

Ministerial Submission – Standard MS19-000940 Version (1) Date sent to MO: 20/06/2019

To:

Minister Hunt

Subject:

COMMUNITY HEALTH AND HOSPITALS PROGRAM – SIGNING OF AGREEMENTS

WITH QLD, TAS, NSW, SA AND VIC GOVERNMENTS

Critical date: 24 June 2019, to meet the deadline for 2018-19 payments.

Recommendation/s:

- Sign the attached Project Agreements with the states of Queensland, South Australia, Tasmania and Victoria for multiple projects to be funded through the Community Health and Hospitals Program (CHHP) (<u>Attachment A</u>);

Signed/Not signed/Please discuss

Sign the letters to the respective State
 Minister for Health (<u>Attachment B</u>) providing
 their respective executed Project Agreements;

2. Signed/Not signed/Please discuss

 Note that the Department senior officials at the Assistant Secretary level and above are authorised to make payment determinations for these projects.

3. Noted

Signature

Date: 27/ 6/19

Media Release required? YES NO

Comments:

Contact Officer:	Tania Rishniw	First Assistant Secretary, Portfolio Strategies Division	Ph: (02) 62893944
Clearance Officer:	Caroline Edwards	Deputy Secretary, Health Systems Policy and Primary Care	Ph: (02) 6289 1235

Issues

- 1. On 27 May 2019 (MS19-000790) you offered bilateral Project Agreements under 2018-19 funding commitments through the Community Health and Hospitals Program (CHHP) to: the Queensland Minister for Health to undertake hospital refurbishments; and the Tasmanian Minister for Health for additional surgery procedures and the purchase of a linear accelerator.
- 2. On 7 June 2019 (MS19-000877) you offered bilateral Project Agreements to: the Victorian, New South Wales and Tasmanian Ministers for Health to establish eating disorder facilities; and the South Australian Minister for Health to deliver a hospital discharge pilot project under the CHHP.
- Following consultations between the Department and state jurisdictions on finalising the Project Agreements, all parties have now reached consensus, resulting in the signing of the Project Agreements by the respective Ministers (excluding NSW).
- 4. These agreements have been returned signed for your signature and execution and include funding allocations in the 2018-19 financial year.
- 5. The Treasury's last scheduled payment run for 2018-19 funding to state governments closed on 19 June 2019. However, the Treasury has advised the Department that it can accrue the payments from 2018-19 and make them in the July payment run using 2018-19 funding provided they receive a copy of the executed Agreements by close of business Monday 24 June 2019.
- 6. The Department has been advised that a signed Project Agreement by the NSW Minister for Health for an eating disorder facility will not be provided until Monday 24 June 2019. This agreement will be provided to you for execution immediately once it is received.

Background

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 and are paid in accordance with Schedule D - Payment Arrangements of the IGA FFR.

Under the COAG Reform Fund Act 2008, the terms and conditions stipulate that the conditions under which financial assistance is granted are to be set out in a written agreement between the Commonwealth and the State or Territory. Further, they provide that the agreement may be entered into by a Minister on behalf of the Commonwealth.

The Project Agreements, agreed by Commonwealth and State/Territory Government officials, stipulate that both 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.

Attachments

A: Signed Project Agreements with:

- Queensland
- Tasmania
- South Australia
- Victoria

B: Letters providing an executed Project Agreement to the respective State Minister for Health:

- QLD The Hon. Dr Steven Miles MP
- TAS The Hon. Michael Ferguson MP

UNCLASSIFIED

- SA The Hon. Stephen Wade MLC
- VIC The Hon. Martin Foley MP

Budget/Financial Implications

The table below provides 2018-19 funding appropriations as agreed by the Department of Finance:

State/Territory Government	2018-19
Queensland	\$8,050,000
Tasmania	\$14,400,000
South Australia	\$1,700,000
Victoria	\$6,500,000

Relevance to Election Commitments / Budget Measures

The CHHP is part of 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO) and 2019-20 Budget measure.

Sensitivities

Nil.

Consultations

Budget Branch, Treasury and the Department of Prime Minister and Cabinet.

Regulatory Burden Implications and/or Deregulation Opportunities

Not relevant.

Communication/Media Activities

Not applicable.

Impact on Rural and Regional Australians

Projects in these Agreements will benefit residents across the respective states and territories, including those in rural and regional areas.



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

Ref No: MS19-000940

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

27 JUN 2019

Dear Minister

I refer to your correspondence dated 19 June 2019 regarding the Commonwealth's contribution of \$13 million under the Community Health and Hospital Program for establishing a residential eating disorders centre.

