

## Housing Support Program (HSP) - Community Enabling Infrastructure (CEI) Stream

FEDERATION FUNDING AGREEMENT - AFFORDABLE HOUSING, COMMUNITY SERVICES AND OTHER

Table 1: Formalities and operation of schedule																			
Parties	Commonwealth The Northern Territory																		
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 the Northern Territory that seek to deliver enabling infrastructure, provide amenities to support new housing development, improve building planning capability and build social housing.</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>Up to \$50 million for HSP1.</li> <li>Up to \$450 million for CEI.</li> </ol> <table border="1"> <thead> <tr> <th colspan="3">Table 1: Estimated financial contributions – CEI – to Northern Territory</th> </tr> <tr> <th>(\$ million)</th> <th>2024-25</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>15.0</td> <td>15.0</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td>7.0</td> <td>7.0</td> </tr> <tr> <td>- Northern Territory</td> <td>7.0</td> <td>7.0</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>8.0</td> <td>8.0</td> </tr> </tbody> </table>	Table 1: Estimated financial contributions – CEI – to Northern Territory			(\$ million)	2024-25	Total	Estimated total budget	15.0	15.0	<i>Less estimated National Partnership Payments</i>	7.0	7.0	- Northern Territory	7.0	7.0	Balance of non-Commonwealth contributions	8.0	8.0
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- Northern Territory	7.0	7.0																	
Balance of non-Commonwealth contributions	8.0	8.0																	

Table 2: Estimated financial contributions – CEI – through Northern Territory		
(\$ million)	2024-25	Total
Estimated total budget	0.0	0.0
<i>Less estimated National Partnership Payments</i>	0.0	0.0
- Northern Territory	0.0	0.0
Balance of non-Commonwealth contributions	0.0	0.0

Payments will be made by the Commonwealth to the Northern Territory who will then provide payments to relevant local government authority projects

Additional item	<p>Works under this Schedule will be delivered through the Housing Support Program (HSP).</p> <p>The CEI is a competitive funding stream. Applicable guidelines, construction requirements, reporting frameworks and other policies will apply to all relevant projects under the stream.</p>
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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 Northern Territory</b></p> <p>2. There are no additional common obligations to Clause 20 of the FFA – AHCSO.<sup>2</sup></p> <p><b>Media and publicity</b></p> <p>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:</p> <ul style="list-style-type: none"> <li>a. Advise the Commonwealth prior to any announcement, promotional material, publicity or signage relevant to the HSP.</li> <li>b. Acknowledge financial contributions, roles, and cooperativeness under this Schedule in any announcement, promotional material, publicity or signage where it is appropriate and relevant.</li> <li>c. Ensure appropriate Commonwealth and Northern Territory government representatives are invited to participate in any ceremonies, launches or similar events connected a project listed in the appendix.</li> </ul>
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<sup>1</sup> Note: There are additional obligations for states under Parts 4 and 5 of the FFA-AHCSO.

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

#### 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. The Northern Territory will provide, in the format shown at Attachment A, progress reporting in accordance with the milestone schedules in Appendix A. The Commonwealth will provide a post completion report template to the Northern Territory.
  - c. Where appropriate, the Commonwealth and the Northern Territory 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. The Northern Territory will assist in the process of gathering information and conducting evaluation beyond the term of this Schedule.
  - d. The Northern Territory will support the Commonwealth to respond to ad-hoc queries in relation to the HSP which rely on information held by the Northern Territory.
  - e. The Northern Territory 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.

#### 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 \$45 million for CEI.
  - b. The Northern Territory will keep separate financial records for the project listed in the Appendix A.

- c. Expenditure above the amount allocated to the Northern Territory on projects delivered through the HSP as per this Schedule will be the responsibility of the Northern Territory.
- d. The Northern Territory will ensure that payments made under this Schedule are only used for the project listed in Appendix A.
- e. The Commonwealth will expeditiously work with the Northern Territory to acquit and approve expenditure claims submitted for the project.
- f. Where both Parties agree that the 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 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 the Northern Territory.
- 7. Before the Commonwealth exercises a right to recover funds under Clause 6, the Commonwealth will consult with the Northern Territory.

## 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>			\$xx,xxx,xxx		\$xx,xxx,xxx		

## 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 A: Typical Milestone schedule

Activity	Additional Requirements	Payment percentage	Timing
Northern Territory signing the FFA Schedule (Default Milestone 1)		80 per cent of funding allocation per project	Payment will be made to the Northern Territory at the earliest available payment run after signing.
Commencement of project			No earlier than 1 September 2024. No later than 31 May 2025
Progress Report (Default Milestone 2)	For payment of Default Milestone 2, projects must have commenced physical construction activities on site.	20 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 A1: Housing Support Program Projects Delivered by State – Northern Territory

Project ID	Project Name	Project Scope	Lead Proponent	Milestone Number	Milestone Description	Planned Achievement Date	Milestone Amount
CEI-0783	Katherine East Neighbourhood Centre Residential Development Area	Deliver enabling infrastructure for the Katherine East Neighbourhood Centre including power, water, sewer, roads, drainage and telecommunications.	The Northern Territory (Department of Lands, Planning and Environment)	1	Northern Territory signing the variation to the FFA Schedule	N/A	\$5,600,000
				2	Progress Report	31 May 2025	1,400,000
				3	Complete project	30 December 2027	Nil
				4	Provide acceptable Post Completion Report	No later than three months after completion of the project	Nil
				Total Commonwealth Contribution			
Non-Commonwealth Contributions						\$8,000,000	
Total Project Value						\$15,000,000	
Percentage Commonwealth Funded						47%	

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]

3 March 2025

Signed for and on behalf of the  
Northern Territory by



The Honourable Joshua Burgoyne MLA  
Minister for Lands, Planning and Environment

[Day] [Month] [Year]

19 March 2025