



To: Minister Hunt

**Subject: PROJECT AGREEMENTS WITH STATE GOVERNMENTS –
ESTABLISHMENT OF EATING DISORDER CENTRES AND A NEW HOSPITAL
DISCHARGE PILOT AS PART OF THE COMMUNITY HEALTH AND HOSPITALS
PROGRAM (CHHP)**

Critical date: 7 June 2019 to ensure 2018-19 payments can be made by the end of June 2019

Recommendations:

- | | |
|--|--|
| 1. Agree to offer state Ministers in New South Wales, Tasmania and Victoria their respective Project Agreements for funding in 2018-19 to establish eating disorder centres under the 2019-20 Budget measures (<u>Attachment A</u>). | 1. <u>Agreed/Not agreed/Please discuss</u> |
| 2. Agree to offer a Project Agreement to the South Australian state Health Minister for funding in 2018-19 to deliver a new hospital discharge pilot project (<u>Attachment A</u>). | 2. <u>Agreed/Not agreed/Please discuss</u> |
| 3. Sign the letters to the respective state Minister offering the Agreements (<u>Attachment B</u>). | 3. <u>Signed/Not signed/Please discuss</u> |
| 4. Sign the letter to the Finance Minister requesting to reclassify a total of \$39.949 million over six years to the The Treasury COAG Reform Fund Special Account (<u>Attachment C</u>). | 4. <u>Signed/Not signed/Please discuss</u> |
| 5. Note that when executed, the Department will be able to authorise payments for these projects through the Treasury. | 5. <u>Noted</u> |

Signature

Date:

7 / 6 / 19

Comments:

Contact Officer:	Tania Rishniw	First Assistant Secretary, Portfolio Strategies Division	Ph: (02) 6289 3944 s22
Clearance Officer:	Caroline Edwards	Deputy Secretary, Health Systems Policy and Primary Care	Ph: (02) 6289 1235 s22

Issues:

1. Funding decisions under the Community Health and Hospitals Program (CHHP) and 2019-20 Budget include the establishment of six eating disorder centres to be delivered through states

- and territories. The decisions also include a partnership with the South Australian (SA) Government to deliver a new hospital discharge pilot project.
2. Four of the eating disorder centres and the SA pilot project include funding allocations in 2018-19.
 3. Given the limited time to execute payments in the current financial year, Project Agreements between the Commonwealth and New South Wales (NSW), Tasmanian, Victorian and South Australian governments have been prepared to provide funding for commitments only in the 2018-19 financial year ([Attachment A](#)).
 4. Draft letters to your state counterparts are attached for your signature inviting the ministers to sign the relevant Project Agreement on behalf of their respective government ([Attachment B](#)).
 5. Concurrently, the department has contacted state senior officials to ensure relevant payments and Project Agreements can be expedited prior to the end of the financial year.
 6. Funds will need to be reclassified from the department (Programs 2.1 and 2.4) to the Treasury COAG Reform Fund Special Account. A letter to the Finance Minister requesting this is attached for your signature ([Attachment C](#)).
 7. Similar to the approach with other project agreements (MS19-000790 refers), development of more comprehensive Project Agreements for activities beyond 2018-19 will be negotiated in early 2019-20. This can include outlining requirements, such as service models, capital works and budgets for each state including working with their respective Primary Health Networks, the Butterfly Foundation and other key stakeholders.
 8. Engagement with the Australian Capital Territory and Western Australian governments will occur at a later date given that funding will not be made until 2021-22.
 9. Funding for the Northern Territory is proposed to be provided through the NT Adult Mental Health Centre, once established, to enable it to support people with eating disorders. The department will provide you with a separate Ministerial Submission on this at a later date.
 10. A Project Agreement between the Commonwealth and SA government for the Repatriation Hospital has been signed by SA and will be provided to you for executing on 7 June 2019 (MS19-000790 refers).
 11. A Project Agreement is not required with the Queensland government as the Commonwealth has made an existing funding contribution to the establishment of a residential eating disorder centre on the Sunshine Coast in Qld (ended Butterfly House), construction of which will shortly commence. However, the Government has agreed to provide an additional \$4.5 million to support provision of publically funded places at Butterfly Ended House (in 2021-22 to 2022-23). Policy approval for this will be sought through a separate Ministerial Submission at a later date.

