

PROJECT AGREEMENT FOR REVITALISING TAFE CAMPUSES ACROSS AUSTRALIA

An agreement between:

- the Commonwealth of Australia; and
- the States and Territories of
 - ◆ New South Wales,
 - ◆ Victoria,
 - ◆ Queensland,
 - ◆ Western Australia,
 - ◆ South Australia,
 - ◆ Tasmania,
 - ◆ the Australian Capital Territory, and
 - ◆ the Northern Territory.

The output of this project will be delivery of a state and territory project(s) to strengthen vocational education infrastructure to ensure public vocational education and training (VET) providers are equipped to deliver training to the standards expected by industry.

Project Agreement for Revitalising TAFE Campuses Across Australia

OVERVIEW

1. This Project Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA FFR.

Purpose

2. This Agreement will support the delivery of small infrastructure projects to develop, redevelop, upgrade or refurbish TAFE infrastructure assets, including facilities, buildings, equipment and IT systems. The project will support the improvement of TAFE infrastructure, to ensure they are equipped to deliver training to the standards expected by students and industry.

Reporting Arrangements

3. The States will report against the agreed milestones during the operation of this Agreement, as set out in Part 4 – Project Milestones, Reporting and Payments.

Financial Arrangements

4. The Commonwealth will provide an estimated total financial contribution to the States of \$50 million, exclusive of GST in respect of this Agreement as set out in Part 5 – Financial Arrangements.

PART 1 – FORMALITIES

5. This Agreement constitutes the entire agreement for this project.

Parties to this Agreement

6. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the States and Territories (the States).

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and one other Party sign it and will expire on 30 June 2022 or on completion of the project, including final performance reporting and processing of final payments against milestones, unless terminated earlier or extended as agreed in writing by the Parties.

PART 2 – PROJECT OUTPUT(S)

Output(s)

8. The output(s) of this Agreement will be:
 - (a) delivery of state and territory project(s) to strengthen public vocational education and training (VET) infrastructure to ensure public VET providers are equipped to deliver vocational education and training to the standards expected by students and industry.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

9. The Commonwealth will be responsible for:
 - (a) monitoring and assessing achievement against milestones in the delivery of this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (b) providing a consequent financial contribution to the States to support the implementation of this Agreement;
 - (c) in accordance with the *Building and Construction Industry (Improving Productivity) Act 2016*, ensuring that financial contributions to a building project or projects as defined under the Fair Work (Building Industry – Accreditation Scheme) Regulations 2016 are only made where a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted; and
 - (d) ensuring that compliance with the Code for the Tendering and Performance of Building Work 2016 (Building Code 2016) is a condition of Australian Government funding.

Role of the States and Territories

10. The States will be responsible for:
 - (a) providing matched financial contributions to support the implementation of this Agreement;
 - (b) all aspects of delivering on the project outputs set out in this Agreement, including submitting an agreed State Project Proposal;
 - (c) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;
 - (d) ensuring that only a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted, and providing the necessary assurances to the Commonwealth; and
 - (e) ensuring that compliance with the Building Code 2016 is made a condition of tender for and performance of building work by all contractors and subcontractors, and providing the necessary assurances to the Commonwealth.

Shared roles

11. 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 this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

PART 4 – PROJECT MILESTONES, REPORTING AND PAYMENTS

12. Table 1 summarises the milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made. The Commonwealth will make payments subject to the annual performance report demonstrating the relevant milestone has been met.

Table 1: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Report due	Payment
In accordance with clause 8 of the Agreement	a) Completion of scheduled stages/activities in accordance with the agreed State Project Summary.	03 May 2021	Payment to each state as set out in Table 2 of the Agreement
	b) Completion of scheduled stages/activities in accordance with the agreed State Project Summary.	03 May 2022	Payment to each state as set out in Table 2 of the Agreement

13. If a milestone is met in advance of the due date, where the relevant evidence demonstrates that the milestone has been met, the Commonwealth may make the associated payment earlier than scheduled provided it falls within the same financial year as the original milestone date.

Reporting arrangements

14. The States will provide performance reports in accordance with Table 1 during the operation of the Agreement. Each performance report is to contain a description of actual performance in the period to date against the project milestones.

