2025 (No. 25)

PARLIAMENT OF TASMANIA

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

Kings Meadows Community Health Centre

Presented to Her Excellency the Governor pursuant to the provisions of the Public Works Committee Act 1914.

MEMBERS OF THE COMMITTEE

Legislative Council	House of Assembly
Mr *Harriss (Deputy Chair)*	Ms *Butler (Chair)*
Ms *Rattray*	Ms *Burnet*
	Mr *Shelton*

TABLE OF CONTENTS

1 INTRODUCTION

To Her Excellency the Honourable Barbara Baker AC, Governor in and over the State of Tasmania and its Dependencies in the Commonwealth of Australia.

MAY IT PLEASE YOUR EXCELLENCY

The Committee has investigated the following proposal:-

Kings Meadows Community Health Centre

and now has the honour to present the Report to Your Excellency in accordance with the Public Works Committee Act 1914 (the Act).

2 BACKGROUND

2.1 This reference recommended the Committee approve works to demolish the Joan Marshall building, located on the site of the Kings Meadows Community Health Centre, and construct a purpose-built 18 bay renal dialysis unit on the site to provide an increase in renal dialysis services.

2.2 The Kings Meadows Community Health Centre site consists of two buildings, the Joan Marshall building which is the smaller building and the Community Health building. Services delivered from this site include renal dialysis (the Launceston Satellite Renal Unit), social work, maternal health and child health and parenting services, home therapies, physiotherapy, podiatry and dental services.

2.3 Funding of $10 Million was secured from the Australian Government in 2021 under the Community Health and Hospitals Program for Tasmania to redevelop and extend the existing Kings Meadows Community Health Centre.

2.4 The Tasmanian Government has determined that a staged replacement of the Kings Meadows Community Health Centre will occur, to transform it into a new, fit-for-purpose health facility to meet the future needs of the community. The new renal clinic is being prioritised, for two main reasons:

- To meet a projected increase in demand for renal dialysis services in Northern Tasmania; and
- The current service is being delivered in a building that is not fit-for-purpose, with several structural problems.

2.5 Demand for renal dialysis services is expected to grow due to an increasingly ageing population, living with complex, long-term comorbid health conditions. This is exacerbated by a lack of subacute, primary, community and home-based services.

2.6 Renal services are currently delivered from the Community Health building. This building was not designed with the purpose of providing renal services. However, renal services have been delivered from the building for the past fifteen years since it was retrofitted for renal treatment.

2.7 The existing building is inadequate in terms of storage, safety, natural light, and thermal comfort. It does not provide a supportive health environment and the building has several structural issues. Renal services also share the building with allied health and oral health services, limiting the capacity of the service to expand to meet increasing demand.

2.9 The construction of the new renal unit is planned to be undertaken in two stages, the first stage of which is the subject of this reference. The first stage includes the following proposed works:

- Demolition of the Joan Marshall building;
- Construction of a purpose-built 18-bay renal dialysis unit on the site of the former Joan Marshall building;
- Civil works to the surrounding car park including safer pedestrian access and wayfinding, additional car spaces and soft landscaping to embed the building into its urban setting; and
- Provision of additional footings at ground level to facilitate future expansion of the new Renal Unit (the second stage), allowing for the provision of six additional treatment bays in the future (for a total of 24 treatment spaces) should demand increase.

3 PROJECT COSTS

3.1 Pursuant to the Message from Her Excellency the Governor-in-Council, the estimated cost of the work is $10 million.

The following table (provided by the Department of Health in response to the matters taken on notice at the public hearing on 12 May 2025, and confirmed with their Quantity Surveyor on 17 June 2025) details the current cost estimates for the project, and is an update to the cost estimate provided in the Department's submission:

Estimated trade cost (Construction, includes demolition of the Joan Marshall building)	$5,904,000
Lead Contractor Preliminaries	$1,066,000
Estimated Construction Cost	**$6,970,000**
Construction contingency, variations	$384,460
Fittings, Fixtures & Equipment (FFE) and ICT/AV	$415,652
Consultant fees	$550,000
Statutory fees & charges	$125,000
Internal costs – Superintendent, Project Manager, and TasNetworks/NBN contributions	$980,200
Stakeholder engagement (includes construction phase)	$56,200
Art purchase	$60,000
Post Occupancy Allowance	$100,000
*Principal-arranged Insurance (Works and Construction Liability)	$108,488
Relocation & Decanting – (Demountable for renal nurse and social worker, & Leased facility for Midwifery)	$250,000
Total Outturn Cost Estimate	**$10,000,000**

Note FFE: Since the PSC hearing on 12 May 2025 the following has been confirmed with the NUM, who returned from leave regarding the numbers of Chairs and Dialysis Machines: The existing 16 chairs will be relocated into the new unit, the 2 additional chairs that are currently in storage will also be relocated into the new unit to provide a total of 18 chairs, one chair for each treatment bay. There are 15 existing dialysis machines that will be relocated into the new unit; the 3 additional machines required are currently in storage and will also be relocated into the new unit. This will provide a total of 18 machines for the new unit.

Note Pricing: Since the PSC hearing on 12 May 2025, the Quantity Surveyors (QS) updated Overall Project Estimate and Tender Estimate reports have been submitted. The tender submissions will be benchmarked against the QS Tender Estimate report.

Note Pricing: The QS reports state that Market Condition Loading is excluded. Current market conditions in Tasmania are in a stable and competitive state. Based on this, loading for market conditions is excluded in the reports. If a competitive tender is not achieved, this may see an increase of 10% to 15% on the estimated construction cost.

Note: Since the PSC hearing on 12 May 2025, the Principal-arranged Insurance has been confirmed with JLT Insurance Brokers and reflects the actual known cost of the insurance policy.

Note: Since the PRC hearing on 12 May 2025, a variation has been accepted for Stakeholder Engagement management in the Construction Phase, which was not previously included.[1]

[1] DoH Response to Matters on Notice from 12 May 2025-Attachment 1

4 EVIDENCE

4.1 The Committee commenced its inquiry on Monday, 12 May last with an inspection of the site of the proposed works. The Committee then convened in the meeting room at the Joan Marhsall building, whereupon the following witnesses appeared, made the Statutory Declaration and were examined by the Committee in public:-

Witnesses for the Department:-

- Fiona Lieutier, Chief Executive Hospitals North, Department of Health;
- Jon Hughson, A/Director, Programming and Delivery, Infrastructure Services, Department of Health;
- Rebecca Ramage, Project Manager, Programming and Delivery, Infrastructure Services, Department of Health;
- Julie Seeber, Nursing Director - Sub Acute and Ambulatory Care Services, Hospitals North, Department of Health;
- Rose Mace, Nurse Unit Manager, Renal Services, Hospitals North, Department of Health; and
- Cameron Burbidge, Architect, ARTAS Architecture.

