Amendments to the Service Agreement

An amendment of the Agreement will occur where there is a change to the Chief Executive’s commissioning intentions. An amendment for the purposes of the Agreement is a change to funding, to deliverables or to other requirements contained within the Agreement.

The Agreement may also be varied by the Chief Executive or the Minister for Health and Wellbeing in exercise of their general powers under the Health Care Act 2008, including determination of the role, functions and activities of the Local Health Network (LHN).

Whilst a Party may submit an amendment proposal at any time, formal negotiation and finalisation will only occur during set periods of time during the year (Amendment Windows).

Subject to the terms of the Agreement, any requests for amendment made outside these specific periods are not amendment proposals for the purposes of the Agreement and need not be considered by the other Party.

<table>
<thead>
<tr>
<th>Amendment Window</th>
<th>Amendments to Agreement value and commissioned activity</th>
<th>Other Amendments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amendment Window 1</td>
<td>30 September 2019</td>
<td></td>
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<tr>
<td>Amendment Window 2</td>
<td>31 January 2020</td>
<td>31 December 2019</td>
</tr>
<tr>
<td>Amendment Window 3</td>
<td>31 March 2020</td>
<td></td>
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</tbody>
</table>

Amendment Proposal

Should either Party wish to amend the terms of the Agreement, the Party requesting the amendment must provide 14 days written notice of the proposed amendment to the other Party. The responding Party should endeavour to respond in a timely manner.

A Party giving an amendment proposal must provide the other Party with the following information:

a) The reasons for the proposed amendment.

b) The precise drafting for the proposed amendment.

c) Any information and documents relevant to the proposed amendment.

d) Details and explanation of any financial, activity or service delivery impact of the amendment.

If the Chief Executive at any time:

a) Considers that an amendment agreed with the LHN may or will have associated impacts on other LHNs.

b) Considers it appropriate for any other reasons.
Then the Chief Executive may:

- a) Propose further amendments to the LHNs affected.
- b) Address the amendment and/or associated impacts of the amendment in other ways, including through the exercise of any statutory powers and/or statutory directions under the Health Care Act 2008.

Amendment proposals that are resolved will be formally documented to the Agreement and executed by the Chief Executive.

**Adjustments**

Adjustments are changes to the funding levels and targets that do not alter the Chief Executive’s commissioning intentions. Amendment Windows are intended to provide a formal mechanism to transact funding or activity variations in response to emerging priorities.

The Agreement Value may be adjusted outside of an Amendment Window to allow for funding variances that:

- Occur on a periodic basis.
- Are referenced in the Agreement.
- Are based on a clearly articulated formula.

**End of Year Financial Adjustments**

End of year financial adjustments may be determined after the financial year and outside of the Amendment Window process. The scope will be defined by the Department for Health and Wellbeing (DHW).

The DHW will provide the LHN with a reconciliation of all funding and commissioned activity for the prior financial year. This will reflect the agreed position between the Parties following conclusion of the end of year financial adjustments process.

The impact of end of year financial adjustments on subsequent year funding and activity will be incorporated into the Agreement for the following year.

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For more information

**Commissioning and Performance**

Telephone: 8226 6628  