

## 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 Western 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 Western 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"> <li>1. Up to \$50 million for HSP1.</li> <li>2. Up to \$450 million for CEI.</li> </ol> <table border="1"> <thead> <tr> <th colspan="3">Table 1: Estimated financial contributions – HSP1 – to Western Australia (\$ million)</th> </tr> <tr> <th></th> <th>2024-25</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>0.0</td> <td>0.0</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td>0.0</td> <td>0.0</td> </tr> <tr> <td>- Western Australia</td> <td>0.0</td> <td>0.0</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0.0</td> <td>0.0</td> </tr> </tbody> </table>	Table 1: Estimated financial contributions – HSP1 – to Western Australia (\$ million)				2024-25	Total	Estimated total budget	0.0	0.0	<i>Less estimated National Partnership Payments</i>	0.0	0.0	- Western Australia	0.0	0.0	Balance of non-Commonwealth contributions	0.0	0.0
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Additional item	<p>Works under this Schedule will be delivered through the Housing Support Program (HSP).</p> <p>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><b>Role of the Commonwealth</b></p> <p>1. There are no additional common obligations to Clause 19 of the FFA-AHCSO.<sup>1</sup></p> <p><b>Role of Western Australia</b></p> <p>2. There are no additional common obligations to Clause 20 of the FFA – AHCSO.<sup>2</sup></p>																																													

<sup>1</sup> Note: There are additional obligations for the states under Parts 4 and 5 of the FFA-AHCSO.

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#### 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. If applicable, Western 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 for any Community Enabling Infrastructure Stream state-led projects. The Commonwealth will provide a post completion report template to Western Australia
  - c. Where appropriate, the Commonwealth and Western 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. Western Australia will assist in provision of any Western Australia Government data (if available) in the process of gathering information and conducting evaluation.
  - d. Where appropriate, local government authorities will provide the Commonwealth regular 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;



	<ul style="list-style-type: none"> <li>ii. the number of residential buildings and the number of residential dwellings approved for development since 1 July 2024, by quarter; and</li> <li>iii. the number of residential buildings and the number of residential dwellings that have completed construction since 1 July 2024, by quarter.</li> </ul> <p>e. The reporting under Clause 4d will be in a format agreed by the Parties at the SES Band 1 or equivalent level, and will be submitted no later than:</p> <ul style="list-style-type: none"> <li>i. 31 August each year, for the previous 6-month reporting period of 1 January to 31 May; and</li> <li>ii. 28 February each year, for the previous 6-month reporting period of 1 June to 30 November.</li> </ul> <p>f. Western Australia will support the Commonwealth to respond to ad-hoc queries in relation to the HSP which rely on information held by Western Australia.</p> <p>g. Western Australia and responsible local government authorities will notify the Commonwealth as soon as practicable in the event of a likely change to:</p> <ul style="list-style-type: none"> <li>i. the funding sources for a project, including an increase or decrease in funding.</li> <li>ii. scope, timeframe or cost of a project.</li> <li>iii. delivery schedule of a project (e.g. due to weather, natural disaster or pandemic impacts).</li> </ul> <p>h. Western Australia will enter into separate funding agreements with each relevant local government authority which replicates the reporting requirements set out in Clause 4b with respect to projects listed in Table A2 in Appendix A and in Table B2 in Appendix B.</p> <p>i. The Commonwealth 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.</p> <p>j. Upon receipt, the Commonwealth will be responsible for collating and analysing the regular reporting provided by Western Australia and the local government authorities as required by Clauses 4b, 4h and 4i.</p> <p>k. Western Australia will be responsible for managing payments 'through' it to local government authorities, in accordance with relevant Western Australia Government funding processes.</p>
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- i. Western 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. Western 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 Western Australia on projects delivered through the HSP as per this Schedule will be the responsibility of the respective project proponent.
  - d. Western 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. Western Australia is not responsible for cost overruns for projects led by local government authorities or other project proponents which are not the state.
  - f. The Commonwealth will expeditiously work with Western Australia to acquit and approve expenditure claims submitted on each project and the Commonwealth agree that Western 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.
  - g. 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 Western Australia. The Commonwealth may withhold the amount of the overpayment from future HSP payments to Western Australia.
7. The Commonwealth agrees that any amount to be withheld, under a determination under section 20 of the *Federal Financial Relations Act 2009* is project specific. The Commonwealth cannot delay payment of any amount due under this agreement in respect of projects that are not the subject of a determination.
8. 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 the State's control, the relevant Commonwealth Minister may make a determination under section 20 of the *Federal Financial Relations Act 2009*.
9. Before the Commonwealth exercises a right to recover funds under Clause 7, the Commonwealth will consult with Western Australia to endeavour to reach a mutually agreed resolution.