Public Witnesses:-

- Carolyn Gutteridge

The following Committee Members were present:

- Hon Tania Rattray MLC (Chair);
- Ms Jen Bulter MP (Deputy Chair);
- Hon Dean Harriss MLC;
- Ms Helen Burnet MP; and
- Mr Simon Wood MP.

Need for the Works

4.2 In its submission, the Department of Health indicated the need for the works stemmed from an anticipated increase in demand, the condition of the Community Health building and the clinical deficiencies arising from the layout of the current clinic.

4.3 The Department of Renal Services at the Launceston General Hospital provides renal services to the North and Northwest of the State. It provides ambulatory dialysis services from the following centres:

- LGH In-Centre Unit, which has six haemodialysis chairs providing haemodialysis and acute renal treatments for inpatients, private hospital inpatients and acute outpatients;

- Launceston Satellite Renal Unit at the Kings Meadows Community Health Centre, with 15 haemodialysis chairs providing a satellite haemodialysis service for stable outpatients; and
- Northwest Satellite Renal Unit in Burnie, with 15 haemodialysis chairs providing a satellite haemodialysis service for stable outpatients.

4.4 The Department's submission notes when the Launceston Satellite Renal Unit was established in 2010 it was designed to provide a different level of care than what is necessary for the current renal patient cohort:

> *"The current building was designed with the premise that the patients undergoing dialysis there would be self-caring to a point i.e. be able to set up their own machine or prepare for haemodialysis to some degree.*
>
> *The patients are now older, have less mobility and begin haemodialysis with complex co-morbidities which reduces their capacity to set up a haemodialysis machine or be self-caring".*[2]

4.5 The Department's submission also highlighted demographic changes within the population which are expected to increase future demand:

> *"The Tasmanian Government projects very small overall increases in population over the next 20 years in Northern Tasmania, but substantial shifts in the age mix to much higher proportions of residents aged over 65 years. This demographic change will have the largest overall impact upon future service demand, with demand for services for more people with complex, long-term conditions expected to rise.*
>
> *The median age for Launceston and the Northeast at the 2016 census was 43 years, compared with 44 years, in the South and 40 years, in the Northwest respectively. Whilst the overall population growth in the primary and secondary catchments of the LGH is low, these people will be 65+ years old in the next 20 years which will impact on future demand for health services.*
>
> *…*
>
> *There is a projected increase in the number of patients requiring renal replacement therapy including dialysis and renal care in the Launceston region. This is primarily due to an ageing population with an increase in the number of comorbidities and health complexities each patient presents with. The Launceston Satellite Unit at the Kings Meadows Community Health Centre currently has 16 treatment bays for haemodialysis treatment with a capacity to treat 32 patients per day five days a week."*[3]

4.6 Noting the difficulty in determining future demand for dialysis services, and the lack of specific data for the Launceston area, the Department provided the following additional information:

- *The Department of Health's Renal Dialysis data is recorded in the Australia and New Zealand Dialysis and Transplant Registry (ANZDATA). Data collected in this registry reports all cases of Renal Dialysis for the North / North West of the State against the Launceston General Hospital; there is no specific data available for the Launceston area at present.*
- *When considering mortality, transplant data, and incidents of new dialysis cases, the most recent 3-year rolling average indicates approximately 5 new dialysis patients are added to the number of patients treated in the North / North West region per year. This*

[2] *Kings Meadows Community Health Centre*, Submission Parliamentary Standing Committee on Public Works, 17/04/2025, pages 12-13.
[3] Ibid, page 13

Dialysis could be performed at any of the facilities across the North and North West and includes patients on Home Dialysis.[4]

4.7 The Department's submission also provided detail on the number of treatments that can be provided per week compared to the expected capacity in the new facility:

The table below details existing service capacity on site at the Community Health unit, the increased capacity once the new unit is built, and potential capacity to meet the expected increase in future demand.

Existing	*16 treatment bays*	*32 treatments per day, 6 days a week = 192 treatments per week*
New (new renal unit)	*18 treatment bays*	*36 treatments per day, 6 days a week = 216 treatments per week*
Future addition to the renal unit	*6 treatment bays (additional, subject to additional funding)*	*48 treatments per day, 6 days a week = 288 treatments per week*

[5]

4.8 The Department of Health wrote to the Committee after the public hearing of 12 May 2025 to clarify the number of haemodialysis bays and treatment chairs at the Launceston Satellite Renal Unit, and therefore the number of treatments that can be provided now and could be provided in the new facility:

A clarification on information provided on pages 7 and 9 of the PSCPW Report tabled 12 May 2025, is offered. It is indicated in the report that the existing renal unit has 16 treatment bays. This is clarified as follows:

-The existing service is plumbed for 16 treatment bays, but only 15 treatment chairs are in use, as the service is staffed for 15 treatment chairs, equating to 180 treatments per week.

-As discussed during the hearing on Monday, 12 May 2025, the 16th treatment bay is used by exception, for example, when maintenance is occurring on another treatment bay.[6]

Based on this clarification, the number of additional treatments that could be provided per week in the new facility with the increase from 15 to 18 treatment chairs is 36. This equates to the additional capacity to provide treatment for 12 additional patients per week (each patient has three treatments per week). The six treatment chairs proposed for stage two would further increase capacity to treat an additional 24 patients.

4.8 The Committee questioned the Department's witnesses on current and future demand for dialysis services:

***Ms BUTLER** - … What is the projected demand for renal dialysis units for the area, or to service Launceston and greater surrounds?*

…

[4] DoH Response to Matters on Notice from 12 May 2025, page 1

[5] *Kings Meadows Community Health Centre*, Submission Parliamentary Standing Committee on Public Works, 17/04/2025, page 9.

