

NATIONAL PARTNERSHIP ON NORTHERN TERRITORY REMOTE ABORIGINAL INVESTMENT - EXTENSION

An agreement between

- the Commonwealth of Australia and
- the Northern Territory

This Agreement will contribute to improving schooling for Aboriginal children, making remote Aboriginal communities in the Northern Territory safer and healthier, and providing access to interpreter services and job opportunities for adults.

National Partnership on Northern Territory Remote Aboriginal Investment - Extension

OVERVIEW

1. The National Partnership Extension (the Agreement) is an extension to the National Partnership on Northern Territory Remote Aboriginal Investment and includes financial and performance monitoring and reporting arrangements for the extension period, up to 30 June 2024.
2. This Agreement is a schedule to the Federation Funding Agreement – Affordable Housing, Community Services and Other and should be read in conjunction with that Agreement.

Purpose

3. An End of Term Review conducted in 2021 on the performance of the National Partnership on Northern Territory Remote Aboriginal Investment found that the Northern Territory had met its performance and reporting requirements on improving outcomes in remote and very remote Aboriginal communities under the Partnership. While it found a need for some areas of improvement going forward, the parties recognise that continued support to those experiencing significantly poorer life outcomes than the rest of the nation, as measured by the National Agreement on Closing the Gap targets, and additional investment in services is required for action to address the still-prevalent high levels of need. The Commonwealth and the Northern Territory have a mutual interest in improving outcomes for Aboriginal people and need to work together to achieve those outcomes, ensuring funding goes to programmes and services that deliver on the ground and benefit Aboriginal people in the remote Northern Territory.
4. This Agreement provides additional, short-term extension to the National Partnership on Northern Territory Remote Aboriginal Investment to support the Northern Territory in providing continued funding to existing areas of service delivery to improve the lives of Aboriginal people. The Agreement will carry on funding activities and services to improve outcomes in schooling, community safety, health, and provide access to interpreter services and job opportunities for families and adults, complementing Northern Territory activity in these areas.
5. The Commonwealth and the Northern Territory are committed to providing economic development and employment opportunities for Aboriginal people, and the promotion of Indigenous business enterprises.
6. This Agreement will build on investments made under the National Partnership Agreement on Stronger Futures in the Northern Territory and replaces that Agreement.

Reporting Arrangements

7. The Northern Territory will report the minimum required to demonstrate that milestones have been met, that is, at least yearly against the agreed performance indicators, performance benchmarks or milestones during the operation of the Agreement, as set out in Part 4 – Performance Monitoring and Reporting.

Financial Arrangements

8. The Commonwealth will provide an estimated total financial contribution of \$1028.7 million (GST exclusive) in respect of the Agreement from 2015-16 to 2021-22 inclusive, including \$42.6 million to non-government schools in the Northern Territory as set out in Part 5 – Financial Arrangements.
9. The Commonwealth will provide an estimated total financial contribution of \$173.2 million (GST exclusive) in respect of this Agreement from 2022-23 to 2023-24 inclusive, including \$7.2 million to non-government schools in the Northern Territory, as set out in Part 5 – Financial Arrangements.
10. This Agreement represents long-term investment by the Commonwealth in the Northern Territory to improve schooling for Aboriginal children, to make remote Aboriginal communities safer and healthier, and increase access to interpreter services and job opportunities for adults, given the depth of need experienced across remote Northern Territory.
11. This Agreement, by providing funding to continue the delivery of critical services in remote Northern Territory, will allow a co-design process to be undertaken with the NT Government and Aboriginal stakeholders to establish options for future arrangements for remote service delivery.

PART 1 – FORMALITIES

Parties to this Agreement

12. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the Northern Territory.

Term of the Agreement

13. This Agreement will commence as soon as the Commonwealth and the Northern Territory sign it and will expire on 30 June 2024, or on completion of the projects and reforms, including final performance reporting and processing of final payments against performance benchmarks or project milestones. The Agreement may be terminated earlier or extended as agreed in writing by the Parties.

PART 2 – OBJECTIVES, OUTCOMES AND OUTPUTS

Objectives

14. The objectives of this Agreement are to improve schooling for Aboriginal children, make remote Aboriginal communities in the Northern Territory safer and healthier, and increase access to interpreter services and job opportunities for adults.

Outcomes

15. This Agreement will contribute to achievement of the following outcomes for Aboriginal people in the Northern Territory:
 - (a) improved school readiness, attendance, educational achievement and attainment of students in and from remote or very remote areas;
 - (b) improved safety and wellbeing of individuals, children and families, and communities;
 - (c) improved health of individuals, children and families; and
 - (d) improved access to services through support for Aboriginal interpreters.
16. The outcomes outlined in clause 15 reflect the original intent of the National Partnership on Northern Territory Remote Aboriginal Investment and are not amended by this Agreement.

