

# Implementation Plan for Perth Residential Water Efficiency

## NATIONAL PARTNERSHIP AGREEMENT ON WATER FOR THE FUTURE

### PRELIMINARIES

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- 1 As part of the Water for the Future initiative, the Australian Government has committed to be a financial partner of the West Australian Government to implement the Perth Residential Water Efficiency Project, the purpose of which is to deliver residential water efficiency measures and water efficiency education for householders.
- 2 The Commonwealth has agreed to provide financial assistance of \$2.4 million for the project.

### TERMS OF THIS IMPLEMENTATION PLAN

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- 3 This Implementation Plan will commence as soon as it is agreed between the Commonwealth of Australia, represented by the Parliamentary Secretary for Sustainability and Urban Water, and the State of Western Australia, represented by the Minister for Water.
- 4 This Implementation Plan will cease on completion of the project as specified in this Implementation Plan, including the acceptance of final performance reporting and processing of final payments against performance benchmarks specified in this Implementation Plan.
- 5 This Implementation Plan may be varied by written agreement between the Ministers.
- 6 Either Party may terminate this agreement by providing 30 days notice in writing. Where this Implementation Plan is terminated, the Commonwealth's liability to make payments to Western Australia is limited to payments associated with performance benchmarks achieved by Western Australia by the date of effect of termination of this Implementation Plan.
- 7 The Parties to this Implementation Plan do not intend any of the provisions to be legally enforceable. However, that does not lessen the Parties' commitment to this Implementation Plan.

### PROJECT OBJECTIVE

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- 8 This Project is designed to reduce by 1.2 gigalitres per year residential potable water use, contributing to the overall target to reduce by 15 per cent (or 50 gigalitres per year) residential potable water use in Perth. This project consists of three activities to reduce residential potable water use by 1,200,000 kilolitres in Perth. The critical tasks associated with these activities are summarised below:
  - a) showerhead exchange—exchange 74,000 inefficient showerheads for water efficient showerheads;

- b) community based social marketing—10,000 households to take part in a behavioural change activity to identify their water use and to implement remedial actions to reduce water use; and
- c) audit and retrofit—4,000 households to take part in an audit and retrofit activity, which will include installation of water efficient showerheads, tap aerators and repair of any visible leaks.

## **ROLES AND RESPONSIBILITIES**

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### **Commonwealth**

- 9 The Commonwealth is responsible for reviewing Western Australia's performance against the performance benchmarks specified in this Implementation Plan and providing any consequential financial contribution to Western Australia for that performance.
- 10 The Commonwealth, at its option, may be an observer to a 'Perth Residential Water Efficiency Project Committee' (the Committee) Western Australia establishes to monitor and oversee the implementation of the project.

### **State**

- 11 Western Australia will have responsibility for:
  - (a) fully funding the project, after accounting for financial contributions from the Commonwealth and any third party;
  - (b) completing the project in a timely and professional manner in accordance with this Implementation Plan; and
  - (c) meeting all conditions including providing reports in accordance with this Implementation Plan.
- 12 The State agrees to allow, at all reasonable times, appropriate Commonwealth representatives access to all sites where project works are being or have been undertaken.
- 13 The State agrees that the Commonwealth will be consulted on the nature and content of major events, announcements, promotional material or publicity relating to the activity under this Implementation Plan, the roles of both the Commonwealth and the State will be acknowledged and recognised appropriately.
- 14 Western Australia agrees to have in place a project management plan.

## **PERFORMANCE BENCHMARKS AND FINANCIAL ARRANGEMENTS**

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- 15 The maximum financial contribution to be provided by the Commonwealth for the Project is \$2.4 million, payable in accordance with performance benchmarks set out in Table 1.

