

Central Australia Plan: Community Infrastructure Package

FEDERATION FUNDING AGREEMENT – INFRASTRUCTURE

Table 1: Formalities and operation of schedule

Parties	Commonwealth Northern Territory																		
Duration	This Schedule is expected to expire on 31 December 2027 or when all project deliverables outlined in this Schedule have been completed and acquitted.																		
Purpose	<p>The funding under this Schedule forms part of the Australian Government's <i>A Better, Safer Future for Central Australia plan</i>, specifically the Community Infrastructure Package (the Package) which will support the construction of community infrastructure projects that improve regional development, economic, social and cultural outcomes across the Central Australia region.</p> <p>The funding will be made available via a fit-for purpose Northern Territory Government Program in accordance with appropriate financial oversight and governance arrangements to MacDonnell and Central Desert Regional Councils (eligible Regional Councils) to support the construction of community infrastructure priorities.</p>																		
Estimated financial contributions	<p>The Commonwealth will provide an estimated total financial contribution to the Northern Territory of \$50.0m in respect of this Schedule.</p> <p>Details of the estimated financial contributions by project are set out in Tables 2 and below:</p> <table border="1"> <thead> <tr> <th>Table 1</th> <th>2023-24</th> <th>2024-25</th> <th>2025-26</th> <th>2026-27</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>(\$ million)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Estimated total budget</td> <td>2.7</td> <td>17.3</td> <td>15.0</td> <td>15.0</td> <td>50.0</td> </tr> </tbody> </table> <p>The funding will be available in three Tranches:</p> <ul style="list-style-type: none"> • Tranche 1 (Immediate Projects 2023-24) – up to \$5.3m; • Tranche 2 (Medium Term Projects 2024-25 & 2025-26) – up to \$30.0m and any uncommitted funds from Tranche 1; and • Tranche 3 (Long Term Projects 2026-27) – up to \$14.7m and any uncommitted funds from Tranches 1 and 2. <p>The Commonwealth's funding is capped at \$50.0 million. As such the Commonwealth will not bear the financial risk if the cost of the initiative exceeds the financial contribution as set out in this Schedule. Risk of cost</p>	Table 1	2023-24	2024-25	2025-26	2026-27	Total	(\$ million)						Estimated total budget	2.7	17.3	15.0	15.0	50.0
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	<p>overruns (particularly in Tranche 2 and 3) should be closely managed through effective contract management with eligible Regional Councils.</p>
<p>Additional terms</p>	<p><i>Role of the Commonwealth</i></p> <p>1. In addition to Clause 19 of the FFA – Infrastructure (Role of the Commonwealth), the Commonwealth will be responsible for:</p> <ul style="list-style-type: none"> a. overseeing the Northern Territory's implementation of the Schedule and, where relevant, participating in joint governance, planning discussions and community consultations. <p><i>Role of the Northern Territory</i></p> <p>2. In addition to Clause 20 of the FFA (Role of the States and Territories), the Northern Territory will be responsible for:</p> <ul style="list-style-type: none"> a. supporting eligible Regional Councils to develop project plans that outline projects, drawn from community consultation, proposed to be funded through the measure; b. forwarding Commonwealth funding contributions to eligible Regional Councils via an appropriate Northern Territory Government Program for the purpose of meeting the requirements of the Schedule; c. maximising opportunities for local businesses and employees to be involved in the delivery of the projects; d. ensuring that Indigenous Australians realise employment and business opportunities by incorporating appropriate Indigenous employment and Indigenous supplier-requirements; and e. reporting on progress of the delivery of each project output in the manner and form agreed between the Commonwealth and Northern Territory. <p>3. Additionally, the Northern Territory agrees to:</p> <ul style="list-style-type: none"> a. acknowledge the Commonwealth in any branding or signage that is displayed in relation to the projects; and b. liaise with the Commonwealth prior to the release of any media statements relating to the project. <p>Where a project underspend of \$10,000 or greater is reported, the remaining funds will be re-invested. Re-investment will be in either existing Central Australian Program Community Infrastructure Package projects outlined in Table 2 of this FFA Schedule or projects consistent with the purpose specified in Table 2 of this Schedule.</p> <p>In relation to reallocation of surplus funds, both parties will agree to how funds will be re-invested.</p>

Where a decision is made not to continue with a project, both parties will agree as to how the remaining funds for that project will be re-allocated.