[6] DoH Response to Matters on Notice from 12 May 2025, page 2

Ms SEEBER *- The current data that we have is the current build would support our current patient list. We've taken a little bit of pressure off the LGH. We certainly don't claim that this is going to be a complete futuristic goal to meeting our demand because, unfortunately, chronic disease is constantly continuing.*

4.9 In her submission, Ms Carolyn Gutteridge expressed a view that the 24 treatment spaces were required now:

> *"The proposed number of dialysis chairs does not take the centre into the future with just 18 beds proposed when it is well known that 24 chairs are required now and not as part of a proposed Stage 2 with no details of Stage 2 being provided."*[7]

4.10 Ms Gutteridge provided further comment on this at the hearing:

> ***Ms GUTTERIDGE*** *- … He advised that the new facility would have 18 dialysis chairs, an increase of just three … when it is a known fact that 24 chairs are required now to meet the current budget. While home dialysis is a cheaper and, for some, a preferred option, there are many that will need in-centre dialysis and, without adequate chairs, it becomes a case of living or dying. Does a person who's ready for haemodialysis really have to wait for another person to die before they can access treatment now?*

4.11 A building condition report on the Community Health building has identified a range of structural issues, including:

- *Water ingress and sub-floor undermining, with evidence of rising damp;*
- *Visible cracking throughout the building indicating movement;*
- *Windows and window furnishings at the end of their useful asset lifecycle;*
- *Capacity and function no longer fit for purpose;*
- *No fresh air capacity;*
- *Non-compliance with Australasian Health Facility Guidelines;*
- *Non-compliance with the Disability Discrimination Act;*
- *Non-compliance with car parking allocation and accessibility;*
- *Non-compliance with Local Government Association of Tasmania Standard Drawings for two-way traffic flow.*[8]

4.12 The Committee questioned the Department's witnesses about the structural issues with the building, and any clinical issues with the operation of the current renal clinic:

> ***Ms BURNET*** *- Could you just describe for the committee the age and, maybe from a clinical perspective, the challenges that this centre, Kings Meadow Centre, has delivering renal outpatient services?*
>
> ***Ms RAMAGE*** *- … It's an ageing building. It's got many problems with it, where it's located, with drainage, rising damp and things like that. It's certainly not to best-practice standards for a renal facility, which is probably what you saw when you went for a walk through there this morning. It's just not keeping up with demand or standards.*
>
> ***Ms BURNET –*** *And from a clinical perspective?*
>
> ***Ms SEEBER*** *- It's worth noting that we actually have Kings Meadows as a risk on our risk register as well, due to the lack of visibility of our clients when they're sitting in the chairs and*

[7] Submission from Carolyn Gutteridge, page 1.

[8] *Kings Meadows Community Health Centre*, Submission Parliamentary Standing Committee on Public Works, 17/04/2025, page 6.

nurses needing to be constantly walking around. They've got some things put in place to counteract it, but from a clinical perspective, that's not something we'd like to see, whereas the new design is all about the open plan and the visual across all aspects.

Benefits of the Project

4.13 The Department's submission explained the expected benefits of the project:

The expected outcome of the project is a purpose-built 18-bay renal dialysis unit, for improved patient care, and increased capacity and efficiency within the healthcare system, namely:

- *Increased capacity to provide 18 treatment bays which equates to 36 treatments per day, six days per week.*
- *Provision for future building expansion by using building footings that would facilitate an additional 6 treatment bays*
- *Shorter waiting times for treatment which will improve patient experience and health outcomes*
- *Consistent access to dialysis within proximity of patients*
- *Improved physical and mental well-being for patients and staff in a new purpose-designed and built renal unit*
- *A specialised facility that will improve the quality and efficiency of dialysis treatments*
- *Integration of healthcare services in the Northern Tasmanian region*
- *A Community Health centre that can support the evolving health needs of the community*
- *Contribution to the social health model, providing strong community connections through health service and support for people with complex comorbidity illnesses,*
- *Agility to meet the projected needs of an ageing Tasmanian population (i.e., more ambulatory care to minimise demand on emergency and acute inpatient services).*

Moreover, the new 18-bay renal dialysis unit will improve access to care, enhance patient outcomes, strengthen the local community, and demonstrate a commitment to healthcare infrastructure investment in public health.

The community will benefit from:

- *proximity to care, thereby alleviating logistical challenges of accessing treatment*
- *service continuity and reassurance, strengthening the sense of community that the centre fosters*
- *provision of equitable access to essential healthcare, addressing disparity in medical services*
- *enhanced quality of life with improved physical and mental well-being for greater participation in family and community life*
- *a welcoming and supportive environment for patients and family/carers*

The State will benefit from:

- *increased capacity within the new renal unit to service more patients and alleviate pressure on emergency and acute inpatient services*
- *increased visitation to local businesses and demand for transportation, thereby boosting the local economy*
- *mitigation of complications through consistent dialysis treatments, which will reduce the financial burden on patients and the healthcare system*

- *improved community health and higher productivity"*[9]

4.14 The Committee understood one of the benefits for patients would be improvements in patient amenity. The Committee questioned the Department's witnesses on how the proposed design would lead to a more pleasant and comfortable environment for dialysis patients:

> ***Mr BURBIDGE*** *- …On the eastern side, between the community health centre and the golf course, that's where the majority of the car parking is going to be, so there's going to be a lot less garden through there. Then we are planting more garden around the perimeter of the site, where we can, to increase the nice views out so you're not just looking into neighbours ….*
>
> ***Mr WOOD*** *- Just on that, on the site visit earlier today, there's plenty of light in that area but not a lot of windows. Obviously if you're a client using the chair for five hours or so, and you're looking at a brick wall - and I know there are TVs - but it sounds to me like there's going to be better vision out into the gardens and landscaping. It is going to be a very positive thing, I would think, for clients.*
>
> ***Mr BURBIDGE*** *- Yes, so every renal bay that's on a perimeter wall has a window, where applicable. There's two on the other perimeter wall that don't, but all the other ones that don't have a window have a skylight above them. The consumers have a choice of a window or skylight to look out to and get some views out past and through the building.*
>
> *…*
>
> ***Mr WOOD*** *- …The individual renal bays, there's going to be quite a lift in amenity there for the clients, in terms of they have control of their own lighting and that sort of thing? Is that the case?*
>
> ***Mr BURBIDGE*** *- Yes, they'll be able to dim their lights above their bays, USB chargers for devices, TV hanging from the ceiling, and again, looking out the windows or the skylights.*

Impact of Project Funding on the Scope of the Works

4.15 The Committee was made aware the proposed works were the first stage of the new renal clinic, with 18 treatment spaces being provided, with the second stage involving the provision for six additional treatment spaces. The Committee also understood that the first stage works would include the provision of additional footings to facilitate this potential future expansion.

