

PROJECT AGREEMENT FOR THE CITY WEST – HINDLEY STREET REDEVELOPMENT PROJECT

Council of
Australian
Governments



An agreement between
the Commonwealth of Australia and
South Australia

The output of this project will be the redevelopment of a section of Hindley Street around the intersection of Clarendon Street to improve linkages and amenity within the precinct.

Project Agreement for the City West – Hindley Street Redevelopment Project

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.
2. This Agreement will support the redevelopment of a section of Hindley Street around the intersection of Clarendon Street in the centre of the University of South Australia's west end precinct. The project will create a shared zone across Hindley Street with a design that slows vehicular traffic and provides safer pedestrian movements as well as improving general amenity and activation of the Street. The project will also integrate with other developments and improve linkages and amenities within the precinct.
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 South Australia.

Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth and South Australia sign the Agreement and will expire on 30 June 2014 or on completion of the project, including acceptance of 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 OUTPUT

Output

6. The output of this project will be the redevelopment of a section of Hindley Street around the intersection of Clarendon Street to improve linkages and amenity within the precinct.

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 City West – Hindley Street Redevelopment project under this Agreement to ensure that the output is delivered within the agreed timeframe; and
 - (b) providing a consequent financial contribution to South Australia to support the implementation of this Agreement.

Role of South Australia

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

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

10. 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 1: Milestones, reporting and payment summary

Output	Milestone(s)	Milestone(s) Completion date	Relevant Report due	Payment
The redevelopment of a section of Hindley Street at the intersection of Clarendon Street to improve street amenity and pedestrian/ cyclist access.	Commonwealth contribution to assist with project commencement costs, establishment of Hindley Street Partnership and provision of Concept Design Report	15/01/2012	30/11/2012	\$250,000
	First Progress Report Project Design and Approvals: <ul style="list-style-type: none"> Hindley Street detailed design and construction approvals Detailed Design Report Preparation of construction and tender documentation approved by Adelaide City Council and Hindley Street Partners Acceptance of Progress Report by the Commonwealth 	1/05/2013	15/05/2013	\$200,000
	Second Progress Report Construction phase: <ul style="list-style-type: none"> Hindley Street and other related construction activities complete Acceptance of Progress Report by the Commonwealth 	15/12/2013	15/12/2013	\$550,000

Reporting arrangements

11. South Australia 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 South Australia 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 South Australia 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.

12. South Australia will also prepare a final Project Report within 90 days on the completion of the project 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;
 - (b) evaluate the Project 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;

- (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 South Australia, at least 60 days before it is due; and
- (d) endorsed by Adelaide City Council and Hindley Street Partners.

PART 5 – FINANCIAL ARRANGEMENTS

- 13. The Commonwealth will provide a total financial contribution to South Australia of \$1,000,000 in respect of this Agreement. All payments are GST exclusive.
- 14. The Commonwealth's funding contribution will not be reduced where South Australia secures funding from other activity partners through innovative and collaborative partnerships.
- 15. The Commonwealth's and South Australia's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to South Australia 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

(\$ millions)	2012-13	2013-14	Total
Estimated total budget	1.95	2.05	4.0
Less estimated National Partnership Payments	0.45	0.55	1.0
Balance of non-Commonwealth contributions	1.50	1.50	3.0

- 16. Having regard to the agreed estimated costs of projects specified in a Project Agreement, South Australia 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, South Australia bears all risks should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for South Australia 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. The Agreement may be amended at any time by agreement in writing by both the Parties.
- 19. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

Delegations

- 20. 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

21. Any Party may give notice to the other Party of a dispute under this Agreement.
22. Officials of the relevant Parties will attempt to resolve any dispute in the first instance.
23. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant Standing Council.
24. 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:

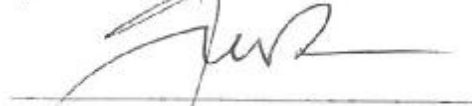
Signed for and on behalf of the Commonwealth of Australia by



The Honourable Anthony Albanese MP
Minister for Infrastructure and Transport

29/1/13

Signed for and on behalf of South Australia by



The Honourable John Rau MP
Minister for Planning

29/1/13