

Housing Support Program (HSP) - Stream 1 (HSP1) and Community Enabling Infrastructure Stream (CEI)

FEDERATION FUNDING AGREEMENT – AFFORDABLE HOUSING,
COMMUNITY SERVICES AND OTHER

Table 1: Formalities and operation of schedule																			
Parties	Commonwealth South Australia																		
Duration	This Schedule is expected to expire on 30 June 2029.																		
Purpose	<p>This Schedule will support the delivery of increased housing supply by funding projects within South Australia that seek to deliver enabling infrastructure, provide amenities to support new housing development, and improve building planning capability.</p> <p>HSP streams intend to support the states and territories (states) in achieving the National Housing Accord targets.</p> <p>HSP1 will provide up to \$50 million to states and local government authorities for projects which will improve planning capability.</p> <p>The CEI will provide up to \$450 million to states and local government authorities to support new housing by ensuring enabling infrastructure and community amenities are in place.</p>																		
Estimated financial contributions	<p>The Commonwealth will provide an estimated total financial contribution to states and local government authorities of up to \$500 million (GST exclusive) towards the two streams:</p> <ol style="list-style-type: none"> 1. Up to \$50 million for HSP1. 2. Up to \$450 million for CEI. <table border="1"> <thead> <tr> <th colspan="3">Table 1: Estimated financial contributions – HSP1 – to South Australia</th> </tr> <tr> <th>(\$ million)</th> <th>2024-25</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>3.8</td> <td>3.8</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td>1.9</td> <td>1.9</td> </tr> <tr> <td>- South Australia</td> <td>1.9</td> <td>1.9</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>1.9</td> <td>1.9</td> </tr> </tbody> </table>	Table 1: Estimated financial contributions – HSP1 – to South Australia			(\$ million)	2024-25	Total	Estimated total budget	3.8	3.8	<i>Less estimated National Partnership Payments</i>	1.9	1.9	- South Australia	1.9	1.9	Balance of non-Commonwealth contributions	1.9	1.9
Table 1: Estimated financial contributions – HSP1 – to South Australia																			
(\$ million)	2024-25	Total																	
Estimated total budget	3.8	3.8																	
<i>Less estimated National Partnership Payments</i>	1.9	1.9																	
- South Australia	1.9	1.9																	
Balance of non-Commonwealth contributions	1.9	1.9																	

	<p>Table 2: Estimated financial contributions – HSP1 – through South Australia</p> <table border="1"> <thead> <tr> <th>(\$ million)</th> <th>2024-25</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>1.6</td> <td>1.6</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td>1.3</td> <td>1.3</td> </tr> <tr> <td>- South Australia</td> <td>1.3</td> <td>1.3</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0.3</td> <td>0.3</td> </tr> </tbody> </table> <p>Payments will be made by the Commonwealth to South Australia who will forward relevant funding to local government authorities where a local government authority is delivering the project.</p> <hr/> <p>Table 3: Estimated financial contributions – CEI – to South Australia</p> <table border="1"> <thead> <tr> <th>(\$ million)</th> <th>2024-25</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>TBC</td> <td>TBC</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td>TBC</td> <td>TBC</td> </tr> <tr> <td>- South Australia</td> <td>TBC</td> <td>TBC</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>TBC</td> <td>TBC</td> </tr> </tbody> </table> <hr/> <p>Table 4: Estimated financial contributions – CEI – through South Australia</p> <table border="1"> <thead> <tr> <th>(\$ million)</th> <th>2024-25</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>TBC</td> <td>TBC</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td>TBC</td> <td>TBC</td> </tr> <tr> <td>- South Australia</td> <td>TBC</td> <td>TBC</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>TBC</td> <td>TBC</td> </tr> </tbody> </table> <p>Payments will be made by the Commonwealth to South Australia who will forward relevant funding to local government authorities where a local government authority is delivering the project.</p>	(\$ million)	2024-25	Total	Estimated total budget	1.6	1.6	<i>Less estimated National Partnership Payments</i>	1.3	1.3	- South Australia	1.3	1.3	Balance of non-Commonwealth contributions	0.3	0.3	(\$ million)	2024-25	Total	Estimated total budget	TBC	TBC	<i>Less estimated National Partnership Payments</i>	TBC	TBC	- South Australia	TBC	TBC	Balance of non-Commonwealth contributions	TBC	TBC	(\$ million)	2024-25	Total	Estimated total budget	TBC	TBC	<i>Less estimated National Partnership Payments</i>	TBC	TBC	- South Australia	TBC	TBC	Balance of non-Commonwealth contributions	TBC	TBC
(\$ million)	2024-25	Total																																												
Estimated total budget	1.6	1.6																																												
<i>Less estimated National Partnership Payments</i>	1.3	1.3																																												
- South Australia	1.3	1.3																																												
Balance of non-Commonwealth contributions	0.3	0.3																																												
(\$ million)	2024-25	Total																																												
Estimated total budget	TBC	TBC																																												
<i>Less estimated National Partnership Payments</i>	TBC	TBC																																												
- South Australia	TBC	TBC																																												
Balance of non-Commonwealth contributions	TBC	TBC																																												
(\$ million)	2024-25	Total																																												
Estimated total budget	TBC	TBC																																												
<i>Less estimated National Partnership Payments</i>	TBC	TBC																																												
- South Australia	TBC	TBC																																												
Balance of non-Commonwealth contributions	TBC	TBC																																												
Additional item	<p>Works under this Schedule will be delivered through the HSP. HSP1 and CEI are competitive funding streams. Applicable guidelines, construction requirements, reporting frameworks and other policies will apply to all relevant projects under these streams.</p>																																													
Common terms	<p>Role of the Commonwealth</p> <ol style="list-style-type: none"> There are no additional common obligations to Clause 19 of the FFA – AHCSO.¹ <p>Role of South Australia</p> <ol style="list-style-type: none"> There are no additional common obligations to Clause 20 of the FFA – AHCSO.² 																																													

