



To: Minister Hunt

Subject: Community Health and Hospitals Program (CHHP) - ^{s42}

Critical date: 28 June 2019

Recommendation/s:

1. ^{s42} **Noted/Please discuss**
2. ^{s42} **2. Noted/Please discuss**
3. **Note that in line with Budget decisions the Department will proceed to execute Grant Agreements for all these projects.** **3. Noted/Please discuss**

Signature

Date: 30 / 6 / 19

Media Release required? NO

Comments:

^{s22}
Work with
MO to prepare a shortform
noting submission for ERC.

| | | | |
|--------------------|------------------|--|--------------------------------------|
| 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. ^{s42}

2. As a result of the High Court's decisions in *Williams v Commonwealth of Australia* (2012) and *Williams v Commonwealth of Australia* (No. 2) (2014), Commonwealth expenditure requires constitutional support and legislative authority, with limited exceptions, as well as an appropriation. ^{s47E(d)}

^{s47E(d)}

3. Of the ^{s42} assessed:
^{s42}

4. ^{s42}

5.

6. All of these specific projects under CHHP have been the subject of Budget consideration and given authority to proceed by the Prime Minister. On this basis, the Department proposes to execute the agreements in line with Cabinet authority, ^{s42}

^{s42}

- a. Funding for each specific project has already been agreed by Government, and all projects have been announced.
- b. While there is some risk of adverse commentary from the Australian National Audit Office and from any parties opposed to the expenditure, delaying or not proceeding with projects also carries risk given stakeholder commitments on the basis of Budget announcements.
- c. Given these are one-off grants, the likelihood of them being legally challenged is low.
- d. ^{s42} will be mitigated to some extent through strong grants management processes established to run through the life of each agreement, to ensure that funds are spent for the intended purpose.

7. ^{s42}

- a. ^{s47E(d)}

b.

c. s47E(d)

d.

8. 47E(d)

Background:

s42

s42

s47E(d)

47E(d)

s42, 47E(d)

The Department has consulted PM&C s42

s42

PM&C has advised that you can make a decision on whether the Government proceeds with implementation of the s42

Attachments:

Attachment A: s42

Budget/Financial Implications: The s42 at Attachment A have a total funding of \$13.675 million allocated in 2018-19.

Relevance to Election Commitments / Budget Measures: The CHHP was announced during the 2018-19 Mid-Year Economic and Fiscal Outlook. Additional projects were announced in the 2019-20 Budget under several Budget measures.

Sensitivities:

Executing grant agreements for the s42 carries the risk of adverse commentary from the Australian National Audit Office, the Joint Committee of Public Accounts and Audit, and/or those opposed to the expenditure. However, stakeholders are expecting to receive funding in 2018-19 in line with Budget decisions and the risk of legal challenge on individual projects is relatively low.

Consultations: Consultation s42 and has occurred with Finance and PM&C, as well as the Legal and Assurance and Financial Management Divisions.

Impact on Rural and Regional Australians: Rural health is a key focus area for consideration of funding through the CHHP.

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