

Implementation Plan for Tasmanian Cancer Care Project

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 Agreement on Health Infrastructure is to improve the health and wellbeing of Australians through the provision of high quality physical and technological health infrastructure.
2. The funding for this project has been primarily allocated from the Health and Hospitals Fund (HHF) under the Regional Cancer Centres (RCC) initiative. The RCC initiative aims to improve access to essential cancer services for as many people as possible living in rural, regional and remote areas, to help close the gap in cancer outcomes between the city and the country. The broader objectives of the HHF, while not replacing State and Territory effort, are to:
 - invest in major health infrastructure programs that will make significant progress towards achieving the Commonwealth's health reform targets; and
 - make strategic investments in the health system that will underpin major improvements in efficiency, access or outcomes of health care.
3. This whole-of-state public and private partnership project will coordinate and link Tasmania's three regions and three major public hospitals: the Southern Tasmania Area Health Service (Hobart), Northern Area Health Service (Launceston), and North Western Area Health Service (Burnie); as well as the Menzies Research Institute, Cancer Council Tasmania and other key stakeholders, as described in the Health and Hospitals Fund Regional Cancer Centres application dated 14 May 2010.
4. The project outputs outlined in this Implementation Plan have been assessed by the Health and Hospitals Fund Advisory Board. Consistent with the *Nation-building Funds Act 2008* any proposed variation from this project as assessed by the Advisory Board requires the reassessment of the Board. The Commonwealth funding contribution for the project is also subject to the re-assessment of the Advisory Board should proposed variations require the Board's consideration.
5. This Implementation Plan replaces the original Implementation Plan for this project, agreed between the Commonwealth of Australia and the State of Tasmania on 19 August 2011.

Terms of this Implementation Plan

6. This Implementation Plan will commence as soon as it is agreed between the Commonwealth of Australia, represented by the Minister for Health, and the State of Tasmania, represented by the Minister for Health.
7. 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 milestones specified in this Implementation Plan.

8. This Implementation Plan may be varied by written agreement between the Ministers.
9. 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 Tasmania is limited to payments associated with performance milestones achieved by Tasmania by the date of effect of termination of this Implementation Plan.
10. 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

11. The objective in this Implementation Plan is to establish a network of state-wide cancer services with cancer centres located at Hobart, Launceston and Burnie by bringing together the currently fragmented and disjointed treatment approaches enabling cancer care to be provided to patients closer to where they live.

PROJECT OUTCOMES

12. The funding will contribute to the:

Southern Area (Hobart):

- the reconfiguration of existing wards to enable the development of;
 - a multi-disciplinary Outpatient Cancer Care Centre,
 - a third radiotherapy bunker; and,
 - a new patient support services centre;
- infrastructure for a Tissue Bank;

Northern Area (Launceston):

- the expansion of the medical oncology unit;
- a patient support centre;
- an education and research centre;
- 4 palliative care beds in district hospitals;

North Western Area (Burnie):

- construction of a purpose-built Cancer Centre connected to the NWRH including:
 - chemotherapy facilities (12 chemotherapy chairs);
 - palliative care facilities;
 - teaching facilities; and
- an MRI machine.

Roles and Responsibilities

Role of the Commonwealth

13. The Commonwealth is responsible for:
- (a) reviewing Tasmania's performance against the project milestones specified in this Implementation Plan and providing consequential financial contribution to Tasmania for that performance;
 - (b) In accordance with the requirements of the Building and Construction Industry Improvement Act 2005 and subject to financial thresholds defined under the Building and Construction Industry (Accreditation Scheme) Regulations 2005, ensuring the financial contributions to a building project or projects as defined under the Building and Construction 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
 - (c) In accordance with the requirements of the *Building and Construction Industry Improvement Act 2005* and subject to financial thresholds defined under the *Building and Construction Industry (Accreditation Scheme) Regulations 2005*, ensuring that compliance with the National Code of Practice for the Construction Industry and the Australian Government Implementation Plan Guidelines for the National Code of Practice for the Construction Industry is a condition of Australian Government funding.

Role of Tasmania

14. Tasmania is responsible for:
- (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) meeting all conditions including providing reports and evidence to demonstrate the achievement of a performance milestone and project completion in accordance with this Implementation Plan;
 - (d) all aspects of the delivery, management and performance of the project including the management of all risks;
 - (e) In accordance with the requirements of the *Building and Construction Industry Improvement Act 2005* and subject to financial thresholds defined under the *Building and Construction Industry (Accreditation Scheme) Regulations 2005*, 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) In accordance with the requirements of the *Building and Construction Industry Improvement Act 2005* and subject to financial thresholds defined under the *Building and Construction Industry (Accreditation Scheme) Regulations 2005*, ensuring that compliance with the National Code of Practice for the Construction Industry and the Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry, is

made a condition of tender for all contractors and subcontractors who tender for the work and providing the necessary assurances to the Commonwealth.

Shared Roles

15. Both 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.

Financial Arrangements

16. The maximum financial contribution to be provided by the Commonwealth for the project is \$19.756 million payable in accordance with performance milestones set out in Table 1. All payments are exclusive of GST.