4.16 The Committee questioned the Department's witnesses on the proposed scope of the first stage works:

> ***CHAIR*** *- And my second question is about the provision for additional footings at ground level to facilitate future expansion of the new renal unit. It tells us that there'll be a space for six more treatment bays and, given that we had a look at the plans prior to the lunch break, I'm just interested to understand why that facility does not just have the roof cover because it's having the footings, and just not have it fitted out. I would expect that if your initial build is where your first cost is, so why wouldn't you put it all under the one roof and then fit it out at a later time?*
>
> ***Mr HUGHSON*** *- …We've been through a fairly exhaustive process to get to where we are with a number of redesigns that actually fit within the funding that's been provided from the*

[9] Ibid, page 11.

Australian government. We believe we've reached a good point to provide a building that facilitates that future expansion but, unfortunately, within the budget that we've been provided, we're doing the best with what we've got.

***CHAIR** - Right. My follow-up question would be, that given that the $10 million budget is from the Australian government, has there been any number crunching on how much the state government might like - or could put forward to facilitate those additional six beds?*

***Mr HUGHSON** - I'm not aware of those discussions occurring.*

4.17 The Committee asked the witnesses if consideration had been given to space for the additional six treatment spaces in the project scope:

***CHAIR** - As the architect for this project, has there been any discussion, given that this is a few iterations down the track for what's been proposed, in regard to actually putting those extra six additional treatment bays undercover, straight up, and then just not fitting them out?*

***Mr BURBIDGE** - No, there hasn't, but again, that comes back to Jon's point about the funding. I'm not sure what the figures would, be but there'd be a fair bit of money in just building the shell. There's a lot of concrete and stuff in it to get that to work. It would certainly be easier down the track to add onto if the shell was already there, but yeah, we're trying to work within the budget we've been given.*

4.18 The Committee questioned the Department's witnesses further on the additional footings:

***Mr HARRISS** - Just on that with the footings, it notes there, as the Chair said, that the footings are at ground level, I suppose is that standard? That seems unusual to me, that you'd put in footings for additional one and, on top of that, what are the compliance issues with putting footings in now that may not get used for five years? Is there any compliance issue that they will become non-compliant and be required to be redone when you come to build it?*

***Mr BURBIDGE** - They would be put in the ground at the moment and they're covered over so, basically, you're not going to see them and they're not going to be a hazard to anyone walking around that area. It's hard to tell if they'd ever become non-compliant because we don't know what the building code is going to do in the future, but we would do everything we can to futureproof for that. The main reason we're putting them in now is to prevent us having to come back later and redo the car park.*

You're going to need some sort of heavy machinery to do the footings, and we don't want to drive an excavator down there when the car park has been redone and ruin all that, and then have to redo that. We're trying to say, while we've got the excavator here doing the footings for everything else, putting in a few more just to save it down the track and make it a bit easier for the next builder to come along and put the addition on without doing destructive works to the car park, because they need to get an excavator or heavy machinery down there.

4.19 The Committee noted significant time had passed since securing the $10M funding for the project from the Australian Government, and that no additional funding, from either the State or Federal Government, had been made available during that time. The Committee recognised this was likely to have a negative impact upon the extent of the works that could be undertaken with the $10M funding commitment. The Committee was also of the understanding that, as yet, no firm commitment from the Tasmania Government that stage two of the renal clinic development, and the provision of six additional renal treatment spaces, would proceed. The Committee explored this issue further with the Department's witnesses:

***Ms BUTLER** - ... That $10 million that was allocated by the federal government through the CHHP, that was in 2019, so some six years ago. Why did it take six years for this to come to*

fruition because $10 million six years ago for a project probably would have given you a lot more bang for your buck than six years later, and with the escalation of costs for building, can you, for the record, talk us through that?

***Mr HUGHSON** - …I was aware that there were a number of proposed designs that looked at upgrading the main facility, performing an extreme amount of maintenance to try to make it suitable, knocking down the main facility, and I think those designs probably took at least a couple of years through progression. I think there was about 12 to 14 different designs. All of those landed outside the budget.*

***Ms BUTLER** - Noting in this submission, there is quite a lot of reference to the future addition to the renal unit as part of the submission, but it's not funded. There's no surety about whether there will be any future funding for that, so I'm curious as to why it's in this submission, because it doesn't relate to this actual project in itself because it's not funded. There's actually no evidence that we have that this will even eventuate, so I'm curious why it's in the submission at all, the future plan?*

***Mr HUGHSON** - It's about the philosophy that what we're doing is essentially a stage. We adopted a stage model, but it is reliant on the Australian government providing more funding, which we will lobby for in the future.*

***Ms BUTLER** - Okay. Is that unusual to have it as such a prominent part of this submission even though it's not funded? We have no certainty about it at all. It looks like the designs, even being mindful of that future add-on, the last back section and with the additional beds - but there's no funding for it at all?*

***Mr HUGHSON** - I can confirm there is no funding for it at all at this stage. Correct.*

***Ms BUTLER** - Have there been inroads made - because it's been six years - on the state level? Surely it wouldn't be that many more millions of dollars required to finish it off?*

***Mr HUGHSON** - I'm not aware of the conversations, sorry.*

***Ms BUTLER** - I just think it's important we have that on the record because we're being asked to make a decision on this project, but that's a whole different project. It's not actually part of this at all.*

4.20 Ms Gutteridge also commented on the potential impact this delay may have had on the scope of works since funding had been secured:

> *"How can the State Government expect to build a brand new facility with just $10m that was allocated by Federal Funding in 2019 without any additional State funds being allocated over many budgets since then. The rise in building costs and associated architect fees etc means that there is less money to spend on a proper build that takes renal facilities into the future."*[10]

4.21 Ms Gutteridge reiterated this point at the hearing:

> ***Ms GUTTERIDGE** - …At my meeting with Mr Barnett in May 2024, I explained my reasons why $10 million allocated in 2019 could simply not cover the cost for a new build in 2024-25 without additional funds from the state government. I asked why no further funds had been set aside. I never received a proper answer.*
>
> *…*
>
> ***Ms BURNET** - It seems to be contrary to what the department usually does anyway. In relation to the $10 million and no input from the state government - and I think you might have said that you don't think that it can be built to adequately service the demand.*

[10] Submission from Carolyn Gutteridge, page 1.