Background:

On 2 April 2019 you announced \$63 million to establish six eating disorder centres. The locations of each centre have been announced separately as follows:

State	Location	2018-19 funding (\$m)	Total funding (\$m)
NSW	Location not yet announced <i>(the state Health Minister is aware of funding)</i>	6.5	13.0 <i>(2018-19 to 2023-24)</i>
Tas	Hobart <i>(announced 10 April)</i>	5.0	10.0 <i>(2018-19 to 2023-24)</i>
Vic	Higgins electorate <i>(announced 15 May)</i>	6.5	13.0 <i>(2018-19 to 2023-24)</i>
SA	SA Repatriation Hospital <i>(announced at Budget 2 April)</i>	5.0	5.0 <i>(2018-19)</i>
ACT	Canberra <i>(announced 29 March)</i>	0	13.5 <i>(2021-22 to 2023-24)</i>
WA	Peel Health Hub <i>(announced 6 February)</i>	0	4.0 <i>(2021-22 to 2022-23)</i>

On 8 March 2019, you and the SA Premier Stephen Marshall announced the \$8 million SA hospital discharge pilot project, funded jointly by the state and Commonwealth governments.

The Project Agreements are subject to the Intergovernmental Agreement on Federal Financial Relations (IGA FFR). The funding has been appropriated to the Department of Health's Specific Purpose Payments. These financial contributions to the operation of the Agreements with the NSW, Vic, Tas and SA governments are paid in accordance with Schedule D - Payment Arrangements of the IGA FFR.

Attachments:

A. Project Agreements with:

1. NSW
2. TAS
3. VIC
4. SA

B. Letters of Offer to the respective State Minister for Health:

1. NSW – The Hon Brad Hazzad MP
2. TAS – The Hon Michael Ferguson MP
3. VIC – The Hon Martin Foley MP (Minister for Mental Health)
4. SA – The Hon Stephen Wade MLC
- 5.

C. Letter to the Minister for Finance

Consultations:

The Commonwealth Treasury, the Department of the Prime Minister and Cabinet and respective state/territory governments were consulted in the preparation of the Project Agreements.

THIS DOCUMENT HAS BEEN RELEASED UNDER
THE FREEDOM OF INFORMATION ACT 1982 (CTH)
BY THE DEPARTMENT OF HEALTH

PROJECT AGREEMENT FOR THE COMMUNITY HEALTH AND HOSPITALS PROGRAM NEW SOUTH WALES 2018-19 EATING DISORDERS INITIATIVE

An agreement between

- the Commonwealth of Australia; and
- the State of New South Wales.

THIS DOCUMENT HAS BEEN RELEASED UNDER
THE FREEDOM OF INFORMATION ACT 1982 (CTH)
BY THE DEPARTMENT OF HEALTH

Project Agreement for the Community Health and Hospitals Program New South Wales 2018-19 Eating Disorders Initiative

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 the New South Wales Community Health and Hospitals Program Initiatives

Reporting Arrangements

3. New South Wales 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 New South Wales of \$6.5 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 New South Wales.

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and New South Wales sign it and will expire on 30 June 2019 or on completion of the project, including final performance reporting

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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 outputs of this Agreement will be:
 - (a) Establishment of Eating Disorders Treatment Centre.

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 the New South Wales Initiatives under the Community Health and Hospitals Program under this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (b) providing a consequent financial contribution to New South Wales 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 Work Health and Safety (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 New South Wales Government

10. The New South Wales Government will be responsible for:
 - (a) all aspects of delivering on the project outputs set out in this Agreement;
 - (b) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;
 - (c) 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
 - (d) 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.
11. New South Wales will also be responsible for ensuring that, for the purposes of practical completion, construction projects will:
 - (a) be complete and free from defects or omissions, except for defects or omissions that are minor in nature, that New South Wales cannot reasonably fix, or by fixing, will significantly inconvenience users of the works;

- (b) not cause any legal or physical impediment to the use and occupation of the property and the works for the designated use; and
- (c) be fit for the designated use.

