

# PROJECT AGREEMENT FOR THE VICTORIAN CYTOLOGY SERVICE

Council of  
Australian  
Governments

An agreement between:

- the Commonwealth of Australia; and
- Victoria.

The output of this Project Agreement is the processing of cervical cancer screening tests taken by health practitioners; and provision of benchmarking data on the pricing of cervical cancer screening tests.

# Project Agreement for the Victorian Cytology Service

## 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 Victorian Cytology Service (VCS), which is a national centre of excellence in the early detection of pre-cancerous cervical abnormalities, the accurate reporting of cervical cancer screening tests, and providing benchmarking data on the pricing of cervical screening tests.
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 Victoria.

#### Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth and Victoria sign the Agreement and will expire on 30 June 2017 or on completion of the project, including acceptance of 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:
  - (a) processing of cervical cancer screening tests taken by health practitioners, in line with the National Cervical Screening Program policy; and
  - (b) provision of benchmarking data on the pricing of cervical cancer screening tests.

## 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 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

8. Victoria will be responsible for:
  - (a) all aspects of delivering on the project outputs 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

9. 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

10. The following table 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 and that the VCS has maintained National Association of Testing Authorities (NATA) / Royal College of Pathologists Australasia (RCPA) accreditation, is received and accepted.

Table 1: Milestones, reporting and payment summary

Output	Milestones	Date due	Report period	Payment
<ul style="list-style-type: none"> <li>• Process cervical cancer screening tests taken by health practitioners</li> <li>• Provide benchmarking data to the Commonwealth on the pricing of cervical cancer screening tests</li> </ul>	<p>Acceptance by the Commonwealth of reports, which will include the following information:</p> <ol style="list-style-type: none"> <li>1. the processing of at least 47 per cent annually of all cervical cancer screening tests undertaken in Victoria;</li> <li>2. the average unit cost of processing cervical cancer screening tests, including <ul style="list-style-type: none"> <li>• a breakdown of the number of tests ordered by medical practitioners, nurses and other health workers; and</li> <li>• number of each type of cervical cancer screening tests processed</li> </ul> </li> <li>3. evidence on NATA/RCPA accreditation for cervical cytology.</li> </ol>	Within two months of signing this agreement and by no later than 15 March 2014	1 July to 31 December 2013	\$4,236,000
		15 May 2014	1 January to 30 April 2014	\$4,236,000
		15 January 2015	1 May to 31 December 2014	\$4,444,000
		15 May 2015	1 January to 30 April 2015	\$4,444,000
		15 January 2016	1 May to 31 December 2015	\$4,666,000
		15 May 2016	1 January to 30 April 2016	\$4,666,000
		15 January 2017	1 May to 31 December 2016	\$4,899,500
		15 May 2017	1 January to 30 April 2017	\$4,899,500

## Reporting arrangements

11. Victoria will provide milestone reports in accordance with the above table during the operation of the Agreement. Each milestone report is to contain the following information:
  - (a) a description of actual performance of Victoria in the period to date against the project milestones;
  - (b) details of any matter(s) that have arisen which could adversely impact on the delivery of the output, and how Victoria propose to resolve this/these matter(s); and:
  - (c) 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.
  
12. Victoria will prepare a final Project Report by September 2017. The Project Report will be a stand-alone document that can be used for public information dissemination purposes. The final Project Report will:
  - (a) include the final activity report for 2016-17, including the 1 May to 30 June 2017 period;
  - (b) describe the conduct, direct and indirect benefits and outcomes of the Project;
  - (c) evaluate the Project from the responsible Party's perspective, including assessing the extent to which the project milestones have been achieved and why any aspect was not achieved; and
  - (d) include a discussion of any other matters relating to the project, limited to the minimum necessary for the effective assessment of performance and agreed between the Commonwealth and Victoria, at least 60 days before it is due.

## PART 5 – FINANCIAL ARRANGEMENTS

13. The Commonwealth will provide a total financial contribution to Victoria of \$36,491,000 in respect of this Agreement. All payments are GST exclusive.
14. The Commonwealth's funding contribution will not be reduced where Victoria secures funding from other activity partners through innovative and collaborative partnerships.
15. 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 Intergovernmental Agreement on Federal Financial Relations, are shown in Table 2.

**Table 2: Estimated financial contributions**

(\$ million)	2013-14	2014-15	2015-16	2016-17	Total
<b>Estimated total budget</b>	<b>8.5</b>	<b>8.9</b>	<b>9.4</b>	<b>9.8</b>	<b>36.5<sup>(a)</sup></b>
Less estimated National Partnership Payments	8.5	8.9	9.4	9.8	36.5
Balance of non-Commonwealth contributions <sup>(b)</sup>	0.0	0.0	0.0	0.0	0.0

<sup>(a)</sup> Estimates do not cross add due to rounding.

(b) VCS is a State government funded and operated organisation and while Victoria is not required to provide financial and/or in-kind contributions under the terms of this Agreement, it allocates its own source funding and provides in-kind contributions to support achievement of the outputs of this Agreement.

16. Having regard to the agreed estimated costs of projects specified in a Project 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**

17. 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**

18. The Agreement may be amended at any time by agreement in writing by both Parties.
19. 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.
24. If a dispute cannot be resolved by the relevant Ministers, it may be referred to relevant first ministers for consideration.

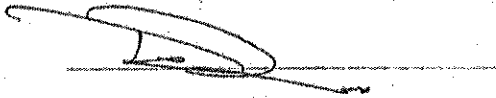
The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth  
of Australia by



Minister for Health

Signed for and on behalf of the  
State of Victoria by



Minister for Health