Mrs GUTTERIDGE *- No.*

Ms BURNET *- Can you just expand on that some more, please?*

Mrs GUTTERIDGE *- As it was touched on before from Ms Butler, $10 million in 2019, anyone would have expected this project to have got underway then - a start to the whole process. The whole thing was obviously put on hold because everybody obviously got too busy with COVID. But as I said, other projects did start. So $10 million in 2019, with the possible expenditure and delivery by maybe 2022, may have seen an optimal development for $10 million; but did that $10 million - it seems to be only focused on the 18 chairs, not meeting the demand. This is why I would like an answer for - we've sort of tried to establish, well, how much more room would six chairs take. I'm not sure what the allocation per chair is. Is it four metres? Is it six metres? I'm not sure. I don't know. What's the size of this room, 70-odd square metres; is that going to take another additional $1 million to be added to the budget?*

4.22 The Committee sought to understand if the Department had commissioned any work to compare the cost and efficiency of the current staged approach, versus undertaking the full scope of the work required to provide 24 treatment bays:

Mr HARRISS *- I'll just go back to a point that Jen made about the increase of the six units throughout the - that hasn't been costed at all? I'm struggling to understand how it becomes part of that, and it's future funding, but we haven't costed anything. We don't know how much additional cost it would be by not building it now, I suppose is what I'm getting at, as opposed to - if we were to include the extra six bays in this build, there's been no cost analysis done between doing that and what it may cost six years down the track. The additional cost is where I'm trying to come to.*

Mr HUGHSON *- No, I don't believe we ever did a design for 24 beds. Would that be correct? For 24 bays, sorry. If we never did a design then it wasn't costed.*

Ms LIEUTIER *- There was previous design and it was costed. It was literally double the price of where we're at now, from my recollection. It was some time ago.*

Mr HUGHSON *- That would be at least three to four years ago when we were going through a number of reiterations of design, and those costs were coming in around $20 million.*

Mr HARRISS *- Right. For six additional - that was only to cap at 24, yes?*

Ms LIEUTIER *- Correct.*

Mr HARRISS *- How big an area, floor size, are those six additional bays? How much floor area would that add on, or that footprint, because that footprint's outlaid, isn't it, in the footings? How much floor area?*

Mr BURBIDGE *- Roughly 72 square metres, 75 square metres.*

Mr HARRISS *- That was going to cost $10 million for 75 square metres of stuff. Is that what we're trying to say?*

Mr HUGHSON *- I'm not sure that a design was ever done with this current design for 24 units. What Fiona's alluding to is we did do previous designs that involved either upgrading the existing facility or knocking down the larger building. They were the costs to achieve 24 with those particular -*

Ms LIEUTIER *- Wasn't the Jane Marshall building, though.*

Ms MACE *- It was everything - it was social work, physio. It was the whole - the plans that I saw were everything. Basically, put where it is now, but we had to have renal somewhere else for a while before we could move back in.*

4.23 The Committee continued its questioning on the potential cost of providing 24 treatments bays as part of this project, rather than the planned 18 bays:

***Mr HARRISS** - On the 570 square metres, we're saying that's roughly $12,631 per square metre, so if I added the 75 we'd be looking at $950,000 for those additional six bays. Is that a fair statement? You'd push your external walls out - I'm just trying to get an understanding of - to achieve because at the moment we're not well, to my understanding, we're not futureproofing, we're meeting current demand, is that right? With the 18 bays we're meeting current demand. For $950,000, roughly, on the figures that we have, we could potentially have the additional six bays. Would that be a fair - from an architect's point of view, is that fair?*

***Mr BURBIDGE** - Yes, based on those numbers.*

...

***Ms BUTLER** - As a supplementary to Mr Harriss's question, would that be a better spend in the long run? That additional $1 million spend, or potentially $1 million spend, now as opposed to later on down the track then having to rebuild that section that would be a lot more expensive than spending that extra $1 million now, would it not?*

***Mr BURBIDGE** - Yes, I would imagine it would be more expensive building later down the track. It would, if the money was there, totally make sense to do it now. It would be less disruptive as well.*

***Ms BUTLER** - Would you have to reconfigure such items as say roof design and so forth? It would probably cost a lot more money to put that additional space on at a later stage than making a part of the design now.*

***Mr BURBIDGE** - No, the way the design is now is you would just continue the roof on the same plane as it is. It's not redesigning, it's just continuing the portion that's missing, essentially, and then you'd build a new one. It's just continuing on with the structure of the building form that's already there.*

***Mr HARRISS** - It'd have to cost a reasonable amount more for construction to happen after the fact, wouldn't it? You've got all your construction, you've got your set-up costs, you've got whatever, it would have to cost a lot more than the $950,000.*

***Mr BURBIDGE** - Yes, definitely cost more.*

Lack of Consultation on the Design and Scope of Work

4.24 The Committee received evidence there had been a lack of consultation with renal patients and carers. In her submission, Ms Gutteridge asked:

> *"How can this proposed facility go ahead to pre-tender without proper patient input?"*[11]

4.25 At the hearing, Ms Gutteridge sought to expand further on her concerns about the lack of patient and carer consultation:

> ***Mrs GUTTERIDGE** - ...I would like to have it on record that my endeavours to address my concerns with the relevant ministers in the state government have been extremely disappointing and frustrating. I reached out to Mr Ferguson, who met with me willingly, Mr Barnett, Mrs Petrusma and Mr Rockliff. My correspondence with Mr Rockliff remains unacknowledged and unanswered.*
>
> *It appeared that Mr Barnett only reached out for a meeting with me after Ms Bridget Archer intervened on my behalf in May 2024, and Mrs Petrusma only met with me after Ms Janie Finlay asked questions in parliament in November 2024. They both subsequently visited the centre prior to my meetings with them.*
>
> *I have received help from Ms Rosemary Armitage, MLC, Ms Bridget Archer, and Ms Cecily Rosol. I also corresponded with Dr Lee Archer, the acting CEO of the LGH.*

[11] Ibid, page 2.

