

PROJECT AGREEMENT FOR QUALITY MEASUREMENT OF ASSET AND FINANCIAL MANAGEMENT DATA IN LOCAL GOVERNMENT - NORTHERN TERRITORY

Council of
Australian
Governments

An agreement between

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

The output of this project is data collection, analysis, and reporting policies and systems to enable better informed planning and analysis of strategic cross-sector local government issues, in relation to asset and financial management in the Northern Territory.

Project Agreement for Quality Measurement of Asset and Financial Management Data in Local Government – Northern Territory

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.
2. The Local Government Reform Fund (LGRF) has a two-phase implementation strategy. The Northern Territory project - *Quality Measurement of Asset and Financial Management Data in Local Government - Northern Territory* is part of phase 2 of the LGRF.
3. This project will support the development and implementation of data collection, analysis, reporting policies and systems to enable better informed planning and analysis of strategic cross-sector local government issues, particularly in relation to asset and financial management in the Northern Territory.
4. This Agreement constitutes the entire agreement for this project.

PART 1 – FORMALITIES

Parties to this Agreement

5. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the Northern Territory.

Term of the Agreement

6. This Agreement will commence as soon as the Commonwealth and the Northern Territory signs the Agreement, and will expire on 30 June 2013 or on completion of the project, including the

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

7. The output of this Agreement is: data collection, analysis, and reporting polices; and systems to enable better informed planning and analysis of strategic cross-sector local government issues, in relation to asset and financial management in the Northern Territory.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

8. The Commonwealth will be responsible for:
 - (a) monitoring and assessing achievement against milestones in the delivery of the *Quality Measurement of Asset and Financial Management Data in Local Government – Northern Territory* project under this Agreement to ensure that the output is 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

9. The Northern Territory will be responsible for:
 - (a) providing an in-kind 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 the output as set out in Part 4 – Project Milestones, Reporting and Payments.

Shared roles

10. 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

Table 1: Milestones, reporting and payment summary

Output	Milestones	Date due	Relevant Report due	Payment
Develop and implement data collection, analysis, and reporting polices and systems.	Schedule of activities have been completed and acceptance of a progress report by the Commonwealth.	8 Jun 12	12 Jun 12	\$50,000
	Northern Territory has aligned its framework with South Australia and a National data management frameworks report completed and acceptance of a progress report by the Commonwealth.	30 Sep 12	6 Oct 12	\$130,000
	Data policy for councils and stakeholders completed. Councils have engaged in data management strategy capacity building and sector collaboration. Centralised data management and control system has been implemented and acceptance of a final project report by the Commonwealth.	28 Feb 13	28 Mar 13	\$20,000

Reporting arrangements

11. The Northern Territory 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 Northern Territory 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 Northern Territory 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 Northern Territory will also prepare a final Project Report within 90 days on 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 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 Territory, at least 60 days before it is due.

PART 5 – FINANCIAL ARRANGEMENTS

13. The Commonwealth will provide a total financial contribution to the Northern Territory of \$200,000 in respect of this Agreement. All payments are GST exclusive.
14. The Commonwealth's funding contribution will not be reduced where the Northern Territory's secure funding from other activity partners through innovative and collaborative partnerships.
15. The Commonwealth's and the Northern Territory's 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

(\$ million)	2011-12	2012-13	Total
Estimated total budget	0.050	0.242	0.292
Less estimated National Partnership Payments	0.050	0.150	0.200
Balance of non-Commonwealth contributions	0.000	0.092	0.092

Note: non-Commonwealth contribution is both Local Government and Territory.

16. Having regard to the agreed estimated costs of projects specified in a Project Agreement, the Northern Territory 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 Northern Territory 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 Northern Territory 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. Either Party may give notice to the other Party of a dispute under this Agreement.
22. Officials of the 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 Ministerial 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*



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

29 JUN 2012

[Day] [Month] 2012

*Signed for and on behalf of the Northern
Territory by*



**The Honourable Malarndirri Barbara Anne
McCarthy MLA**
Minister for Local Government

[Day] [Month] 2012

27 JUN 2012