

# PROJECT AGREEMENT FOR THE SCOPING OF ENHANCEMENTS TO QUEENSLAND WATER SYSTEMS

Council of  
Australian  
Governments

*An agreement between*

the Commonwealth of Australia and  
the State of Queensland

The output of this project will be to strategically review Queensland's water management systems and determine the scope of the required enhancements and involvement in Common Registry System (CRS).

# Project Agreement for the scoping of enhancements to Queensland Water Systems

## 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. The Australian Government is working with the state and territory governments to develop a National Water Market System (NWMS). On 9 November 2009, the Commonwealth Minister for Climate Change and Water announced that the Australian Government would invest \$56 million in the development of the NWMS as part of the Water for the Future initiative. The aim of the NWMS is to ensure efficient management of state and territory water registers, water transactions and market information. This new Information and Communications Technology (ICT) system will include Common Registry Solutions (CRS) or system upgrades for all States and Territories.
3. The CRS is a standardised national water register that will replace existing water registers in New South Wales, Western Australia, South Australia, Tasmania, the Northern Territory and the Australian Capital Territory. The existing Victorian and Queensland water registers have recently been upgraded and will be further enhanced and made compatible with the CRS.
4. This Agreement will support the delivery of the enhancement of Queensland's water registry against the NWMS outcomes as specified in the model endorsed by Premiers and Chief Ministers at the COAG Water Sub-group meeting on 18 June 2009. The Commonwealth has agreed to provide a financial contribution to assist State and Territories to identify, assess and document requirements for their project.
5. In early 2012, the Commonwealth intends to select, via an open tender, a partner capable of implementing the CRS. The partner will finalise the most appropriate solution design that best supports the collective NWMS Commonwealth and State and Territory requirements. For this reason it is imperative that State and Territory requirements are identified, thoroughly considered and documented prior to the partner starting work. This will assist in minimising any delay or uncertainty in respect of the collective NWMS requirements. This project agreement is consistent with the objectives and funding criteria for the NWMS.
6. This Agreement constitutes the agreement for the partial undertaking of Stream 0 (zero) of the NWMS project. Stream 0 represents the first part of a multi-stream, multi-year project to enhance Queensland's water register.

## PART 1 – FORMALITIES

### Parties to this Agreement

7. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the state of Queensland (the State).

### Term of the Agreement

8. This Agreement will commence as soon as both Parties sign the Agreement and will expire on 30 June 2012 or on completion of the project, including the processing of final payments against milestones, unless terminated earlier or extended as agreed in writing by the Parties.

## PART 2 – PROJECT OUTPUT

### Output

9. The output of this project will be to strategically review Queensland's water management systems and determine the scope of the required enhancements and involvement in the CRS.

## PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

### Role of the Commonwealth

10. The Commonwealth will be responsible for:
  - (a) monitoring and assessing achievement against milestones in the delivery of the planning and design of the enhancement project under this Agreement to ensure that the output is delivered within the agreed timeframe;
  - (b) providing a consequent financial contribution to the State to support the implementation of this Agreement; and
  - (c) allowing the State to use any of the project products developed by the Commonwealth in the course of the project for their own use.

### Role of the State

11. The State will be responsible for:
  - (a) all aspects of delivering on the project outputs set out in this Agreement;
  - (b) developing the State Project Plan;
  - (c) developing the strategic review, business process scoping and architectural review;
  - (d) completing the project in a timely and professional manner in accordance with this Agreement; and
  - (e) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments.
12. The State agrees to participate in community governance (including Program Management Group (PMG), Architecture Reference Group (ARG) and CRS Delivery Group. Other

forums/committees may be established to ensure the success of the project and the State will be invited to participate.

13. The State agrees that any work conducted in association with this agreement must be compatible with NWMS architecture and comply with NWMS data and information standards (Reference Information Model (RIM)). Where alternative architectures or standards are to be used these will be agreed in advance with the Commonwealth. The State is not expected to redefine its internal architecture or standards.
14. The State agrees to establish a Jurisdictional Implementation Group (JIG) that will monitor and oversee each of their projects. The Commonwealth will have representation on this JIG.
15. The State agrees to have in place and regularly maintain a State project plan.