Shared roles

- 12. 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

- 13. 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.

- 14. **Table 1: Performance requirements, reporting and payment summary**

Output	Performance milestones or benchmarks	Report due	Payment
Establishment of Eating Disorders Treatment Centre.	On signing the Partnership Agreement	11 June 2019	\$6.5 m

- 15. If a milestone is met in advance of the due date, where the relevant performance report 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

- 16. New South Wales will provide a signed Project Agreement in accordance with Table 1 during the operation of the Agreement.

PART 5 – FINANCIAL ARRANGEMENTS

- 17. The Commonwealth will provide an estimated total financial contribution to New South Wales of \$6.5 million in respect of this Agreement. All payments are GST exclusive.
- 18. The Commonwealth's funding contribution will not be reduced where the States secure funding from other activity partners.

19. The Commonwealth's estimated financial contributions to the operation of this Agreement, including through National Partnership payments paid in accordance with *Schedule D—Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2018-19	Total
Estimated total budget	6.5	6.5
Less estimated National Partnership Payments	6.5	6.5

20. Having regard to the agreed estimated costs of projects specified in this Agreement, New South Wales 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, New South Wales bears 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 New South Wales Government to deliver project costs effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

21. 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

22. The Agreement may be amended at any time by agreement in writing by both Parties.
23. Either Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

Delegations

24. 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

25. Either Party may give notice to the other Party of a dispute under this Agreement.
26. Officials of both Parties will attempt to resolve any dispute in the first instance.
27. 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 Greg Hunt MP

Minister for Health

Date _____

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

The Honourable Brad Hazzard MP

Minister for Health

Date _____

THIS DOCUMENT HAS BEEN RELEASED UNDER
THE FREEDOM OF INFORMATION ACT 1982 (CTH)
BY THE DEPARTMENT OF HEALTH

Schedule A

Project Status Report:

Report Month:

Submission Date:

Current Forecast Completion Date:

Current Project Stage:

Key Activity Undertaken Since Last Report:

Significant Achievements In Next 6 Months:

Project Status

Schedule: Green, Amber, Red

Cost: Green, Amber, Red

Compliance: Green, Amber, Red

Scope: Green, Amber, Red

Slippage Comments:

Corrective Action Taken:

Risk: Green, Amber, Red

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BY THE DEPARTMENT OF HEALTH

PROJECT AGREEMENT FOR THE COMMUNITY HEALTH AND HOSPITALS PROGRAM TASMANIA'S 2018-19 EATING DISORDERS INITIATIVE

An agreement between:

- the Commonwealth of Australia; and
- the State of Tasmania.

THIS DOCUMENT HAS BEEN RELEASED UNDER
THE FREEDOM OF INFORMATION ACT 1982 (C'TH)
BY THE DEPARTMENT OF HEALTH

Project Agreement for the Community Health and Hospitals Program Tasmania's 2018-19 Eating Disorders Initiative

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 the Tasmanian Government's Initiatives under the Community Health and Hospitals Program.

Reporting Arrangements

3. The Tasmanian Government 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 Tasmania of \$5 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 State of Tasmania.

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and Tasmania sign it and will expire on 30 June 2019 or on completion of the project, including final performance reporting and

Page 2

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 outputs of this Agreement will be:
- (a) Establishment of Eating Disorders Treatment Centre

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 Tasmania's initiatives under this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (b) providing a consequent financial contribution to Tasmania 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 Work Health and Safety (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 Tasmania

10. Tasmania will be responsible for:
- (a) all aspects of delivering on the project output as set out in this Agreement;
 - (b) reporting on the delivery of output as set out in Part 4 – Project Milestones, Reporting and Payments;
 - (c) 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
 - (d) 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.
11. Tasmania will also be responsible for ensuring that, for the purposes of practical completion, construction projects will:
- (a) be complete and free from defects or omissions, except for defects or omissions that are minor in nature, that Tasmania cannot reasonably fix, or by fixing, will significantly inconvenience users of the works;

- (b) not cause any legal or physical impediment to the use and occupation of the property and the works for the designated use; and
- (c) be fit for the designated use.

