2019 (No. 15)

PARLIAMENT OF TASMANIA

PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

Stage 2 King Island Hospital Redevelopment

Brought up by Mrs Rylah and ordered by the House of Assembly to be printed.

MEMBERS OF THE COMMITTEE

Legislative Council	House of Assembly
Mr *Valentine (Chair)*	Ms *Butler*
Mrs *Rattray*	Mrs *Petrusma*
	Mrs *Rylah*

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1 INTRODUCTION

To Her Excellency Professor the Honourable Kate Warner 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:-

Stage 2 King Island Hospital Redevelopment

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 redevelop the King Island Hospital to address a number of identified deficiencies and all outstanding high priority issues. The proposed works will result in the provision of a modern, efficient and functional facility from which to deliver hospital and community health services, including the capacity to broaden the scope of health services provided to the King Island community.

2.2 The King Island Hospital provides emergency care, sub-acute medical care, primary health services and residential aged care for the remote island's residents. For more serious acute issues, patients are transported off island to access health services on the Tasmanian mainland. It is, however, generally considered that most services are best placed close to the King Island community, where practical. The delivery of a broad range of community services, GP services, visiting services and support groups such as community nursing, child health, dental health and antenatal clinics are also coordinated through the hospital.

2.3 Stage 1 of the King Island Hospital Redevelopment was completed in 2012, and was undertaken in an unfavourable construction tender environment. As a result, the Stage 1 plans had to be scaled back to meet the budget allocated to the project, with the scope refocused to concentrate on upgrading the aged care facility. Accordingly, a number of outstanding matters remain, and addressing these matters is the focus of the Stage 2 redevelopment.

2.4 The existing building is a combination of building styles and constructions which have been altered and modified over a number of years. As a result, the current building has deficiencies in space and design including:

- minimal confidential treatment room space;
- minimal consulting space for new visiting services and professionals;
- poor work flow and security risks;
- external doors present a security hazard for wandering patients;

- bathroom facilities for most patients are located in the hallway and shared by all;
- no heating / cooling in the administration or acute ward areas; and
- configuration of the ward spaces does not;
    - allow for patient privacy;
    - allow for ensuite bathroom access; nor
    - reflects contemporary standards, including a lack of capacity to provide lifting devices and lifting frames.

2.5 The Stage 2 redevelopment will overcome these deficiencies by providing:

- 4 Acute Inpatient rooms, configured as 4 single rooms, each with an ensuite, reflecting contemporary design and practice, with 1 single room to be fitted with ceiling lifting rails;
- 1 Palliative Care room with ensuite, fitted with a ceiling lifting rail, and with an adjacent family room;
- An upgraded nurses station with adjacent drug and 'clean' utility rooms;
- A general upgrade of the ward amenities area inclusive of sterile store room, mobile equipment room, training room and 'dirty' utility room;
- 1 Resuscitation room with ensuite;
- 1 Emergency Treatment room with ensuite;
- 1 Treatment / Consultation room with ensuite;
- Piped oxygen and suction to acute and emergency areas;
- 3 Multipurpose Consultation rooms;
- 1 X-Ray / Consultation room;
- Upgraded heating and cooling to the facility;
- Privacy screening to the aged care nurses station;
- Security for wandering dementia residents;
- A centrally located staff room and staff amenities;
- An upgrade and expansion of the community day centre;
- An upgrade to administration areas, meeting room, staff offices and amenities;
- A full upgrade of the kitchen facility;
- Corridor width clearances that meet current building standards;
- Undercover access to the laundry and morgue building;
- A minor upgrade to laundry to minimise the risk of contamination;
- An upgrade of the morgue;
- An upgrade of existing mechanical, electrical, hydraulic and firefighting services;
- Appropriate landscaping (both hard and soft) to suit community expectations of a welcoming environment, and for patient and privacy considerations;
- Coordination and documentation of asbestos removal where required; and
- An upgrade of the parking area and adequate external lighting.

3 PROJECT COSTS

3.1 Pursuant to the Message from Her Excellency the Governor-in-Council, the estimated cost of the work is $10.5 million. This funding commitment includes funding for the Stage 2 King Island Hospital Redevelopment and an associated staff accommodation project.

The following table details the current cost estimates for the Stage 2 King Island Hospital Redevelopment project:

Description	Sum
Consultancy cost	$ 720,000
Construction Costs	$6,500,000
Construction/Design Contingency	$1,350,000
Post Occupancy Allowance	$ 150,000
The Tasmanian Government Art Site Scheme	$ 80,000
ICT Infrastructure	$ 100,000
Furniture and Equipment	$ 300,000
Salaries Component	$ 200,000
Other	$ 100,000
PROJECT TOTAL	**$9,500,000**

The associated staff accommodation project will be funded from the balance of the Government's funding commitment, $1 million, and will be subject to a separate procurement contract and is not part of the proposed works referred to the Committee for inquiry.

