



**Australian Government**  
**Department of Health and Ageing**

**SECRETARY**

Dr Peter Flett  
Director General  
WA Department of Health  
PO Box 8172  
Perth Business Centre  
PERTH WA 6849

Dear Dr Flett 

**HEALTH AND HOSPITALS FUND**

I refer to our letter of 6 July 2009 offering funding for construction of the new State Rehabilitation Unit at Fiona Stanley Hospital through the Health and Hospitals Fund (HHF).

The project is to construct the State Rehabilitation Unit at Fiona Stanley Hospital, which will be an integral part of the new Fiona Stanley Hospital campus to be built in Murdoch.

It would appear that we have reached in-principle agreement in relation to this project and it is intended that the implementation arrangements will be finalised through a National Partnership Agreement on Health Infrastructure Implementation Plan under the new federal financial relations arrangements. However, while the development of the National Partnership Agreement on Health Infrastructure is being progressed, it will not be finalised in the immediate future.

I note the recent discussions between this Department and the WA Department of Health in which it was advised that the WA Department of Health wished to formalise the funding arrangements so that work on this project may be progressed, with a view to having the Rehabilitation Unit come online at the same time as the Fiona Stanley Hospital.

On the basis that formalisation of the funding arrangements is necessary to enable WA Health to enter into arrangements with the Fiona Stanley Hospital developers and for essential design work to commence, the Commonwealth is prepared to offer an initial contribution of \$5.6 million (GST exclusive) to the State of Western Australia to progress the new State Rehabilitation Unit at Fiona Stanley Hospital.

Upon acceptance of this offer, the Commonwealth will develop with the State of Western Australia an Implementation Plan within the new streamlined federal financial relations arrangements to provide a further \$250.1 million (GST exclusive) over six years from 2009-10 to 2014-15 towards the new State Rehabilitation Unit at Fiona Stanley Hospital.

Payment of this additional amount will be subject to the signing of documentation under the new arrangements acceptable to the Commonwealth and the State of Western Australia.

Should this documentation not be signed by the State of Western Australia and the Commonwealth within two months of the finalisation of the National Partnership Agreement on Health Infrastructure, the State agrees that on request it will repay the \$5.6 million to the Commonwealth within thirty (30) calendar days of such request.

If the State of Western Australia is willing to accept this arrangement, please indicate this by signing a copy of this letter where indicated and returning a signed copy by Express Post to:


Director  
Health & Hospitals Fund  
Department of Health & Ageing  
MDP 51  
GPO Box 9848  
CANBERRA ACT 2601

enclosing a correctly rendered invoice that:

- is presented as an invoice;
- identifies the Health & Hospitals Fund;
- is made out to the Department of Health and Ageing; and
- contains the amount of \$5.6 million (GST exclusive).

If you have any queries on this matter please contact Ms Karen Hall, A/g Director, Health & Hospitals Fund Section on (02) 6289 8320, or e-mail Karen.A.Hall@health.gov.au.

Yours sincerely

  
Jane Halton PSM  
Secretary

November 2009

SIGNED for and on behalf of the STATE OF WESTERN AUSTRALIA as represented by WA Department of Health ABN: 28 684 750 332 by:

.....  
Dr Peter Flett  
Printed Name

  
.....  
Signature

The signatory warrants that he/she has authority to bind the WA Department of Health

.....  
13/11/09  
Date

.....  
Director General  
Position