**Table 1: Performance benchmarks and associated payments**

Performance benchmark	Due date	Amount
(i) Acceptance of a project implementation plan.	Expected by 15 April 2011	\$0.4 million
(ii) Contract to supply and distribute Water Efficiency and Labelling Standards (WELS) 3 Star showerheads awarded.		
(iii) Showerheads ordered		
(iv) Showerheads exchange underway, first 1,200 inefficient showerheads exchanged for water efficient showerheads.		
(v) Showerheads exchange continuing, 25,000 inefficient showerheads exchanged for water efficient showerheads	Expected by 1 November 2011	\$1.0 million
(vi) Contract for community-based social marketing awarded, first 5,000 households participating in program		
(vii) Contract for retrofit tender awarded, first 1,000 households participating in program.		
(viii) Acceptance of a progress Report that demonstrates the achievement of agreed milestones in this Implementation Plan.		
(ix) 74,000 inefficient showerheads exchanged for water efficient showerheads	Expected by 1 December 2012	\$1.0 million
(x) 10,000 households participated in community-based social marketing		
(xi) 4,000 households completed an audit and retrofit activity		
(xii) Acceptance of a final report that demonstrates the achievement of agreed milestones in this Implementation Plan.		

- 16 Any Commonwealth financial contribution payable will be processed by the Commonwealth Treasury and paid to Western Australia Treasury in accordance with the payment arrangements set out in Schedule D of the *Intergovernmental Agreement on Federal Financial Relations*.
- 17 Having regard to the estimated costs of projects specified in the overall project budget, Western 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, Western Australia bears all risk should the costs of a project exceed the estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for Western Australia to deliver projects cost-effectively and efficiently.

## BUDGET

- 18 The Estimated Overall Project Budget is set out in Table 2. GST is not payable on amounts paid by the Commonwealth under this Implementation Plan.

**Table 2—Estimated Overall project budget**

Expenditure Item	Estimated Total Cost (excl. GST)
(i) Showerhead exchange	\$2,500,000
(ii) Community Based Social Marketing	\$1,700,000
(iii) Audit and Retrofit	\$600,000
Total estimated project budget	\$4,800,000
<i>less</i> estimated Commonwealth contribution	\$2,400,000
<i>equals</i> estimated contribution from non-Commonwealth sources	\$2,400,000

## REPORTING ARRANGEMENTS

- 19 The State will provide two project reports to the Commonwealth to demonstrate its achievement of Performance benchmarks set out in Table 1. Each progress report is to contain the following information:
- (a) a description of actual performance of the project to date against the project performance benchmarks;
  - (b) promotional activities undertaken in relation to, and media coverage of, the project during the last reporting period;
  - (c) a description of the work that will be undertaken to complete the remaining project performance benchmarks, and any expected promotional opportunities, during the next reporting period for the Project; and
  - (d) include a discussion of any other matters, relating to the project, which the Commonwealth and Western Australia agree should be included in the progress report.
- 20 The final Project Report is due on 1 December 2012 (or within 60 days of the termination of this Implementation Plan or the Project) and will be a stand-alone document that can be used for public information dissemination purposes regarding the Project. The final Project Report must:
- (a) describe the conduct, benefits and outcomes of the Project as a whole;
  - (b) evaluate the Project, including assessing the extent to which the objective has been achieved and explaining why any aspect was not achieved; and
  - (c) include a discussion of any other matters, relating to the Project, which the Commonwealth and Western Australia agree should be included in the final Project Report.
- 21 Western Australia will provide additional implementation information to the Commonwealth on request provided that Western Australia agrees that the information request is reasonable.

## **NOTICE OF DETAILS FOR THIS PROJECT**

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22 A notice relating to this Project, rather than the Agreement generally, is to be in writing and dealt with as follows:

a) if given by Western Australia to the Commonwealth:

Director  
National Urban Water and Desalination Plan  
Urban Water Security Branch  
Water Governance Division  
Department of Sustainability, Environment, Water, Population and Communities

or

b) if given by the Commonwealth to Western Australia:

Ben Jarvis  
Manager  
Water Efficiency Projects Branch  
Planning and Capability Group  
Water Corporation