

# PROJECT AGREEMENT FOR THE COMMUNITY HEALTH AND HOSPITALS PROGRAM NEW SOUTH WALES EATING DISORDER INITIATIVE

An agreement between

- the Commonwealth of Australia; and
- the State of New South Wales.

# Project Agreement for the Community Health and Hospitals Program New South Wales Eating Disorder Initiative

## OVERVIEW

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.

### Purpose

2. This Agreement will support the delivery of the New South Wales Community Health and Hospitals Program Initiatives.

### Reporting Arrangements

3. New South Wales will report against the agreed milestones during the operation of this Agreement, as set out in Part 4 – Project Milestones, Reporting and Payments.

### Financial Arrangements

4. The Commonwealth will provide an estimated total financial contribution to New South Wales of \$13.0 million, exclusive of GST in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

## PART 1 – FORMALITIES

5. This Agreement constitutes the entire agreement for this project.

### Parties to this Agreement

6. This Agreement is between the Commonwealth of Australia (the Commonwealth) and New South Wales.

### Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and New South Wales sign it and will expire on 30 June 2024 or on completion of the project, 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(S)**

### **Output(s)**

8. The outputs of this Agreement will be:
  - (a) Establishment of a Residential Eating Disorders Treatment Centre.

## **PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY**

### **Role of the Commonwealth**

9. The Commonwealth will be responsible for:
  - (a) monitoring and assessing achievement against milestones in the delivery of the New South Wales Initiatives under the Community Health and Hospitals Program under this Agreement to ensure that outputs are delivered within the agreed timeframe;
  - (b) providing a consequent financial contribution to New South Wales to support the implementation of this Agreement;

### **Role of the New South Wales Government**

10. The New South Wales Government will be responsible for:
  - (a) all aspects of delivering on the project outputs set out in this Agreement;
  - (b) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;

### **Shared roles**

11. 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**

12. 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. The Commonwealth will make payments subject to the annual performance report demonstrating the relevant milestone has been met.

13. **Table 1: Performance requirements, reporting and payment summary**

Output	Performance milestones or benchmarks	Report due	Payment
Establishment an Eating Disorder Treatment Centre	On signing the Project Agreement	18 June 2019	\$6.5 m
	Provide a plan, acceptable to the Commonwealth, to deliver a residential eating disorders treatment centre in consultation with the Butterfly Foundation, the National Mental Health Commission, and other stakeholders.	1 November 2019	\$0
	NSW to finalise milestone once consultation and scoping has been undertaken. Milestones will be agreed with the Commonwealth.	1 February 2022	\$0.5 m
	NSW to finalise milestone once consultation and scoping has been undertaken. Milestones will be agreed with the Commonwealth.	1 February 2023	\$3.5 m
	NSW to finalise milestone once consultation and scoping has been undertaken. Milestones will be agreed with the Commonwealth.	1 February 2024	\$2.5 m

14. NSW will determine the location and Models of Care in consultation with Local Health Districts and key stakeholders. Consideration will include:
- (a) access to acute care and support
  - (b) ability to integrate treatment program with other services
  - (c) alignment with other capital programs.
15. If a milestone is met in advance of the due date, where the relevant performance report demonstrates that the milestone has been met, the Commonwealth may make the associated payment earlier than scheduled provided it falls within the same financial year as the original milestone date.

### Reporting arrangements

16. New South Wales will provide a signed Project Agreement in accordance with Table 1 during the operation of the Agreement.

## PART 5 – FINANCIAL ARRANGEMENTS

17. The Commonwealth will provide an estimated total financial contribution to New South Wales of \$13.0 million in respect of this Agreement. All payments are GST exclusive.

18. The Commonwealth's funding contribution will not be reduced where the States secure funding from other activity partners.
19. The Commonwealth's estimated financial contributions to the operation of this Agreement, including through National Partnership payments paid in accordance with *Schedule D— Payment Arrangements* of the IGA FFR, are shown in Table 2.

**Table 2: Estimated financial contributions**

(\$ million)	2018-19	2021-22	2022-23	2023-24	Total
<b>Estimated total budget</b>	<b>6.5</b>	<b>0.5</b>	<b>3.5</b>	<b>2.5</b>	<b>13</b>
Less estimated National Partnership Payments	6.5	0.5	3.5	2.5	13

20. Having regard to the agreed estimated costs of projects specified in this Agreement, New South Wales 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, New South Wales 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 New South Wales Government to deliver project costs effectively and efficiently.

## **PART 6 – GOVERNANCE ARRANGEMENTS**

### **Enforceability of the Agreement**

21. 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**

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

### **Delegations**

24. 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**

25. Either Party may give notice to the other Party of a dispute under this Agreement.
26. Officials of both Parties will attempt to resolve any dispute in the first instance.
27. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

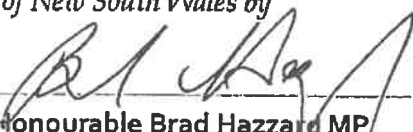
The Parties have confirmed their commitment to this agreement as follows:

*Signed for and on behalf of the Commonwealth  
of Australia by*

\_\_\_\_\_  
**The Honourable Greg Hunt MP**  
Minister for Health

Date \_\_\_\_\_

*Signed for and on behalf of the  
State of New South Wales by*

  
\_\_\_\_\_  
**The Honourable Brad Hazzard MP**  
Minister for Health

Date 19 June 2019

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

*Signed for and on behalf of the Commonwealth  
of Australia by*

A handwritten signature in blue ink, appearing to read "Greg Hunt", written over a horizontal line.

**The Honourable Greg Hunt MP**  
Minister for Health

Date \_\_\_\_\_