I have countersigned the Project Agreement and have enclosed the original for your records.

Officials from my Department will be in touch with your departmental officers regarding the projects funded under the Community Health and Hospitals Program.

I look forward to working with you to progress the project.

Yours sincerely

Greg Hunt

Encl (1)

PROJECT AGREEMENT
FOR THE COMMUNITY
HEALTH AND HOSPITALS
PROGRAM VICTORIA'S
EATING DISORDER
INITIATIVE

An agreement between:

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

Project Agreement for the Community Health and Hospitals Program Victoria's Eating Disorder Initiative

OVERVIEW

 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

 This Agreement will support the delivery of the Victoria's initiatives under the Community Health and Hospitals Program.

Reporting Arrangements

 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

 The Commonwealth will provide an estimated total financial contribution to Victoria of \$13.0 million, exclusive of GST in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

PART 1 - FORMALITIES

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

This Agreement will commence as soon as the Commonwealth and Victoria sign it and will
expire on 30 June 2024 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)

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

PART 3 — ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

- 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; and
 - (b) providing a consequent financial contribution to Victoria to support the implementation of this Agreement.

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;

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 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

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	(GST exclusive)
Establishment of Eating Disorders	On signing the Project Agreement	47 June 2019	\$6.5 m
Treatment Centre.	Provide a plan, acceptable to the Commonwealth, to deliver a residential eating disorders treatment centre in consultation with the Butterfly Foundation, the National Mental Health Commission, and other stakeholders.	1 November 2019	\$0
	To be negotiated	1 February 2023	\$4.0 m
	To be negotiated	a February 2024	\$2.5 ⁻ 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

 Victoria 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 Victoria of \$13,0 million in respect of this Agreement. All payments are GST exclusive.
- 16. The Commonwealth's funding contribution will not be reduced where Victoria secures funding from other activity partners.
- 17. 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	2022-23	2023-24	Total	
Estimated total budget	6.5	4.0	2.5	13	
Less estimated National Partnership Payments	6.5	4.0	2.5	13	

18. 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 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. Either 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 to the other Party 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

1. Non-debber			
The Honourable	Greg	Hunt	MP
Minister for Health			
Date			

Signed for State of Victoria by

The Honourable Martin Foley MP Minister for Mental Health Date

THIS DOLING WAR THE DEPARTMENT OF HEALTH DEPARTMENT

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



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

Ref No: MS19-000940

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

27 JUN 2019

Dear Minister

I refer to your correspondence dated 14 June 2019 regarding the Commonwealth's contribution of \$1.7 million under the Community Health and Hospital Program for the establishment of a Hospital Discharge Pilot project.

I have countersigned the Project Agreement and have enclosed the original for your records.

Officials from my Department will be in touch with your departmental officers regarding the project funded under the Community Health and Hospitals Program.

I look forward to working with you to progress the project.

Yours sincerely

Greg Hunt

Encl (1)

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

An agreement between:

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

Page 1 Version of template: 14/06/2019 Project Agreement for the Community Health and Hospital: Frogram Eauth Australia Hospital Discharg

OVERVIEW

 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

 This Agreement will support the delivery of South Australian Initiatives under the Community Health and Hospitals Program.

Reporting Arrangements

 South Australia will provide a progress report and final report 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 \$3.949 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

 This Agreement will commence as soon as the Commonwealth and South Australia sign it and will expire on 30 June 2020 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 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 signing of the Agreement and a progress report demonstrating the relevant milestones have been met.

Table 1: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Due	Payment
Hospital Discharge Pilot	On signing this agreement	15 June 2019	\$1.7 m
	Upon provision of ogress report	1 February 2020	\$2,249

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.
- 15. South Australia will provide a progress reportin January 2020, and a Final Report summarising the outcomes of the Project at the conclusion of the Agreement.