Outputs

17. The Implementation Plans will detail how the outputs intend to achieve the outcomes and objectives of this Agreement.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

18. To realise the objectives and commitments in this Agreement, each Party has specific roles and responsibilities, as outlined below.

Role of the Commonwealth

19. The Commonwealth agrees to be responsible for:
 - (a) providing a financial contribution to the Northern Territory to support implementation of this Agreement;
 - (b) assessing performance in the delivery of services, reforms and projects under this Agreement to ensure that outputs are delivered and outcomes are achieved within the agreed timeframe;
 - (c) in accordance with the *Building and Construction Industry (Improving Productivity) Act 2016*, ensuring that funding for building work is only made where a builder or builders accredited under the WHS Accreditation Scheme and/or the Northern Territory equivalent legislation for Commonwealth building work is contracted; and
 - (d) ensuring that compliance with the Building Code under the *Building and Construction Industry (Improving Productivity) Act 2016* is a condition of Australian Government funding.

Role of the Northern Territory

20. The Northern Territory agrees to be responsible for:
 - (a) developing Implementation Plans in consultation with the Commonwealth;
 - (b) delivering on outcomes and outputs required by this Agreement and the Implementation Plans;
 - (c) monitoring the delivery of services, reforms and projects under this Agreement to ensure that outputs are delivered and outcomes are achieved within the agreed timeframes;

- (d) reporting on the delivery of outcomes and outputs as set out in Part 4 – Performance Monitoring and Reporting;
- (e) ensuring that only a builder or builders accredited under the WHS Accreditation Scheme and/or the Northern Territory equivalent legislation for Commonwealth building work is contracted, and providing the necessary assurances to the Commonwealth; and
- (f) ensuring that compliance with the Building Code under the *Building and Construction Industry (Improving Productivity) Act 2016* is made a condition of tender for all contractors and subcontractors who tender for the work, and providing the necessary assurances to the Commonwealth.

Shared roles and responsibilities

- 21. The Commonwealth and the Northern Territory agree to be jointly responsible for:
 - (a) participating in consultations as appropriate regarding the implementation of this Agreement;
 - (b) ensuring Commonwealth and Northern Territory funded initiatives are complementary and do not duplicate each other;
 - (c) sharing information regarding any major service changes which will impact on Aboriginal people in the Northern Territory, in advance where appropriate; and
 - (d) negotiating new or revised Schedules, including Implementation Plans, to this Agreement.
- 22. The Parties will meet the requirements of Schedule E, Clause 26 of the IGA FFR, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under an Implementation Plan, and that the roles of both Parties will be acknowledged and recognised appropriately.

Implementation Plans

- 23. The Commonwealth and the Northern Territory will agree Implementation Plans on Children and Schooling, Community Safety, Health and Remote Australia Strategies. The Implementation Plans will set out the Northern Territory's strategy for delivering on the outcomes and outputs of this Agreement, including financial information.

Governance

Joint Steering Committee

- 24. The Commonwealth and the Northern Territory will participate in a Joint Steering Committee and will invite the Aboriginal Peak Organisations Northern Territory to participate in the forum. The Joint Steering Committee will oversee the activities under the Agreement and provide input on and hold responsibility for strategic matters relating to the Agreement and the co-design of future arrangements for remote service delivery. The inclusion of the Aboriginal Peak Organisations Northern Territory in the Joint Steering Committee acknowledges the key role of Aboriginal representatives in monitoring services that are delivered primarily to Aboriginal people and the partnership approach between governments and Aboriginal people in the Northern Territory.
- 25. The Joint Steering Committee will meet at least bi-annually to facilitate strategic oversight and support outcomes of this Agreement and the Implementation Plans. The Parties will invite the Aboriginal Peak Organisation of the Northern Territory to all meetings.

PART 4 – PERFORMANCE MONITORING AND REPORTING

Performance indicators

26. Achievement of the objectives and outcomes in this Agreement will be informed with reference to the performance indicators as agreed in the Implementation Plans.

Performance benchmarks and milestones

27. The Northern Territory agrees to meet the performance benchmarks and milestones for payments as agreed in the Implementation Plans to this Agreement.