Shared roles

- 12. 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

- 13. 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
Establishment of Eating Disorders Treatment Centre.	On signing the Partnership Agreement	11 June 2019	\$5.0 m

- 14. If a milestone is met in advance of the due date, where the relevant performance report 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

- 15. Tasmania will provide a signed Project Agreement in accordance with Table 1 during the operation of the Agreement.

PART 5 – FINANCIAL ARRANGEMENTS

- 16. The Commonwealth will provide an estimated total financial contribution to Tasmania of \$5 million in respect of this Agreement. All payments are GST exclusive.
- 17. The Commonwealth's funding contribution will not be reduced where Tasmania secures funding from other activity partners.
- 18. The Commonwealth's and Tasmania's estimated financial contributions to the operation of this Agreement, including through National Partnership payments to Tasmania paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2018-19	Total
Estimated total budget	5	5
Less estimated National Partnership Payments	5	5

19. Having regard to the agreed estimated costs of projects specified in this Agreement, Tasmania 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, Tasmania bears all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for Tasmania to deliver project costs effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

20. 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

21. The Agreement may be amended at any time by agreement in writing by both Parties.
22. Either Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

Delegations

23. 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

24. Either Party may give notice of a dispute to the other Party under this Agreement.
25. Officials of both Parties will attempt to resolve any dispute in the first instance.
26. 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 Greg Hunt MP

Minister for Health

Date _____

*Signed for and on behalf of the
State of Tasmania by*

The Honourable Michael Ferguson MP

Minister for Health

Date _____

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BY THE DEPARTMENT OF HEALTH

Schedule A

Project Status Report:

Report Month:

Submission Date:

Current Forecast Completion Date:

Current Project Stage:

Key Activity Undertaken Since Last Report:

Significant Achievements In Next 6 Months:

Project Status

Schedule: Green, Amber, Red

Cost: Green, Amber, Red

Compliance: Green, Amber, Red

Scope: Green, Amber, Red

Slippage Comments:

Corrective Action Taken:

Risk: Green, Amber, Red

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BY THE DEPARTMENT OF HEALTH

PROJECT AGREEMENT FOR THE COMMUNITY HEALTH AND HOSPITALS PROGRAM VICTORIA'S 2018-19 EATING DISORDERS INITIATIVE

An agreement between:

- the Commonwealth of Australia; and
- the State of Victoria.

THIS DOCUMENT HAS BEEN RELEASED UNDER
THE FREEDOM OF INFORMATION ACT (1982 (Cth))
BY THE DEPARTMENT OF HEALTH

Project Agreement for the Community Health and Hospitals Program Victoria's 2018-19 Eating Disorders Initiative

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 the Victoria's initiatives under the Community Health and Hospitals Program.

Reporting Arrangements

3. Victoria 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 Victoria of \$6.5 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 Victoria.

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and Victoria sign it and will expire on 30 June 2019 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 outputs of this Agreement will be:

- (a) Establishment of Eating Disorders Treatment Centre.

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 Victoria's initiatives under this Agreement to ensure that outputs are delivered within the agreed timeframe;
- (b) providing a consequent financial contribution to Victoria 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 Work Health and Safety (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 Victoria

10. Victoria will be responsible for:

- (a) all aspects of delivering on the project outputs as set out in this Agreement;
- (b) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;
- (c) 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
- (d) 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.

11. Victoria will also be responsible for ensuring that, for the purposes of practical completion, construction projects will:

- (a) be complete and free from defects or omissions, except for defects or omissions that are minor in nature, that Victoria cannot reasonably fix, or by fixing, will significantly inconvenience users of the works;

- (b) not cause any legal or physical impediment to the use and occupation of the property and the works for the designated use; and
- (c) be fit for the designated use.

Shared roles

- 12. 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 events, announcements, promotional material or publicly 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

- 13. 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

Output	Performance Milestone or Benchmark	Due	Payment (GST exclusive)
Establishment of Eating Disorders Treatment Centre.	On signing the Project Agreement	11 June 2019	\$6.5 m

- 14. If a milestone is met in advance of the due date, where the relevant performance report 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

- 15. Victoria will provide a signed Project Agreement in accordance with Table 1 during the operation of the Agreement.