### Shared roles

16. Both 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

17. 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)	Measure evaluation	Date due	Payment
Strategically examine Queensland's water management systems and determine the potential scope of the required enhancements and involvement in CRS	Provide a project plan & schedule approved by the Commonwealth.	<p>Planning documentation is complete provides a consistent message across all documents.</p> <p>Project planning templates and guidelines have been adopted.</p> <p>Project team established.</p>	29 February 2012	\$0.034m
	Provide the strategic examination and potential scope of enhancements.	<p>Individual artefacts have been subject to formal review by the Commonwealth and the bound volume of deliverables has been accepted by the Commonwealth.</p> <p>These measures apply to the following deliverables:</p> <ul style="list-style-type: none"> <li>• Business process scoping. This will include:                             <ul style="list-style-type: none"> <li>• Broad scoping of processes, dealing and data to be included in Queensland's intended direction for its water management system.</li> <li>• Analysis of resourcing requirements to undertake Stream 0 Part B – additional resources as well as impact on existing staff (whether taken off line, or simply used for workshops)</li> </ul> </li> </ul>	30 April 2012	\$0.220m

		<p>etc)</p> <ul style="list-style-type: none"> <li>Review of alignment with CRS using the broad scoping described above, this document will cover: the identification of areas where state's intended direction is coincident with CRS; where state's intended direction could be enhanced to be coincident with CRS; where the state's intended direction is inconsistent with CRS and there is no desire by the state to become consistent.</li> </ul>		
Total				\$0.254m

Table 1: Milestones, reporting and payment summary

## Reporting arrangements

18. The State will provide bi-monthly progress reports in accordance with the project management method and templates provided by the Commonwealth during the operation of the Agreement. Each progress 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 and deliverables;
  - b) details of any matter(s) that have arisen which could adversely impact on the delivery of the output, and how the State 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.

## PART 5 – FINANCIAL ARRANGEMENTS

19. The Commonwealth will provide a total estimated financial contribution to the State of \$0.254 million under this agreement which will be distributed as per Attachment A. All payments are GST exclusive.
20. The Commonwealth's funding contribution will not be reduced where the State secures funding from other activity partners through innovative and collaborative partnerships.
21. The Commonwealth'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

(\$ million)	2011-12	Total
Estimated total budget	0.254	0.254
Less estimated National Partnership Payments	0.254	0.254
Balance of non-Commonwealth contributions	0.000	0.000

22. Having regard to the agreed estimated costs of projects specified in a Project Agreement, the 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 the 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

23. 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

24. The Agreement may be amended at any time by agreement in writing by either Party.
25. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

## Delegations

26. 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

27. Any Party may give notice to the other Party of a dispute under this Agreement.
28. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
29. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant Standing Council.
30. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to COAG for consideration.

## Interpretation

31. For the purposes of this Agreement:
  - (a) State project plan means a document that describes the scope of the State's Water Register Enhancement project and how the project will be managed, controlled and reported.
  - (b) State solution requirements mean the suite of solution design documents based upon the NWMS solution design templates and describing the State's solution requirements.
  - (c) The Reference Information Model (RIM) is a core product of the NWMS reference architecture which ensures that a common business language is used across all components of the solution. It describes the data elements used throughout the solution.



The Parties have confirmed their commitment to this agreement as follows:

***Signed for and on behalf of the Commonwealth of Australia by***

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The Honourable Tony Burke MP  
Minister for Minister for Sustainability,  
Environment, Water, Population and Communities

[Day] [Month] [Year]

***Signed on behalf of the State of Queensland as represented by the Department of Environment and Resource Management by***

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The Honourable Rachel Nolan MP  
Minister for Finance, Natural Resources and the Arts

[Day] [Month] [Year]