Shared Roles and Responsibilities

4. In addition to Clause 21 of the FFA – Infrastructure (Shared roles and responsibilities), the Commonwealth and the Northern Territory agree to cooperate to fulfil the requirements of this Schedule.
5. The Northern Territory and Regional Councils will participate in regular project oversight meetings for the purpose of monitoring and assessing performance in delivery of the Package under this Schedule. In particular, the Northern Territory and Regional Councils will provide relevant information on the development and progress of funded projects to the Commonwealth on request, to assist the Commonwealth with performing its roles and responsibilities.
6. The Parties will also establish a Project Advisory Committee that will bring together agreed Central Australia stakeholders to support the identification of community infrastructure priorities.
 - a. this may be achieved through establishing a specific forum or utilising an existing forum and inviting additional stakeholders as required (e.g. the Office of the Central Australia Regional Controller, and the Central Australia Aboriginal Leadership Group).

Table 2: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment*																																				
Community Infrastructure Package Tranche 1 up to \$5.3m (Immediate Projects 2023-24)	<p>Milestone 1 – Commonwealth approval and agreement of eligible projects</p> <p>The following projects are approved under Tranche 1 (Immediate Projects) and should commence as soon as possible:</p> <table border="1" data-bbox="344 913 965 1261"> <thead> <tr> <th>No</th> <th>Project</th> <th>Community</th> </tr> </thead> <tbody> <tr> <td colspan="3">CENTRAL DESERT REGIONAL COUNCIL</td> </tr> <tr> <td>1</td> <td>Playground Upgrade</td> <td>Atitjere</td> </tr> <tr> <td>2</td> <td>New Playground</td> <td>Engawala</td> </tr> <tr> <td>3</td> <td>Oval Lights (training)</td> <td>Laramba</td> </tr> <tr> <td>4</td> <td>New Play System</td> <td>Nturiya</td> </tr> <tr> <td>5</td> <td>Change Rooms</td> <td>Pmara Jutunta</td> </tr> <tr> <td>6</td> <td>Oval Lights</td> <td>Ti Tree</td> </tr> <tr> <td>7</td> <td>Half Basketball Court</td> <td>Wilora</td> </tr> <tr> <td colspan="3">MACDONNELL REGIONAL COUNCIL</td> </tr> <tr> <td>8</td> <td>Oval Lights</td> <td>Kintore</td> </tr> <tr> <td>9</td> <td>Oval Lights</td> <td>Titjikala</td> </tr> </tbody> </table> <p>This Schedule constitutes written agreement of community infrastructure priorities eligible to be supported through Tranche 1.</p>	No	Project	Community	CENTRAL DESERT REGIONAL COUNCIL			1	Playground Upgrade	Atitjere	2	New Playground	Engawala	3	Oval Lights (training)	Laramba	4	New Play System	Nturiya	5	Change Rooms	Pmara Jutunta	6	Oval Lights	Ti Tree	7	Half Basketball Court	Wilora	MACDONNELL REGIONAL COUNCIL			8	Oval Lights	Kintore	9	Oval Lights	Titjikala	N/A	N/A
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<p>Community Infrastructure Package Tranche 1 up to \$5.3m (Immediate Projects 2023-24)</p>	<p>Milestone 2 – Commonwealth acceptance and approval of project plans</p> <p>Written confirmation of formal agreements reached between Northern Territory and local government officials that includes:</p> <ul style="list-style-type: none"> • details of the above projects to be delivered; • details of anticipated local economic, social and cultural benefits from the projects being delivered; • a commitment to ongoing partnership with communities within their local government boundary in the delivery of the agreed projects; and • a commitment to ongoing participation in regular project oversight meetings. <p>When Project Plans are approved, 50% of the approved funding for respective projects will be paid to the Northern Territory Government and provided to the regional councils via a fit-for-purpose Northern Territory Government program.</p>	<p>22 January 2024</p>	<p>For each Project, 50% of approved budget</p> <p>approx. \$2.5m</p>
	<p>Milestone 3 – Project Completion Reports</p> <p>Acceptance and approval by the Commonwealth of a Project Completion Report for each project that includes at a minimum:</p> <ul style="list-style-type: none"> • details of the use/acquittal of Australian Government funds, and • confirmation of all project elements having been delivered and any changes from Project Plans agreed at Milestone 2. <p>When a Project Completion Report is accepted and approved by the Commonwealth, remaining project funding will be paid to the Northern Territory Government and provided to the Regional Councils via an appropriate Northern Territory Government program.</p> <p>Where possible, the Northern Territory Government should submit Project Completion Reports to the Commonwealth in batches to allow efficient processing and provision of remaining project funding. If batching occurs, Project Completion Reports may be submitted to the Commonwealth later than within 3 months of the project completion date, to reduce administrative burden.</p>	<p>Within 3 months of project completion date</p>	<p>For each completed Project, remainder of approved budget</p>