PART 5 – FINANCIAL ARRANGEMENTS

- 16. The Commonwealth will provide an estimated total financial contribution to Victoria of \$6.5 million in respect of this Agreement. All payments are GST exclusive.
- 17. The Commonwealth's funding contribution will not be reduced where Victoria secures funding from other activity partners.

18. The Commonwealth's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to Victoria paid in accordance with *Schedule D — Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2018-19	Total
Estimated total budget	6.5	6.5
Less estimated National Partnership Payments	6.5	6.5

19. Having regard to the agreed estimated costs of projects specified in this Agreement, 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. Similarly, Victoria bears all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for Victoria to deliver project costs effectively and efficiently.

PART 6 — GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

20. 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

21. The Agreement may be amended at any time by agreement in writing by both Parties.
22. Either Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

Delegations

23. 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

24. Either Party may give notice of a dispute to the other Party under this Agreement.
25. Officials of both Parties will attempt to resolve any dispute in the first instance.
26. 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 Greg Hunt MP

Minister for Health

Date _____

**Signed for and on behalf of the
State of Victoria by**

The Honourable Martin Foley MP

Minister for Mental Health

Date _____

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BY THE DEPARTMENT OF HEALTH

Schedule A

Project Status Report:

Report Month:

Submission Date:

Current Forecast Completion Date:

Current Project Stage:

Key Activity Undertaken Since Last Report:

Significant Achievements In Next 6 Months:

Project Status

Schedule: Green, Amber, Red

Cost: Green, Amber, Red

Compliance: Green, Amber, Red

Scope: Green, Amber, Red

Slippage Comments:

Corrective Action Taken:

Risk: Green, Amber, Red

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PROJECT AGREEMENT FOR THE COMMUNITY HEALTH AND HOSPITALS PROGRAM SOUTH AUSTRALIA HOSPITAL DISCHARGE PILOT.

An agreement between:

- the Commonwealth of Australia; and
- the State of South Australia

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THE FREEDOM OF INFORMATION ACT 1982 (CTH)
BY THE DEPARTMENT OF HEALTH

Project Agreement for the Community Health and Hospitals Program South Australia Hospital Discharge Pilot

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 South Australian Initiatives under the Community Health and Hospitals Program.

Reporting Arrangements

3. South Australia 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 South Australia of \$1.7 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 State of South Australia.

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and South Australia sign it and will expire on 30 June 2019 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. Assist South Australia deliver the following initiatives under the Community Health and Hospital Program:
 - (a) Hospital Discharge Pilot
 - a. To support individuals with complex and chronic disease on discharge from hospital.

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 initiatives under the Community Health and Hospital Program under this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (b) providing a consequent financial contribution to South Australia to support the implementation of this Agreement;

Role of the South Australia

10. South Australia will be responsible for:
 - (a) all aspects of delivering on the project outputs set out in this Agreement;
 - (b) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;

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	Due	Payment
Hospital Discharge Pilot	On signing this agreement	11 June 2019	\$1.7 m

13. If a milestone is met in advance of the due date, where the relevant performance report 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. South Australia will provide a signed Project Agreement in accordance with Table 1 during the operation of the Agreement.

PART 5 – FINANCIAL ARRANGEMENTS

15. The Commonwealth will provide an estimated total financial contribution to South Australia of \$1.7 million in respect of this Agreement. All payments are GST exclusive.
16. The Commonwealth's funding contribution will not be reduced where the States secure funding from other activity partners.
17. The Commonwealth's and the South Australia's estimated financial contributions to the operation of this Agreement, including through National Partnership payments to the South Australia paid in accordance with *Schedule D — Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	18-19	Total
Estimated total budget	1.7	1.7
Less estimated National Partnership Payments	1.7	1.7

18. Having regard to the agreed estimated costs of projects specified in this Agreement, South Australia 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, South Australia 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 South Australia 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 both Parties.
21. Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party 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. Either Party may give notice of a dispute under this Agreement.
24. Officials of both 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.

