

# PROJECT AGREEMENT TO ASSIST PREPARATION TOWARDS THE LAUNCH OF THE NATIONAL DISABILITY INSURANCE SCHEME (NDIS) - TASMANIA

Council of  
Australian  
Governments

An agreement between

- n the **Commonwealth of Australia** and
- n **Tasmania**

The output of this project will be a greater readiness for the NDIS in Tasmania from July 2013 to June 2016.

# Project Agreement to assist preparation towards the launch of the National Disability Insurance Scheme (NDIS) - Tasmania

## 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 (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. This Agreement will assist Tasmania to:
  - (a) prepare for participation in the NDIS launch;
  - (b) mitigate the risk associated with delivering a jurisdiction-wide launch, while at the same time managing wider system reforms to disability service provision in Tasmania; and
  - (c) ensure a transition for the agreed cohort of clients in Tasmania from 1 July 2013 to June 2016.
3. Tasmania and the Commonwealth will work together to increase capacity in the system and to support the disability services sector in preparing to operate in the new environment created by the NDIS. The lessons learned from ensuring enhanced capacity and in the approaches to prepare the sector will inform potential strategies for transitioning to a full scheme NDIS in other jurisdictions.
4. This Agreement constitutes the entire agreement for this project, noting that milestones and associated payments are dependent on progress against the Terms of Reference of Tasmania's NDIS Implementation Team. It should also be read in conjunction with the bilateral agreement between the Commonwealth and Tasmania on the implementation of the NDIS.

### PART 1 – FORMALITIES

#### Parties to this Agreement

5. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the State of Tasmania (Tasmania).

## **Term of the Agreement**

6. This Agreement will commence as soon as the Commonwealth and Tasmania sign the Agreement and will expire on 30 June 2016 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**

7. The output of this Agreement will be:
  - (a) activities to ensure Tasmania's legislative, administrative and structural readiness for participation in the NDIS for people with disability aged 15 to 24 from July 2013 to June 2016.

## **PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY**

### **Role of the Commonwealth**

8. The Commonwealth will be responsible for:
  - (a) monitoring and assessing achievement against milestones in the transition towards an NDIS; and
  - (b) providing a consequent financial contribution to Tasmania to support the implementation of this Agreement.

### **Role of Tasmania**

9. Tasmania will be responsible for:
  - (a) Establishing an Implementation Team to work with the NDIS Launch Transition Agency (the Agency) to ensure Tasmania's successful launch and readiness to transition to the NDIS and to undertake other support activities, including but not limited to:
    - finalising the financial arrangements, including settling both in-kind and cash contributions;
    - working with the sector across Tasmania to build capacity and to develop its readiness to support the NDIS in Tasmania;
    - developing communication materials, and providing information and support for the non-launch cohort which includes individuals, families and carers as well as the community sector providers in relation to a 'dual' system and how it will operate;
    - providing data on current disability arrangements as requested by the Agency;
    - facilitating access to and required contractual arrangements for Gateway providers; and
    - assisting in the establishment and coordination of administrative and operational relationships with mainstream providers to ensure the objectives of the NDIS are met.

- (b) development of a joint Agency and Tasmanian NDIS Implementation Plan<sup>1</sup> for the preparation for participation in the NDIS;
- (c) providing in-kind contributions to support the implementation of this Agreement;
- (d) all aspects of delivering on the project outputs set out in this Agreement; and
- (e) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments.

## Shared roles

10. The Parties will:

- (a) agree terms of reference for the Implementation Team by early March 2013;
- (b) 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

11. 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 demonstrating progress against the Terms of Reference of the NDIS Implementation Team has been made is received and accepted.

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<sup>1</sup> The NDIS Implementation plan is not exclusive to this agreement.