PART 5 - FINANCIAL ARRANGEMENTS

- 16. The Commonwealth will provide an estimated total financial contribution to South Australia of \$3.949 million in respect of this Agreement. All payments are GST exclusive.
- 17. The Commonwealth's funding contribution will not be reduced where the States secure funding from other activity partners.
- 18. 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)	2018-19	2019-20	Tota!
Estimated total budget	1.7	2.249	3.949
Less estimated National Partnership Payments	1.7	2.249	3.949

19. 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

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. 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 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 South Australia by

The Honourable Stephen Wade MLC

Minister for Health and Wellbeing

Date 14 June 2019

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___ -C RELIGIONALITA OF THE PROPERTY OF THE PROPER 2 7 JUN 2019 Signed for and State of South Australia by The Honourable Stephen Wade MLC Minister for Health and Wellbeing Date



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

Ref No: MS19-000940

The Hon Dr Steven Miles MP Minister for Health Minister for Ambulance Services GPO Box 48 BRISBANE QLD 4001

2 7 JUN 2019

Dear Minister

I refer to your correspondence dated 18 June 2019 regarding the Commonwealth's contribution of \$8.05 million under the Community Health and Hospital Program for the CT scanner at Bowen Hospital and refurbishment projects at Logan and Emerald hospitals.

I have countersigned the Project Agreement and have enclosed the original for your records.

Officials from my Department will be in touch with your departmental officers regarding the projects funded under the Community Health and Hospitals Program.

I look forward to working with you to progress the project.

Yours sincerely

Greg Hunt

Encl (1)

PROJECT AGREEMENT FOR THE COMMUNITY HEALTH AND HOSPITALS PROGRAM QUEENSLAND'S 2018-19 INITIATIVES

An agreement between:

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

The output of this project will support the delivery of the Queensland's 2018-19 Initiatives under the Community Health and Hospitals Program.

PROJECT AGREEMENT FOR THE COMMUNITY HEALTH AND HOSPITALS PROGRAM QUEENSLAND's 2018-19 INITIATIVES

OVERVIEW

 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

 This Agreement will support the delivery of the Queensland Initiatives under the Community Health and Hospitals Program.

Reporting Arrangements

 Queensland 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 Queensland of \$8.05 million, exclusive of GST in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

PART 1 — FORMALITIES

This Agreement constitutes the entire agreement for this project.

Parties to this Agreement

This Agreement is between the Commonwealth of Australia (the Commonwealth) and Queensland.

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and Queensland 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 OUTPUTS

Outputs

- 8. The outputs of this Agreement will be:
 - (a) Refurbishment of the medical imaging facility at Bowen Hospital and the installation of a Computed Tomography scanner (CT).
 - (b) Refurbishment of the Children's Space at Logan Hospital.
 - (c) Redevelopment of the Emerald Hospital Emergency Department and New Theatres

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 Queensland initiatives under this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (b) providing a consequent financial contribution to Queensland 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 Queensland

- 10. The Queensland will be responsible for:
 - (a) all aspects of delivering on the project outputs set out in this Agreement;
 - 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. Queensland 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 Queensland 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)
Computed Tomography Scanner for Bowen Hospital	On signing the Project Agreement	30 May 2019	\$5,000,000
Refurbishment of the Children's Space at Logan Hospital.	On signing the Project Agreement	30 May 2019	\$50,000
Emerald Emergency Department Upgrade – New Theatres	On signing the Project Agreement	30 May 2019	\$3,000,000

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

 Queensland will provide performance reports 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 Queensland of \$8.05 million in respect of this Agreement. All payments are GST exclusive.
- 17. The Commonwealth's funding contribution will not be reduced where Queensland 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 Queensland, is 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	8.05	8.05
Less estimated National Partnership Payments	8.05	8.05

19. Having regard to the agreed estimated costs of projects specified in this Agreement, Queensland 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, Queensland 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 Queensland to deliver projects cost 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 to other Party of a dispute 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 Minister for Health	
Date	

Signed for and on behalf of the State of Queensland by

The Honourable Dr Steven Miles MP
Minister for Health and Minister for Ambulance

Date 17 6/19

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

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 27 JUN 2019 The Honourable Dr Steven Miles MP
Minister for Health and Minister for Ambulance
Services

Date



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

Ref No: MS19-000940

The Hon Michael Ferguson MP
Minister for Health
Minister for Police, Fire and Emergency Management
Minister for Science and Technology
Level 5, 4 Salamanca Place
HOBART TAS 7000

2 7 JUN 2019

Dear Minister

I refer to your correspondence on 19 June 2019 regarding the Commonwealth's contribution under the Community Health and Hospital Program of: \$9.4 million for additional elective surgery and endoscopy procedures and the purchase and installation of a Linear Accelerator at the North West Regional Hospital; and, \$5 million for the establishment of an eating disorder centre.

I have countersigned the Project Agreements and have enclosed the originals for your records.

Officials from my Department will be in touch with your departmental officers regarding the projects funded under the Community Health and Hospitals Program.

I look forward to working with you to progress the project.