Community Infrastructure Package Tranche 2 up to \$29.7m and any uncommitted funds from Tranche 1 (Medium Term Projects 2024-25 and 2025-26)	<p>Milestone 1 – Commonwealth acceptance and approval of eligible Projects</p> <p>Written agreement by Commonwealth and Northern Territory ministers of community infrastructure projects eligible to be supported through Tranche 2 (Medium Term Projects).</p>	31 June 2024	N/A
	<p>Milestone 2 – Commonwealth acceptance and approval of project plans</p> <p>Acceptance and approval by the Commonwealth of written confirmation of formal agreements (project plans), reached between the Northern Territory and Regional Council officials for all Tranche 2 projects that include:</p> <ul style="list-style-type: none"> • details of identified projects to be delivered; • details of anticipated local economic, social and cultural benefits from the projects being delivered; • a commitment to ongoing partnership with communities within their local government boundary in the delivery of the agreed projects; and • a commitment to ongoing participation in regular project oversight meetings. <p>When the Commonwealth has approved project plans, 50% of the approved funding for respective projects will be paid to the Northern Territory Government and provided to the Regional Councils via an appropriate Northern Territory Government program.</p> <p>Publication of a list of approved projects may be released on relevant Commonwealth and/or Northern Territory Government websites.</p>	31 August 2024	For each Project, 50% of approved budget up to \$15.0m
	<p>Milestone 3a – Interim Project Reports</p> <p>Large scale projects (in excess of \$2.0m) may require a 25% progress payment at 50% completion to ensure successful project delivery. The Commonwealth may agree that a project is a large scale project for the purpose of this milestone.</p> <p>Acceptance by the Commonwealth of an Interim Project Report for large scale projects that includes at a minimum:</p>	Within 3 months of 50% project completion (if required)	As required, For each Project, 25% of approved Project budget up to \$7.5m

<p>Community Infrastructure Package Tranche 2 up to \$29.7m and any uncommitted funds from Tranche 1 (Medium Term Projects 2024-25 and 2025-26)</p>	<ul style="list-style-type: none"> • details of the use/acquittal of Australian Government funds for large scale projects progress, and • confirmation of relevant project milestones having been delivered and any changes from the agreements reached at Milestone 2. <p>When an Interim Project Report with evidence of 50% completion is accepted by the Commonwealth, 25% of approved project funding will be paid to the Northern Territory Government and provided to the Regional Councils via an appropriate Northern Territory Government program.</p> <p>Where possible, the Northern Territory Government should submit Interim Project Reports to the Commonwealth in batches to allow efficient processing and provision of interim project funding. If batching occurs, Project Completion Reports may be submitted to the Commonwealth later than within 3 months of the project completion date, to reduce administrative burden.</p>		
	<p>Milestone 3b – Project Completion Report</p> <p>Acceptance and approval by the Commonwealth of a Project Completion Report that includes at a minimum:</p> <ul style="list-style-type: none"> • details of the use/acquittal of Australian Government funds, and • confirmation of projects having been delivered and any changes from the agreements reached at Milestone 2. <p>When a Project Completion Report is accepted and approved by the Commonwealth, remaining project funding will be paid to the Northern Territory Government and provided to the Regional Councils via an appropriate Northern Territory Government program.</p> <p>Where possible, the Northern Territory Government should submit Interim Project Reports to the Commonwealth in batches to allow efficient processing and provision of interim project funding. If batching occurs, Project Completion Reports may be submitted to the Commonwealth later than within 3 months of the project completion date, to reduce administrative burden.</p>	<p>Within 3 months of project completion date</p>	<p>For each completed Project, remainder of approved budget up to \$15.0m (reduced by any Milestone 3a payments)</p>