There has been ample opportunity for the ministers and the department to contact me to arrange a patient/carer perspective. I am unsure that my concerns will amount to much as this whole project is a classic case of the horse has already bolted, with the project ready to go to pre-tender. I'm not sure what will be achieved with the further meeting on Wednesday between the architect, planners and this community engagement committee. I will be just one public voice at this meeting.

…

***Mrs GUTTERIDGE** - …A change of portfolios saw Peter and I finally meeting with Mrs Petrusma in December after Ms Finlay asked questions in parliament, and I came away more hopeful. Mr Dale Webster, secretary of the department, attended this meeting via Zoom and we received frank answers to our questions. Mr Webster indicated that a patient advocacy group would be assembled in early 2025, but my numerous emails to both Mr Webster and Mrs Petrusma have gone unanswered and obviously no patient input ever came about.*

…

To get to the actual project, question: how has a project got to pre-tender stage without any public meetings? Have the government and departments simply assumed that the nurses and clinicians are the only people who could speak for patients and that their input is all that counts? Did the architects ever visit the renal centre in Burnie which is a standalone facility? Peter recently had a treatment there and we found it properly designed with a nurse's station in the middle of the room with the chairs around the outside, and the feeling of spaciousness was immediately evident.

…

***Ms BURNET** - Are you surprised there hasn't been that community and public consultation?*

***Mrs GUTTERIDGE** - Definitely. As I've said, I have started this process from past the election last year. I've met with ministers; they know my concerns. I've asked for the plans to be - could I see the plans and I've been told, 'No, the clinicians and the staff have okayed us, so that's okay.' I've got to settle for that. They're all aware of my entreaties to have a look and have proper input and to include other people who may be concerned. That hasn't happened. As I said, when Mr Webster said, 'Yes, there'll be a public advocacy group early in the new year', I was hopeful. It hasn't happened.*

4.26 The Committee recognised that community consultation, and especially in this instance, patient and carer consultation, should be an important factor in the design of such a health facility. The Committee was aware from other references that such consultation was generally conducted as a matter of course by the Department of Health, often resulting in a positive impact in the planning and design process. The Committee was disappointed to hear that it appeared this had not occurred for this project. As a result, the Committee explored this matter further, and at some length, with the Department's witnesses:

***Ms BURNET** - …Could you just step through the community engagement that has occurred, please?*

***Ms RAMAGE** - I'd like to say that there hasn't been any, and that's an oversight of the project to date.*

Ms BURNET *- I'd be very curious to know why there's been such a significant oversight since this is such an important community project, really, and given the department has community stakeholder representatives and that may be a question for perhaps Fiona?*

Ms LIEUTIER *- I don't think there's any logical reason that we can give that there wasn't the community consultation that we would've expected. As project sponsor, I take ownership of that. It's been unfortunate in that we thought that community consultation had occurred, but it's quite evident that that hasn't occurred.*

We have taken some remedial action. We have a community consultative engagement committee that sits within Hospitals North, which is made up of community representatives. They have now been engaged, and we also have Carolyn Gutteridge on the community consultation committee as well. That committee is going to have its first meeting next week. It's already arranged and then we will be bringing the community up to speed as much as we can.

But yes, it was an oversight. We thought community consultation had commenced for the project and it hadn't.

Ms BURNET *- Is there an organisation who looks after it, like the Kidney Foundation or like any organisations?*

Ms BUTLER *- Like an advocacy group?*

Ms BURNET *– Yes, other advocacy groups who you'd engage with?*

Ms LIEUTIER *- Certainly, and I'm looking at Rebecca because I think your team prepared the stakeholder consultation.*

Ms RAMAGE *- We have a SCEP for all of our projects, and that's prepared by an independent consultant.*

CHAIR *- So, the independent consultant was that company, that organisation, responsible for the community consultation?*

Ms LIEUTIER *- No, the project manager was.*

CHAIR *– The project manager.*

Mr HUGHSON *- The Stakeholder and Community Engagement plan should certainly step out at a point in time when the project should consult with the community, which clearly didn't happen.*

Ms LIEUTIER *- Obviously, and I don't know off the top of my head, Rose and Julie may have a greater awareness of any advocacy groups, but certainly more than happy for any identified groups to be incorporated into the community consultation.*

CHAIR *- Is there input now only at the back end of the project, hence the development application has been submitted and approved, is that correct, by the Launceston City Council? So now it's really a matter of making a submission through that process for anyone who has an objection of some relevance.*

Ms LIEUTIER *- Certainly, but I think we would encourage people to - and we'll find a mechanism to do that - to let us know if they would like to be involved in further participation in the decisions that we can now make, and it might be the aesthetics, it might be the layout as so far as can fit within the development that's already been approved.*

It is an unfortunate set of circumstances. Certainly, I'm very much about transparency and consultation, whether it's staff or community and, unfortunately, we've failed in this aspect.

...

Mr HUGHSON *- … We did discuss consultation earlier today, and I apologise on behalf of the department for the lack of consultation that's occurred in relation to this project. It would be common practice for us to hold community consultation with drop-in sessions. That's the usual process that we do follow. It's definitely been an omission with this project, so I apologise again on behalf of the department for that occurring.*

Ms BURNET *- If there's that consultation, what is the likelihood of that informing further projects, because I mean it's all very well to have consultation, and we've seen consultation run in previous projects, but it's not necessarily that it's taking on board some of those important components. I'm thinking of multicultural communities, as well as Aboriginal communities, particularly with renal failure, renal disease and those end-stage complications, diabetes. Are they all going to be involved in consultation as part of this consultation project?*

Mr HUGHSON *- I'm not sure of the actual plan moving forward.*

Ms RAMAGE *- Yeah. I have spoken to a group that speak with those groups up north, and I'm waiting on their names at the moment.*

4.27 The Committee also questioned the Department's witnesses on the level of engagement with clinicians and staff during the design process:

Ms BUTLER *- If the community consultation has been lacking, have the actual clinicians and users of the facility, what does that consultation look like? Is that also lacking?*