4 EVIDENCE

4.1 The Committee commenced its inquiry on Tuesday, 25 June last with an inspection of the site of the proposed works. The Committee then returned to the King Island Council Chambers, whereupon the following witnesses appeared, made the Statutory Declaration and were examined by the Committee in public:-

- Marty Viney, Program Manager, Asset Management Services, Department of Health;
- Robyn Bridgewater, Director of Nursing King Island Hospital;
- Angella Downie, Nursing Director, Primary Health North West, Tasmanian Health Service; and
- Paul Cockburn, Heffernan Button Voss Architects.

Overview

4.2 Mr Viney provided a brief overview of the proposed works:

> ***Mr VINEY*** *- ... ... The King Island Hospital is located at 35 Edward Street, Currie. The facility services a population between 1600 and 2000 people providing emergency care, sub-acute medical care, primary health services, and residential aged care for the remote island's residents. More serious, acute issues involves transporting patients off the island to health services on the Tasmanian mainland.*
>
> *The hospital also coordinates the delivery of a broad range of community services, GP services, visiting services and support groups, such as community nursing, child health, dental health and antenatal clinics.*
>
> *The current hospital building has deficiencies in space and design including minimal confidential treatment room space, minimal consulting space for new visiting services and professionals, poor work flow and security risks. The configuration of the ward spaces does not allow for patient privacy, ensuite bathroom access and does not reflect contemporary standards.*
>
> *The implementation and completion of this project will provide a hospital and community health service with a facility that provides and improves functionality, amenity and ensures long-term sustainability with enhanced capacity for expansion of various health services offered to the regional community while enhancing its capacity to recruit and retain staff to deliver best practice, safe and quality care.*
>
> *The existing building is a combination of building styles and constructions which have been altered and amended over a number of years. The most recent Stage 1 redevelopment completed in 2012 focused on upgrading the aged care facility only. As Stage 1 redevelopments go it was reduced due to adverse tender conditions and this current project addresses the most important and outstanding issues from that project. Following a SIIRP - a structured infrastructure investment review process - funding of $10.5 million was approved as a 2018 election commitment for Stage 2 of the King Island Hospital redevelopment. The design and tender documents will be completed in July 2019. The aim is to advertise the tender in late July with construction commencing, hopefully, in October 2019. It is anticipated the construction will take approximately 18 months and be completed around March 2021.*

Key Risks the Works Will Address

4.3 The Committee noted that the proposed works were designed to address a number of risks that currently exist in the hospital due to its age, design and configuration, and which were unable to be addressed in the Stage 1

redevelopment. The Committee sought further information on the nature of these risks, and the witnesses highlighted the current workplace health and safety and infection control risks that staff and patients were currently exposed to:

> ***Ms RATTRAY*** *- Can I ask about where it says the key risks associated with the current hospital will be eliminated. .....Can I have some explanation about what that is referring to?*
>
> ***Mr VINEY*** *- There are risks, as we have described previously, that the ward space does not allow for easily moving patients and the lifting devices. All those are around work health and safety issues. There are issues with the tight ensuites, getting patients into and out of the toilet, both for the patient and staff.*
>
> ***Ms RATTRAY*** *- We saw how tiny and narrow they were.*
>
> ***Mr VINEY*** *- Yes. That is a risk for both the patient and the staff.*
>
> ***Mr COCKBURN*** *- There is a risk of infection control as well in that we don't have isolating rooms at present.*
>
> ***Ms BRIDGEWATER*** *- And potentially shared bathroom areas.*

Impact of Consultation on the Project Design

4.4 The Committee recognised the importance of consultation in designing works that meet the needs of patients, hospital staff, health service providers and the King Island community. Noting this, the Committee was keen to explore what type of consultation was undertaken and with whom, and how this had been reflected in the final plans.

4.5 The Committee sought further information on what community consultation had been conducted:

> ***CHAIR*** *- With respect to the King Island Community Reference Group, can you run us through the consultation with them, what sort of consultation it was, and how much input they had into aspects of this development? It is mentioned in 4.1, on page 10.*
>
> ***Mr COCKBURN*** *- As part of our consultation process, various members of the community were brought in and before the development application stage we presented everything we had been doing over the previous few months.*
>
> ***Ms BRIDGEWATER*** *- We held a general community information session. I also had the plans at the local post office for viewing. Staff have had access to the plans and multiple meetings over the period of time. The community reference group is a group that has been reformed in the last 12 months.*
>
> ***CHAIR*** *- How many individuals would there be?*
>
> ***Ms BRIDGEWATER*** *- There are seven and they have been involved on a couple of occasions during the planning process.*
>
> ***CHAIR*** *- What areas do they come from in the community? Are they just general interest groups with what happens in the hospital? How do you choose those seven?*
>
> ***Ms BRIDGEWATER*** *- We advertised for people to express interest. Those people who expressed interest were accepted as a general cross-section from the community.*
>
> ***CHAIR*** *- Were any of their suggestions taken on board in the project?*
>
> ***Ms BRIDGEWATER*** *- Indeed. One gentleman had just had a palliative passing of a friend and he was extremely pleased to see we were going to be providing a more private space for family and friends. He found it quite confronting to be with his friend in a room and then having to move down the corridor to the sitting area, so he is very pleased at the planning for that palliative space.*

CHAIR *- Good. How did the open forum with the architects go?*

Mr COCKBURN *- It was interesting. It was a good response, a lot of people turned up and the questions were good.*