**Table 1: Milestones, reporting and payment summary**

Output	Milestone	Relevant Report due	Payment
NDIS readiness	Following signature and Commonwealth agreement to the Terms of Reference for Tasmania's Implementation Team.	n/a	\$0.596m
	Commonwealth acceptance of the first six-monthly progress report against the Terms of Reference of the Implementation Team.	25 October 2013	\$0.396m
	Commonwealth acceptance of a six-monthly progress report against the Terms of Reference of the Implementation Team (taking into account information received from the Agency).	6 monthly from 25 May 2014 to 25 May 2016, inclusive	\$0.308m

## Reporting arrangements

12. In accordance with Table 1, Tasmania will provide a first six-monthly report in October 2013, and then six-monthly performance reports against the areas of work agreed in the Terms of Reference for its Implementation Team in May and November from May 2014 to May 2016, covering the previous six month periods ending April and October respectively. Each performance report is to contain the following information:
  - (a) a description of the actual activities undertaken to progress towards an NDIS by the Implementation team; and
  - (b) details of any matter(s) that have arisen which could adversely impact on the delivery of the output, and how Tasmania proposes to resolve this/these matter(s).
13. The Terms of Reference for the Implementation Team will be a flexible document that may be varied over time to accommodate changes in circumstances. However, variations to the Terms of Reference that directly affect specific milestones and their achievement are subject to written agreement between the Ministers or their delegates.

## PART 5 – FINANCIAL ARRANGEMENTS

14. The Commonwealth will provide a total financial contribution to Tasmania of \$2,532,000 in respect of this Agreement. All payments are GST exclusive.

15. For the purpose of the Commonwealth Grants Commission determining Goods and Services Tax (GST) revenue sharing relativities, it is agreed that the additional Commonwealth funding contribution for the first stage of an NDIS, including funding provided under this Agreement, will not impact on state GST shares. This clause will be reflected in any relevant Terms of Reference issued by the Commonwealth Treasurer to the Commonwealth Grants Commission.
16. The Commonwealth's funding contribution will not be reduced where the States secure funding from other activity partners through innovative and collaborative partnerships.
17. The Commonwealth's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to Tasmania paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, is shown in Table 2.

**Table 2: Estimated financial contributions**

(\$ million)	2012-13	2013-14	2014-15	2015-16	Total
<b>Estimated total budget</b>	<b>0.596</b>	<b>0.704</b>	<b>0.616</b>	<b>0.616</b>	<b>2.532</b>
Commonwealth contribution	0.596	0.704	0.616	0.616	2.532
Balance of Tasmania's contributions <sup>(a)</sup>	0.000	0.000	0.000	0.000	0.000

(a) Note that Tasmania's contributions are in-kind rather than financial.

18. Having regard to the agreed estimated costs of projects specified in a Project Agreement, Tasmania 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, Tasmania 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 Tasmania to deliver the project cost-effectively and efficiently.

## PART 6 – GOVERNANCE ARRANGEMENTS

### Enforceability of the Agreement

19. 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

20. The Agreement may be amended at any time by agreement in writing by both Parties.
21. A Party to the Agreement may terminate its participation in the Agreement at any time by notifying the other Party in writing.

### Delegations

22. The Commonwealth Minister may delegate agreement to the Implementation Team's terms of reference and to variations to the terms of reference, as well as the assessment of performance against milestones and the authorisation of related project payments, having regard to the financial and policy risks associated with those payments, to senior Commonwealth officials.

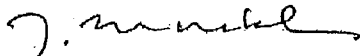
### Dispute resolution

23. Any Party may give notice to other Parties of a dispute under this Agreement.

24. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
25. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.
26. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to the Prime Minister and the Premier for consideration.

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

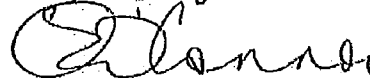
Signed for and on behalf of the Commonwealth  
of Australia by



The Honourable Jenny Macklin MP  
Minister for Disability Reform

28 February 2013

Signed for and on behalf of the  
State of Tasmania by



The Honourable Cassy O'Connor MP  
Minister for Human Services

5 February 2013  
April