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

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

The Honourable Greg Hunt MP

Minister for Health

Date _____

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

The Honourable Stephen Wade MLC

Minister for Health and Wellbeing

Date _____

THIS DOCUMENT HAS BEEN RELEASED UNDER
THE FREEDOM OF INFORMATION ACT 1982 (CTH)
BY THE DEPARTMENT OF HEALTH



**The Hon Greg Hunt MP
Minister for Health
Minister Assisting the Prime Minister for the
Public Service and Cabinet**

Ref No: MS19-000877

The Hon Brad Hazzard MP
Minister for Health and Medical Research
GPO Box 5341
SYDNEY NSW 2001

7 JUN 2019

Dear Minister

I am writing about funding allocations to the New South Wales Government through the Community Health and Hospitals Program (CHHP).

I am pleased to inform you that \$13 million will be provided to the New South Wales government over six years to establish an eating disorder centre through the CHHP. This increases the total funding provided across New South Wales to \$406.605 million, and to the New South Wales government to \$321.453 million over seven years.

The attached Project Agreement provides for the Commonwealth's first payment towards the establishment of an eating disorder centre, a contribution of \$6.5 million in 2018-19. The Agreement outlines the roles and responsibilities of our respective governments, and I would be grateful if you could sign and return it to my office for execution by 11 June 2019. Payments will be made this financial year after a signed Agreement and letter setting out the project plan are received. Officials will then develop a new Project Agreement for this activity covering the period from 2019-20 onwards.

I would like to take this opportunity to remind you of the requirements under Clause 12 of the Project Agreement that states and territories reach prior agreement with the Commonwealth on the nature and content of any events, announcements, promotional material or publicity relating to activities in the Agreement, and that the roles of both the Commonwealth and states and territories will be acknowledged and recognised appropriately.

The Australian Government is committed to working with the states and territories on long-term reforms to improve health outcomes and I appreciate your commitment to implement this important health initiative.

If you require further information please contact Dr Anne-marie Boxall, Assistant Secretary on (02) 6289 5668 or email anne-marie.boxall@health.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Greg Hunt', with a stylized flourish at the end.

Greg Hunt

Encl (1)

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BY THE DEPARTMENT OF HEALTH



**The Hon Greg Hunt MP
Minister for Health
Minister Assisting the Prime Minister for the
Public Service and Cabinet**

Ref No: MS19-000877

The Hon Michael Ferguson MP
Minister for Health
House of Assembly
Parliament House
HOBART TAS 7000

7 JUN 2019

Dear Minister

I am writing about funding allocations to the Tasmanian Government through the Community Health and Hospitals Program (CHHP).

I am pleased to inform you that \$10 million will be provided to the Tasmanian government over six years to establish an eating disorder centre through the CHHP. This increases the total funding provided across Tasmania to \$42.385 million, and to the Tasmanian government to \$34.4 million over seven years.

The attached Project Agreement provides for the Commonwealth's first payment towards the establishment of an eating disorder centre, a contribution of \$5 million in 2018-19. The Agreement outlines the roles and responsibilities of our respective governments, and I would be grateful if you could sign and return it to my office for execution by 11 June 2019. Payments will be made this financial year after a signed Agreement and letter setting out the project plan are received. Officials will then develop a new Project Agreement for this activity covering the period from 2019-20 onwards.

I would like to take this opportunity to remind you of the requirements under Clause 12 of the Project Agreement that states and territories reach prior agreement with the Commonwealth on the nature and content of any events, announcements, promotional material or publicity relating to activities in the Agreement, and that the roles of both the Commonwealth and states and territories will be acknowledged and recognised appropriately.

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Yours sincerely

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Greg Hunt

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BY THE DEPARTMENT OF HEALTH



**The Hon Greg Hunt MP
Minister for Health
Minister Assisting the Prime Minister for the
Public Service and Cabinet**

Ref No: MS19-000877

The Hon Martin Foley MP
Minister for Mental Health
Level 22
50 Lonsdale Street
MELBOURNE VIC 3000

7 JUN 2019

Dear Minister

I am writing about funding allocations to the Victorian Government through the Community Health and Hospitals Program (CHHP).

I am pleased to inform you that \$13 million will be provided to the Victorian government over six years to establish an eating disorder centre through the Community Health and Hospitals Program (CHHP). This increases the total funding provided across Victoria to \$419.991 million, and to the Victorian government to \$226.414 million over seven years.