¹ Note: There are additional obligations for the Commonwealth under Parts 4 and 5 of the FFA-AHCSO.

² Note: There are additional obligations for the states under Parts 4 and 5 of the FFA-AHCSO.

Media and publicity

3. As provided for under Clause 21 of the FFA – AHCSO, Parties will ensure prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Schedule. In addition to this, relevant Parties will:
 - a. Advise the Commonwealth prior to any announcement, promotional material, publicity or signage relevant to the HSP.
 - b. Acknowledge financial contributions, roles, and cooperativeness under this Schedule in any announcement, promotional material, publicity or signage where it is appropriate and relevant.
 - c. Ensure appropriate Commonwealth and state government representatives are invited to participate in any ceremonies, launches or similar events connected a project listed in one of the appendices.

Monitoring, reporting and evaluation

4. In addition to Part 4 of the FFA - AHCSO, the following reporting requirements also apply:
 - a. The Commonwealth will report on the progress of projects publicly and to the Federal Parliament.
 - b. South Australia will provide, in the format shown at Attachment A, progress reporting in accordance with the milestone schedules at Table A in Appendix A and Table B in Appendix B. The Commonwealth will provide a post completion report template to South Australia.
 - c. Where appropriate, the Commonwealth and South Australia will work together to evaluate the effectiveness of each stream of the HSP against its aims, as well as the effectiveness of projects within the program. The outcomes and impacts of the HSP will in many cases not be known for a number of years after the completion of the program. South Australia will assist in the process of gathering information and conducting evaluation beyond the term of this Schedule.
 - d. South Australia will provide to the Commonwealth six monthly reporting of information it holds and which can reasonably be provided to support the evaluation at Clause 4c, including:
 - i. the net number of residential land parcels created since 1 July 2024, by quarter.
 - ii. the number of residential buildings and the number of residential dwellings approved for development since 1 July 2024, by quarter.

- iii. the number of residential buildings and the number of residential dwellings that have completed construction since 1 July 2024, by quarter.
- e. The reporting under Clause 4d will be agreed by the Parties at the SES Band 1 or equivalent level, and will be submitted no later than:
 - i. 31 August each year, for the previous six-month reporting period of 1 January to 31 May; and
 - ii. 28 February each year, for the previous six-month reporting period of 1 June to 30 November.
- f. South Australia will support the Commonwealth to respond to ad-hoc queries in relation to the HSP which rely on information held by South Australia.
- g. South Australia will notify the Commonwealth as soon as practicable in the event of a likely change to:
 - i. the funding sources for a project, including an increase or decrease in funding;
 - ii. scope, timeframe or cost of a project; or
 - iii. delivery schedule of a project (e.g. due to weather, natural disaster or pandemic impacts).
- h. South Australia will be responsible for receiving, directly from relevant local government authorities, the reporting required in Clause 4b with respect to projects listed in Table A2 in Appendix A and in Table B2 in Appendix B.
- i. Upon receipt, South Australia will be responsible for collating and analysing the regular reporting provided by the local government authorities as required by Clauses 4b, 4h and 4i.
- j. South Australia will notify the Commonwealth should any concerns arise in the duration of managing relevant local government authority funding agreements.

Financial arrangements

- 5. In addition to Part 5 of the FFA - AHCSO, the following requirements also apply:
 - a. The Commonwealth contribution for each project is capped at a maximum of \$5 million for HSP₁ and a maximum of \$45 million for CEI.
 - b. South Australia will keep separate financial records, or arrange for another organisation to keep separate financial records, for each project listed in an Appendix.