Community Infrastructure Package Tranche 3 up to \$15.0m and any uncommitted funds from Tranches 1 and 2 (Long Term Projects 2026-27)	<p>Milestone 1 – Commonwealth acceptance and agreement of eligible Projects</p> <p>Written agreement by Commonwealth and Northern Territory ministers of community infrastructure projects eligible to be supported through Tranche 3 (Long Term Projects).</p>	30 April 2026	N/A
	<p>Milestone 2 – Commonwealth acceptance and approval of project plans</p> <p>Acceptance and approval by the Commonwealth of written confirmation of formal agreements (projects plans) reached between the Northern Territory and Regional Council officials for all Tranche 3 projects that include:</p> <ul style="list-style-type: none"> • details of identified projects to be delivered; • details of anticipated local economic, social and cultural benefits from the projects being delivered; • a commitment to ongoing partnership with communities within their local government boundary in the delivery of the agreed projects; and • a commitment to ongoing participation in regular project oversight meetings. <p>When the Commonwealth approved project plans, 50% of the approved funding for respective projects will be paid to the Northern Territory Government and provided to the Regional Councils via an appropriate Northern Territory Government program.</p> <p>Publication of a list of approved projects may be released on relevant Commonwealth and/or Northern Territory Government websites.</p>	1 July 2026	For each Project, 50% of approved budget up to \$7.5m

Community Infrastructure Package Tranche 3 up to \$15.0m and any uncommitted funds from Tranches 1 and 2 (Long Term Projects 2026-27)	<p>Milestone 3a – Interim Project Reports</p> <p>Large scale projects (in excess of \$2.0m) may require a progress payment to ensure successful project delivery. The Commonwealth may agree that a project is a large scale project for the purpose of this milestone.</p> <p>Acceptance by the Commonwealth of an Interim Project Report for large scale projects that includes at a minimum:</p> <ul style="list-style-type: none"> • details of the use/acquittal of Australian Government funds for large scale projects progress, and • confirmation of relevant project milestones having been delivered and any changes from the agreements reached at Milestone 2. <p>When an Interim Project Report with evidence of 50% completion is accepted by the Commonwealth 25% of approved project funding will be paid to the Northern Territory Government and provided to the Regional Councils via an appropriate Northern Territory Government program.</p> <p>Where possible, the Northern Territory Government should submit Interim Project Reports to the Commonwealth in batches to allow efficient processing and provision of interim project funding. If batching occurs, Project Completion Reports may be submitted to the Commonwealth later than within 3 months of the project completion date, to reduce administrative burden.</p>	within 3 months of 50% project completion (if required)	As required, For each Project, 25% of approved Project budget up to \$3.75m
	<p>Milestone 3b – Project Completion Report</p> <p>Acceptance by the Commonwealth of a Project Completion Report that includes at a minimum:</p> <ul style="list-style-type: none"> • details of the use/acquittal of Australian Government funds, and • confirmation of projects having been delivered and any changes from the agreements reached at Milestone 2. 	within 3 months of project completion date	For each completed Project, remainder of approved budget up to \$7.5m (reduced by any

	<p>When a Project Completion Report is accepted and approved by the Commonwealth, remaining project funding will be paid to the Northern Territory Government and provided to the Regional Councils via an appropriate Northern Territory Government program.</p> <p>Where possible, the Northern Territory Government should submit Interim Project Reports to the Commonwealth in batches to allow efficient processing and provision of interim project funding. If batching occurs, Project Completion Reports may be submitted to the Commonwealth later than within 3 months of the project completion date, to reduce administrative burden.</p>		Milestone 3a payments)
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**Actual Project payments provided to the Northern Territory and made to the Regional Councils will be as follows:*

- 50% on Approval of Project Plans; and
- 50% on Acceptance of Project Completion Report (or 25% at 50% completion and 25% at Acceptance of Project Completion Report for Large Scale Projects in excess of \$2.0m if required)

The payment amounts are subject to adjustment for movements of uncommitted and/or unspent funds from Tranche 1 and Tranche 2 projects to Tranche 2 or Tranche 3 projects, as per the Estimated financial contributions and Additional terms sections.

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

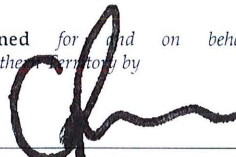
Signed for and on behalf of the Commonwealth of Australia by



The Honourable Catherine King MP
Minister for Infrastructure, Transport, Regional Development and Local Government

19/7/24
[Day] [Month] [Year]

Signed for and on behalf of the Northern Territory by



The Honourable Chansey Paech MLA
Attorney-General and Minister for Justice; Minister for Aboriginal Affairs and Treaty; Minister for Local Government; Minister for Arts, Culture and Heritage

[Day] [Month] [Year]

25 JUL 2024