for leading and coordinating implementation activities outlined in the agreed Project Plan and across all jurisdictions.
- A9. The role, functions, and governance of the Project Office were agreed by Transport Agency Chief Executives on 24 March 2010.

Outputs

- A10. The Project Director will deliver the outputs required to implement the NHVR according to the agreed Project Plan. Such outputs include:
 - a. The operational policies and regulations that support the National Heavy Vehicle Law, in partnership with the National Transport Commission and jurisdictions
 - b. stakeholder engagement, consultation and communications
 - c. the service level agreement framework, and national standards and service levels for the NHVR and jurisdictions, including revenue management and cost recovery arrangements
 - d. the operating ICT systems for the NHVR; and
 - e. the establishment of the NHVR agency and support to enable the appointment of the Regulator and the NHVR Board.

Implementation Schedule

- A11. The Project Office will deliver implementation activities in accordance with the Project Plan timeframes agreed by TISOC.
- A12. COAG has set a final deadline of full implementation by the end of 2012, a timeframe that recognises the importance of implementing the reforms in a timely manner to enable the expected benefits to flow through to industry.

A13. From signature of this Agreement until 30 June 2013, the major implementation milestones are as follows:

2011/12

July to December 2011	January to June 2012
<p>IGA to COAG for consideration and signature.</p> <p>TISOC consideration of final draft Heavy Vehicle National Law (HVNL) Bill and Regulatory Impact Statement (RIS).</p> <p>Jurisdictions – Cabinet approvals of Final draft HVNL and RIS.</p> <p>SCOTI approval (Vote) of Final draft HVNL and RIS.</p> <p>HVNL Bill introduced into the Queensland Parliament.</p> <p>Commence development of the Service Agreement Framework, National Standards and Service Agreement arrangements.</p> <p>Commence IT systems build and pilot.</p>	<p>HVNL passed through Queensland Parliament.</p> <p>Jurisdictions – Cabinet submissions to prepare enabling legislation.</p> <p>Commence the establishment of the NHVR as an Entity.</p> <p>Finalise Service Level Agreements.</p> <p>Development of operational and transitional arrangements for jurisdictions and the NHVR.</p> <p>Continue IT systems build and pilot.</p>

2012/13

July to December 2012	January to June 2013
<p>Jurisdictions – introduction and passage of enabling legislation.</p> <p>Finalise the establishment of the NHVR as an Entity.</p> <p>Finalise operational and transitional arrangements for jurisdictions and the NHVR.</p> <p>Finalise IT systems and deploy.</p>	<p>Support the transition arrangements of the NHVR.</p> <p>Closure of the NHVR Project Office.</p>

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



The Honourable Anthony Albanese MP
Minister for Infrastructure and Transport


8th of August 2011

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

The Honourable Anna Bligh MP
Premier of Queensland

of 2011

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



The Honourable Anastacia Palaszczuk MP
Minister for Transport and Multicultural Affairs

28 of September 2011