

# Implementation Plan for a Feasibility Study under the COAG Strategy on Water and Wastewater in Remote Communities – Western Australia

## NATIONAL PARTNERSHIP AGREEMENT ON WATER FOR THE FUTURE

### PRELIMINARIES

- 1 This Implementation Plan is created subject to the provisions of the *National Partnership Agreement on Water for the Future* and should be read in conjunction with that Agreement. The objective in the Agreement is to secure water supplies and to assist with climate change adaptation.
- 2 A strategy on water and wastewater services in remote (including Indigenous) communities has been developed by relevant jurisdictions under the 2008-2011 COAG Work Program on Water. The objectives of this Strategy are to provide sustainable, secure and safe water supplies and wastewater services; provide a level of service that meets regulatory standards that would apply to any other community of similar size and location; and encourage responsible water use and where appropriate, water conservation.
- 3 The Commonwealth will provide a financial contribution of up to \$1 million to undertake a feasibility study for the cost effective and sustainable provision of water and wastewater services in at least two remote Indigenous communities including Ardyaloon and Warmun (the Communities).
- 4 The Commonwealth may provide a further financial contribution of up to \$10 million, in addition to any remaining funds from the initial \$1 million allocation, towards the construction of water and wastewater services in the communities subject to successful execution of this plan and agreement by both parties to proceed to construction. The study will provide the parties with sufficient information to make this decision, but will not necessarily direct construction.

### TERMS OF THIS IMPLEMENTATION PLAN

- 5 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 (the State), represented by the Minister for Water ('the parties').
- 6 This Implementation Plan will cease on completion of the project (scheduled for completion by December 2011), including the acceptance by the Commonwealth of final performance reporting and processing of final payments against project milestones specified in this Implementation Plan.
- 7 This Implementation Plan may be varied by written agreement between the Ministers, or their delegates.
- 8 Either Party may terminate this agreement by providing 30 days notice in writing. Where this Implementation Plan is terminated by the Commonwealth, the Commonwealth's liability to make payments to the State is limited to payments associated with all progress achieved by the State up to the date termination takes effect. Such progress would need to be detailed in a report to the Commonwealth within 30 days of termination.

- 9 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

- 10 The objective of this Implementation Plan is to undertake a study to determine the feasibility of the provision of cost effective and sustainable, secure and safe water supplies and wastewater services to the communities of Warmun and Ardyaloon.

## ROLES AND RESPONSIBILITIES

### Role of the Commonwealth

- 11 The Commonwealth Department of Sustainability, Environment, Water, Population and Communities (DSEWPaC) is responsible for reviewing the State's performance against the Project Milestones specified in this Implementation Plan and providing any consequential financial contribution to the State for that performance.
- 12 The Commonwealth, at its option, may be an observer to a Project Management Committee the State establishes to monitor and oversee the implementation of the Project.

### Role of the State

- 13 The State 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.
- 14 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.
- 15 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, in which case the roles of both the Commonwealth and the State will be acknowledged and recognised appropriately.
- 16 The State agrees to have in place a project management plan.

## FUNDING, MILESTONES AND PAYMENTS

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- 17 The maximum funding to be provided by the Commonwealth for the Project is \$1,000,000 payable in accordance with milestones set out in Table 1 below.
- 18 Project milestones will be identified and agreed to by the parties in the project management plan required under Paragraph 16 of this Implementation Plan. Agreed project milestones will be attached to this Implementation Plan.

Table 1 – Stage One Project Milestones and Payment Schedule

Milestone No	For period	Milestone	Milestone Report due	Instalment
1	On signature	Engagement of project management staff/consultancies and commencement of project management plan activities.	N/A	\$200,000
2	Within 4 weeks of signature to 22 July 2011	Progress Report 1: Submission of the project management plan for Feasibility Study into the regularisation of water and wastewater services to the Communities to the satisfaction of the Commonwealth.  Demonstration of achievement against agreed milestones in the Project Management Plan, and against requirements outlined in Clause 23, to the satisfaction of the Commonwealth.	22 July 2011	\$150,000
3	25 July 2011 – 30 September 2011	Progress Report 2: Demonstration of achievement against agreed milestones in the Project Management Plan, and against requirements outlined in Clause 23, to the satisfaction of the Commonwealth.	30 September 2011	\$250,000
4	1 October - 31 December 2011	Submission of the Final Project Report demonstrating the achievement of the requirements outlined in Paragraph 24 to the satisfaction of the Commonwealth.	31 December 2011	Up to \$400,000
		Total		Up to \$1,000,000

### Payment Schedule

19 Instalments are paid subject to the Commonwealth acceptance of milestones having been achieved.

- 20 Any Commonwealth financial contribution payable will be processed by the Commonwealth Treasury and paid to the State Treasury in accordance with the payment arrangements set out in Schedule D of the *Intergovernmental Agreement on Federal Financial Relations*.

## BUDGET

- 21 The estimated Overall Project Budget for each component of the project is set out in Table 2. GST is not payable on amounts paid by the Commonwealth under this implementation plan.

Table 2 – Overall Project Budget

(i) Project Management Plan	200,000
(ii) Feasibility Study	800,000
(iii) Department of Water Project Management	175,000
Total estimated project budget	1,175,000
<i>less</i> estimated Commonwealth contribution	1,000,000
<i>equals</i> estimated contribution from non-Commonwealth sources	175,000

- 22 Having regard to the agreed estimated costs of the project specified in this Implementation Plan, 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 agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the States to deliver projects cost effectively and efficiently.

## REPORTS

- 23 Progress Reports are to contain the following information:
- a description of actual performance of the Project to date against the project milestone/s listed in Table 1, including a statement as to whether the Project is proceeding in accordance with the milestone activity schedule as set out in this Implementation Plan and if it is not, an explanation as to why and the action the State proposes to take to address the matter/s;
  - promotional activities undertaken in relation to, and media coverage of, the Projects listed in this Implementation Plan during the last reporting period; and
  - a description of the work that will be undertaken to complete the remaining project milestone(s) listed in Table 1, and any expected promotional opportunities, during the next reporting period for the Project.
- 24 The Final Project Report is due within 60 Business Days of the completion of the Project (or 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:
- include a copy of the completed Feasibility Study;
  - describe the conduct, benefits and outcomes of the Project as a whole;
  - evaluate the Project, including assessing the extent to which the objective has been achieved and explaining why any aspects were not achieved; and

- d) include a discussion of any other matters, relating to the Project, which DSEWPaC requests the State should include in this final Project Report, at least 60 days before it is due.
- 25 The State will provide implementation and fiscal information to the Commonwealth on request provided that the State agrees that the information request is reasonable.

## NOTICE OF DETAILS FOR THIS PROJECT

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- 26 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 the State to the Commonwealth:  
Assistant Secretary  
Urban Water Security Branch  
Water Governance Division  
Department of Sustainability, Environment, Water, Population and Communities  
GPO Box 787  
Canberra ACT 2600.  
  
Contact number 02 6274 1111  
  
or
  - b) if given by the Commonwealth to the State:  
  
Branch Manager Water Services  
Department of Water  
PO Box K822  
Perth WA 6842.