

Restoring funding for Northern Territory Homelands

FEDERATION FUNDING AGREEMENT – AFFORDABLE HOUSING,
COMMUNITY SERVICES AND OTHER

Table 1: Formalities and operation of schedule																													
Parties	Commonwealth Northern Territory																												
Duration	This Schedule is expected to expire on 30 June 2027.																												
Purpose	This Schedule will support the delivery of urgent housing and essential infrastructure on Northern Territory Homelands (the Program).																												
Estimated financial contributions	<p>The Commonwealth will provide a total financial contribution to the Northern Territory of up to \$220.0 million in respect to this Schedule.</p> <table border="1"> <thead> <tr> <th colspan="7">Table 1</th> </tr> <tr> <th>(\$ million)</th> <th>2022-23</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>Estimated total budget</td> <td>25.0</td> <td>75.0</td> <td>40.0</td> <td>40.0</td> <td>40.0</td> <td>220.0</td> </tr> <tr> <td>- Northern Territory</td> <td>25.0</td> <td>75.0</td> <td>40.0</td> <td>40.0</td> <td>40.0</td> <td>220.0</td> </tr> </tbody> </table>	Table 1							(\$ million)	2022-23	2023-24	2024-25	2025-26	2026-27	Total	Estimated total budget	25.0	75.0	40.0	40.0	40.0	220.0	- Northern Territory	25.0	75.0	40.0	40.0	40.0	220.0
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Additional terms	<p>The Commonwealth commitment is contingent on the following:</p> <ol style="list-style-type: none"> 1. The Commonwealth and Northern Territory maintaining governance arrangements as set out in the Partnership Agreement for Remote Housing and Homelands, with structures and processes for decision making, accountability, control and delivery of the project, including: <ol style="list-style-type: none"> a. the Joint Steering Committee (JSC) informing the delivery and monitoring of the Program; b. the JSC meeting quarterly with members comprising the Chief Executive Officer of each Northern Territory Land Council, the Chief Executive Officer of Aboriginal Housing Northern Territory and representatives from the Northern Territory and the Commonwealth, c. development of an implementation plan, provided to the JSC's June 2023 meeting to support planning and consultation with homeland communities, the JSC will annually consider any required updates to the implementation plan, d. development of a comprehensive Risk Plan for works under this Schedule, provided to the JSC, and updated annually 																												

