

PROJECT AGREEMENT FOR HUMMINGBIRD HOUSE

An agreement between:

- the Commonwealth of Australia; and
- Queensland.

The output of this project will be the construction and operation of Hummingbird House.

Project Agreement for Hummingbird House

INTERGOVERNMENTAL AGREEMENT ON FEDERAL FINANCIAL RELATIONS

PRELIMINARIES

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.
2. This Agreement supports the construction and operation of Hummingbird House – a dedicated respite and hospice care facility for children with life-limiting conditions, and their families and carers.
3. This Agreement constitutes the entire agreement for this project.

PART 1 – FORMALITIES

Parties to this Agreement

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

Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth and Queensland sign the Agreement and will expire on 30 June 2020, 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

6. The outputs of this Agreement will be the construction and operation of a 24 hours a day, seven days a week, eight bed freestanding children's respite care and hospice facility at Wheller Garden, Chermside, with:
 - (a) construction to include all aspects of capital works up to and including Practical Completion; and
 - (b) operation to include staff appointments, provision of scheduled and emergency respite care, provision of end of life care, and provision of family accommodation and support for families and carers such as referrals to counselling services and community-based support.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

7. The Commonwealth will be responsible for:
 - (a) monitoring and assessing achievement against milestones in the delivery of the Hummingbird House project under this Agreement and in accordance with the project milestones specified in the Project Plan, 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 *Fair Work (Building Industry) Act 2012*, ensuring that financial contributions to a building project or projects as defined under the Fair Work (Building Industry – Accreditation Scheme) Regulations 2005, are only made where a builder or builders accredited under the Australian Government Building and Construction Occupational Health and Safety Accreditation Scheme is contracted; and
 - (d) ensuring that compliance with the Building Code 2013 is a condition of Australian Government funding.

Role of the States and Territories

8. Queensland will be responsible for:
 - (a) developing and providing to the Commonwealth a Project Plan for the construction of Hummingbird House, in accordance with clauses 10 to 13 of this Agreement;
 - (b) providing a financial contribution of \$5.5 million to match the Commonwealth's contribution to support the implementation of this Agreement;
 - (c) all aspects of delivering on the project outputs set out in this Agreement;
 - (d) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;
 - (e) ensuring that only a builder or builders accredited under the Australian Government Building and Construction Occupational Health and Safety Accreditation Scheme is contracted, and providing the necessary assurances to the Commonwealth; and
 - (f) ensuring that compliance with the Building Code 2013 is made a condition of tender for all contractors and subcontractors who tender for the work, and providing the necessary assurances to the Commonwealth.
9. Before providing a Certificate of Practical Completion, Queensland will also be responsible for ensuring that the project will:
 - (a) be complete and free from defects or omissions, except for defects or omissions that are minor in nature, that the State 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 use for the designated use.

Project Plan

10. The Project Plan will be agreed by senior Commonwealth and Queensland officials and provided to the Commonwealth Department of Health in accordance with clause 8(a) of this Agreement.
11. Project Plans typically include details on scope, project schedule, budget, project stakeholders, governance arrangements, communication plan, high level design plans and a risk management plan. This Project Plan will also include confirmation of the nominated provider for the construction and operation of Hummingbird House. Queensland has the flexibility to determine how to meet this requirement and can make use of any existing information or documents prepared for another purpose.
12. Project Plans are flexible documents that may be varied over time to accommodate changed circumstances. Commonwealth officials should be notified of all variations to Project Plans.
13. Variations to Project Plans that require subsequent changes to project outputs, scope, milestones, funding profiles and risk mitigation are subject to the written agreement of Commonwealth and State portfolio ministers.

Shared roles

14. The Parties will meet the requirements of Schedule E, Clause 26 of the Intergovernmental Agreement on Federal Financial Relations, 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

15. 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, once a report certifying that milestones have been met is received and accepted.

Table 1: Milestones, reporting and payment summary

Output	Milestone(s)	Performance Report due	Payment
1. Construction of Hummingbird House	1. Agreement to the Project Plan	30/05/2015	\$1.5m
	2. Practical completion of Hummingbird House in accordance with clause 6(a) and 9 of this Agreement	30/04/2016	\$0.8m
2. Operation of Hummingbird House	3. Ongoing operation of Hummingbird House in the 12 months to the annual due date, in accordance with clause 6(b) of this Agreement	30/04/2017	\$0.8m
		30/04/2018	\$0.8m
		30/04/2019	\$0.8m
		30/04/2020	\$0.8m

Reporting arrangements

16. Queensland will provide performance reports and a Certificate of Practical Completion in accordance with Table 1 during the operation of the Agreement. Each performance report is to contain the following information:
- a description of the actual progress of the project in the period to date against the project milestones;
 - details of any matters that have arisen which could adversely impact on the delivery of the output, and how Queensland proposes to resolve these matters; and
 - promotional activities undertaken in relation to, and media coverage of, the project during the reporting period and any promotional opportunities expected to arise during the next reporting period.

PART 5 – FINANCIAL ARRANGEMENTS

- The Commonwealth will provide a total financial contribution to Queensland of \$5.5 million in respect of this Agreement. All payments are GST exclusive.
- The Commonwealth's funding contribution will not be reduced where Queensland secures funding from other activity partners through innovative and collaborative partnerships.
- The Commonwealth's and Queensland's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to Queensland paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
Estimated total budget	3.0	1.6	1.6	1.6	1.6	1.6	11.0
Less estimated National Partnership Payments	1.5	0.8	0.8	0.8	0.8	0.8	5.5
Balance of non-Commonwealth contributions	1.5	0.8	0.8	0.8	0.8	0.8	5.5

20. The Commonwealth will provide a total contribution of \$5.5 million. This amount will be matched by Queensland over the same timeframe.
21. Having regard to the agreed estimated costs of projects specified in a Project 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

22. 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

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

Delegations

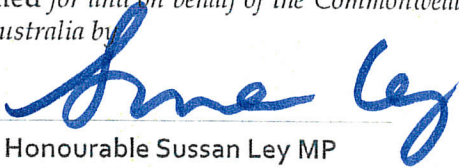
20. The Commonwealth Minister may delegate the assessment of performance against milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

Dispute resolution

21. Either Party may give notice to the other Party of a dispute under this Agreement.
22. Officials of both Parties will attempt to resolve any dispute in the first instance.
23. 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 Sussan Ley MP
Minister for Health

[Day] [Month] [Year]

30 JUN 2015

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



The Honourable Cameron Dick MP
Minister for Health

[Day] [Month] [Year]

29 JUN 2015