## Attachment A

### 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		

## Appendix A

### 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
<b>Western Australia signing the FFA Schedule (Default Milestone 1)</b>	Western 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 Western Australia at the earliest available special purpose payment run after signing.
<b>Commencement of project</b>		Nil	In accordance with HSP1 Guidelines for Applicants and the Guidelines for applicants for HSP1
<b>Progress reporting</b>	Western Australia to provide a report on the progress of projects listed in Table A1, including: 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
<b>Complete project and provide acceptable Post-Completion Report (PCR) (Default Milestone 2)</b>	Western Australia to provide a report on the progress of projects listed in Table A1, including: 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 Local Government – Western Australia**

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount			
HSP1-0024	New city in the South West - Wanju - Developer Contribution Plan	Develop and deliver the Wanju Development Contributions Plan and supporting infrastructure frameworks for up to 18,500 new homes within the Wanju District.	Shire of Dardanup	1	Western Australia signing the FFA Schedule	NA	\$210,000			
				2	Completion of project and provision of acceptable Post Completion Report	31 May 2025	\$90,000			
				Total Commonwealth Contribution						\$300,000
				Non-Commonwealth Contributions						\$600,000
				Total Project Value						\$900,000
Percentage Commonwealth Funded						33.33%				
HSP1-0033	Engagement of Dandaragan Planning Officer	Support for additional resources to increase capacity to assess development applications and undertake strategic planning initiatives.	Shire of Dandaragan	1	Western Australia signing the FFA Schedule	NA	\$69,000			
				2	Completion of project and provision of acceptable Post Completion Report	31 May 2025	\$29,204			
				Total Commonwealth Contribution						\$98,204
				Non-Commonwealth Contributions						\$8,500
				Total Project Value						\$106,704
Percentage Commonwealth Funded						92.03%				

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount			
HSP1-0042	Broome Housing Affordability Strategy and Master planning	Delivery of an affordable and diverse housing Master Plan for Broome.	Shire of Broome	1	Western Australia signing the FFA Schedule	N/A	\$69,000			
				2	Completion of project and provision of acceptable Post Completion Report	30 May 2025	\$29,204			
				Total Commonwealth Contribution						\$98,428
				Non-Commonwealth Contributions						nil
				Total Project Value						\$98,428
				Percentage Commonwealth Funded						100.00%
HSP1-0067	Housing Team – City of Karratha	Additional staff to support the planning, development and implementation of the City of Karratha Housing Strategy.	City of Karratha	1	Western Australia signing the FFA Schedule	N/A	\$240,000			
				2	Completion of project and provision of acceptable Post Completion Report	30 May 2025	\$160,000			
				Total Commonwealth Contribution						\$400,000
				Non-Commonwealth Contributions						\$120,000
				Total Project Value						\$520,000
				Percentage Commonwealth Funded						76.92%



Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount			
HSP1-0079	Shire of Capel - Integrated Growth Framework and Plan	Develop and deliver the Shire of Capel Integrated Growth Framework and Plan.	Shire of Capel	1	Western Australia signing the FFA Schedule	N/A	\$350,000			
				2	Completion of project and provision of acceptable Post Completion Report	30 May 2025	\$150,000			
				Total Commonwealth Contribution						\$500,000
				Non-Commonwealth Contributions						\$50,000
				Total Project Value						\$550,000
				Percentage Commonwealth Funded						90.91%
HSP1-0083	Planning and servicing works to unlock vacant land and support the future delivery of affordable housing in the Wheatbelt	Deliver planning and servicing works to increase the number of shovel-ready, vacant lots in six Wheatbelt Shires.	Shire of Victoria Plains	1	Western Australia signing the FFA Schedule	N/A	\$615,000			
				2	Completion of project and provision of acceptable Post Completion Report	30 April 2025	\$262,065			
				Total Commonwealth Contribution						\$877,065
				Non-Commonwealth Contributions						nil
				Total Project Value						\$877,065
				Percentage Commonwealth Funded						100.00%
HSP1-0112	Engagement of Plantagenet Planning Officer - Housing	Engagement of an additional planning officer, focused on housing supply within the Shire of Plantagenet.	Shire of Plantagenet	1	Western Australia signing the FFA Schedule	N/A	\$123,000			
				2	Completion of project and provision of acceptable Post Completion Report	30 May 2025	\$52,000			
				Total Commonwealth Contribution						\$175,000
				Non-Commonwealth Contributions						\$75,000
				Total Project Value						\$250,000