Ms RAMAGE *- I've taken the project from November of last year and I've been up here a couple of times to speak with the clinicians and I've done a number of Teams meetings with clinicians and also Julie in finalising the design. We've actually got another one coming up shortly to finalise the last few bits and pieces.*

Ms SEEBER *- … To add to that as well, I've been permanent for the last six months, so I'm new into the project as well, but I can confirm that once we got to plan stage, which is where I've come into it at that level, I've gone out to all staff within the renal unit from all levels from HSOs to admin to nursing. I put out an expression of interest for any who wish to be part of the committee that was looking at the structure and the redesign and any changes. From that, I think, it's a team of eight I have, I have to check to correct the number, who all expressed interest and all people appointed to the committee. They've been meeting with me and architects and Rebecca and going through the plan and giving us input and we've made several changes around that aspect. They've shown the team around here and seen what they like and what they don't like and sort of what excites them and what doesn't as well. To let you know that that's occurred.*

Ms BUTLER *- … when was that?*

Ms SEEBER *- That's been happening for the past – when did we stand that team up?*

Ms RAMAGE *– Early January.*

Ms SEEBER *- Once the plans had been drafted into the position that's when it came out.*

Ms BURNET *-That's all well and truly past the development approval and the amendment to that development approval from council.*

Ms RAMAGE *- The development application was approved, was it in November?*

Ms SEEBER *- Last year.*

Ms RAMAGE *-And then we did a minor amendment to that with some of the internal layout.*

Ms SEEBER *- But there was consultation with the previous project management prior to that here. There were two sessions as well prior to that happening.*

Ms LIEUTIER *- There's also been an ongoing reference group for, I'd say, at least the last 18 months and Rose has participated in a lot of that consultation along with along with her staff.*

4.28 The Committee asked the Department's witnesses how any further design changes may be achieved, if this was recommended after further consultation with clinicians and commencing consultation with patients and users:

> ***CHAIR*** *- So any further changes that may have been put forward by people who are on the ground, if you like, using the facility on a day-to-day basis, they can still be facilitated without going back to amend the DA again?*
>
> ***Ms SEEBER*** *- They should be able to.*
>
> ***CHAIR*** *- Is that the internal? You put the wall here and not there, that type of arrangement?*
>
> ***Mr BURBIDGE*** *- It depends how big the changes are. If we're mirroring the whole building or something like that, then we'd need council approval, but generally if they're minor, internal things, moving the wall here or there.*
>
> ***CHAIR*** *- Like you might do when you build a house and the doorway might be better off there and not there.*
>
> ***Mr BURBIDGE*** *- Exactly. That's all stuff we can we can work through and we don't need council approval for, but if we're making the building bigger or smaller or anything like that, then we need council approval.*
>
> ***Ms SEEBER*** *- We have another one of those either this week or next week, where we're reviewing all of those suggested changes that have been put into place from the staff.*

Private Vehicle and Ambulance Access

4.29 The Committee asked the Department's witnesses about the number of car parking spaces that would be provided:

> ***Mr WOOD*** *- …Obviously, with the new building going down through the car park north from here, with possibly 10 to 12 car parking spaces to be lost, is the ratio still going to be appropriate in terms of the availability of car parking? Is there any opportunity to perhaps do some landscaping works to incorporate maybe a few more, to get that number up?*
>
> ***Mr BURBIDGE*** *- Currently there are 60 car spots on site and, once this building's done, there will be 77 plus two drop-offs, so we're increasing the car park numbers…*

4.30 In her submission, Ms Gutteridge expressed concerns over the proposed car parking arrangements stating:

> *The final plan to date of proposed parking bays for patients/ carers is a desktop review. Did the planning team ever do a survey of patients to recognise their parking requirements? I do know that with up to 14 people at a dialysis session, there will be a real need for up to at least 8 car spaces in close proximity to the entrance and to suggest that patients and carers park in McHugh St is simply ludicrous as some of the patients are quite ill. I collect my husband in the evenings anytime between 6.45pm to 8.45pm and we shouldn't have to park away from the entrance especially during the winter months. We should also expect staff to have safe, accessible parking especially on dark evenings.*[12]

4.31 At the hearing, Ms Gutteridge provided further context to her concerns regarding access to suitable car parking for patients and carers:

> ***Ms GUTTERIDGE*** *- The parking assessment, as I noted, is a desktop assessment and based on aerial photography without an actual survey of patients who drive themselves to and from dialysis, and the carers who drop them off and collect them. Are we really expected to park in McHugh St and ask quite sick patients to walk a distance to their cars? This shows a real lack*

[12] Ibid, page 2.

of understanding of the life of a person on dialysis. On Saturday just gone, there were 12 cars parked and two taxis waiting on Peter's arrival at 2.00 p.m. and 13 cars parked when I collected him at 7.15 p.m. A person was also waiting for a taxi. There are four spaces plus a disability space immediately indicated in the plans right outside, which is obviously not enough just for the patients.

Again on parking, encouraging staff and able-bodied clients to use active and public transport isn't going to work - in talking about parking issues. Public transport for staff after 10.00 p.m. is impossible and I'd love to know how many dialysis patients arrive by public transport, not counting community cars and taxis. A suggestion was made in the parking assessment that carpooling should occur and I really wonder how many people here have ever carpooled to get to and from work, especially working shifts.

Nearby council off-street parking within a short walking distance from the renal unit could possibly suit other users of the community centre but not dialysis patients. McHugh Street is a residential street. During the week cars are parked on either side, making access difficult for delivery trucks, disability taxi vans and others. Safety of staff is also a concern and they too should not have to park any distance away from the centre, especially when they finish their shifts at 10.00 p.m. on a winter's night.