CHAIR *- No negative feedback?*

Mr COCKBURN *- No negative feedback… …I think it went pretty well. The community was generally pretty good about what was being proposed and understood the logic in doing it that way.*

Mr VINEY *- It was pretty much a question and answer situation where they would ask why we chose to put the palliative down the end, or why we chose to set up certain areas. They just wanted to understand the rationale.*

Ms RATTRAY *- In regard to the hospital auxiliary, I guess that's what they're called, or the friends of the hospital?*

Ms BRIDGEWATER *- They are the Ladies Auxiliary, which is quite separate to the interest group.*

Ms RATTRAY *- That's why I'm interested. They're usually an integral part of small communities and what happens at the hospital. They've raised a lot of money over a long time and they feel some real ownership of the facility in general. Have they been engaged?*

Ms BRIDGEWATER *- I attend each of their meetings. The plans have been taken to their meetings and I have gone through the plans with them. They've expressed their excitement about helping us out with the furnishings - the nice-to-have things.*

4.6 The Committee also recognised the importance of engaging with hospital and health service staff, especially those who will be working in, or providing services associated with, the hospital to ensure the redevelopment will provide an effective, functional and sustainable facility. The Committee sought further information from the witnesses on the involvement of hospital and health service staff in the design and planning process. The witnesses indicated that hospital staff and health service staff had been heavily involved in shaping and planning the works:

CHAIR *- And the project working group?*

Mr COCKBURN *- That has been an ongoing thing for quite some time and has involved Robyn and her staff and various staff members coming in to talk about specific areas of the hospital, for example.*

CHAIR *- With you as the architect, you mean?*

Mr COCKBURN *- Definitely; we convened it, and Marty as well. Robyn sat in on quite a few of them, as did Kathy, who no longer works there. It was important to get everyone's input at the early stages of the design, specifically from those who operate in that particular area. For example, for the laundry we had Tanya in, and for the kitchen we had the kitchen staff in. In those sessions we were able to project our drawings onto a screen and move them, so they weren't just a simple PDF. They were an actual electronic file we could edit and manipulate with their input, so they felt ownership of that interactive process.*

CHAIR *- So all staff at all levels, virtually - is what you're saying?*

Ms BRIDGEWATER *- Yes.*

Mr VINEY *- We also involved as part of our working group regional infection control, the regional engineering manager, the regional corporate services manager, the regional hotel services manager -*

Ms DOWNIE *- And a work health and safety consultant.*

CHAIR *- So local people and local staff had as much opportunity to have an input as those higher-level people, and those higher-level people weren't seen to be simply overriding local wishes?*

Mr VINEY *- No, not at all. It was really driven from the local people; that's the feeling I took out of the whole design process.*

CHAIR *- Good to know.*

CHAIR *- You also mention consultation with all key service groups, other internal stakeholders and associated services. Can you briefly describe that landscape? It's right at the bottom of page 10.*

Mr VINEY *- The project working group is essentially staff from the hospital. The key services group is our engineering, corporate services, infection control services -*

CHAIR *- The regional folk you were talking about?*

Mr VINEY *- The regional folk I was talking about, and other internal stakeholders like Ange were also involved.*

Ms DOWNIE *- GPs.*

CHAIR *- And GPs as well.*

Mr VINEY *- Yes, associated services, GP services.*

CHAIR *- Pathology services and those sorts of people?*

Mr VINEY *- Yes.*

CHAIR *- … … You mention on page 12 the North-West Capital Works Steering Committee. Are they the people we've just run through?*

Mr VINEY *- No, that's an executive group from the Tasmanian Health Service that oversee capital works across the region, which is the Mersey Community Hospital, North West Regional Hospital, and all the rural sites. We, as project managers, provide a project status report which highlights how we're meeting our milestones, financial issues, any work health and safety risks, and any associated issues or risks with a project. We'll discuss that and we also go through the design and ensure that the executives sign off on the proposed design so we're not just heading off on our own little direction.*

CHAIR *- Thanks for that. You have other nominated representatives, comprised responsible delegates from other services that operate in the King Island Hospital including Ochre GP practice and allied health services together with consultation with the King Island Council on an as needs basis. How many allied health services would use the hospital? Obviously physiotherapy do.*

Ms BRIDGEWATER *- Physiotherapy, podiatry, they were both involved in discussions because they have particular needs.*

CHAIR *- Are they external service providers, or are they internal?*

Ms BRIDGEWATER *- They are THS internal. They come across from Burnie but their particular needs were noted and addressed in the planning.*

Mr VINEY *- I also note that the reception administration staff were very involved in the design of that new zone to make it fit for purpose for them for both privacy and security of the new entrance because they don't have a lot of that at the moment. They're very confident that that addresses their needs.*

Hospital Beds and Occupancy

4.7 The Committee noted that there appeared to be a loss in bed numbers and sought confirmation of this. The Committee also sought an assurance that this would not result in a loss of service or access to the community. The witnesses confirmed that, while there would be a reduction of 1 acute inpatient bed, there would be no loss in service capacity due to flexible nature of the new facilities that were being provided in the redevelopment. The witnesses also noted that occupancy rates rarely exceeded 50% of inpatient bed capacity:

> ***Mrs RYLAH*** *- ……On the preceding page, the fourth dot point says that there are four acute inpatient rooms. As we saw when we were looking at the plans and walking around today, there will be four rooms but it says on page 9 of the document that it will maintain five single-bed rooms in the same location under the acute inpatient ward. Is that an error in the document?*
>
> ***Mr VINEY*** *- No, just below, on page 3, it says four inpatient rooms and the next dot point is one palliative care room. It probably needs clarity on page 9 that the five single rooms includes the palliative care room.*
>
> ***Ms RATTRAY*** *- ……The hospital and the community won't be losing any access to acute beds. Is that a fact?*
>
> ***Mr VINEY*** *- No, I believe there are currently six inpatient beds at the moment and we're reducing that to five inpatient beds. Four of those are acute inpatients beds and one is the palliative care.*
>
> ***Mr COCKBURN*** *- We are picking up two emergency rooms, which can act as additional beds.*
>
> ***Ms RATTRAY*** *- We also heard this morning as we did our site visit that a graph has been done over the last few years. I would be appreciative if Robyn might share those figures she shared this morning so it can be incorporated into the report.*
>
> ***Ms BRIDGEWATER*** *- ……The data I have collected has been over my experience of eight years but I have it pictorially here. In the last two years our monthly occupancy has reached 57 per cent on one occasion and 50 per cent on another occasion. So, with our six current beds, that would be equal to occupancy of three beds. I have noted also that there have been very occasional moments when there has been a requirement for five beds, and I believe there has been one occasion when there was a requirement for six beds but that was for a very short time, a 24-hour period.*
>
> ***Ms RATTRAY*** *- You also mentioned that there is another area of the hospital you would be able to access if for some unknown reason you needed six or seven.*
>
> ***Ms BRIDGEWATER*** *- Certainly. The redevelopment is providing us with two additional emergency beds which could be transferred to an inpatient for a short period of time.*
>
> ***CHAIR*** *- So seven in total.*
>
> ***Ms BRIDGEWATER*** *- Yes, correct.*
>
> ***Ms RATTRAY*** *- So there certainly won't be any need for concern from the community about a loss of beds and services from the hospital with the redevelopment.*
>
> ***Ms BRIDGEWATER*** *- No, not in my eight years of experience.*

Patient Lifting Systems

4.8 The Committee understood that lifting some patients represented an occupational health and safety risk for staff. The Committee noted that this would

be addressed through the provision of patient lifting systems, and sought further information on what facilities would be provided:

> ***CHAIR*** *- . I note that you have one single room that will be fitted with ceiling lifting rails. Are we talking about bariatric patients? Can you give us an understanding as to why there is only one? Is that enough in your experience, with the sort of outpatients you expect through the door? What happens if two people arrive and need those facilities?*
>
> ***Mr VINEY -*** *To answer that first from my perspective, it's a cost issue. It's about reducing the cost and maintaining the cost. If we put lifting devices in each of those single rooms we would be up for a considerable cost and we've been trying to keep within budget at this stage. However, if we had competitive tenders and the tenders were favourable, we would then try to put a new bariatric lifting rail in another room as well. It is probably one of our priorities we would add in a competitive tender process.*
>
> ***Ms BRIDGEWATER -*** *We also have restrictions in relation to our admission protocols. People greater than 150 kilograms must be able to maintain mobility, otherwise we are required to transfer them. That particularly is in relation to our level of staffing.*
>
> ***CHAIR -*** *I need to clarify with the lifting rails. ……You have two rooms with lifting rails, one palliative care and one in the acute inpatient room. Is that right?*
>
> ***Mr COCKBURN -*** *That is correct.*

Improved Security for Wandering Patients

4.9 The King Island Hospital also houses the Netherby Wing, which is an aged care facility. To ensure their safety, the proposed works include the provision of security doors to the corridor that connects with the hospital to ensure that unaccompanied residents suffering from dementia are not able to wander from the Netherby Wing:

> ***CHAIR*** *- Thanks for that. You also mention security for wandering dementia residents. Can you explain the aspects you are putting in place for that, such as the remotely closable doors that you were talking about during the site visit - is that right?*
>
> ***Mr COCKBURN -*** *Yes, I can talk about that. We're looking at an additional set of doors in the corridor linking the aged-care facility to the hospital. It is a set of doors that can close upon a wandering patient, for want of a better word. Walking within proximity of those doors they will simply close. They're not fire doors, because it's a fairly common occurrence for this to happen and fire doors are best left in the open position because of the weight of them. In that corridor between the Netherby Wing and the hospital we have an additional set of doors to deal with that.*
>
> ***CHAIR*** *- So your patients suffering with dementia are likely to be in the Netherby Wing and not within the confines of the main hospital?*
>
> ***Mr COCKBURN -*** *That's how we see it, yes.*

Redevelopment of Administrative and Staff Areas

4.10 The current administrative and staff areas are sub-optimal, with respect to configuration, location and size. The proposed works will address these deficiencies by consolidating and expanding administration and staff areas in a central location:

> ***CHAIR*** *- ……Regarding staff amenity and meeting rooms, what sort of major changes are happening there to improve things?*

Mr COCKBURN - *Essentially the staff area has been consolidated into one zone. At the moment the staff room is separate to the admin area. That was one of the key things. The admin area is way too small in its current form and the foyer area which it addresses is also far too small in its current form. The proximity of the staff room to being centrally located to the Netherby Wing in the hospital was seen as quite important, particularly when you have staff numbers down at certain times of the day. The other aspect is an external connection from the staff room into the main courtyard, which is the sheltered courtyard. That was considered important as well. Other staff facilities include a kitchen, some male and female toilets, and relatively close proximity to the Director of Nursing's office.*

External Lighting

4.11 The Committee recognised that staff needed safe access and egress from the hospital when walking to and from the new accommodation facility. Noting that this was not detailed in the submission, the Committee sought an assurance that there would be sufficient lighting provided along the pathway between the hospital and the accommodation:

Mrs RYLAH *- In regard to the external lighting around the hospital, we noted the area for nurses, both male or female, walking to and from the accommodation. I want to confirm there will be adequate lighting so that no-one is walking in the dark between the accommodation and the hospital.*

Mr COCKBURN *- Whilst I haven't got the exact electrical drawing with me to check that, I will do so and ensure that lighting is covered from that pathway from the entry of the hospital to the accommodation.*

Fire Sprinkler Protection

4.12 The Committee noted that the redevelopment included installation of a fire protection sprinkler system throughout the hospital, including the Netherby Wing. The Committee sought to understand why the fire protection sprinkler system was being installed across the entire hospital, even areas that were not being redeveloped:

Ms RATTRAY *- In regard to the sprinkler system throughout the entire building, we were also informed this morning that, even though there are some parts of the current facility that will not be included in the redevelopment, there will be a new sprinkler system throughout. Do you want to give us some more detail around that?*

Mr COCKBURN - *Yes, the entire Netherby Wing is being sprinklered, as is the hospital. It is a case of building compliance - you cannot partially sprinkler buildings. The decision was made to sprinkler all areas of the entire building, including those that are not having a refurbishment. All areas are to be sprinklered.*

Ms RATTRAY *- There is a significant upgrade, I believe, on the island at the moment, in regard to water supply, so there will be adequate water supply to maintain a full sprinkler system throughout?*

Mr COCKBURN - *I believe the pressure is going to be increased with the TasWater upgrade.*

Ms RATTRAY - *That is fitted very nicely into this -*

Mr COCKBURN -*That will come online before this, yes.*

Mr VINEY - *We felt it was reducing the risk for inpatients by having a sprinkler system throughout the Netherby Wing, rather than just sprinkling the new acute ward. They are the inpatients overnight, so we thought that was an appropriate way to reduce our risk with inpatients.*

***Ms RATTRAY** - It is interesting that that did not have a sprinkler system. It is not that old, is it? It is probably one of the really good compliance requirements throughout the whole redevelopment.*

Heating and Cooling Upgrade

4.13 The Committee understood that there would be an upgrade to the heating and cooling services across the hospital. The Committee sought confirmation from the witnesses on what type of technology would be employed throughout the hospital:

***CHAIR** - Could you describe the heating and cooling arrangements that are going to be put in place?*

***Mr COCKBURN** - Page 14: each area is described in the report as having heating and cooling essentially.*

***CHAIR** - Is it heat pump technology that's being employed?*

***Mr COCKBURN** - That is correct……we are actually upgrading things such as hydronic heating units and pipework, insulation of pipework, controls and -*

***Mr VINEY** - The heating boiler heats the Netherby Wing. They are retaining that and then using the split systems throughout the acute ward and the emergency areas.*

4.14 Noting that there can be noise issues associated with split air conditioning systems, the Committee sought some assurance that this would not be a disturbance for patients:

***CHAIR** - ……Because you are having the split systems, is there likely to be noise issues for patients with those split systems?*

***Ms BRIDGEWATER** - We currently have two rooms with split systems and it works well. We have not had any comment about noise.*

***CHAIR** - Fans running on those split systems and the noise those fans make is not likely to cause an issue for patients, you don't think?*

***Ms BRIDGEWATER** - There has been no comment to those particular rooms, no.*

***CHAIR** - Do you know how those systems are fitted? Are there fans on the roof maybe and therefore not directly outside the rooms?*

***Ms BRIDGEWATER** - No, I believe they are directly outside the rooms.*

***Mr VINEY** - In the current design, they are directly outside the room, but that is a good point for noise.*

Emergency Department

4.15 The Committee recognised the need for a clear distinction between the main hospital entry and the entry to the emergency department. The Committee was interested to understand how this distinction would be provided, noting that currently, both entrances were located close to one another, with potential confusion for patients presenting in an emergency situation:

***CHAIR** - You talk about public access to the facilities under Architecture and Interiors:*

> *"……The adjacent emergency entry will be adequately separated to ensure access to the building is unambiguous and easily negotiated."*

Do you plan on having signage above the emergency entry as opposed to the main entry to the hospital? How do they determine which door they have to go through?

