

Implementation Plan for the National Framework for Compliance and Enforcement Systems for Water Resource Management Project

NATIONAL PARTNERSHIP AGREEMENT
ON WATER FOR THE FUTURE

VICTORIA

PRELIMINARIES

1. This Implementation Plan is created subject to the provisions of the *Intergovernmental Agreement on Federal Financial Relations* and *National Partnership Agreement on Water for the Future*, and should be read in conjunction with those Agreements. The objectives in the National Partnership are to secure water supplies and to assist with climate change adaptation through efficient water use and management of water resources, secure water supplies for towns and cities and help households and businesses use water more efficiently, and adaptation to climate change and an environment of changed water availability.
2. The Parties are committed to promoting and facilitating the implementation of National Water Initiative (NWI) commitments.
3. As agreed at COAG on 7 December 2009, the Parties acknowledge they are committed to implementing the National Framework for Compliance and Enforcement Systems for Water Resource Management (the National Framework) at Schedule 3.
4. The Commonwealth has agreed to provide financial assistance under the *Water for the Future National Partnership* to assist the implementation the National Framework for Compliance and Enforcement Systems for Water Resource Management.

TERMS OF THIS IMPLEMENTATION PLAN

5. This Implementation Plan will commence as soon as it is agreed between the Commonwealth of Australia, represented by the Minister for Sustainability, Environment, Water, Population and Communities, and Victoria, represented by the Minister for Water.
6. This Implementation Plan will cease on completion of the project as outlined in the project plan, including the acceptance of final performance reporting and processing of final payments against project milestones specified in this Implementation Plan. The project is expected to commence in the 2010-11 financial year, and end in the 2015-16 financial year.

7. This Implementation Plan may be varied by written agreement between the Ministers.
8. Either Party may terminate this Implementation Plan by providing 30 days notice in writing. Where this Implementation Plan is terminated, the Commonwealth's liability to make payments to Victoria is limited to payments associated with project milestones achieved by Victoria, by the date of effect of termination of this Implementation Plan.
9. The Parties to this Implementation Plan do not intend any of the provisions to be legally enforceable. However, that does not lessen the Parties' commitment to this Implementation Plan.

PROJECT OBJECTIVES

10. The objectives of this project are to:
 - (a) give effect to the National Framework;
 - (b) achieve more robust, risk-based, compliance and enforcement systems for water resource management, to prevent and respond to illegal activities that threaten the effectiveness of national efforts to set water use onto a sustainable footing; and
 - (c) implement a more consistent approach across states and territories.

ROLES AND RESPONSIBILITIES

Role of the Commonwealth

11. The Commonwealth is responsible for:
 - (a) reviewing Victoria's performance against the project milestones specified in the Project Plan and providing any consequential financial contribution to Victoria for that performance; and
 - (b) having assessed the Project Plan in accordance with the Project Assessment Guidelines at Schedule 2.

Role of Victoria

12. Victoria is responsible for all aspects of project implementation including:
 - (a) fully funding the project, after accounting for financial contributions from the Commonwealth and any third party;
 - (b) completing all activities in the Project Plan in a timely and professional manner, in accordance with this Implementation Plan and all applicable legislation; and
 - (c) meeting all conditions including providing reports in accordance with this Implementation Plan.

- (d) using the funding to increase their resourcing to undertake new and additional activities in relation to monitoring and enforcement of compliance, and not as substitute for existing resourcing.

PROJECT MILESTONES AND FINANCIAL ARRANGEMENTS

13. The Commonwealth is providing funding to implement the National Framework, subject to agreement to this Implementation Plan and the attached Project Plan (Schedule 1), which has met the Project Assessment Guidelines.
14. In the first financial year, the Commonwealth will make a payment upon commencement of the Implementation Plan and Project Plan (see Table 1 below).
15. From financial years 2 to 5, the Commonwealth will make two progress payments each year. The first payment will be made on the basis of a project plan progress report (see item 21) from Victoria and its acceptance by the Commonwealth (see Table 1 below). Payments to Victoria are subject to the Commonwealth's satisfaction that activities have been undertaken as detailed in the Project Plan and annual work plan, in accordance with the Implementation Plan and the Reporting Arrangements. The second payment will be based on a project plan progress update (see Item 22) from Victoria and its acceptance by the Commonwealth (see Table 1 below).
16. In financial year 6 the Commonwealth will make one final payment. This final milestone payment will be made after a final report is received and accepted by the Commonwealth, as outlined in the Reporting Arrangements (see Table 1 below).
17. The maximum financial contribution to be provided by the Commonwealth for the project is \$9,796,718.00 payable in accordance with project milestones set out in Table 1.

