

PROJECT AGREEMENT FOR GRACE 'S PLACE

An agreement between:

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

The output of this project will be the construction of Grace's Place, a residential trauma recovery centre for children affected by homicide.

(Version 2 – NSW)

Project Agreement for Grace's Place

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 construction of Grace's Place, a residential trauma recovery centre located at 38 Doonside Road, Doonside NSW (being Lot 301 DP 793236), which will become the new head office for the Homicide Victims Support Group (Australia) Inc (NGO).

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, noting that the NGO will be responsible for the construction of Grace's Place.

Financial Arrangements

4. The Commonwealth will provide a total financial contribution to New South Wales of \$6.1 million, exclusive of GST in respect of this Agreement and NSW will make a co-contribution of \$3.3 million as set out in Part 5 – Financial Arrangements. NSW will disperse these funds to the NGO through a grant agreement.

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 the later of 30 June 2021 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) Construction of a residential trauma recovery centre to be known as Grace's Place in accordance with DA number SPP -16-04468 approved by the Sydney Central Planning Panel (Panel Ref 2017SWCo25 DA) on 13 December 2018 and comprising of:
- a community facility including 4 program rooms and 4 therapy rooms;
 - ancillary office premises including 16 offices, meeting rooms, a therapy room and a break out room;
 - ancillary visitor accommodation including 12 bedrooms, a communal kitchen and dining, lounge and games room;
 - on site car parking for 46 vehicles; and
 - landscaping and communal open space.

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 planning, design and construction of Grace's Place 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 New South Wales

10. New South Wales will be responsible for:

- (a) providing a \$3.3 million financial contribution for construction costs;
- (b) entering into a funding agreement with the NGO for the construction of the residential trauma recovery centre to be known as Grace's Place, which will require the NGO to deliver on the project outputs set out in this Agreement;
- (c) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;
- (d) reviewing the probity status of the project and ensuring that the appointment of the builder by the NGO is undertaken in accordance with NSW Procurement Policy Framework;
- (e) 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

- (f) ensuring that compliance with the Building Code 2016 is made a condition of the building work and by all contractors and subcontractors, and providing the necessary assurances to the Commonwealth.
11. New South Wales will also be responsible for ensuring that the NGO will be required to:
- (a) appoint an independent capital works project manager and an independent certifier for the construction project; and
 - (b) upon completion of the construction project, provide all contractor certificates to verify that the building is compliant with the Building Code of Australia and Australian Standards, including an occupation certificate giving approval to use or occupy the building.

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 performance report demonstrating the relevant milestone has been met.

Table 1: Performance requirements, reporting and payment summary

Outputs	Performance milestones	Report due (estimated)	Payment
Construction of a residential trauma recovery centre.	Report on awarding the contract and commencement of site works.	5 May 2020	\$4.1 m
	Report of progress to date.	5 August 2020	\$2.0 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. The funding agreement between New South Wales and the NGO will require the NGO to provide performance reports, bi-annual project status reports and a final report to New South Wales, in accordance with the Commonwealth's requirements.
16. New South Wales will provide performance reports to the Commonwealth in accordance with Table 1 during the operation of the Agreement. Each performance report is to contain a description and photographs of actual performance in the period to date against the performance milestones.

17. New South Wales will provide the bi-annual project status reports with photographs in May and November each year via the Commonwealth Department of Health's Capital Works Portal system in accordance with the template at Schedule A, until the completion of the project.
18. New South Wales will provide the final report which includes a brief description of the project and official opening dates and a Certificate of Practical Completion which can be used for public information and dissemination purposes.

PART 5 – FINANCIAL ARRANGEMENTS

19. The Commonwealth will provide a total financial contribution to New South Wales of \$6.1 million in respect of this Agreement. All payments are GST exclusive.
20. New South Wales will provide a contribution of \$3.3 million in respect of this Agreement.
21. The Commonwealth's funding contribution will not be reduced where New South Wales secures funding from other activity partners.
22. The Commonwealth's and New South Wales' estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the States paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2019-20	2020-21	Total
Estimated total budget	4.1	5.3	9.4
Less estimated National Partnership Payments	4.1	2.0	6.1
Balance of non-Commonwealth contributions	0.0	3.3	3.3

23. Having regard to the agreed estimated costs of projects specified in this Agreement, that the project will be jointly funded by New South Wales and that the NGO will solely be responsible for all aspects of the project, 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. The NGO will bear all risk should the costs of a project exceed the agreed estimated costs.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

24. 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

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

Delegations

27. 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

28. Either Party may give notice to the other Party of a dispute under this Agreement.
29. Officials of both Parties will attempt to resolve any dispute in the first instance.
30. 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:

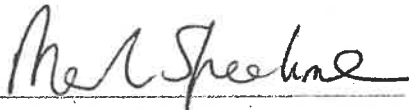
Signed for and on behalf of the Commonwealth of Australia by



The Honourable Greg Hunt MP
Minister for Health

Date 12/6/2020

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



The Honourable Mark Speakman SC MP
Attorney General

Date 14 May 2020