

# PROJECT AGREEMENT FOR THE ‘ REALISING THE CAPITAL IN THE CITY’ PROJECT

Council of  
Australian  
Governments

An agreement between

- n the Commonwealth of Australia and
- n the Australian Capital Territory

The output of this project will be the development of an Integrated Strategic Plan for the Canberra City/CBD area.

# Project Agreement for Realising the Capital in the City

## 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 support the development of an integrated strategic plan for the Canberra City/CBD area.
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 Australian Capital Territory (ACT).

#### Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth and the ACT 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 Agreement will be the development of an integrated strategic plan for the Canberra City/CBD area to incorporate future planning for public transport, residential buildings, surrounding parklands and cultural and educational institutions, including through:
  - (a) engagement with major stakeholders and the wider community in the development of the plan;
  - (b) collaboration with the National Capital Authority to develop planning objectives and agreed measures for urban quality and amenity; and
  - (c) identification of opportunities for industry and community partnerships through an agreed program of works; and

- (d) alignment of current initiatives, development proposals and policies, including public transport and housing, infrastructure works, cultural and administrative facilities and investment opportunities.

## **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 'Realising the Capital in the City' project under this Agreement to ensure that outputs are delivered within the agreed timeframe; and
  - (b) providing a consequent financial contribution to the ACT to support the implementation of this Agreement.

### **Role of the ACT**

- 8. The ACT 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
Development of an integrated strategic plan for the Canberra City/CBD area	Commonwealth contribution to assist with project commencement costs	01/09/2012	15/09/2012	\$150,000
	First Progress Report Project inception: <ul style="list-style-type: none"> <li>• Analysis of opportunities, constraints and tradeoffs</li> <li>• Identification and engagement of major stakeholders</li> <li>• Use of computer aided visuals for effective communication and consultation.</li> <li>• Completion of engagement strategy and tools</li> <li>• Agreement on public consultation strategy to produce draft Strategic City Plan</li> </ul>	30/11/2012	15/12/2012	\$100,000
	Second Progress Report Development and release of draft Strategic City Plan with options and scope of future program	01/03/2013	15/03/2013	\$100,000
	Final Progress Report Agreement to Strategic City Plan by ACT Government in consultation with the National Capital Authority and acceptance by the Commonwealth	01/07/2013	15/07/2013	\$150,000
	Final Project Report Release of Strategic City Plan and acceptance by the Commonwealth	01/08/2013	15/8/2013	N/A

## Reporting arrangements

11. The ACT 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 ACT 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 ACT 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. The ACT 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; 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 the ACT, at least 60 days before it is due.

## PART 5 – FINANCIAL ARRANGEMENTS

- 13. The Commonwealth will provide a total financial contribution to the ACT of \$500,000 in respect of this Agreement. All payments are GST exclusive.
- 14. The Commonwealth's funding contribution will not be reduced where the ACT secures funding from other activity partners through innovative and collaborative partnerships.
- 15. The Commonwealth's and the ACT's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the ACT 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	1.0	0.5	1.5
Liveable Cities Program contribution	0.35	0.15	0.5
Balance of non-Commonwealth contributions	0.65	0.35	1.0

- 16. Having regard to the agreed estimated costs of projects specified in a Project Agreement, the ACT 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, the ACT 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 the ACT 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**

**Signed for and on behalf of the Australian Capital Territory by**

  
The Honourable Anthony Albanese MP  
Minister for Infrastructure and transport

27/8/2012

  
Katy Gallagher MLA  
Chief Minister

22/8/2012