Table 1: Project milestones and associated payments

	Project payment milestone	Milestone due	Payment
1	Implementation Plan / project plan signed by Ministers	February 2011	\$180,591
2	Payment Milestone based on reporting of progress to date	December 2011	\$318,023
2a	Payment Milestone based on progress update for year ahead	February 2012	\$317,023
3	Payment Milestone based on reporting of progress to date	December 2012	\$1,141,790.50
3a	Payment Milestone based on progress update for year ahead	February 2013	\$1,141,790.5

4	Payment Milestone based on reporting of progress to date	December 2013	\$1,738,900
4a	Payment Milestone based on progress update for year ahead	February 2014	\$1,238,900
5	Payment Milestone based on reporting of progress to date	December 2014	\$1,244,600
5a	Payment Milestone based on progress update for year ahead	February 2015	\$1,236,600
6	Payment Milestone based on reporting on progress in last reporting period and Final Project Report	April 2016	\$1,237,500

18. Any Commonwealth financial contribution payable will be processed by the Commonwealth Treasury and paid to the Victorian Treasury in accordance with the payment arrangements set out in Schedule D of the *Intergovernmental Agreement on Federal Financial Relations*.
19. Having regard to the estimated costs of projects specified in the overall project budget, Victoria will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project except where project milestones are revised and revisions are agreed to by both parties. Similarly, Victoria bears all risk should the costs of a project exceed the estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for Victoria to deliver projects cost-effectively and efficiently.

REPORTING ARRANGEMENTS

20. Victoria agrees to provide the Commonwealth with progress reports as outlined, and at the times specified in, this Implementation Plan to demonstrate its achievement of project milestones set out in Table 1.
21. For the purposes of each Milestone payment, a Progress Report shall be received on or before 15 October¹ each year of the project which will include, achieved to the Commonwealth's satisfaction, the following information:
- a.) progress on the project against activities and Milestones;
 - b.) the completion of any nominated Milestones within the reporting period;
 - c.) the completion of all nominated activities that were due for completion in that period; and
 - d.) a detailed work plan, and the budget required to progress project plan Milestones during the next reporting period, including activities, staffing and resourcing funded under this plan.

¹ If the scheduled dates fall on a weekend or public holiday the due date is the next business day after the due date

(This can be a resubmission of the existing work plan from the project plan if nothing substantive has changed).

22. Each Payment Milestone progress update shall be received on or before 10 December each year of the project and include, achieved to the Commonwealth's satisfaction, the following information:
 - a.) correspondence from Victoria stating that the project is on schedule and arrangements are in place to meet the requirements for the next payment milestone (not a report).
23. Each Payment Milestone Progress Report will be a stand-alone document that can be used for public information dissemination purposes regarding the progress towards the implementation of the National Framework.
24. Victoria agrees to provide the Commonwealth, on request, and at least as part of each Report:
 - a.) promotional activities undertaken in relation to, and media coverage of, the Project during the last reporting period;
 - b.) expected promotional opportunities, during the next reporting period for the Project;
 - c.) an evaluation of the Plan, including assessing the extent to which the outcomes of the National Framework have been achieved, and explaining why any aspects were not achieved; and
 - d.) a discussion of any other matters, relating to the Implementation Plan, which the Commonwealth notifies Victoria should be included in this final Project Report.
25. Victoria agrees to provide the Commonwealth with a Final Report, on or before the 15 February 2016, that is a stand-alone document that may be used to describe the conduct, benefits and outcomes of the implementation of the National Framework;
26. Reports will contain the information specified in this plan and any other information reasonably requested by the Commonwealth, limited to the minimum necessary for the effective assessment of performance.

PROMOTIONAL ACTIVITY

27. Victoria will acknowledge and promote the National Framework as a joint initiative of the Australian and Victorian Governments as appropriate, including but not limited to:
 - a.) Events and announcements: national, state and local
 - b.) Media releases, media activities including newspaper and radio interviews
 - c.) Public relations activities including workshops, forums and conferences
 - d.) Display materials such as banners, posters and on-ground project signs
 - e.) Publications such as reports, books, case studies, information kits and fact sheets

- a.) Websites including all regional web home pages.

NOTICES

A Notice relating to the Implementation Plan is to be in writing and dealt with as follows:

- a) *if given by Victoria to the Commonwealth:*

Assistant Secretary
Water Policy Branch
Water Reform Division
Department of Sustainability, Environment, Water, Population and Communities
GPO Box 787
Canberra ACT 2600
Telephone: (02) 6274 1904
Facsimile: (02) 6274 2186
Email address: kerry.smith@environment.gov.au

or

- b) *if given by the Commonwealth to Victoria:*

Director Industry Governance
Water Industry and Strategies Division
Office of Water
PO Box 500
East Melbourne VIC 3002
Telephone: 03 9637 9637
Facsimile: 03 9678 8022
Email: Michael.Wheelahan@dse.vic.gov.au

The Parties have confirmed their commitment to this Implementation Plan.

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



The Honourable Tony Burke, MP Minister for
Sustainability, Environment, Water, Population
and Communities

Signed for and on behalf of Victoria by



The Honourable Peter Walsh MLA
Minister for Water

7/1/2011

18/2/2011