Mr COCKBURN *- It is an inherent problem this hospital has because an emergency entry is not associated with a main entry. Early on in the piece we looked at putting emergency around the back of the hospital. We have been round and round and came up with the conclusion that we are better off keeping it where it is for a whole bunch of reasons.*

In terms of signage, yes, emergency signage is great. It is something that needs to be done in making that unambiguous and clear, as opposed to the new entry. The new entry is going to have some art work as the backdrop to that new entry and that is going to help define the new entry, or the existing main entry, as the main entry as opposed to the emergency one.

CHAIR *- If somebody comes up the drive and they are holding their finger, it has just been chopped off, and they want to get into the facility, if it says 'ambulance only' that is not going to work for them is it? They are going to go in through the main entry.*

Mr COCKBURN *- There is an after-hours aspect to the emergency entry.*

Mr VINEY *- During business hours we would probably need to have a good, clear emergency entrance sign so they do not drag their finger through the main entrance.*

CHAIR *- No, that is right. Sorry, I am just using it as an example. It is probably a good example as people are using circular saws or whatever they are doing.*

Mr VINEY *- That is right.*

Mrs RYLAH *- And are unfamiliar with the island as with more tourism and golf is involved if they are coming in from an accident.*

4.16 The Committee was also interested to understand how mental health presentations would be handled in the emergency department. Ms Bridgewater noted that there would be 2 areas within the hospital where mental health patients could be treated post the redevelopment:

Ms BUTLER *- I have a question regarding the emergency department. If a person who is mentally unwell presents at the emergency department, can you run through their journey from presentation at the emergency department, where they would enter and where they would sit, once the redevelopment is completed?*

Ms BRIDGEWATER *- Certainly, they would initially enter into the emergency room. I would suggest the third emergency development that is fully self-contained with an ensuite. Potentially, they could in fact remain in that room given that we have two alternative areas for emergency presentation. They would be 'specialled', so it would be a one-on-one nurse/patient arrangement until such time as they were retrieved and taken back to Tasmania. If that room was required for any other presentation, they could be maintained quite satisfactorily in the observation room. It is still within that central area under the observation of the nurse on duty.*

Difficulties with Managing Construction on King Island

4.17 The Committee recognised that the location of the hospital, within a relatively small and isolated island community, would present a number of issues for the contractor that would not be encountered on mainland Tasmania. The Committee was interested to understand what specific issue may arise and how they might be managed by the contractor:

CHAIR *- ……Given that this is on an island, do you perceive that there might be issues with the supply of goods and equipment? Will the contingency provide enough space?*

Mr COCKBURN *- There are two things in that question. One of them is the logistics of getting equipment here to the island. I don't think that is the real issue. I think the real issue is the interest in the tender market, a bit like it was in the previous development. The previous development was at the Building the Education Revolution stage, which meant that*

competitive tenders were hard to come by. We are reliant on our cost consultant to put these costs together and build in such things as escalation in the tender and reflect the market conditions. At present, we are on budget. We haven't got the final pre-tender estimate yet because we haven't quite finished the documents. All the lead-up estimates to this point have been within that $10 million.

***CHAIR** - It is mostly a refurbishment as opposed to new buildings.*

***Mr COCKBURN** - That is correct. I would say it is over 80 per cent refurbishment.*

***Mr VINEY** - The contingency element we have is substantial. Normally, we would only allow about 10 per cent as a contingency and it is double that.*

***CHAIR -** That is fair. That is why I asked about contingency and whether it would cover any possible blow-out in materials or personnel required to undertake the work. This leads to my next question with regard to construction. Is there an issue with accommodation for workers on the island, those coming here to do this work? Is the workforce likely to be imported, as opposed to utilising the workforce available on the island?*

***Mr VINEY** - We expect that most of the staff and contractors employed will come from off the island. We expect that the contractors putting a submission in would build the accommodation costs into their tender. However, we expect that to receive competitive tenders those construction firms would look at innovative solutions to reduce their accommodation costs. The costs are going to be for greater than 12 months, possibly 18 months. We also look at the time frame of the project, knowing that it is 18 months. However, we expect the contractors will aim to reduce that time frame in order to provide a competitive tender and reduce their costs.*

***Ms RATTRAY** - Do you see that the winning contractor might work for three or four weeks, including weekends, with workers then leaving the island for a week, or do you think it is going to be a Monday to Friday build?*

***Mr VINEY** - That's a potential for them but that is basically up to the contractors because it comes down to the wages they would have to pay for weekend work, whether that balances out against their costs of accommodation plus flying back to Tasmania or wherever.*

***CHAIR** - It also relates to the logistics of other matters, too, as to when the work is to happen, such as the operation of the hospital while this is all going on.*

***Mr VINEY** - I am sure there will be times that contractors will work seven days a week to reduce the time frame of works that are directly affecting the hospital.*

***Ms RATTRAY** - Would a seven-day redevelopment build work with the services that are provided at the hospital? There will be fewer staff on a weekend than weekdays.*

***Mr COCKBURN** - The important thing to remember is that when you have a builder's area in a hospital, that is legally the builder's area. They have to take full responsibility for anything that goes on in that area, including access. They are not at the bequest of hospital staff in that area at any one time. We talked about the staging aspect of this project and how that may work itself out. I suspect the builders - and I can't talk for them - want to hit each stage quite hard and any space between those stages is when they would probably take leave. That is my guess.*