	<ul style="list-style-type: none">e. if any dispute in relation to this schedule cannot be resolved directly between the parties, they may be taken to the JSC for consideration. If JSC is unable to resolve the dispute, it may be escalated to the Commonwealth and Northern Territory portfolio ministers,f. if JSC members cannot agree to the scope of Regional Work Plans, the scope of works to be delivered may be subject to agreement between Commonwealth and Northern Territory, to ensure delivery of urgent works commences , andg. from 2024-25, the JSC will ensure alignment with the principles for future investment developed and agreed to on 23 November 2023, as relevant. <ul style="list-style-type: none">2. Northern Territory will provide an update to each JSC meeting on delivery of the works outlined at Attachment A, with reports to include the elements described in Attachment B. This reporting will enable the Commonwealth to undertake quality assurance and verification processes, to confirm delivery of works against agreed plans and milestones, and release payments according to the extent of delivery achieved against the associated performance milestone.3. Engagement of each Northern Territory Land Council to inform and monitor delivery of investment, including through:<ul style="list-style-type: none">a. inclusion in the JSC,b. supporting the development of Regional Work Plans, including the information at Attachment C to inform key priorities and deliverables across each region,c. enabling community consultation, and facilitating engagement with Executive Councils as required,d. monitoring delivery of the agreed scope of works, ande. facilitating the delivery of works in homeland communities, as required.4. Engagement of Aboriginal Housing Northern Territory to support delivery of the Program, including through:<ul style="list-style-type: none">a. supporting the consultation and engagement process to inform the Regional Work Plans, to ensure the priorities reflect the Local Decision Making Framework,b. working with community controlled services to support implementation of the Regional Work Plans,c. supporting development and capacity building for Homelands Service Providers.
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	<ol style="list-style-type: none">5. The Northern Territory continuing its Homelands Program, providing at least \$40 million per annum in grant funding to homelands and other communities outside the remote housing footprint, and providing quarterly reporting to JSC on the Program's progress, including homelands that have received works, and proposed works for delivery from 2024-25.6. This Schedule does not support the delivery of new or replacement houses on homelands, noting further work is underway by the JSC to inform housing arrangements for homelands on expiry of this Schedule. If Regional Work Plans identify any houses that require urgent replacing, the JSC may consider their inclusion.7. The Northern Territory informing the JSC of any contractor capacity issues that arise, and how these issues are being addressed.8. Where there is a significant increase in costs associated with the Program or works not yet completed but agreed to by the JSC, or as set out in Regional Work Plans, the Northern Territory may propose an adjustment to the scope of works, subject to the JSC's consideration and agreement of any changes. Any changes will be subject to approval from the Commonwealth portfolio minister before payments are made.9. If the project deliverables have not been finalised for the purposes of the Schedule, the parties may agree to extend the term of the Schedule, subject to relevant approvals by both the Commonwealth and Northern Territory.
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Table 2: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment
Schedule Agreement Execution	Schedule Agreement signed by the Commonwealth and the Northern Territory	On execution of original schedule	\$7.5m (paid)
Confirmation of acquisition for contractors to deliver 2022-23 scope of works	<p>The Northern Territory to confirm at least 80 per cent of contractors to deliver the 2022-23 scope of works outlined at Attachment A have been engaged. Confirmation will include:</p> <ul style="list-style-type: none"> - outcomes of the Northern Territory's Industry Capacity Assessment, summarising the capacity and availability of providers to deliver work on Northern Territory homelands; - outcomes of acquisition processes to identify contractors and confirm contracts have been entered into and their execution dates; - an updated work plan, outlining the scope of works, value and schedule of works by community; and - an update on any works that have commenced to date, and staffing levels to support delivery of the Program within Aboriginal Housing NT and the Homeands Program Team. 	May 2023	\$17.5m (paid)
Joint Steering Committee approval of Regional Work Plans	JSC's approval of Regional Work Plans for each Northern Territory region, as per the requirements in Attachment C, and following Land Council consideration and consultation with communities.	August 2023	N/A
Delivery progress report and confirmation of 2023-24 program support costs	<p>The Northern Territory to provide a report on the progress of delivery of the Program for 2022-23.</p> <p>The delivery progress report will also confirm Program support costs for 2023-24, including:</p> <ul style="list-style-type: none"> - work plan and staffing levels required for the Homelands Project Team within the Northern Territory, and for Aboriginal Housing Northern Territory; and - costs and scope of monitoring and evaluation works undertaken. 	September 2023	\$10m (paid)
Contracts executed for expedited delivery for 2023-24 investment	The Northern Territory to provide a progress report on the total delivery of the Program's 2022-23 and 2023-24 investments, and confirm engagement of all contractors to expedite	December 2023	\$25m (paid)

	<p>delivery of the 2023-24 scope of works, as outlined at Attachment A and in the Regional Work Plans, including:</p> <ul style="list-style-type: none"> - outcomes of acquisition processes to identify contractors; - confirmation contracts have been entered into, including execution dates; - work plans provided by contractors; and - updated work plan incorporating the 2023-24 scope of works, including value and schedule of works by community. <p>This milestone recognises the upfront cost of the Program's expedited delivery as well as efficiencies in securing supplies and labour upfront.</p>		
<p>Delivery Progress Report (2023-24)</p>	<p>Delivery of the scope of works up to 31 May 2024, as agreed to in the Regional Work Plans, and the scope outlined in Attachment A for 2023-24.</p> <p>A payment of the milestone will be calculated on a pro-rata basis according to the total value of completed works compared to the total scope of works. The Delivery Progress Report is to include:</p> <ul style="list-style-type: none"> - achievement of activities; - expenditure to date, including administrative costs for Northern Territory's Homelands Project Team and Aboriginal Housing NT; - dates of completion; - any outstanding works, and the processes in place to complete delivery; and - risks and issues, and corrective actions if required. <p>Pro-rata payment will be calculated based on the value of works delivered, excluding payment already provided. The report will demonstrate expenditure exceeds payment to date.</p> <p>Any works not yet complete may be claimed in a later year.</p>	<p>June 2024</p>	<p>Up to \$4.0m</p>
<p>Contracts executed for 2024-25 delivery</p>	<p>The Northern Territory to provide a progress report for the Program, and confirm engagement of all contractors required to deliver works in 2024-25, including:</p> <ul style="list-style-type: none"> - outcomes of acquisition processes to identify contractors; - confirmation contracts have been entered into, including execution dates; work plans provided by contractors; and - updated work plan incorporating the 2024-25 scope of works, including value and schedule by homeland. 	<p>December 2024</p>	<p>\$12m</p>