- c. Expenditure above the amount allocated to South Australia on projects delivered through the HSP as per this Schedule will be the responsibility of the respective project proponent.
- d. South Australia will put in place appropriate processes to ensure that payments made under this Schedule are only used for projects listed in the appropriate Appendix.
- e. The Commonwealth will expeditiously work with South Australia to acquit and approve expenditure claims submitted on each project and the Commonwealth agree that South Australia may withhold further payments to a grant recipient on a project until the grant recipient's expenditure claims have been acquitted and approved by the Commonwealth.
- f. Where both Parties agree that a project will not proceed to completion, and funding has already been paid, the most the Commonwealth will contribute is:
 - i. The percentage the Commonwealth agreed to fund for that project, multiplied by the percentage of the total expenditure incurred on that project at that point in time.
 - ii. The total amount the Commonwealth agreed to fund the project; whichever is lower.

Dispute resolution

- 6. Notwithstanding Clause 31 of the FFA – AHCSO, the Commonwealth reserves the right to recover an amount provided under this Schedule in accordance with Section 20 of the *Federal Financial Relations Act 2009*, where funding paid by the Commonwealth for a project to which Clause 5c applies is greater than the amount acquitted by South Australia. South Australia may repay the amount of the overpayment from future HSP payments to South Australia.
- 7. Under the circumstances set out in Clause 6, the Commonwealth will determine on a reasonable basis whether an amount should be repaid, and if so, with regard to the circumstances of each matter, including factors outside of South Australia's control, the relevant Commonwealth Minister may make a determination under section 20 of the *Federal Financial Relations Act 2009*. Before the Commonwealth exercises a right to recover funds under Clause 7, the Commonwealth will consult with South Australia.

Progress reporting template

Project Number	Project Name	Description	To end of previous quarter		Current quarter		Forecast (Total)		Potential Delivery risks
			Expenditure	Progress	Expenditure	Progress	Expenditure	Outputs	
		<i>[Example - The Housing First Pilot program aims to provide safe and secure housing for people with high and complex needs experiencing persistent homelessness].</i>			\$x,xxx,xxx		\$xx,xxx,xxx		

HSP1 project details

Projects will have a two-milestone payment structure, with typical milestones outlined in the table below. Milestones may be varied from time to time, pending ministerial decision. Specific milestones and timing are contained in the individual projects table.

Table A: Typical Milestone schedule

Activity	Additional requirements	Payment percentage	Timing
South Australia signing the FFA Schedule (Default Milestone 1)	South Australia to send claims for the projects listed in Tables A1 and A2	70 per cent of funding allocation per project	Payment will be made to South Australia at the earliest available special purpose payment run after signing.
Commencement of project		Nil	In accordance with HSP1 Guidelines for Applicants and the Guidelines for Applicants for HSP1
Progress reporting	South Australia to provide a report on the progress of projects listed in Table A1, including: <ul style="list-style-type: none"> project budgets, expended funds and committed funds; and current state of progress of projects including estimates of the timetable for completion. 	Nil	28 February 2025
Complete project and provide acceptable Post Completion Report (PCR) (Default Milestone 2)	South Australia to provide a report on the progress of projects listed in Table A1, including: <ul style="list-style-type: none"> project budgets, expended funds and committed funds; and community impact data outlining the improvements to planning outcomes and acceleration of the supply of new, well-located dwellings. 	30 per cent of funding allocation per project	Project completion no later than 31 May 2025 Regular reporting ceases when an acceptable PCR is provided to the Commonwealth.

Table A1: Housing Support Program Projects Delivered by States – South Australia

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount			
HSP1-0118	Development of a Bachelor in Urban and Regional Planning in South Australia	The project will establish a Bachelor in Urban and Regional Planning at Flinders University.	Department for Trade and Investment – Planning and Land Use Services	1	South Australia signing the FFA Schedule	N/A	\$250,000			
				2	Completion of project and provision of acceptable PCR	31 May 2025	\$105,000			
				Total Commonwealth Contribution						\$355,000
				Non-Commonwealth Contributions						\$355,000
				Total Project Value						\$710,000
				Percentage Commonwealth Funded						50.00%
HSP1-0119	Identify and Update Planning assessments of Deemed-to-satisfy housing applications in South Australia	Enhance South Australia’s ePlanning system for Deemed-to-satisfy development applications.	Department for Trade and Investment	1	South Australia signing the FFA Schedule	N/A	\$820,000			
				2	Completion of project and provision of acceptable PCR	31 May 2025	\$355,000			
				Total Commonwealth Contribution						\$1,175,000
				Non-Commonwealth Contributions						\$1,175,000
				Total Project Value						\$2,350,000
				Percentage Commonwealth Funded						50.00%
HSP1-0121	South Australian Growth Areas Engineering Standards – project	Develop and deliver a set of design guidelines and engineering standards to enable consistent subdivision development.	Department for Trade and Investment	1	South Australia signing the FFA Schedule	N/A	\$272,000			
				2	Completion of project and provision of acceptable PCR	31 May 2025	\$118,000			
				Total Commonwealth Contribution						\$390,000
				Non-Commonwealth Contributions						\$390,000
				Total Project Value						\$780,000
				Percentage Commonwealth Funded						50.00%