4.18 The Committee was also interested to understand how sub-contracting might be managed in an isolated environment:

***Ms BUTLER** - I want to go back to the construction workers on the site and a quick question about strategies you may have in place to minimise risk associated with sourcing subcontractors. Sometimes meeting the demand and supply with subcontractors can be a real issue.*

***Mr VINEY** - That is a difficult issue. The contract is between the client and the head contractor and doesn't involve the subcontractors, so we don't have that direct relationship*

with the subcontractor. We can exert pressure on the head contractor to ensure that the subcontractors meet their deadlines and have the capability, are resourced and meet their time lines, but understanding that at times certain trades become a critical trade and it impacts the path of the project. That could be, for example, the plastering trade. One of our strong project management skills is that we ensure the contractor is trying to deliver on their commitments and we keep getting updates and ensure we are able to have commitments from them to be able to complete certain sections by the time frames.

***Ms BUTLER** - Is there any part of when you are designing a building or a site that you might be mindful of there potentially being a problem with finding subcontractors to undertake a skill such as plastering? Have you designed any areas to compensate for that potential problem?*

***Mr COCKBURN** - Sometimes it is very difficult to do that. For example, with this particular project with plasterers you can't get rid of those; you have wall systems that you have to have within the hospital itself. Whilst you are cognisant of those things you really have to do the job at hand and, to a certain extent, it's for the builder to tender on those documents and arrange their subcontractors. In the process of arranging their subcontractors at a tendering stage the subcontractors will see what the documents are, what the time frames are and whether they can deliver. If someone can't deliver it they won't tender it; we're making that assumption, which is a fair assumption, I think.*

4.19 The Committee recognised that the project's remoteness would also have an impact on the type and nature of materials used. The Committee sought the witnesses' views on how this might transpire:

***Ms RATTRAY** - ……Paul and I had a conversation yesterday at the airport about the materials that will be used. Obviously, you want materials that are probably easily assembled. Can you give us some indication of the types of products……? It is a really important issue.*

***Mr COCKBURN** - In terms of the other fittings and fixtures, a lot of the stuff that goes in is probably manufactured in a workshop somewhere to minimise on-site construction time. Where you see efficiencies you tend to go for it.*

***Ms RATTRAY** - Like the new types of cladding and that sort of thing?*

***Mr COCKBURN** - Yes, that sort of thing. It is a kit path for a builder and they will install it on site.*

Managing Works in an Operational Hospital (Maintaining Hospital Services During Construction)

4.20 The Committee was aware that one of the most important and difficult to manage issues with any hospital redevelopment was ensuring the continuity and level of health services provided to the community during construction. The Committee sought further information from the witnesses on how they envisaged the contractor would manage this:

***Ms RATTRAY** - I have a question in regard to the general disruption at each stage of the proposed works. We talked a little bit about that this morning and it would be good to get it on the record about how you see that working, albeit there will be a builder or a firm that will take on this project and have their own ideas. I would particularly like you to share with us how you see the services being maintained at the hospital with as minimal disruption as possible.*

***Mr COCKBURN** - We had a number of working sessions through the project working group with Robyn and her staff and Marty as well to do with the overall design of the hospital. Embedded in that process is a design process to work out the staging and the logistics surrounding that.*

Whilst we're making certain calls on a builder's behalf in terms of how they would actually construct that, we think those discussions we had have got us to a point where we think it's feasible to do it that way. I think that's the important thing from the point of view of putting a set of tender documents out, that the builder knows they have to allow for those stages and allow the infection control issues surrounding that and the disconnection and reconnection of services. We believe there's enough information in the tender documents for the building to embody that in their tender.

The final detail of how that eventuates on site is something a builder will have to put a work plan together with, and to submit to, the superintendent for sign-off by the department.

***Ms RATTRAY** - The builder will take some advice from the information that's already been gathered from those discussions. I note this morning Robyn said there's a full commercial kitchen somewhere else, perhaps here at the council chambers, that may be utilised while the kitchen work is being undertaken. There will be a temporary laundry on-site but there's opportunity for a backup plan if that doesn't work out. All those things are being considered. Will that be passed on to the successful tenderer?*

***Mr COCKBURN** - The arrangement of the kitchen, if it happens off-site, is probably not the builder's responsibility.*

***Mr VINEY** - That would need to be managed by us and our corporate services division, which manages hotel services, laundries and kitchens, to relocate and remain compliant - you have the cold food chain and the warm food chain - in delivering food to the hospital correctly.*

***Ms RATTRAY** - The successful contractor will need to know they have a certain number of weeks to get that area up and running?*

***Mr VINEY** - That's correct.*

***Ms RATTRAY** - It's going to take a lot of communication for this to run as smoothly as possible. We don't want to end up with a Royal scenario.*

***Mr VINEY** - No. Staging the decanting is the most challenging element of doing a redevelopment within a live hospital environment. For example, in one of the stages we need to close three of the beds we have on the acute ward and redevelop those three beds whilst we keep the other three beds operational. There's hoarding, all the infection control procedures in place and then you're able to move from the newly opened area and operate out of that zone whilst they redevelop the area you've just left.*

Services are one of the main challenges; maintaining the hydraulics, the power and the mechanical services you need in a live hospital environment. For example, if they needed to work on a switchboard or the like we would do that early in the morning, probably at 6 a.m., knowing they probably have a minimal changeover period of two hours and the power to a zone would be shut down for two hours. We'd have all our strategies in place to mitigate risk in the event that anything happens.

