

## Implementation Plan

# Victorian Comprehensive Cancer Centre

### **National Partnership Agreement on Health Infrastructure**

This Implementation Plan between the Commonwealth of Australia and the State of Victoria is for the construction and operation of the Victorian Comprehensive Cancer Centre (CCC) project in Parkville, Victoria.

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.

### **TERMS OF THIS IMPLEMENTATION PLAN**

1. 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 Victoria, represented by the Minister for Health.
2. 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.
3. This Implementation Plan may be varied by written agreement between the Ministers.
4. 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 Victoria is limited to payments associated with milestones achieved by Victoria up to the date of effect of termination of this Implementation Plan.
5. 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.
6. The project specifics 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 re-assessment 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.

## PROJECT OBJECTIVES

7. The objective of the Health and Hospitals Fund (HHF), while not replacing State and Territory effort, is to invest in major health infrastructure programs that will make significant progress towards achieving the Commonwealth's health reform targets. The HHF will be used for strategic investments in the health system that will underpin major improvements in efficiency, access or outcomes of health care.
8. The Victorian CCC will be a new, world-class integrated cancer treatment and research facility that will become a national resource for research, diagnosis, treatment and wellness for people with cancer in Australia.
9. The vision for the Victorian CCC is to save lives through the integration of cancer research, treatment and patient care. Through innovation and collaboration the Victorian CCC will drive the next generation of improvements in the prevention, detection and treatment of cancer.
10. The Victorian CCC will bring together Australia's best cancer research and treatment institutions: the Peter MacCallum Cancer Centre, the Ludwig Institute for Cancer Research, Melbourne Health, the University of Melbourne, the Walter and Eliza Hall Institute of Medical Research and the Royal Women's Hospital.

## PROJECT OUTCOMES

11. The Victorian CCC will provide a unique environment for the sharing of ideas and knowledge, which will in turn translate into improved patient outcomes through the application of advanced diagnostics, innovative therapies and individualised care. This, in turn, will support integrated delivery of cancer research, education and patient care, to save lives and ensure that Australians have access to the best possible cancer care.

## PROJECT OUTPUTS

12. The Victorian CCC will function as a national resource to improve cancer control for all Australians, and will include the following features:
  - (a) provide, through state-of-the-art facilities, multidisciplinary clinical care encompassing diagnostic services, surgery, radiotherapy, chemotherapy, wellness services including a centre for survivorship and support services (including post-treatment support);
  - (b) successful innovative and comprehensive peer-reviewed research at a basic, clinical and population level, with rapid translation directed to enhance clinical academic practice and routine cancer care;
  - (c) demonstrated full range of multi-disciplinary clinical services with training, education and mentoring support of cancer health professionals and research staff across a broad range of cancer services;
  - (d) collaborative linkages with other cancer services including Regional Cancer Centres with agreed role delineation, referral and care protocols, outreach education and support, and collaborative clinical research;

(e) a high level of cancer subspecialisation including multi-disciplinary best practice management of newly emerging techniques and practices applied to complex, uncommon and selected cancers; and

(f) effective governance structures with strong institutional and funding support, accompanied by sufficient capacity to achieve significant and sustainable improved health outcomes in cancer care.

## PROJECT SPECIFICS

13. The Victorian CCC will be located in Parkville, Victoria, in new facilities on the former Dental Hospital site, plus some new facilities to be constructed on top of the 1B building on the south-east corner of the Royal Melbourne Hospital city campus site, linked with bridges across Grattan Street. The new facilities will provide over 90,000 square metres of purpose-built facilities including integrated research and training facilities and a dedicated cancer clinical trials unit.
14. The designated use of the facilities is an integrated cancer treatment and research facility that will become a national resource for research, diagnosis, treatment and patient care (refer to the outputs at paragraph 12). Under the National Partnership Agreement for Health Infrastructure, and in agreeing to this Implementation Plan, Victoria agrees to use the facilities as per the designated use for at least 20 years following the completion of construction.
15. The Victorian CCC, as described in the Health and Hospitals Fund project application dated 16 January 2009, will include the following features:
  - 160 multi-day beds
  - 40 bed Critical Care Unit (providing 32 ICU and 8 HDU beds)
  - 110 same day beds
  - 24 bed Clinical Trial Unit
  - 8 Medihotel suites
  - 8 Operating theatres
  - 2 Endoscopy/Procedure rooms
  - 6 Radiation Therapy bunkers (five fitted with Linear Accelerators, and one capable of future installation of a Cyber Knife or similar)
  - 69,538m<sup>2</sup> Gross Departmental Area including 23,904m<sup>2</sup> for research & 1,092m<sup>2</sup> for education.
16. The required date of practical completion is February 2016.
17. The funding period is from 26 June 2009 until February 2016.