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount
				Percentage Commonwealth Funded			70.00%
HSP1-0156	Christmas Island Housing Futures Masterplan	Develop and deliver a Christmas Island Housing Futures Masterplan, two structure plans and associated documentation.	Shire of Christmas Island (SOCl)	1	Western Australia signing the FFA Schedule	N/A	\$519,00
				2	Completion of project and provision of acceptable Post Completion Report	30 May 2025	\$219,500
				Total Commonwealth Contribution			\$738,500
				Non-Commonwealth Contributions			\$51,500
				Total Project Value			\$790,000
				Percentage Commonwealth Funded			93.48%
HSP1-0216	City of Vincent Servicing and Infrastructure Capacity Study	Develop and deliver the City of Vincent Servicing and Infrastructure Capacity Study to support future land use planning, transport planning and infrastructure projects.	City of Vincent	1	Western Australia signing the FFA Schedule	N/A	\$636,000
				2	Completion of project and provision of acceptable Post Completion Report	30 May 2025	\$272,000
				Total Commonwealth Contribution			\$980,000
				Non-Commonwealth Contributions			nil
				Total Project Value			\$980,000
				Percentage Commonwealth Funded			100.00%



## Appendix B

### CEI project details

Projects will typically have a two-milestone payment structure as outlined in the table below. Specific milestones and timing are contained in the individual projects table.

**Table B: Typical Milestone schedule**

Activity	Additional requirements	Payment percentage	Timing
State or Territory signing a variation to the FFA Schedule (Default Milestone 1)	Western Australia to send claims for the projects listed in Tables B1 and B2	70 per cent of funding allocation per project	Payment will be made to Western Australia at the earliest available payment run after signing.
Commencement of project	Nil	Nil	In accordance with CEI Stream Guidelines for Applicants
Progress Report (Default Milestone 2)		30 per cent of funding allocation per project	No later than 31 May 2025
Regular Reporting	Western Australia to provide a report on the progress of projects listed in Table B1, including: <ul style="list-style-type: none"> <li>project budgets, expended funds and committed funds; and</li> <li>current state of progress of projects including estimates of the timetable for completion.</li> </ul>	Nil	Every six months, being: <ul style="list-style-type: none"> <li>no later than 28 February each year for the previous period ending 31 December; and</li> <li>no later than 31 August each year for the previous period ending 30 June.</li> </ul> Regular reporting ceases when an acceptable PCR is provided to the Commonwealth.
Complete project		Nil	On or before 30 June 2026
Provide acceptable Post Completion Report		Nil	No later than three months after completion of the project.

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

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount
				1	Western Australia signing the variation to the FFA Schedule		
				2	Progress report	31 May 2025	
				3	Complete project	30 June 2026	
				4	Provide acceptable Post Completion Report	No later than three months after completion of project	
				Total Commonwealth Contributions			
				Non-Commonwealth Contributions			
				Total Project Value			
				Percentage Commonwealth Funded			



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

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount
				1	Western Australia signing the variation to the FFA Schedule		
				2	Progress report	31 May 2024	
				3	Complete project	30 June 2024	
				4	Provide acceptable Post Completion Report	No later than three months after completion of 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

[ ] [ ] [ ]

16 Dec 2024

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



The Honourable Rita Saffioti MLA  
Deputy Premier; Treasurer; Minister for Transport;  
Tourism

[ ] [ ] [ ]

10 JAN 2025

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