MILESTONES AND REPORTING

Table 1: Performance milestones and associated payments

Northern Area – Launceston – \$5.51575 million

	Performance milestone	Expected due date	Amount
i	Completion (and submission to the Commonwealth) of design development, pre-tender documentation and construction schedule/work plan for the Northern Area Education and Research centre and Medical Oncology upgrade	31-Mar-12	\$1.147 million
ii	Commencement of construction works at the Northern Area facility	31-Mar-12	\$1.147 million
	Submission of a progress report to the satisfaction of the Commonwealth, in line with the relevant construction schedule/work plan.		
iii	Completion (and submission to the Commonwealth) of design development, pre-tender documentation and construction schedules/work plans for the Northern Area Patient Support Centre and Palliative Care bed upgrades	15-Jun-12	\$1.741 million
iv	Completion of Northern Area Education and Research Centre	15-Jun-12	\$0.94475 million
v	Completion of the Northern Area Medical Oncology Upgrade	31-Mar-13	\$0.025 million
vi	Completion of the Northern Area Palliative Care bed upgrade	31-Mar-13	\$0.025 million
vii	Completion of the Northern Area Patient Support Centre	31-Mar-13	\$0.243 million
viii	Commissioning of the building and initiation of services	31-Mar-13	\$0.243 million

Southern Area - Hobart - \$8.40425 million

	Performance milestone	Expected due date	Amount
i	Completion and submission of design development and pre-tender documentation for all components of the Southern Area facility	31-Mar-12	\$1.0* million
ii	Commencement of construction works at Southern Area	31-Mar-12	\$0.35* million
iii	Completion of the Southern Area Radiation Oncology Bunker	15-Jun-12	\$3.654 million
iv	Commencement of construction of Oncology Upgrades	31-Dec-12	\$1.60025 million
v	Completion of installation of histological and DNA preparation equipment in the Histology Laboratory at the Menzies Research Institute Southern Area	31-Dec-12	\$1.1 million
vi	Completion of construction of Outpatient Cancer Centre including Patient Support Centre	1-Jul-13	\$0.4 million
vii	Commissioning of building and initiation of services	1-Sep-13	\$0.3 million

* Funds already provided under the previous version of this Implementation Plan

North Western Area - Burnie - \$5.836 million

	Performance milestone	Expected due date	Amount
i	Completion of preliminary design documentation for the Cancer Centre at the North West Regional Hospital (NWRH)	15-Jun-12	\$1.057 million
ii	Following the outcome of the assessment of the Tasmanian Government's supplementary application of 30 September 2010 further milestones will be agreed by way of variation to this Implementation Plan. These additional milestones will capture the outputs associated with both the 2009-10 Budget Measure and the HHF funds for the North Western Area.	2014-2015	Payments totalling \$4.779 million

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

Budget

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

Table 2: Overall project budget - \$47.67 million

Expenditure item	2010- 2011	2011- 2012	2012- 2013	2013- 2014	2014- 2015	Later Years	Total
(i) Commonwealth contribution (HHF)		9.98375	3.23625	0.700	4.779	-	18.699
(ii) Commonwealth contribution (2009-10 Budget Measure)		1.057					1.057
(iii) Tasmanian contribution	0.750	6.250	7.682	9.278			23.96
(iv) Tasmanian in-kind contribution	1.200		2.750				3.95
Total	1.95	17.29075	13.66825	9.978	4.779		47.67

19. This Implementation Plan also includes additional funds of \$1.057 million from the \$1.4 million 2009-10 Budget Measure *Health Infrastructure Projects in Tasmania*. The component comprising \$1.057 million is an additional Commonwealth contribution towards the Cancer Centre at the NWRH as described in the Health and Hospitals Fund Regional Cancer Centres application dated 14 May 2010.
20. Having regard to the estimated costs of the project specified in the overall project budget, Tasmania 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, Tasmania bears all risk should the costs of the project exceed the estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for Tasmania to deliver the project cost-effectively and efficiently.

Reporting Arrangements

21. Tasmania will provide a quarterly progress report to the Commonwealth due on 15 June 2012, and then 30 September, 31 December 31 March and 30 June, each year setting out progress against the relevant construction schedules / work plans for the project.
22. Each progress report will contain comprehensive information on the following:
- a description of actual performance of Tasmania in the period to date against the performance milestones and project budget and including the provision of evidence which verifies the achievement of the performance milestone;
 - details of any matter(s) that have arisen which could impact on the achievement of the Project Objective, and how Tasmania proposes to resolve this/these matter(s);
 - promotional activities undertaken in relation to, and media coverage of, the project during the reporting period; and
 - a description of the activities that will be undertaken to complete the remaining performance milestones and any expected promotional opportunities during the next reporting period.

23. Where Tasmania is required to report against a significant construction milestone as specified in Table 1, the performance report must include third party certifications which are provided to Tasmania.
24. Other evidence¹ that may be submitted to the Commonwealth to demonstrate that a milestone has been met includes:
 - dated photographs;
 - schematic designs;
 - tender advertisements;
 - letters to offer contracts;
 - letters of contractor acceptance;
 - certificates of practical completion and occupancy; and/or
 - contractor / project director's reports.
25. The final progress report is due within 60 Business Days of the completion of the project or termination of this Implementation Plan.
26. Any matters which will affect the submission of the final report must be raised by either party at least 30 days before it is due.
27. The final progress report will be a stand-alone document that can be used for public information dissemination purposes regarding the project and must:
 - describe the conduct, benefits and outcomes of the project as a whole;
 - evaluate the project, including assessing the extent to which the objective in this Implementation Plan has been achieved and explaining why any aspects were not achieved; and
 - include a summary of the outcomes relating to the matters raised as per paragraph 22.

¹ Evidence to demonstrate that the milestone has been achieved is not limited to the information provided at paragraph 24. This has been provided as guidance only. The Commonwealth, from time to time, may request additional information to ensure it is satisfied that the milestone has been met.