The attached Project Agreement provides for the Commonwealth's first payment towards the establishment of an eating disorder centre, a contribution of \$6.5 million in 2018-19. The Agreement outlines the roles and responsibilities of our respective governments, and I would be grateful if you could sign and return it to my office for execution by 7 June 2019. Payments will be made this financial year after a signed Agreement and letter setting out the project plan are received. Officials will then develop a new Project Agreement for this activity covering the period from 2019-20 onwards.

I would like to take this opportunity to remind you of the requirements under Clause 12 of the Project Agreement that states and territories reach prior agreement with the Commonwealth on the nature and content of any events, announcements, promotional material or publicity relating to activities in the Agreement, and that the roles of both the Commonwealth and states and territories will be acknowledged and recognised appropriately.

The Australian Government is committed to working with the states and territories on long-term reforms to improve health outcomes and I appreciate your commitment to implement this important health initiative.

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Yours sincerely

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Greg Hunt

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**The Hon Greg Hunt MP
Minister for Health
Minister Assisting the Prime Minister for the
Public Service and Cabinet**

Ref No: MS19-000877

The Hon Stephen Wade MLC
Minister for Health and Wellbeing
Level 9, 11 Hindmarsh Square
ADELAIDE SA 5000

7 JUN 2019

Dear Minister

I am writing about funding allocations to the South Australian Government through the Community Health and Hospitals Program (CHHP).

I am pleased to inform you that \$3.949 million will be provided to the South Australian government over two years for the Hospital Discharge pilot through the CHHP. This increases the total funding provided across South Australia to \$73.918 million, and to the South Australian government to \$67.309 million over seven years.

The attached Project Agreement provides for the Commonwealth's first payment towards the establishment of the pilot project, a contribution of \$1.7 million in 2018-19. The Agreement outlines the roles and responsibilities of our respective governments, and I would be grateful if you could sign and return it to my office for execution by 11 June 2019. Payments will be made this financial year after a signed Agreement and letter setting out the project plan are received. Officials will then develop a new Project Agreement for this activity covering the period from 2019-20 onwards.

I would like to take this opportunity to remind you of the requirements under Clause 12 of the Project Agreement that states and territories reach prior agreement with the Commonwealth on the nature and content of any events, announcements, promotional material or publicity relating to activities in the Agreement, and that the roles of both the Commonwealth and states and territories will be acknowledged and recognised appropriately.

The Australian Government is committed to working with the states and territories on long-term reforms to improve health outcomes and I appreciate your commitment to implement this important health initiative.

If you require further information please contact Dr Anne-marie Boxall, Assistant Secretary, on (02) 6289 5668 or email anne-marie.boxall@health.gov.au.

Yours sincerely

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Greg Hunt

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**The Hon Greg Hunt MP
Minister for Health
Minister Assisting the Prime Minister for the
Public Service and Cabinet**

Ref No: MS19-000877

Senator the Hon Mathias Cormann
Minister for Finance
Parliament House
CANBERRA ACT 2600

7 JUN 2019

Dear Minister

I am writing about funding allocated in the 2019-20 Budget to the Community Health and Hospitals Program (CHHP). I seek your approval to reclassify existing funding for two CHHP projects from the Department of Health to the Treasury COAG Reform Fund Special Account. This includes:

- \$36 million (over six years from 2018-19) in Program 2.1 for Eating Disorders Treatment Centres in New South Wales (\$13 million), Tasmania (\$10.0 million) and Victoria (\$13.0 million); and
- \$3.949 million (over two years from 2018-19) in Program 2.4 for Hospital Discharge Liaison Officers in South Australia.

This will allow funding for these important projects to be provided to states through National Partnership Agreements to enable greater control over implementation. This would not change the policy authority or impact on the underlying cash or fiscal balance.

These projects were funded in the 2019-20 Budget under the *Community Health and Hospitals Program measure*.

Yours sincerely

Greg Hunt

cc: The Hon Scott Morrison MP, Prime Minister
The Hon Josh Frydenberg MP, Treasurer