Reasons for Separating the Staff Accommodation Project

4.21 The Committee understood the funding commitment made by the State Government of $10.5M was to build both the hospital redevelopment and the nursing accommodation project. The Committee noted that only the hospital redevelopment had been referred to the Committee for inquiry and sought clarification on why the 2 elements had been separated. The witnesses indicated that this approach had been taken to both maximise opportunities for smaller, local firms and to increase competitiveness in the tender processes:

***Mrs RYLAH** - What is the time frame for the nursing accommodation to be built, in a broad sense?*

Mr VINEY - *We aim to advertise a tender at the same time as the main construction tender for the hospital. We expect the tender process will take three months for a contractor to be engaged and commence on site, so we're talking late October. We have a four-month construction period for that.*

Ms RATTRAY *- Can I have some indication of why it wasn't all put together, particularly when it was included in the development application? Is there some rationale for that? I'm sure there is.*

Mr VINEY - *Yes, there is a pre-qualification stage to do works at the hospital, so it is the value of the contract. The greater the pre-qualification, the fewer firms you have that have that pre-qualification. We thought to increase our opportunities for smaller, local north-west Tasmanian contractors, they could submit a tender for a pre-qualification category around $1 million, whereas the hospital pre-qualification category would be over $5 million. The aim was to increase opportunities and competitiveness for our tender environment. We also think the larger firms that tender for the hospital will also tender for the smaller accommodation project, knowing they can gain some efficiencies by having one site established and teams. That creates another opportunity where they would be quite competitive in that tender as well. Essentially we think that by doing that process it will open the opportunities for smaller firms and create a competitive tender environment for us.*

Ms RATTRAY *- Is there opportunity for the local building industry to take up the opportunity?*

Mr VINEY - *If they're prequalified with Treasury.*

Ms RATTRAY *- Okay, so you have to have a certification or a tick, if you like?*

Mr VINEY - *You do, yes.*

Ms RATTRAY *- They may be subcontractors but they may not get the full contract. I understand.*

Mr VINEY - *They can be subcontractors, yes.*

Ms RATTRAY *- I knew there would be a perfectly good explanation.*

Does the Project Meet Identified Needs and Provide Value for Money?

4.22 In assessing any proposed public work, the Committee seeks assurance that each project is a good use of public funds and meets identified needs. The Chair sought and received an assurance from the witnesses that the proposed works were addressing an identified need in a cost effective manner and were a good use of public funds:

CHAIR *- We need to retire and consider the matter, but there are a couple of questions that I do have to ask you prior to you departing.*

Do the proposed works meet an identified need or needs, or solve a recognised problem?

Messrs DOWNIE, BRIDGEWATER, VINEY and COCKBURN *- Yes.*

CHAIR *- The answer is yes to that? Okay. Are the proposed works the best solution to meet identified needs or solve a recognised problem within the allocated budget?*

Messrs DOWNIE, BRIDGEWATER, VINEY and COCKBURN *- Yes.*

Ms RATTRAY *- In other words, there's no gold-plated stuff, is there?*

Mr VINEY *- Absolutely not.*

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

Messrs DOWNIE, BRIDGEWATER, VINEY and COCKBURN *- Yes.*

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

Messrs DOWNIE, BRIDGEWATER, VINEY and COCKBURN *- Yes.*

Mr VINEY *- In its location.*

Ms RATTRAY *- Good point.*

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

Messrs DOWNIE, BRIDGEWATER, VINEY and COCKBURN *- Yes.*

5 DOCUMENTS TAKEN INTO EVIDENCE

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

- Stage 2 King Island Hospital Redevelopment, Submission to the Parliamentary Standing Committee on Public Works, Department of Health, Corporate Services - Asset Management Services, June 2019.
- A document relating to King Island Hospital Occupancy Data.

6 CONCLUSION AND RECOMMENDATION

6.1 The Committee is satisfied that the need for the proposed works has been established. Once completed, the proposed works will address a number of identified deficiencies and complete outstanding priorities remaining from the Stage 1 Redevelopment of the King Island Hospital.

6.2 The proposed works will facilitate the provision of a modern, efficient and functional facility from which to deliver hospital and community health services, including the capacity to broaden the scope of health services provided to the King Island community. The redevelopment will allow the hospital and the services it provides to be more adaptable and flexible, thereby enhancing the capacity to meet current and evolving health service needs more efficiently and more effectively.

6.3 Accordingly, the Committee recommends the Stage 2 King Island Hospital Redevelopment, at an estimated cost of $9.5 million, in accordance with the documentation submitted.

Parliament House
Hobart
21 August 2019

Hon. Rob Valentine MLC
Chair