

PROJECT AGREEMENT FOR THE GUNBALANYA WATER AND ENERGY EFFICIENCY PROGRAM

Council of
Australian
Governments

An agreement between

- the **Commonwealth of Australia** and
- the Northern Territory

The output of this project will be a household water and energy efficiency education program to address household water and energy consumption in the Gunbalanya community.

Project Agreement for the Gunbalanya Water and Energy Efficiency Program

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 and delivery of the Gunbalanya Water and Energy Efficiency Program and its key objectives.
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 Northern Territory.

Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth and the Northern Territory sign 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 OUTPUT

Output

6. The output of this Agreement will be the development and delivery of a water and energy efficiency education action program to address household water and energy consumption practices in the Gunbalanya community, including through:
 - (a) the development of a 'water conservation officer' training manual;
 - (b) the production of tailored communications materials to support the engagement of the Gunbalanya community; and
 - (c) the retrofitting of residential houses with water and energy efficiency appliances.

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 Gunbalanya Water and Energy Efficiency Program across the Power and Water Corporation and West Arnhem Shire Council under this Agreement to ensure that outputs are delivered within the agreed timeframe; and
 - (b) providing a consequent financial contribution to the Northern Territory to support the implementation of this Agreement.

Role of the Northern Territory

8. The Northern Territory will be responsible for:
 - (a) on-forwarding the Commonwealth's funding contribution under this Agreement in full to the Power and Water Corporation and West Arnhem Shire Council, in accordance with Schedule D – Payment Arrangements of the Intergovernmental Agreement on Federal Financial Relations; and
 - (b) coordinating with the Power and Water Corporation and West Arnhem Shire Council to ensure that the conditions of this Agreement are met, including reporting on the delivery of outputs in accordance with the requirements of Part 4 – Project Milestones, Reporting and Payments.

Role of the Participating Authorities

9. The Power and Water Corporation and West Arnhem Shire Council will be responsible for:
 - (a) providing an in-kind contribution to support the implementation
 - (b) ensuring completion of the project in a timely and professional manner in accordance with this Agreement; and
 - (c) ensuring all conditions including the provision of reports, in accordance with this Agreement, are met and provided to the Commonwealth through Northern Territory in a timely manner.

Shared roles

10. 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

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 to the Northern Territory, 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 (GST exclusive)
Development and delivery of a household water and energy efficiency education program to address household water consumption in the Gunbalanya community.	Commonwealth acceptance of the Gunbalanya Water and Energy Efficiency Initiative	31/05/2012	31/05/2012	\$150,000
	The production of tailored communications materials to support the engagement of the Gunbalanya community	25/10/2012	25/10/2012	\$128,000
	The retrofitting of residential houses with water and energy efficiency appliances	25/06/2013	25/06/2013	\$20,000

Reporting arrangements

12. The Participating Authorities will provide performance reports through the Northern Territory to demonstrate its achievement of the Project milestones set out in Table 1. Each performance report is to contain the following information:
- a) a description of actual performance of the project 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 Participating Authorities 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.
13. The Participating Authorities will also prepare a final Project Report to be provided through the Northern Territory within 90 days of the completion of the project(s) 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(s);
 - (b) evaluate the Project(s) from the responsible Participating Authorities' '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 Participating Authorities, at least 60 days before it is due.

PART 5 – FINANCIAL ARRANGEMENTS

14. The Commonwealth will provide a total financial contribution to the Northern Territory of \$0.298 million in respect of this Agreement. All payments are GST exclusive.
15. The Commonwealth's funding contribution will not be reduced where the Participating Authorities secure funding from other activity partners through innovative and collaborative partnerships.
16. The Commonwealth's and the Participating Authorities' estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the Territory 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

(\$'000)	2011-12	2012-13	Total
Estimated total budget	150	148	298
Less estimated National Partnership Payments	150	148	298
Balance of non-Commonwealth contributions	0	0	0

17. Having regard to the agreed estimated costs of projects specified in a Project Agreement, the Participating Authorities 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 Participating Authorities bear 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 Participating Authorities to deliver projects cost effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

18. 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

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

Delegations

21. 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

22. Either Party may give notice to the other Party of a dispute under this Agreement.
23. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
24. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant Standing Council.
25. 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



The Honourable Simon Crean MP
Minister for Regional Australia, Regional
Development and Local Government

2011 June 2012

Signed for and on behalf of the Northern Territory by



Dr Chris Bush
Minister for Public and Affordable Housing

15 June 2012