<p>Delivery progress report (2024-25)</p>	<p>The Northern Territory to provide a progress report confirming delivery of the 2024-25 investment. Payment of the milestone will be calculated on a pro-rata basis according to the total value of completed works compared to the total scope of works. The Delivery Progress Report is to include:</p> <ul style="list-style-type: none"> - achievement of activities; - expenditure to date, including administrative costs for Northern Territory's Homelands Project Team; - dates of completion; - any outstanding works, and the processes in place to complete delivery, and risks and issues, and corrective actions if required. <p>Pro-rata payment will be calculated based on the value of works delivered, excluding payment already provided. The report will demonstrate expenditure exceeds payment to date.</p> <p>Any works not yet complete may be claimed in a later year.</p>	<p>June 2025</p>	<p>Up to \$28m for 2024-25 work <i>Plus funding moved from previous year on outstanding work (if applicable)</i></p>
<p>Contracts executed for 2025-26 delivery</p>	<p>The Northern Territory to provide a progress report for the Program, and confirm engagement of all contractors required to deliver works in 2025-26, including:</p> <ul style="list-style-type: none"> - outcomes of acquisition processes to identify contractors; - confirmation contracts have been entered into, including execution dates; work plans provided by contractors; and - updated work plan incorporating the 2024-25 scope of works, including value and schedule by homeland. 	<p>December 2025</p>	<p>\$12m</p>
<p>Delivery progress report (2025-26)</p>	<p>The Northern Territory to provide a progress report confirming delivery of 2025-26 scope of works. A payment of the milestone will be calculated on a pro-rata basis according to the total value of completed works compared to the total scope of works. The Delivery Progress Report is to include:</p> <ul style="list-style-type: none"> - achievement of activities; - expenditure to date, including administrative costs for Northern Territory's Homelands Project Team; - dates of completion; - any outstanding works, and the processes in place to complete delivery, and risks and issues, and corrective actions if required. 	<p>June 2026</p>	<p>Up to \$28m for 2025-26 work <i>Plus funding moved from previous year on outstanding work (if applicable)</i></p>

	<p>Pro-rata payment will be calculated based on the value of works delivered, excluding payment already provided. The report will demonstrate expenditure exceeds payment to date.</p> <p>Any works not yet complete may be claimed in a later year.</p>		
<p>Contracts executed for 2026-27 delivery</p>	<p>The Northern Territory to provide a progress report for the Program, and confirm engagement of all contractors required to deliver works in 2026-27, including:</p> <ul style="list-style-type: none"> - outcomes of acquisition processes to identify contractors; - confirmat on contracts have been entered into, including execution dates; - work plans provided by contractors; and - updated work plan incorporating the 2024-25 scope of works, including value and schedule by homeland. 	<p>December 2026</p>	<p>\$12m</p>
<p>Delivery progress report: (2026-27)</p>	<p>The Northern Territory to provide a progress report confirming delivery of 2026-27 scope of works. A payment of the milestone will be calculated on a pro-rata basis according to the total value of completed works compared to the total scope of works. The Delivery Progress Report is to include:</p> <ul style="list-style-type: none"> - achievement of activities; - expenditure to date, including administrative costs for Northern Territory's Home ands Project Team; - dates of completion; - any outstanding works, and the processes in place to complete delivery, and - risks and issues, and corrective actions if required. <p>Pro-rata payment will be calculated based on the value of works delivered, excluding payment already provided. The report will demonstrate expenditure exceeds payment to date.</p>	<p>June 2027</p>	<p>Up to \$28m for 2026-27 work</p> <p><i>Plus funding moved from previous year on outstanding work (if applicable)</i></p>

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

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



The Honourable Linda Burney MP
Minister for Indigenous Australians

18 June 2024

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



The Honourable Selena Uiibo MLA
Minister for Remote Housing and Homelands

[Day] [Month] 2024 17 JUL 2024

Northern Territory Homelands - Project Stages

To ensure delivery on Northern Territory homelands can commence urgently, a Rapid Response package will be delivered in 2022-23, and a Comprehensive package of works in 2023-24, informed by community consultation.