## ROLES AND RESPONSIBILITIES

### Role of the Commonwealth

18. The Commonwealth is responsible for:
- (a) reviewing Victoria's performance against the project milestones specified in this Implementation Plan and providing consequential financial contribution to Victoria for that performance;
  - (b) In accordance with the *Building and Construction Industry Improvement Act 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) 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 the State

19. Victoria will be responsible for
- (a) fully funding the project, after accounting for financial contributions from the Commonwealth and any third party;
    - i) Victoria's contribution of \$426.1 million must consist of all funds and resources required, in addition to the Commonwealth's contribution and third-party contributions, to ensure the proper completion of the project on or before the date of practical completion.
  - (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) 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) 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.

20. Victoria will also be responsible for the management and ongoing funding of the Victorian CCC once construction is complete.

## BUDGET

21. The Commonwealth agrees to provide a total amount of \$426.1 million (GST exclusive) to Victoria as per the profile below:

2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
\$9.2m	\$0.0m	\$98.9m	\$67.0m	\$67.0m	\$67.0m	\$67.0m	\$50.0m

22. Having regard to the estimated costs of projects specified in the overall project budget, 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 estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for Victoria to deliver projects cost-effectively and efficiently.
23. Contributions totalling \$218.95 million will be provided from co-investors.
24. The total funding required for the project is \$1,071.15 million.

## MILESTONES AND REPORTING

### Milestones

25. The Commonwealth will make payments to Victoria in accordance with Victoria attaining the following milestones.

	Milestones	Expected Due date	Funding
1	Exchange of letters	24 June 2009	\$9.20m
2	Release of the project brief detailing project requirements consistent with the project application as submitted to the Commonwealth dated 16 January 2009.	July 2010	\$48.9m
3	Receipt of tenders in response to the Request for Proposal documentation (including the Project Brief) and provision of a progress report to the Commonwealth.	Dec 2010	\$50.0m
4	Agreement to the Implementation Plan	August 2011	n/a
5	Provision of, and acceptance by the Commonwealth, of a construction schedule identifying construction milestones for 6 monthly progress payments	August 2011	\$33.5m
6	Attainment of construction milestone number 1 as set out in the construction schedule and evidenced in a progress report	February 2012	\$33.5m
7	Attainment of construction milestone number 2 as set out in the construction schedule and evidenced in a progress report	August 2012	\$33.5m

	Milestones	Expected Due date	Funding
8	Attainment of construction milestone number 3 as set out in the construction schedule and evidenced in a progress report	February 2013	\$33.5m
9	Attainment of construction milestone number 4 as set out in the construction schedule and evidenced in a progress report	August 2013	\$33.5m
10	Attainment of construction milestone number 5 as set out in the construction schedule and evidenced in a progress report	February 2014	\$33.5m
11	Attainment of construction milestone number 6 as set out in the construction schedule and evidenced in a progress report	August 2014	\$33.5m
12	Attainment of construction milestone number 7 as set out in the construction schedule and evidenced in a progress report	February 2015	\$33.5m
13	Construction complete and provision of, and acceptance by, the Commonwealth of a final report.	February 2016	\$50.0m

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

## Reporting

27. Victoria will provide the Commonwealth with the following documents by the date specified at paragraph 25:
- (a) a project brief, which establishes the scope and requirements for the facilities consistent with the Health and Hospitals Fund project application dated 16 January 2009;
  - (b) a copy of the contracts including the agreed design concept consistent with the Health and Hospitals Fund project application dated 16 January 2009; and
  - (c) a construction schedule clearly outlining construction milestones for six monthly progress payments.
28. Victoria will provide the Commonwealth with quarterly reports that detail the scope, schedule, risk, and cost of the project and compliance with relevant Commonwealth, State and local laws and regulations, with reference to the project outputs, milestones and Project Plan, due by the 10th business day in February, May, August and November each year.
- (a) These reports are required to be submitted via the Commonwealth Department of Health and Ageing's Health and Hospitals Fund Capital Projects Reporting Online system.
29. All quarterly reports must be certified by the chair of the governing body as being a true and accurate representation of the progress of the project for the relevant reporting period.
30. Victoria will also prepare a final Project Report within 90 days on the completion of the project agreed under the Implementation Plan. The final Project Report will be a

stand-alone document that can be used for public information dissemination purposes. The final Project Report will:

- (a) describe the conduct, benefits and outcomes of the Project;
- (b) evaluate the Project from the responsible Party's perspective, including assessing the extent to which the project milestones in this Agreement and the Project Plan have been achieved and why any aspect was not achieved; and
- (c) include a discussion of any other matters relating to the project, limited to the minimum necessary for the effective assessment of performance, which the Commonwealth notifies Victoria should be included in the final project report at least 60 days before it is due.