4.32 After hearing Ms Gutteridge's evidence, the Committee sought further information from the Department's witnesses:

***CHAIR** - … I think the parking matter that was raised by the previous speaker is a really integral part of any medical service… These are, as has been stated, unwell people, and with carers and family collecting. Is there some opportunity to make more space available at the front of the centre for collection? You know, pick up and drop off. I mean, I think it's a really valid point if you can't get close to the building when you're picking up and if you're at 8.30 or 9.00 p.m. at night in the Tasmanian winter, even if you've got a voucher, it's not going to help.*

***Mr BURBIDGE** - … We did spend a lot of time trying to maximise parking for the site. With the location of the existing building, we were a bit snookered into where we could put the new building. So that's kind of why it's where we're sitting right now, and trying to get more parking was proving to be difficult or nearly impossible. We tried to maximise what we could, and then making sure that the new parking that's on the eastern side of the main building is accessible, so it has an accessible path of travel to it, … a lot more lighting and security in the new car parking than there is at the moment with a lot better sightlines.*

4.33 The Committee also questioned the Department's witnesses on how the design catered for ambulance access and parking:

***Ms BUTLER** - … It was raised with us this morning, when we had a tour through the renal unit and raised the importance of ensuring that ambulances have sufficient space to be able to access the unit - and ambulance officers when they're taking patients in or out of that unit. Could you run through some of the design for providing that space for ambulances to be able to come in and out of that entrance area as well as ambulance officers with patient delivery and drop-off?*

***Mr BURBIDGE** - There's the undercover drop-off area just off this southern car park, which is to the south of the building. Two spots there that an ambulance can - so they are just designed for either someone to come up and drop someone to come into the dialysis or for an ambulance to pull up and either take a patient away or whatever they need to do. Then, there's obviously eight car spots out at the front there as well, trying to maintain some very close proximity to the building.*

***Ms BUTLER** - Is that space where it is - I gather it's like an arch - I am just speaking it out loud for the record for the Hansard. An ambulance would be able to come in in an enclosed area of sorts to drop off or pick up patients?*

Mr BURBIDGE *– It's more like a carport. This has just got a roof over the top of it, so it is not enclosed on the walls, it is just covered by roof over the parking bays and paths around it. If it's raining, no-one gets wet. Then they can drop them off there or pick them up there; whatever they need to do.*

Ms BUTLER *- And there's adequate space for an ambulance to be dropping off or picking up someone, as well as someone who might be dropping off a family member who's coming in for four to five hours?*

Mr BURBIDGE *- Yes. There's two car parking bays and then there's a footpath on the three sides of them that aren't the road.*

Ms BUTLER *- That's all under shelter and enough space to deal with if you might get two or three cars there at the one time wanting to drop people off or an ambulance?*

Mr BURBIDGE *- Two cars, yes.*

Ms BUTLER *- Two at once?*

Mr BURBIDGE *- Yes.*

Ms BUTLER *- Your consulting indicated that that's adequate. Happy with that design from a clinical perspective?*

Ms SEEBER *- Yes. We don't tend to have a lot of high acuity delivered to the facility. There'd be low acuity patients who would be arriving by ambulance. It's more about the appropriate access to take away if required. That's all been discussed through … with the clinicians.*

Does the Project Meet the Requirements of the Public Works Committee Act?

4.34 In assessing any proposed public work, the Committee seeks an assurance that each project meets the criteria detailed in Clause 15(2) of the Public Works Committee Act 1914. Broadly, and in simple terms, these relate to the purpose of the works, the need for and advisability of undertaking the works, and whether the works are a good use of public funds and provide value for money to the community . The Committee questioned the witnesses who provided the following confirmation:

CHAIR *- …Do the proposed works meet an identified need or needs or solve a recognised problem?*

Ms LIEUTIER *- Yes.*

CHAIR *- Are the proposed works the best solution to meet identified needs or solve a recognised problem within the allocated budget?*

Ms LIEUTIER *- Yes.*

CHAIR *- Are the proposed works fit for purpose?*

Ms LIEUTIER *- Yes.*

CHAIR *- Do the proposed works provide for the state of Tasmania value for money?*

Ms LIEUTIER *- Yes.*

CHAIR *- Are the proposed works a good use of public funds?*

Ms LIEUTIER *- Absolutely.*

5 DOCUMENTS TAKEN INTO EVIDENCE

5.1 The following documents were taken into evidence and considered by the Committee:

- *Kings Meadows Community Heath Centre*, Submission to Parliamentary Standing Committee on Public Works, 17/04/2025;
- DoH Response to Matters on Notice from 12 May 2025;
- DoH Response to Matters on Notice from 12 May 2025-Attachment 1;
- DoH Response to Matters on Notice from 12 May 2025-Attachment 2;
- Submission from Carolyn Gutteridge.

6 CONCLUSION AND RECOMMENDATION

6.1 From the evidence provided to the Committee, it is apparent the current renal clinic is housed in a building that is no longer suitable or fit-for-purpose, and the Committee recognises there is an identified need for additional renal dialysis capacity in the North. However, the Committee is concerned with the proposed staged approach to the provision of this additional capacity, with only three additional treatment bays provided in the proposed works, creating treatment capacity for 12 additional patients.

6.2 The Committee notes that a future second stage is proposed, which is expected to increase capacity to provide treatment for an additional 24 patients. However, the Committee understands the second stage is not currently being planned or designed and has not been costed or funded at this time. While provision has been made in the current design by providing footings for an expanded building envelope to enable future expansion of the clinic in a second stage of works, evidence provided to the Committee suggests that it may be more cost effective to complete the entire redevelopment in one package of works. The Committee strongly suggests the Government commit sufficient additional funds so that the full scope of works envisaged in stages one and two can be undertaken now and as one project.

6.3 The Committee is also concerned that there is a lack of consultation on the project. The Committee recognises there has been consultation with clinicians and understands this is a very important aspect of consultation, but notes, with some concern, neither patients nor the community were consulted during the design of the facility. This is not in keeping with the Committee's understanding of the Department's consultation and engagement with patients and the community on a range of other health facility projects previously considered by the Committee.

6.4 The Committee also notes with concern the challenges faced by Committee Members in arriving at a decision on the proposed works, primarily due to the quality of the information received about the project from the Department of Health. In particular, the lack of information on future demand for dialysis services and the accuracy and lack of detail provided in the initial cost estimates in the Department's submission, hindered the Committee's deliberations.

6.5 Notwithstanding these concerns, the Committee is satisfied that a clear need for the proposed works has been established. Once completed, the proposed works will result in moving the existing renal treatment clinic from an outdated and unsuitable building into a new purpose-built renal unit next door, with increased capacity allowing for the treatment of 12 additional patients.

6.6 Accordingly, the Committee recommends the Kings Meadows Community Health Centre, at an estimated cost of $10 million, in accordance with the documentation submitted.

Parliament House
Hobart
29 October 2025

Ms Jen Butler MP
Chair