

PROJECT AGREEMENT FOR THE CANCER SUPPORT CLINIC IN KATHERINE

Council of
Australian
Governments

An agreement between

- n the **Commonwealth of Australia** and
- n the **Northern Territory of Australia**

The output of this project will be the purchase and installation of a chemotherapy chair and associated works to improve cancer support services at the Katherine Hospital.

Project Agreement for the Cancer Support Clinic in Katherine

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 will support the delivery of a cancer support clinic at the Katherine Hospital through the purchase and installation of a chemotherapy chair and associated minor building modification to improve delivery of cancer support services at the Katherine Hospital.
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) represented by the Minister for Health, and the Northern Territory represented by the Territory Minister with portfolio responsibility for health.

Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth and the Northern Territory sign the Agreement and will expire on 30 June 2015 or on completion of the project as outlined in the Project Plan, 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

Output

6. The output of this Agreement as described in the Project Plan will be the purchase and installation of a chemotherapy chair and associated works for the cancer support clinic at the Katherine Hospital.

PART 3 – ROLES AND RESPONSIBILITIES

Role of the Commonwealth

7. The Commonwealth will be responsible for:
 - (a) monitoring and assessing achievement against the payment milestones for the purchase and installation of a chemotherapy chair at the Katherine Hospital, 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; and
 - (b) providing a consequent financial contribution to the Northern Territory to support the implementation of this Agreement.

Role of the Northern Territory

8. The Northern Territory will be responsible for:
 - (a) developing and providing to the Commonwealth a Project Plan (as below);
 - (b) all aspects of delivering on the project output set out in the Project Plan and in this Agreement; and
 - (c) reporting on the delivery of the output as set out in Part 4 – Project Milestones, Reporting and Payments.
9. The Northern Territory will also be responsible for ensuring that, for the purposes of the practical completion of a milestone, the project will:
 - (a) be complete and free from defects or omissions, except for defects or omissions that are minor in nature, that the Northern Territory 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.

Project Plans

10. Project Plans need to be agreed by senior Commonwealth and Northern Territory officials.
11. Project Plans would typically include details on scope, project schedule, budget, project stakeholders, governance arrangements, communication plan, high level design plans and a risk management plan.
12. The Project Plan is expected to be a flexible document that may be varied over time to accommodate changed circumstances. Variations to the Project Plan that directly affect payment milestones and their achievement are subject to written agreement between senior Commonwealth and Northern Territory officials.

Shared roles

13. 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.

PART 4 – PAYMENT MILESTONES, REPORTING AND PAYMENTS

14. The following table summarises the milestones for the Project, their relationship to the output, expected completion dates, relevant reporting dates and expected payments to be made, once evidence certifying that milestones have been met is received and accepted. Detailed project milestones are included in the Project Plan.

Table 1: Payment milestones, reporting and payment summary

Output	Milestones	Date due	Relevant Report due	Payment
Purchase and installation of a chemotherapy chair and associated works to improve cancer support services at the Katherine Hospital (consistent with the requirements specified at clause 6).	Project Plan developed in accordance with clauses 10-12	Jul-14	Nov-14	\$0.4m
	Practical completion of the Project and the Final bi-annual Report	Feb-15	May-15	\$0.1m

Reporting arrangements

15. The Northern Territory will submit bi-annual Project Status Reports, in accordance with the template at Schedule A. These reports are due on the 10th Business day of May and November each year. The Commonwealth will make payments subject to the submission of either the Project Status Reports or other evidence demonstrating the milestones have been met in accordance with Table 1.
16. Bi-annual Project Status Reports are required to be submitted via the Commonwealth Department of Health's, Capital Works Reporting Online system. All bi-annual reports must be certified by an appropriate Northern Territory Delegate as being a true and accurate representation of the progress of the project for the relevant reporting period.
17. The Final bi-annual Report referred to in Table 1 will be a report that can be used for public information and dissemination purposes and will evaluate the Project from Northern Territory's perspective and include a description of the conduct, benefits and outcomes of the Project.

PART 5 – FINANCIAL ARRANGEMENTS

18. The Commonwealth will provide a total financial contribution to the Northern Territory of \$0.5 million in respect of this Agreement. All payments are GST exclusive.
19. The Commonwealth's funding contribution will not be reduced where the Northern Territory secures funding from other activity partners through innovative and collaborative partnerships.

20. The Commonwealth's and the Northern Territory's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the Northern Territory paid in accordance with *Schedule D — Payment Arrangements* of the Intergovernmental Agreement on Federal Financial Relations, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2014-15	Total
Estimated total budget	0.50	0.50
Less estimated National Partnership Payments	0.50	0.50
Balance of non-Commonwealth contributions	0.00	0.00

21. Having regard to the agreed estimated costs of the project specified in this Agreement, the Northern Territory 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, the Northern Territory 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 Northern Territory 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 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

25. 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

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



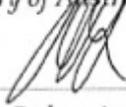
The Honourable Peter Dutton MP

Minister for Health

Minister for Sport

10 September 2014

Signed for and on behalf of the
Northern Territory of Australia by



The Honourable Robyn Lambley MLA

Minister for Health

Minister for Alcohol Rehabilitation

26/8 | 2014

Schedule A

Project Status Report:

Project Status Report

Report Month:

Submission Status:

Submission Date: xx/xx/20xx

Current Forecast Completion Date: xx/xx/20xx

Actual Date of Project Completion: xx/xx/20xx

Current Project Stage:

Key Activity Undertaken Since Previous Report:

Significant achievements in next 6 months:

Progress 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

Milestones

Name	(%) Completion	Completion Date			
		Original	Current	Forecast	Actual
Project Plan developed in accordance with clauses 10-12					
Practical completion of the project and Final bi-annual Report					