Table A2: Housing Support Program Projects Delivered by local government authorities – South Australia

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount			
HSP1-0106	Building Council planning capability to fast track housing development in the Riverland Region	Develop and deliver master plans, design documentation and development applications in Loxton, Loxton West and Waikerie.	District Council of Loxton Waikerie	1	South Australia signing the FFA Schedule	N/A	\$105,000			
				2	Completion of project and provision of acceptable PCR	30 May 2025	\$45,000			
				Total Commonwealth Contribution						\$150,000
				Non-Commonwealth Contributions						\$60,000
				Total Project Value						\$210,000
				Percentage Commonwealth Funded						71.43%
HSP1-0111	Mid Murray Growth Management and Housing Strategy	Delivery of a Growth Strategy for land use planning, housing development and enabling infrastructure to expediate new housing in well-located areas.	Mid Murray Council	1	State or territory signing the FFA Schedule	N/A	\$240,000			
				2	Completion of project and provision of acceptable PCR	31 May 2025	\$100,933			
				Total Commonwealth Contribution						\$340,933
				Non-Commonwealth Contributions						\$80,000
				Total Project Value						\$420,933
				Percentage Commonwealth Funded						80.99%

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount			
HSP1-0163	Future Cities Program, Murray Bridge	Develop and deliver an infrastructure scheme, open space master plan, outer town review and residential growth area code amendment.	Rural City of Murray Bridge	1	Acceptance of offer of funding	N/A	\$305,000			
				2	Completion of project and provision of acceptable PCR	31 May 2025	\$129,625			
				Total Commonwealth Contribution						\$434,625
				Non-Commonwealth Contributions						\$175,000
				Total Project Value						\$609,625
				Percentage Commonwealth Funded						71.29%
HSP1-0222	Housing Growth Resourcing Project	Recruitment of three roles to the Council - senior strategic planner, senior planning policy officer and development engineer - to increase capacity and capability to deliver the Concordia development.	The Barossa Council	1	South Australia signing the FFA Schedule	N/A	\$280,000			
				2	Completion of project and provision of acceptable PCR	31 May 2025	\$119,746			
				Total Commonwealth Contribution						\$399,746
				Non-Commonwealth Contributions						Nil
				Total Project Value						\$399,746
				Percentage Commonwealth Funded						100.00%

CEI project details

Projects will have a two-milestone payment structure, with typical milestones outlined in the table below. Milestones may be varied from time to time, pending ministerial decision. Specific milestones and timing are contained in the individual projects table.

Table B: Typical Milestone schedule

Activity	Payment percentage	Timing
South Australia signing a variation to the FFA Schedule (Default Milestone 1)	70 per cent of funding allocation per project	Payment will be made to the South Australia at the earliest available payment run after signing.
Commencement of project		No earlier than 1 September 2024. No later than 31 January 2025
Progress Report (Default Milestone 2)	30 per cent of funding allocation per project	No later than 31 May 2025
Complete project		On or before 30 June 2026
Provide acceptable Post Completion Report		No later than three months after completion of the project.

Table B1: Housing Support Program Projects Delivered by State – South Australia

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount
				1	South Australia signing the variation to the FFA Schedule		
				2	Progress Report	31 May 2024	
				3	Complete project	30 June 2026	-
				4	Provide acceptable Post Completion Report	No later than three months after completion of the project	-
					Total Commonwealth Contribution		
					Non-Commonwealth Contributions		
					Total Project Value		
					Percentage Commonwealth Funded		

Table B2: Housing Support Program Projects Delivered by Local Government – South Australia

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount
				1	South Australia signing the variation to the FFA Schedule		
				2	Progress Report	31 May 2024	
				3	Complete project	30 June 2026	
				4	Provide acceptable Post Completion Report	No later than three months after completion of the project	
					Total Commonwealth Contribution		
					Non-Commonwealth Contributions		
					Total Project Value		
					Percentage Commonwealth Funded		

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

Signed for and on behalf of the Commonwealth
of Australia by

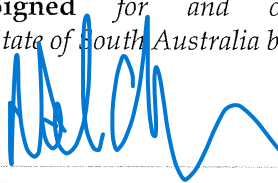


The Honourable Catherine King MP
Minister for Infrastructure, Transport, Regional
Development and Local Government

[Day] [Month] [Year]

7 November 2024.

Signed for and on behalf of the
State of South Australia by



The Honourable Nick Champion MP
Minister for Housing and Urban Development

[Day] [Month] [Year]

15/11/24