

# Implementation Plan for Clinical Infrastructure at the Grafton Base Hospital

## NATIONAL PARTNERSHIP AGREEMENT ON HEALTH INFRASTRUCTURE

### PRELIMINARIES

1. This Implementation Plan is created subject to the provisions of the National Partnership Agreement on Health Infrastructure and should be read in conjunction with that Agreement. The objective in the National Partnership is to improve the health and wellbeing of Australians through the provision of high quality physical and technological health infrastructure.
2. This Implementation Plan provides for the Commonwealth's financial contribution of \$6 million toward a \$10 million upgrade of the Grafton Base Hospital. The New South Wales Government will contribute the remaining \$4 million to this project.
3. Commonwealth funding is provided to New South Wales to establish a new four bed orthopaedic surgical ward and a new medical imaging unit at Grafton Base Hospital.

### TERMS OF THIS IMPLEMENTATION PLAN

4. This Implementation Plan replaces the previous Implementation Plan for the 'Clinical Infrastructure at the Grafton Base Hospital' project agreed upon by both parties on 14 June 2011.
5. This Implementation Plan will commence as soon as it is agreed between the Commonwealth of Australia, represented by the Minister for Health and Ageing, and the State of New South Wales (the State), represented by the New South Wales Minister for Health.
6. This Implementation Plan will cease on completion of the project as specified in this Implementation Plan, including the acceptance of final performance reporting and processing of final payments against performance benchmarks specified in this Implementation Plan.
7. This Implementation Plan may be varied by written agreement between the Ministers.
8. Either Party may terminate this agreement by providing 30 days notice in writing. Where this Implementation Plan is terminated, the Commonwealth's liability to make payments to the State is limited to payments associated with performance benchmarks achieved by the State by the date of effect of termination of this Implementation Plan.
9. The Parties to this Implementation Plan do not intend any of the provisions to be legally enforceable. However, that does not lessen the Parties' commitment to this Implementation Plan.

## PROJECT OBJECTIVE

10. The objective of this project is to provide improved access to treatment and diagnostic services, particularly, the elderly, and those patients with chronic conditions at Grafton Base Hospital.

## PROJECT OUTPUTS

11. The project objective will be completed through a number of projects which include:
  - the establishment of a new four bed orthopaedic surgical ward; and
  - a new medical imaging unit with CT scanning and X-ray services and the purchase of new equipment.

## ROLES AND RESPONSIBILITIES

### Role of the Commonwealth

12. The Commonwealth is responsible for reviewing the States' performance against the project milestones specified in this Implementation Plan and providing any consequential financial contribution to the State for that performance.

### Role of the State

13. The State is responsible for all aspects of project implementation, including:
  - (a) fully funding the project, after accounting for financial contributions from the Commonwealth and any third party;
  - (b) completing the project in a timely and professional manner in accordance with this Implementation Plan;
  - (c) ensuring adherence to the National Code of Practice for the Construction Industry, and the Australian Government Building and Construction OHS Accreditation Scheme;
  - (d) meeting all conditions including providing reports in accordance with this Implementation Plan;
  - (e) advising the Commonwealth 14 days in advance of any media opportunities; and
  - (f) notifying the Commonwealth of the commencement date of the provision of services utilising these facilities and equipment.

## PERFORMANCE REPORTING AND FINANCIAL ARRANGEMENTS

14. The maximum financial contribution to be provided by the Commonwealth for the project is \$6 million payable in accordance with project milestones set out in Table 1. All payments are exclusive of GST.

**Table 1: Project milestones and associated payments**

Project milestones	Expected Due date	Amount
(i) Acceptance of evidence by the Commonwealth of completed tender documentation (or Expression of Interest) for first building contract.	Within 30 days of Implementation Plan Agreement	\$1 million
(ii) Acceptance of the first progress report, which includes evidence that the first building contract has been awarded for construction, site has been established, ground works commenced and progress made toward equipment orders being filled, to the satisfaction of the Commonwealth.	12 September 2011	\$1 million
(iii) Acceptance of the second progress report, which includes evidence that the second building contract has been awarded for construction, to the satisfaction of the Commonwealth.	12 February 2012	\$2 million
(iv) Final completion, end of performance evaluation activities and acceptance of the final report.	21 December 2012	\$2 million

15. Any Commonwealth financial contribution payable will be processed by the Commonwealth Treasury and paid to the New South Wales Treasury in accordance with the payment arrangements set out in Schedule D of the *Intergovernmental Agreement on Federal Financial Relations*.

16. The Commonwealth acknowledges that expected due dates identified in Table 1 may be extended as a result of a cause beyond the reasonable control of New South Wales. Should this occur, the New South Wales Minister for Health will write to the Commonwealth Health Minister to vary this Implementation Plan.

## BUDGET

17. The overall project budget (exclusive of GST) is set out in Table 2

**Table 2: Overall project budget**

	2010-11	2011-12	2012-13	Total
(i) Estimated total budget	\$1.0m	\$7.0m	\$2.0m	10.0
(ii) Less estimated National Partnership payment	\$1.0m	\$3.0m	\$2.0m	6.0
(iii) Less Commonwealth Own Purpose Expense	0	0	0	0
(iv) Total Commonwealth Contribution = (ii) – (iii)	\$1.0m	\$3.0m	\$2.0m	6.0
(v) Balance of Non-Commonwealth contributions = (i)-(iv)	0.0	\$4.0m	0.0	4.0

18. Having regard to the estimated costs of projects specified in the overall project budget, the State 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 State bears all risk should the costs of a project exceed the estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the State to deliver projects cost-effectively and efficiently.

## REPORTING ARRANGEMENTS

19. The State will provide two progress reports to the Commonwealth to demonstrate its achievement of project milestones set out in Table 1. These progress reports will contain the following information:
  - a) Progress Report 1, due 12 September 2011: evidence that the first building contract has been awarded for construction, site has been established, ground works commenced and progress made toward equipment orders being filled, media activities undertaken in relation to the project during the reporting period and any expected media opportunities during the next reporting period;
  - b) Progress Report 2, due 12 February 2012 on the award of the second building contract, the progress of the work that has been undertaken to date and a description of any equipment purchased, media activities undertaken in relation to the project during the reporting period and any expected media opportunities during the next reporting period.
20. The final project report is due by 21 December 2012.
21. The final project report will be a stand-alone document that can be used for public information dissemination purposes regarding the project and must:
  - a) describe the conduct, benefits and outcomes of the project as a whole;
  - b) evaluate the project against the project milestones, including assessing the extent to which the objective in this Implementation Plan has been achieved and explaining why any aspects were not achieved; and
  - c) include a discussion of any other matters relating to the project, which the Commonwealth notifies the State should be included in the final project report at least 30 days before it is due.