

## Northern Territory - National Flood Mitigation Infrastructure Program – Round 2

FEDERATION FUNDING AGREEMENT - ENVIRONMENT

<b>Table 1: Formalities and operation of Schedule</b>																
Parties	Commonwealth of Australia Northern Territory															
Duration	This Schedule is expected to expire 30 June 2026. This Schedule is expected to expire on the completion of the project.															
Purpose	<p>This Schedule will support the delivery of projects identified through the <i>National Flood Mitigation Infrastructure Program (Program)</i>, which help local communities mitigate their priority flood risks and reduce the impact of flood events.</p> <p>Funding provided under this Schedule will contribute to the delivery of the following projects (Funded Projects):</p> <ul style="list-style-type: none"> <li>• <b>Project 1:</b> Kulaluk Flood Mitigation Infrastructure</li> </ul> <p>An overview of each project is provided at <b>Attachment A</b>.</p>															
Estimated financial contributions	<p>The Commonwealth will provide to the Northern Territory an estimated total financial contribution of <b>\$10,000,000 (GST exclusive)</b> in respect of this Schedule (see Table 1).</p> <table border="1"> <thead> <tr> <th>Table 1</th> <th>2021-22</th> <th>Total</th> </tr> <tr> <th>(\$m)</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>13.4*</td> <td>13.4</td> </tr> <tr> <td>Less estimated National Partnership Payments</td> <td>10.0</td> <td>10.0</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>3.4</td> <td>3.4</td> </tr> </tbody> </table> <p>*Amounts may not add to the total due to rounding</p>	Table 1	2021-22	Total	(\$m)			Estimated total budget	13.4*	13.4	Less estimated National Partnership Payments	10.0	10.0	Balance of non-Commonwealth contributions	3.4	3.4
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Balance of non-Commonwealth contributions	3.4	3.4														
Additional terms	<p><b>Allocation of funds</b></p> <p>(1) The parties understand that this Schedule is made in good faith and there is an expectation that funding will be apportioned to projects as determined through the Program, and as shown at <b>Attachment A</b>.</p> <p><b>Resolution of terms</b></p> <p>(2) The Commonwealth and States and Territories will work together to resolve any conflicts arising through the Bilateral Agreements, using the approach set out below.</p>															

- a. The Federal Financial Relations Act and the Emergency Response Fund Act will prevail over any guidelines.
- b. The Emergency Response Fund Guidelines and NFMIP Program Guidelines will prevail over the Schedule, except for matters relating to monitoring and reporting, auditing and assurance (chapter 12).
- c. Terms relating to monitoring and reporting, and auditing and assurance are set out in this Schedule and the Audit and Reporting Framework.

**Implementation Plan**

- (3) Project specific timeframes will be finalised after the commencement of this Schedule, in the form of an Implementation Plan.
  - a. The requirements of the Implementation Plan are set out in the Audit and Reporting Framework at **Attachment B**.
- (4) The Implementation Plan will be developed by the Northern Territory and provided to the Commonwealth for approval. The Commonwealth must provide approval (which will not be unreasonably withheld by the Commonwealth) within three months of the time this agreement commences or no later than 30 September 2022, whichever is later.

**Performance monitoring and reporting**

- (5) The parties acknowledge that payments under these agreements would usually be tied to the performance milestones at Table 2 below. In lieu of milestone based payments under this agreement, states and territories commit to honouring the reporting obligations required by this Schedule.
- (6) The frequency and timing of reporting under this Schedule is set out at Table 2: Performance requirements, reporting and payment summary
- (7) The content requirements of reporting under this Schedule are set out in the Audit and Reporting Framework.

**Third parties**

- (8) In line with the NFMIP Program Guidelines, States and Territories may engage a third party to support the delivery of a project under this Schedule.
- (9) While third parties are not signatories to this Schedule, States and Territories are solely responsible for ensuring third party compliance with the Emergency Response Fund Act, the Emergency Response Fund Guideline, NFMIP Program Guidelines and the conditions of this Schedule.

**Repayment of amounts to the Commonwealth**

- (10) If efficiencies are realised on completion of the project funding may be put to other projects under this program in that jurisdiction.
- (11) In accordance with s21(4) of the Emergency Response Fund Act, the Commonwealth reserves the right to recover an amount provided under this Schedule, where

	<ul style="list-style-type: none"><li>a. a project cannot be delivered according to the specifications in the relevant implementation plan and the project cannot be appropriately scaled, and</li><li>b. the Commonwealth and State and Territory cannot reach an agreement on how to reallocate the funds, or</li><li>c. another condition of this Schedule is not met.</li></ul> <p>(12) The Commonwealth will determine whether an amount should be repaid, and if so, how much should be repaid, with regard to the circumstances of each matter.</p>
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**Table 2: Performance requirements, reporting and payment summary**

Output	Performance milestones	Report due	Payment
Completion of the flood mitigation infrastructure projects at attachment A in order to assist communities to prepare for future flood events and to reduce the risk of flood to, and/or impact of flooding on, local communities.	The Northern Territory agrees and signs the Schedule	Upon signature of Schedule	\$10,000,000
	The Northern Territory provides the approved Implementation Plan to the Commonwealth	Within three months of the commencement of this Schedule or no later than 30 September 2022, whichever is later.	N/A
	The Northern Territory submits performance reports biannually on the progress against project milestones and outcomes in the implementation plan. These reports will also include details of expenditure to date. The first performance report should be submitted approximately 6 months after the implementation plan has been signed (i.e. 6 months after the commencement of the Schedule).	Twice per year (biannual)	N/A
	The Northern Territory submits End of Project report	No later than three months from the date that the project was completed.	N/A
	The Northern Territory submits an audit report completed by the state appointed auditor	No later than nine months from the end of the financial year in which the project was completed	N/A

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

Signed for and on behalf of the Commonwealth of Australia by



**Senator the Hon Murray Watt**  
Minister for Agriculture, Fisheries and Forestry  
Minister for Emergency Management

29/6/2022

Signed for and on behalf of the Northern Territory by



**The Hon Kate Worden MLA**  
Minister for Police, Fire and Emergency Services

1/9/2022



# Attachment A

## Details of the Northern Territory Funded Projects

#	Project Name	Project Description	Commonwealth funding	Contribution by the NT
1	Kulaluk Flood Mitigation Infrastructure	Mitigation of flooding in the Kulak community and surrounding suburbs by formalising drainage, filling land and erecting a sea wall.	\$10,000,000	\$3,400,000
<b>Total funding</b>			<b>\$ 10,000,000</b>	<b>\$ 3,400,000</b>