Package		Output
Delivery of rapid response works in 2022-23 (\$25m)	Rapid Works A	Works in the following homeland communities across the NT: <i>Anindilyakwa Land Council Region - \$1m:</i> <ul style="list-style-type: none"> - Bardalumba - Mawulyumanja (Thompson Bay) - Akwalirrumanja (Four Mile) - Yedikba (Emerald River) <i>Tiwi Island Land Council Region - \$250k:</i> <ul style="list-style-type: none"> - Paru <i>Central Land Council Region - \$11.7m:</i> <ul style="list-style-type: none"> - M'bunghara - Town bore - Utily - Utopia Homelands (Arparra and Inkwelaye) <i>Northern Land Council Region - \$6.5m:</i> <ul style="list-style-type: none"> - Rockhole
	Rapid Works B	Northern Territory-wide initiatives - \$4.3m: <ul style="list-style-type: none"> - Housing Fire and Electrical Safety Program - Water Testing and Supply Program - Housing Sanitation Program
	Program Support Costs	Establish Homelands Project Team and Engagement Officers - \$1.25m
	Comprehensive Works A	Regional Work Plans - \$54m
Delivery of comprehensive works in 2023-24 (\$75m)	Comprehensive Works B	Delivery of works to 4 additional Utopia homelands communities - \$7.25m
	Comprehensive Works C	Continuation of Northern Territory-wide initiatives - \$10m: <ul style="list-style-type: none"> - Housing Fire and Electrical Safety Program - Water Testing and Supply Program - Housing Sanitation Program
	Program Support Costs	Continue Homelands Project Team and Engagement Officers and undertake evaluation - \$3.75m

Delivery of works in 2024-25 (\$40m)	Regional Work Plans	Regional Work Plans - \$36m
	NT-wide initiatives	Continuation of Northern Territory-wide initiatives, including water testing and supply, sanitation and fire and electrical safety - \$2m
	Program Support Costs	Continue Homelands Program Team - \$2m
Delivery of works in 2025-26 (\$40m)	Regional Work Plans	Regional Work Plans - \$36m
	NT-wide initiatives	Continuation of Northern Territory-wide initiatives, including water testing and supply, sanitation and fire and electrical safety - \$2m
	Program Support Costs	Continue Homelands Program Team - \$2m
Delivery of works in 2026-27 (\$40m)	Regional Work Plans	Regional Work Plans - \$36m
	NT-wide initiatives	Continuation of Northern Territory-wide initiatives, including water testing and supply, sanitation and fire and electrical safety - \$2m
	Program Support Costs	Continue Homelands Program Team - \$2m

Attachment B

Quarterly Program Delivery Report Requirements

The Quarterly Summary Report is the key reporting mechanism to advise the Joint Steering Committee of works delivered under the investment. The Quarterly Summary Report describes the progress of the Program within each timeframe, and since its commencement, outlining what has been delivered, activities in procurement, and any key issues or risks.

The Quarterly Program Delivery Report requires at least the following information to be provided:

Quarterly Program Delivery Report	
Project Status	Project Status information for the reporting period, and across the Program for all works outlined at Attachment A, including: <ul style="list-style-type: none">- Outcomes of acquisition processes- Progress to deliver works in each homelands cluster- Progress of the Northern Territory wide initiatives- Expenditure to date across each homelands cluster and initiatives- Engagement of Aboriginal Business Enterprises- Schedule performance and corrective actions, if required- Risks and issues, and corrective actions, if required
Regional Work Plans	Updates on the development and status of each of the Regional Work Plans

Northern Territory Homelands - Regional Work Plans

The Regional Work Plans will identify the key investment priorities and anticipated costings for the following Central Land Council and Northern Land Council regions.

Current State	Regional Consultation and Priority Setting
<ol style="list-style-type: none"> 1. A regional overview (number of homelands, populations, existing services available) 2. The current state of housing, municipal infrastructure and essential services 3. Overview of key issues and the costs required to bring housing and infrastructure in line with relevant standards 4. Regional issues – such as water stress, occupancy rates, state of houses 5. Summary of regional projects underway 	<ol style="list-style-type: none"> 6. Informed by regional consultation, the plans will provide: <ul style="list-style-type: none"> - prioritisation of projects - location details - associated costs, and - funding status (what the works are and when they will be delivered) 7. Audit recommendations for the region 8. Investment principles and decision making processes utilised by Land Councils and Aboriginal Housing NT.

Please note

- The Anindilyakwa Land Council (ALC) and Tiwi Island Land Council (TLC) Regions are not included in the regional plans.
- As stand-alone Land Councils with unique housing arrangements, they will not require regional plans. ALC and TLC will be provided with funding in 2023/24 to put towards identified priorities.
- This approach will reduce the administrative burden on small land councils and allows NTG and AHNT to focus on the more complex decision making processes required to drive works in the Central Land Council and Northern Land Council regions.