Reporting arrangements

28. Under reporting arrangements set out in the Implementation Plans to this Agreement, the Northern Territory will report at least annually against the agreed performance indicators, performance benchmarks and milestones during the operation of the Agreement. Reporting will be limited to the minimum required to demonstrate that agreed outputs and outcomes have been met. The Northern Territory can make use of any appropriate data sources, including existing reporting mechanisms.

PART 5 – FINANCIAL ARRANGEMENTS

Financial contributions

29. The Commonwealth will provide an estimated total financial contribution to the Northern Territory Government of \$986.1 million in respect of the original Agreement from 2015-16 to 2021-22 inclusive. An additional \$42.616 million was provided by the Commonwealth direct to non-government schools in the Northern Territory. All payments are exclusive of GST.
30. Under this Agreement, the Commonwealth will provide an estimated total financial contribution to the Northern Territory Government of \$165.9 million from 2022-23 to 2023-24 inclusive. An additional \$7.270 million will be provided by the Commonwealth direct to non-government schools in the Northern Territory. All payments are exclusive of GST.
31. The Commonwealth's funding contribution will not be reduced where the Northern Territory secures funding from other activity partners.
32. Where a performance report demonstrates that a milestone is met in advance of the due date, the Commonwealth may make the associated payment earlier than scheduled provided it falls within the same financial year as the original milestone date.
33. The Commonwealth's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the Northern Territory paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, is shown in Table 1. Further detail is set out in the Implementation Plans.
34. The Commonwealth and the Northern Territory provide additional funding through a range of other mechanisms to support frontline services which improve outcomes for Aboriginal people and will continue to invest in these services and supports where there is need.

Table 1: Estimated financial contributions*

(\$ million)	2015- 16	2016- 17	2017- 18	2018- 19	2019- 20	2020- 21	2021- 22	2022- 23	2023- 24	Total
<i>Estimated National Partnership Payments**</i>	330.8	160.7	153.6	94.5	85.6	80.3	80.6	82.7	83.3	1152.1
Payments to Non-Government Schools	8.6	7.6	7.8	6.5	4.8	3.6	3.6	3.6	3.6	49.7
Total Commonwealth Contribution	339.4	168.4	161.4	101.0	90.4	83.9	84.3	86.3	86.9	1201.8
Balance of non-Commonwealth contributions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

* Further detail on funding for elements of Northern Territory Remote Aboriginal Investment, including any indexation arrangements, is included in the Implementation Plans.

** Funding in 2015-16 included a payment of \$154.8 million for the Northern Territory to assume responsibility for the provision of municipal and essential services.

Financial risk management

35. Having regard to the agreed estimated costs of projects or reforms under this Agreement, the Northern Territory will not be required to pay a refund to the Commonwealth if the actual cost is less than the agreed estimated cost. Similarly, the Northern Territory bears all risk should the costs exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the Northern Territory to deliver projects and reforms cost effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

36. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, this does not lessen the Parties' commitment to this Agreement.

Variation of the Agreement

37. The Agreement may be amended at any time by agreement in writing by both Parties.
38. The Parties acknowledge that the delivery of services and capital works in the remote areas of the Northern Territory is unusually susceptible to events beyond the control of either Party, including, for example, disruptive weather conditions such as cyclones and floods, significant population movements, or the significant breakdown in cultural and community functioning. Provided the Northern Territory has taken all reasonable precautions and care in order to avoid the effect of the circumstances on its ability to perform its obligations and to mitigate the consequences, such events may be cause for a variation to the Agreement or its affected Implementation Plans, as per clause 39.
39. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

Delegations

40. The relevant Commonwealth Ministers with portfolio responsibility for the Implementation Plans of this Agreement are authorised to agree and amend Schedules, including Implementation Plans, to this Agreement and to certify that performance benchmarks and/or milestones specified under this Agreement have been achieved, so that payments may be made.
41. The relevant Northern Territory Ministers with portfolio responsibility for Implementation Plans of this Agreement are authorised to agree and amend Schedules, including Implementation Plans, to this Agreement.
42. Commonwealth Ministers may delegate the assessment of project-based performance benchmarks or milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

Dispute resolution

43. Either Party may give notice to the other Party of a dispute under this Agreement.
44. Officials of both Parties will attempt to resolve any dispute in the first instance.
45. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

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

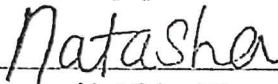
*Signed for and on behalf of the Commonwealth of
Australia by*



~~The Honourable Ken Wyatt AM MP~~ LINDA BURNEY MP
Minister for Indigenous Australians

14 / 9 / 2022

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



~~The Honourable Michael Gunner MLA~~ NATASHA FYLES MLA
Chief Minister of the Northern Territory of Australia

 / / 2022