PART 5 – FINANCIAL ARRANGEMENTS

15. The Commonwealth will provide an estimated total financial contribution to the States of \$50 million in respect of this Agreement. All payments are GST exclusive.
16. The Commonwealth's funding contribution will be contingent on matched funding contributions from States and will not be reduced where the States secure funding from other activity partners.
17. The Commonwealth's and the States estimated financial contributions to the operation of this Agreement, including through National Partnership payments to the States paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2020-21	2021-22	Total
Estimated total budget	25.000	25.000	50.000
New South Wales	5.000	5.000	10.000
<i>Connected Learning Delivery Points</i>	3.000	3.000	6.000
<i>Specialist training facility upgrades and equipment</i>	2.000	2.000	4.000
Victoria	4.800	5.690	10.490
<i>Integrated Trades Hub (Wodonga)</i>	0.235	2.655	2.890
<i>Trades area (new Port of Sale Campus)</i>	1.489	1.431	2.920
<i>The Culinary School (Geelong)</i>	3.076	1.604	4.680
Queensland	6.400	4.222	10.622
<i>Modernising trade training facilities</i>	3.150	2.100	5.250
<i>Marine training facility (new Coomera Campus)</i>	3.250	2.122	5.372
Western Australia	2.000	2.000	4.000
<i>Expanded trades, specialist and technology infrastructure</i>	2.000	2.000	4.000
South Australia	2.000	2.480	4.480
<i>Quality teaching and learning through technology</i>	1.600	0.000	1.600
<i>Digital Campus Regional Hubs (Whyalla, Berri, Mt Gambier)</i>	0.400	2.480	2.880
Tasmania	2.000	5.000	7.000
<i>Water and Trades Centre of Excellence (Clarence)</i>	2.000	5.000	7.000
Australian Capital Territory	2.000	0.608	2.608
<i>Expand teaching and learning spaces (Fyshwick Campus)</i>	0.840	0.608	1.448
<i>Technology infrastructure upgrades</i>	1.160	0.000	1.160
Northern Territory	0.800	0.000	0.800
<i>Facility upgrades Juno Centre (Tenant Creek)</i>	0.800	0.000	0.800
Balance of non-Commonwealth contributions			
Tasmania	0.500	0.000	0.500
<i>Tasmanian Building and Construction Industry Training Board</i>	0.250	0.000	0.250
<i>Jointly - Master Plumbers Association, Air-conditioning and Mechanical Contractors Association and Taswater</i>	0.250	0.000	0.250

18. Having regard to the agreed estimated costs of projects specified in this Agreement, a State or Territory 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. Similarly, the States bear all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the States to deliver projects cost effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

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

Variation of the Agreement

20. The Agreement may be amended at any time by agreement in writing by all the Parties.
21. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying all Parties in writing.

Delegations

22. The Commonwealth Minister may delegate the assessment of performance against 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

23. Any Party may give notice to other Parties of a dispute under this Agreement.
24. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
25. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

Interpretation

26. For the purposes of this Agreement:
 - a) **Technical and Further Education (TAFE):** an Australian state or territory government publically funded entity that provides education in vocational fields.
 - b) **Campus:** is the land on which related public vocational education and training providers institutional buildings are situated. One entity can have more than one campus location.
 - c) **Industry Standards:** Students have access to modern high-quality facilities, equipment and/or systems to gain the knowledge and skills to be successful within their industry.

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

Signed for and on behalf of the Commonwealth of Australia by



Senator the Honourable Michaelia Cash
Minister for Employment, Skills, Small and Family Business

30/07/2020

Signed for and on behalf of the State of New South Wales by

The Honourable Dr Geoff Lee MP
Minister for Skills and Tertiary Education

/ / 2020

Signed for and on behalf of the State of Queensland by

The Honourable Shannon Fentiman MP
Minister for Training and Skills Development

/ / 2020

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

The Honourable John Gardner MP
Minister for Education

/ / 2020

Signed for and on behalf of the Australian Capital Territory by

Mr Chris Steel MLA
Minister for Tertiary Education

/ / 2020

Signed for and on behalf of the State of Victoria by

The Honourable Gayle Tierney MP
Minister for Training and Skills

/ / 2020

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

The Honourable Sue Ellery MP
Minister for Education and Training

/ / 2020

Signed for and on behalf of the State of Tasmania by

The Honourable Jeremy Rockliff MP
Minister for Education and Training

21/7/2020

Signed for and on behalf of the Northern Territory by

The Honourable Selena Uibo MLA
Minister for Education, Minister for Aboriginal Affairs and Minister for Workforce Training

/ / 2020