

PROJECT AGREEMENT FOR THE SOUTHBANK CULTURAL PRECINCT REDEVELOPMENT BLUEPRINT PROJECT

Council of
Australian
Governments

An agreement between

- n the Commonwealth of Australia and
- n the State of Victoria

The output of this project will be the development of a Southbank Cultural Precinct Redevelopment Blueprint which will aim to enhance the area as a globally significant arts and cultural precinct and improve the liveability of the area.

Project Agreement for the Southbank Cultural Precinct Redevelopment Blueprint 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 under the Intergovernmental Agreement on Federal Financial Relations.
2. This Agreement will support the development of an investment and planning strategy for the Southbank Cultural Precinct to maintain the art culture in the 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 State of Victoria.

Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth and one other Party signs the Agreement and will expire on 30 June 2013 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 OUTPUTS

Outputs

6. The development of a Southbank Cultural Precinct Redevelopment Blueprint will aim to enhance the area as a globally significant arts and cultural precinct and improve the liveability of the area. The outputs of this Agreement will be to:

- (a) collect data and issues that will be included in a report that outlines options for development; and
- (b) provide a report with recommendations for action and detailed cost/benefit modelling on how the precinct could be further developed and operated.

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 Southbank Cultural Precinct Redevelopment Blueprint Project under this Agreement to ensure that outputs are delivered within the agreed timeframe; and
 - (b) providing a consequent financial contribution to the State to support the implementation of this Agreement.

Role of the State

8. Victoria will be responsible for
- (a) providing a financial and in-kind contributions to support the implementation of this Agreement;
 - (b) all aspects of delivering on the project outputs set out in this Agreement; and
 - (c) reporting on the delivery of outputs 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)	Date due	Relevant Report due	Payment
Project commencement	Initial payment to assist with project commencement costs	8/6/2012	12/6/2012	\$200,000
Progress Report	Baseline Data and Issues Report Progress Report – Options for development Report received by the Commonwealth	30/10/2012	30/11/2011	\$100,000
Final Report	Final Report with Recommendations for Action and Detailed Cost/Benefit Modelling Report received by the Commonwealth	1/5/2013	15/5/2013	\$100,000
Final Project Report	Final Project Report endorsed by State Government and received by the Commonwealth	1/8/2013	1/9/2013	N/A

Reporting arrangements

11. The State 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 State 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 State proposes 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 State 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 State, at least 60 days before it is due.

PART 5 – FINANCIAL ARRANGEMENTS

13. The Commonwealth will provide a total financial contribution to Victoria of \$400,000 in respect of this Agreement. All payments are GST exclusive.
14. The Commonwealth's funding contribution will not be reduced where the State secures funding from other activity partners through innovative and collaborative partnerships.
15. The Commonwealth's and the State's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the State 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

(\$)	2011-12	2012-13	Total
Estimated total budget	637,375	637,375	1,274,750
Less estimated Liveable Cities Contribution	200,000	200,000	400,000
Balance of non-Commonwealth contributions	437,375	437,375	874,750

16. Having regard to the agreed estimated costs of projects specified in a Project Agreement, a State 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 State 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 the State 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 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. A Party may give notice to the other Party of a dispute under this Agreement.
22. Officials of 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
State of Victoria by**

The Hon Anthony Albanese MP
Minister for Infrastructure and Transport

/ /2012

The Honourable The Hon Ted Baillieu MP
Premier of Victoria and Minister for the Arts

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24/6/2012