Yours sincerely

Greg Hunt

Encl (2)

PROJECT AGREEMENT
FOR THE COMMUNITY
HEALTH AND HOSPITALS
PROGRAM TASMANIA'S
2018-19 INITIATIVES

An agreement between:

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

Project Agreement for the Community Health and Hospitals Program Tasmania's 2018-19 Initiatives

OVERVIEW

 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

- This Agreement will:
- (a) support the delivery of the Tasmanian Government's initiatives under the Community Health and Hospitals Program;
- improve access to elective surgery and endoscopy procedures for all Tasmanians, focussing on procedures with the highest clinical need, as determined through clinical consultation; and
- (c) provide additional capacity to meet future demand for radiation oncology services in north west Tasmania.

Reporting Arrangements

 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 \$9.4 million, exclusive of GST in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

PART 1 - FORMALITIES

This Agreement constitutes the entire agreement for this project.

Parties to this Agreement

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 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)

- The outputs of this Agreement will be:
 - (a) Additional elective surgery and endoscopy procedures in Tasmania from 2019-20 onwards.
 - (b) The purchase and installation of a Linear Accelerator for the North West Regional Hospital from 2019-20 onwards.

PART 3 - ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

- 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; and
 - (b) providing a consequent financial contribution to Tasmania to support the implementation of this Agreement.

Role of Tasmania

- 10. Tasmania will be responsible for:
 - (a) all aspects of delivering on the project outputs as set out in this Agreement; and
 - (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.

Table 1: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Due	Payment
Additional elective surgery and endoscopy procedures in Tasmania from 2019-20 onwards.	On signing the Project Agreement	30 June 2019	\$5,000,000
Purchase and installation of a Linear Accelerator for the North West Regional Hospital from 2019-20 onwards.	On signing the Project Agreement	30 June 2019	\$4,400,000

13. If 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.

Reporting arrangements

14. Tasmania will provide performance reports 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 Tasmania of \$9.4 million in respect of this Agreement. All payments are GST exclusive.
- 16. The Commonwealth's funding contribution will not be reduced where Tasmania secures funding from other activity partners.
- 17. 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	9-4	9.4
Less estimated National Partnership Payments	9-4	9-4

- 18. 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 projects cost effectively and efficiently.
- 19. To avoid double funding, Tasmania will not be entitled to receive Activity Based Funding under the National Health Reform Agreement (NHRA) for elective surgery and endoscopy procedures funded by this agreement.
- 20. For the avoidance of doubt, funding provided through this agreement is not National Health Reform funding and therefore is not included in the calculation of either the Australian Government's 6.5 per cent annual funding cap or Tasmania's entitlement to a guaranteed minimum level of annual growth in National Health Reform funding as provided by the bilateral Agreement for minimum Commonwealth funding for public hospital services in Tasmania.

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

- Either Party may give notice of a dispute to the other Party 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	Honou	able	Greg	Hunt MP	,

Minister for Health

Date

Signed for and on behalf of

State of Taswania by

The Honour ble Michael Ferguson MP

Minister for Health
Date 9/6/2019

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.

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

OVERVIEW

 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

- This Agreement will:
- (a) support the delivery of the Tasmanian Government's Initiatives under the Community Health and Hospitals Program; and
- (b) provide financial support for the Tasmanian Government to plan and design the most appropriate model of care, including identifying any potential infrastructure needs, for the establishment of an eating disorders centre in Tasmania. This planning will take into account Tasmania's health needs and service configuration, and will commence in 2019-20.

Reporting Arrangements

 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

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 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) Commitment to establish an Eating Disorders Treatment Centre, with planning to commence from 2019-20.

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; and
 - (b) providing a consequent financial contribution to Tasmania to support the implementation of this Agreement.

Role of Tasmania

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

Shared roles

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.

Table 1: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Report due	Payment
Commitment to establish an Eating Disorders Treatment Centre, with planning to commence from 2019-20.	On signing the Partnership Agreement	30 June 2019	\$5.0 m

13. If 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.

Reporting arrangements

14. Tasmania 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 Tasmania of \$5 million in respect of this Agreement. All payments are GST exclusive.
- 16. The Commonwealth's funding contribution will not be reduced where Tasmania secures funding from other activity partners.
- 17. 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

48. 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

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. Either 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 to the other Party 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	MΡ
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Minister for Health

Date

Signed for and on behalf of the

State of Tasmania by

The Honourable Michael Ferguson MP

Minister for Health

Date 19/6/19